

Public service salary systems and their reforms

Workshop for Western Balkan administrations

11-12 March 2025

Discussion Paper and Provisional Agenda

ReSPA and SIGMA are organising the first-of-a-kind workshop to discuss the challenges associated with public service salary systems in the Western Balkans and explore avenues for their reform.

This initiative is informed by SIGMA's recent publication on civil service remuneration¹, which provides insights into the complexities and best practices of salary management in the public sector. The workshop will also present and explain the 2023 Principles of Public Administration², with a particular focus on Principle 11, which addresses the motivation and fair compensation of public servants. Adding to the urgency of this discussion are the results from SIGMA's 2024 monitoring assessment in the region³, which evaluated administrations' compliance with these Principles. The assessment findings underscore the need for targeted reforms in civil service compensation systems across the Western Balkans.

The importance of this workshop is further reinforced by ReSPA's recent staff satisfaction surveys across public administrations in the region. These surveys have consistently highlighted low salaries in the civil service sector as a significant factor impacting employee motivation, retention, and overall organisational performance. Salary management consistently receives the lowest scores in all ReSPA-supported surveys, with only 19% of public servants expressing satisfaction with their pay. Many civil servants report that their salaries are insufficient to support their families, emphasising the pressing need for reform in this area.

This workshop aims to provide a comprehensive overview and facilitate knowledge sharing on civil service remuneration systems across different administrations. Participants will gain insights into legislative frameworks, salary structures, benefits, and unique challenges faced by each administration. The workshop will also cover recent reforms, such as those in the civil service pay system in Croatia and Slovenia, and foster a discussion on the challenges faced in reforming these systems and how to approach such reforms successfully. By bringing together experts and stakeholders, the workshop strives to identify best practices and strategies for developing fair, competitive, and sustainable civil service compensation models.

¹ Marcinkowski, L., A. Butnaru and A. Rabrenović (2024), "Salary systems in public administration and their reforms: Guidance for SIGMA partners", SIGMA Papers, No. 71, OECD Publishing, Paris, <https://doi.org/10.1787/8f08a005-en>.

² OECD (2023), The Principles of Public Administration, OECD, Paris, <https://www.sigmaweb.org/publications/Principles-of-Public-Administration-2023.pdf>

³ <https://sigmaweb.org/publications/monitoring-reports.htm>

Target Group

The workshop is designed for civil servants directly involved in designing, implementing, and monitoring salary systems within public administration. Participants should be experienced professionals with substantial knowledge in their field and capable of effectively exchanging ideas in English, including presenting arguments for solutions adopted in their administrations. While they may not make final decisions, they should have the authority to propose policy changes and be responsible for drafting modifications to salary systems. Participants (three civil servants from each administration) will hold positions at least head of unit or higher, preferably in ministries responsible for finance or public administration.

Participants will prepare a presentation on their national salary system for public (civil) servants before the event (one 25-minute presentation per administration), and design a potential reform using the suggested approach during the final workshop session.

This workshop offers a valuable opportunity to exchange insights, learn from international and regional experiences, and collaboratively address one of the most pressing challenges facing public administration today.

Provisional Agenda

Tuesday, 11 March 2025:

08:45 – 09:15	Registration and welcome coffee
09:15 – 09:25	Opening remarks and introduction to Day 1
09:25 – 10:45	Session 1: Five key pillars and foundations of salary system design. Key concepts, including: <ul style="list-style-type: none">1) centralised vs decentralised systems;2) job-based versus individual-based systems; Different approaches to: <ul style="list-style-type: none">1) pay grade structures;2) job classification;3) comparison with the private market Salary components: <ul style="list-style-type: none">1) base salary2) pay supplements3) PRP (bonuses) Q&A
10:45 – 11:00	Session 1 (continuation): Presentation of the results of the ReSPA staff satisfaction survey in Western Balkans
11:00 – 11:15	Coffee Break

11:15 – 13:00	Session 2: Presentation of three administrations on their remuneration schemes according to the common template <i>(25 minutes + 5 minutes Q&A)</i> - Albania - Bosnia and Herzegovina - North Macedonia
13:00 – 14:00	Lunch Break
14:00 – 15:30	Session 2 (continuation): Presentation of three administrations on their remuneration schemes according to the common template <i>(25 minutes + 5 minutes Q&A)</i> - Montenegro - Serbia - Kosovo* ⁴
15:30 – 16:30	Session 2 (continuation): SIGMA presentation of the assessment results for Principle 11. <i>(30 min.)</i> Discussion about common challenges and differentiating issues.
16:30 – 16:45	Summary and Closing of Day 1

Wednesday, 12 March 2025:

09:00 – 09:30	Registration and Welcome Coffee
09:30 – 09:40	Introduction to Day 2
09:40 – 10:45	Session 3: Salary system reform in Croatia Fadila Bahović, State Secretary at the Ministry of Justice, Public Administration and Digital Transformation, head of the Project Team in the reform of the Public Wage System in Croatia
10:45 – 11:00	Coffee break
11:00 – 12:00	Session 3 (continuation): Salary system in Slovenia Peter Pogačar, Director General of the Ministry of Public Administration of Slovenia

⁴ * This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ opinion on the Kosovo declaration of independence.

12:00 – 13:00	Session 3 (continuation): SIGMA presentation on the proposed methodological approach to designing and implementing salary system reforms
13:00 – 14:00	Lunch break
14:00 – 15:00	Session 4: Workshop – Designing a salary reform. Work in groups based on the concepts introduced in Session 1 in relation to the challenges identified during Session 2, using the approach introduced in Session 3.
15:00 – 16:00	Session 4 (continuation): Workshop – designing a salary reform. Presentation of the results by groups, discussion, Q&A
16:00 – 16:15	Closing Remarks