

Leading multi-cultural organisations: Developing the senior managers of the European Commission

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The needs of international organisations such as the Commission in terms of senior management are even more complex than those of national authorities and the private sector. Of course, the basic need to provide vision and ensure efficient organisation applies in the Commission to the same degree as elsewhere. But this has to be delivered against a background of, and with sensitivity to, the diverse cultural and administrative traditions of our 27 Member States.

In the past, senior managers in the Commission (the Directors and Directors General, of whom there are about 350 across the Commission in 41 Directorate Generals and other services) were often 'parachuted' in from national administrations – and there was an informal system of 'flagging' where certain Director General posts were expected to be held by nationals of particular countries (agriculture was French, competition German for example). This system undermined confidence in the independence of the Commission, frustrated high-performing staff, who saw their options for progression blocked, and was not compatible with the basic principles of meritocracy. Further, as the EU grew larger and more complex, we found that the culture shock of joining the organisation late in a career was too great, certainly for those used to working in a single national cultural environment. Many externally recruited senior managers failed to thrive. This was a particular problem with the 1995 enlargement to Sweden, Finland and Austria, where many of the managers recruited failed to adapt to the Commission working environment (traditionally rather macho with working hours long into the evening) and rapidly chose to return home.

The difficulties the Commission encountered in the late 1990s, culminating ultimately in the resignation in 1999 of the Commission led by President Santer after the scandal surrounding Commissioner Cresson (who employed a dentist as a high-level scientific advisor), were also in part linked to the failure of the institution to develop an effective management culture. Skill in policy-making – developing the vision of

European integration – was prized. But little attention was paid to ensuring that managers had the basic organisational skills to ensure that projects were effectively implemented, while staff motivation and development was not regarded as a core part of the manager's role.

An important objective of the Commission reforms introduced progressively since 1999 has been to address these failings, focusing on systems for initially identifying and developing management potential early in an official's career as well as on the selection of senior management itself.

Middle management

Unlike many national administrations or large private companies, the Commission does not have a formal management track or fast-stream career stream. In part, this is because it has been able to attract professional staff of generally very high ability, but it is also the result of relatively inflexible grading and promotion rules which do not facilitate rapid promotion.

Under the Commission staff rules as revised in the 2004 reform, middle managers (about 1,300 in total) can only be appointed after promotion to 4 grades in a (legal minimum of 8 years) above the normal professional entry grade. Thus, even staff joining the Commission soon after leaving university cannot reach management before their late 30s or more often 40s.

But informally, certain jobs are regarded as development positions, since they give a broad overview of the operations of the Commission on both an administrative and political level. In particular, each Director General chooses one or two younger high flyers as assistants, while Commissioner's cabinets include at least three officials, helping to form the bridge between political aspirations and practical reality. Progression from such posts is often to middle management 'head of unit' positions. Many parts of the Commission also use informal junior management posts (deputy head of unit, head of sector) as a stepping stone to management proper.

Management training

The European Commission's White Paper on Reform of March 2000 highlighted the importance of effective management as crucial to the ongoing success of the organisation. In particular, it identified the need to raise the standard of management skills across the Commission and to ensure their effective use at all levels. In support of this objective, priority was given to the development and introduction of a systematic programme of management training for managers at all levels, with satisfactory participation as a requirement for anyone exercising management responsibility.

A new, comprehensive approach to management training was introduced, designed to ensure that management talent is developed constantly to meet the Commission's growing needs. The key elements were:

The introduction of the course “First Steps in Management”

This three day course was designed to develop the participants’ knowledge, attitudes and skill in management and to enable individuals to take charge of the next phase of their own development. The “First Steps” course was aimed at new staff in the professional grades, and those in assistant grades taking on line management responsibilities. The “First Steps” course became, therefore, the standard starting point for a management career.

A Management Training Programme (MTP)

The MTP was designed to optimise the management and leadership potential of middle managers. In addition, the programme was also designed to meet the needs of officials, without previous management training, undergoing a probationary period following appointment to a middle management position. The MTP consists of 8 full days of training, with follow-up sessions to ensure the lessons learned are put into practice.

Based on this approach, a “Management Training Path” was developed to:

- Offer a more coherent approach to management development across the organisation;
- Professionalise the management function and link management training to career development policy;
- Support and develop managers at critical periods during and throughout the career and at a time of great organisational change;
- Prepare staff for management posts as part of ongoing succession planning;
- Provide a range of learning techniques in line with individual preference and organisational need;
- Provide a mix of internal and external programmes to broaden the experience of Commission Managers;
- Encourage networking and the exchange of good practice amongst Commission managers;
- Encourage the transfer of management learning by supporting implementation in the workplace.

Senior management

For senior management posts, ‘flagging’ was abolished: successful candidates are now selected purely on merit. Apart from enlargement (to be covered below), most

senior management positions are now filled internally – which is a considerable incentive for high-flying younger officials, who can thus see excellent career prospects. But, as with middle management, the Commission's staff rules are again quite restrictive here – officials can only be considered for senior management positions if they have been in the grade below the senior post for at least two years. Thus, except for recruitments from outside the Commission, most senior managers are already in their 50s on appointment.

All short-listed candidates for first appointment to senior management, whether coming from within the Commission or outside it, are now required to take an independent external assessment centre, which provides objective input into the selection process. Although the final choice lies with the College of Commissioners, it does not select the successful candidate on party political grounds. But the Commission is an international administration, so it is vital that it has a spread of people from all national backgrounds at senior levels in the Commission. Getting this balance right is a constant challenge.

Equally, the Commission's record on bringing women into management positions has been rather poor compared both to national administrations and other international bodies – only 19% of our senior and 21% of our middle managers are female. It is encouraging to note that many good women managers have been attracted from the EU-10, helping to make some progress in addressing the imbalances.

A major new objective in selecting and developing leaders has been to try to build high-performing senior management teams leading each Directorate General of the Commission. The idea is to identify the strengths and weaknesses of existing teams and to ensure an overall balance. Thus, some managers in a team might be good communicators or leaders in their technical specialty, while others may be better at project management or delivering HR objectives. This notion of creating teams is particularly important since another important element of the Commission reform was to introduce compulsory 5-7-yearly rotation for all senior and most middle managers. This was to ensure that the leadership of DGs remains fresh, that individual managers remain challenged and motivated, so that the Commission could ensure its senior managers developed with a broad range of experience.

Another important innovation in developing senior managers has been the inclusion of an element of 360° feedback in the staff appraisal system for senior staff. This means that a randomly selected group of colleagues of the person (both subordinates and colleagues) are asked to rate them anonymously on various aspects of their management style. The expectation is that this will help identify management issues which would not otherwise be apparent, allowing effective action to be taken to remedy them.

In addition, the feedback from central and local staff surveys provides some guidance on the development of management performance at the Commission and the local levels. For example, the third annual Commission-wide staff survey in mid 2007 showed significant differences in the levels of satisfaction of staff working in apparently similar Commission Departments. The reasons for the differences are being explored with the DGs concerned, to help identify the most successful management styles and practices in the Commission.

Training for senior managers

If most Commission managers are ‘home-grown,’ there is an obvious need to ensure that the Commission is aware of and makes the best use of developments in management practice across Europe. Post reform, there have thus been many new initiatives aimed at improving training for senior managers. Examples include Coaching, where the services of an Executive Coach have been offered to managers in Director positions or higher. Coaches have also been provided to a limited number of Directors and their teams to help them address performance improvement issues together. For the future, a limited number of senior staff who have been coached themselves, will be identified as internal coaches for others. A specially tailored training programme is currently under development for them.

In addition to the use of senior staff with good reputations as internal coaches, senior managers have also been presented as ‘role-model’ leaders to assist in the delivery of training sessions to others.

Enlargement

To ensure the rapid integration of staff from EU-10 and now EU-2, some 250 middle management posts and 54 directors were reserved for the new Member States. But no post was allocated to any one state, so candidates from all EU-10/12 have had to compete against each other – with the result that candidates from some states got more jobs than would have been predicted on the basis of a mathematical share proportional to their populations. Attempts by Member States to impose their own chosen candidates have been politely but firmly rebuffed.

Learning the lessons of the 1995 enlargement, quality control for senior management was also rigorous: in addition to several rounds of interviews conducted by the Commission itself, the assessment centre process which is now applied to all senior management posts was first developed for enlargement.

Future trends

I firmly believe the Commission now has in place procedures and training programmes to deliver very high-quality managers. But there are a number of issues that need further consideration.

Perhaps most pressingly, the new career system introduced in the context of the Commission reform has no fewer than 10 grades between professional entry and senior management. Unless the most able officials can be identified and promoted very fast, it will become simply impossible for staff recruited post reform to become managers until just before they retire. A reform of the promotion systems aimed at addressing this issue is thus currently in final negotiation.

As a result of enlargement, the Commission will by 2011 have recruited some 4,500 officials from the EU-10 and EU-2 states. They of course bring with them many new ideas and inject new vitality to the organisation. But it is also clear that for an expansion on this scale to succeed, we must ensure that everyone integrates well: we do

not wish to see the Commission become a series of national ghettos. Leadership is again essential for this – and staff with strong language skills and cultural assimilation ability will be at an obvious advantage.

Finally, and more politically, it is important to anticipate the effect of the reduction in the number of Commissioners post 2014 envisaged by the Reform Treaty. When not all Member States have a Commissioner, the pressure to ‘compensate’ those without one with senior management posts will be very great – but this would obviously undermine much of the work done in recent years to promote meritocracy.

Equally, the nature of the leadership skills needed by senior staff must evolve with the role of the Commission. Public communication of the Commission’s work and message has become vitally important. Ensuring the organisation is fully able to deliver on its commitments on better regulation, including transparent consultation with stakeholders, also requires well-developed skills in delivery as well as the policy expertise in which the Commission has always excelled.

But it is the Community method, with the role of the Commission in devising and delivering well-constructed policies for the whole of Europe, which has been central to the success of the EU over the last 50 years. I am determined to ensure we provide the Commission with the senior managers who can lead it to further success over the next 50.