

BUDGET AND PERSONNEL PLANNING ANOTHER NAME FOR OPTIMISATION

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Summary

Personnel planning in Montenegro is reduced to sporadic tabular overviews of the number of employees in the state administration, with no backing in analysis of the actual requirements in terms of personnel, and with no connection to budget planning processes. The issue is best illustrated by the fact that personnel plans for 2018 and 2019 were adopted six months into the adoption of the budget, and that they were subsequently amended without commentary or clarification of amendments.

Implementation of personnel plans is not monitored, nor do they contain important information related to engagement through consultancy services and service contracts, agreements on temporary and periodical work or supplementary work, although significant amounts of funding are set aside for these types of contractual arrangements. The State Audit Institution determined that such mechanisms for employment in the state administration are being used without appropriate planning, and are often abused.

The argument that personnel planning is not perceived as a mechanism for optimisation of the public administration is supported by the fact that the Public Administration Optimisation Plan 2018-2020 was adopted in parallel with personnel plans. During implementation of the Plan in 2020, budget expenditure for gross salaries in the public sector increased by more than 20 million EUR compared to 2019. Simultaneously, program budgeting and the establishment of a medium-term budgetary framework represent an opportunity to improve the interconnectedness of personnel and budget planning - primarily, through a clearer vision of new public policies and reforms, and the means needed to fund them, including human resources.

Personnel plans should be fully synchronised with budget planning, particularly in the context of planned expenditures for implementation of new policies, and they should provide information on the anticipated financial effect of new employment, engagement, and termination of employment. They should cover all types of engagement of persons in the public administration (including the so-called “contractors”) and provide clarification of the expenditure and requirements for human resources in a given year. Additionally, state administration bodies should regularly publish data on the implementation of personnel plans and their financial effects in order to facilitate monitoring of the implementation in a timely manner, and to plan future expenditures.

Introduction

Year after year, the cumbersome public administration is being identified as one of the main barriers to stability of public finances. Since the beginning of the accession negotiation process with the European Union, the Government of Montenegro has adopted several planning documents for reorganisation¹, i.e. optimisation of the public sector and the public administration², yet their implementation has been largely unsuccessful.

“Optimisation of the public administration” is most often used as a declarative objective by the Government to reduce the number of employees, improve the (re)assignment of existing employees, and achieve a satisfactory level of administrative services with less expenditure. However, this process has so far been largely perceived as an adjunct to existing reforms. Parallel adoption of the Public Administration Optimisation Plan for the period 2018-2020, in addition to the current Public Administration Reform Strategy and the annual personnel plans illustrates that the personnel planning process is not perceived as a mechanism for optimising the public administration, which it should essentially be.

In other words, if optimisation of the public administration is a lasting commitment of the Government, and if it reflects the very essence of the process of optimisation, which should be evidenced by the constant effort on behalf of the administration to achieve full functionality and efficiency, it should also be embedded into the foundations of budget and personnel planning. The interconnection of these two processes is a requirement, especially taking into account the fact that gross salaries for employees in the public sector make for one fifth of the budget of Montenegro.

Personnel planning is a dynamic process that should aim to ensure that any given public institution has the appropriate number of people, with the appropriate skills, assigned to appropriate positions, and at the appropriate time to achieve short-term and long-term organisational objectives. This process aims to achieve the optimal combination of the available budget and the appropriate number of employees with the necessary skills to achieve organisational objectives.³ According to the Guidelines for the Development of the Personnel Plan prepared by the Human Resources Management Authority in 2019, the overarching objectives of personnel planning include, inter alia, the establishment of short-term and long-term relationships between strategies and overall business activities of the state institution and the human resources required for achieving strategic goals, thereby ensuring the maximum return on investment of the state institution in human resources.⁴

In the Montenegrin legal framework, personnel planning is detailed through the adoption of plans which “account for the number of employees, changes in the personnel structure and

1 Ministry of the Interior, *Plan of Internal Re-organisation of the Public Sector*, July 2013

2 *Public Administration Optimisation Plan 2018 – 2020*, July 2018.

3 Oscar Huerta Melchor, *The Government Workforce of the Future: Innovation in Strategic Workforce Planning in OECD Countries*, OECD Working Papers on Public Governance No. 21.o.21

4 Human Resources Management Authority, *Guidelines for the Development of the Personnel Plan*, Podgorica, March 2019.

other strategic issues of personnel management in accordance with the budget and strategic planning of the Government.”⁵ However, personnel plans were, in most cases, adopted following a six-months delay, while the personnel plan at the state administration level for 2017 was never adopted. On the other hand, despite the proclaimed intention to optimise costs associated with human resources, this objective was never achieved. At the very beginning of the implementation of strategic documents for public finance and public administration reform, in 2016, salaries of employees at the central level amounted to a cost of 422 million EUR annually, and in 2020, following the budget rebalance, expenditures on this basis were planned to increase by 20 percent (to 498.4 million).⁶ Examples of poor fiscal estimates of expenditure associated with human resources are also reflected in the failed estimate of costs associated with the implementation of the Act on Wages of Public Sector Employees. The initial estimate was that, as a result of the adoption of this Act in 2016, wage expenditures would increase by 13 million EUR, while the total expenditure for that year was significantly higher.

The aim of this analysis is to provide a critical overview of procedures and key steps in personnel and budget planning, both in the context of the normative framework and in practice, in order to highlight the weak links in the processes. In addition to the analysis of the normative framework, personnel plans for previous years, a review of available literature and comparative practices, requests for budget allocations for select institutions for 2021 (Police Administration, Customs Administration, Ministry of Science, Ministry of Public Administration, Health Insurance Fund) were subject to analysis to track the justification of the required expenditures for gross earnings. Five institutions were selected in order for the analysis to entail different functions of the state administration, and different types of institutions (ministries, independent administrative bodies, and a fund). It is important to note that the requests subject to this analysis relate to the budget prepared by the “old” Government, which communicated with these institutions before the election of the new Government on December 4, 2020. Requests for the allocation of budget funds were sought for the purpose of this analysis. These requests were collected by the Ministry of Finance and Social Welfare, formed after the election of the new Government, but the documents were not delivered, which is why we filed a lawsuit with the Administrative Court. The analysis is structured in such a way that, following a brief review of the legal framework in this area, it points to practical challenges in the context of personnel planning, especially in terms of **delays, inadequate scope of personnel planning, lack of rationale for reorganisation and reassignment, insufficiently efficient budget planning reforms and unreliable data management**. The last part of the paper presents key **conclusions and recommendations**.

Planning backwards: a cover for mass employment

It is no exaggeration to say that personnel planning in Montenegro occurs only on paper. The previous Law on Civil Servants and State Employees, dating back to 2011, recognised this function, which is normatively “strengthened” by the new Law from 2017 and the accompa-

5 Law on Civil Servants and State Employees, (“Off. Gazette of R. of Montenegro”, no. 2/2018, 34/2019 and 8/2021).

6 More information available at: <http://mojnovac.me/web/home>

nying Decree.⁷ According to the legal framework, personnel plans are adopted by the Government for state administration bodies and government agencies and services. In order to synergise these efforts with financial planning, the Law stipulates that the personnel plan for a given calendar year be adopted 30 days following the adoption of the state budget, and that it contain projections for the following two years. In addition, the Decree stipulates that state administration bodies and government services submit draft personnel plans to the Ministry of Finance, in order to obtain confirmation of compliance of the draft personnel plan with the Budget Law. Amendments to the Law on Civil Servants and State Employees, adopted in 2019, relativised the provision so that only those vacancies provided for in the personnel plan should be filled. While there was originally an obligation to fill only the vacancies provided for in the plan, a number of exceptions were introduced, according to which one could be employed with the authorisation of the Government, and in situations that are insufficiently defined, such as “the need to fill a vacancy”.⁸

Delays as a constant in personnel “planning”

Chart 1. Personnel and budget planning 2018-2020



Despite the obligation to adopt the personnel plan immediately after the adoption of the budget, it is clear from the graph that personnel plans were adopted with a significant delay, while for 2017, for example, the personnel plan was never adopted. Additionally, amendments to personnel plans caused only by reorganisation of ministries without provision of additional clarification marked 2019 and 2020, which further thwarts the process of personnel

7 Decree on the Content, Process and Method of Preparation and Amendment of the Personnel Plan for State Administration Bodies and Government Services (“Official Gazette of Montenegro”, no. 050/18, 20/07/2018).

8 “In exceptional circumstances, the head of a state body can decide to initiative procedures to fill a vacancy, which was not foreseen by the personnel plan (...) if the vacancy was created within the ongoing calendar year due to termination of employment of a state employee or appointee in a state body, or in case of organisational changes and/or if they obtain the authorisation of the Government due to the necessity to fill a vacancy or organisational changes“.

planning and renders it pointless. In 2021, the situation is further complicated by the transition of power, after the Democratic Party of Socialists and its partners lost power in elections. Instead of the draft Budget Law for 2021, in December 2020, the Government made a decision to switch to temporary financing, in accordance with the Law on Budget and Fiscal Responsibility, which delayed the adoption of the personnel plan. In addition, ministries and administrative bodies are running late with the adoption of acts on internal organisation and systematisation, in accordance with the new administrative organisation, and with the entry of data on the new organisation and employees in the Central Personnel Records (CPR). By May 2021, the Government adopted regulations for less than half of the total number of administrative bodies (18 out of 38), while data in the CPR were entered for only eight bodies. Therefore, the Government adopted an *Information*, indicating the need to adopt a partial personnel plan, which will not entail all bodies due to the delays in adoption of regulations on internal organisation and data entry in the CPR.⁹

Inadequate scope of the personnel plan and the “forgotten” function of (re)assignment

The obligation of personnel planning is prescribed only for those liable under the Law on Civil Servants and State Employees, while for local government bodies it is introduced in the Law on Local Self-Government. Notwithstanding, a significant portion of the public sector, including education and health, with over 20 thousand employees, are not subject to the obligation of personnel planning, which further hinders the process of optimisation of the public sector in a broader sense.¹⁰ Another significant shortcoming of the personnel plan is that it includes only new employments, without considering the use of the mechanism of assignment for filling vacancies by those already employed in a given state body. Especially in large bodies, such as the Police Administration or the Revenue and Customs Administration, continuous reassignment of those already employed, i.e. the internal mobility mechanism, can be a significant driver of optimisation and a response to new needs and reforms.

Guidelines for Preparation of the Personnel Plan, issued by the Human Resources Management Authority foresees, inter alia, analysis of existing human resources, especially their numbers, knowledge, skills, abilities and other potentials of employees as well as anticipation of changes in existing staff through internal reassignment.¹¹ However, these guidelines are not reflected in existing personnel practices, budget requests, or legal obligations of the institutions. The adopted personnel plans and budget fail to embed considerations of the need for reorganisation and possible reassignment of employees. The logic is set upside down, given

9 Government of Montenegro, Information on the possibility to adopt a partial Personnel Plan for State Administration Bodies for 2021, May 20, 2021, available at: <https://www.gov.me/dokumenta/7e38f7e1-fa35-4579-89d0-75535a914153>

10 In 2013, the Ministry of Health adopted a Plan for Human Resources in the Health System 2013-2022, but there are no legislative obligations for personnel planning in the health system, nor is there a prescribed content and procedure for adopting a personnel plan.

11 Human Resources Management Authority, *Guidelines for Preparation of the Personnel Plan*, Podgorica, March 2019.

that the reorganisation of a given institution is emphasised as one of the underlying reasons for amending the personnel plan¹², instead of considering the options of reassignment by providing a rationale of the personnel plan, and envisaging amendments to the rulebooks on internal organisation and systematisation in accordance with clearly stated needs and the available budget.

Slow progress in improving budget planning

Despite the announced reform of budget planning, which was an important component of the Public Finance Management Reform Programme 2016-2020, there has been little progress in this area. One of the reasons for this is heavy reliance on project support without adequate efforts to make a qualitative shift within the administration itself, through budget negotiations and improvement of the quality of information presented in the requests for budget allocations, regardless of the existence of certain technical preconditions.¹³

The first step in that direction is the introduction of programme budgeting in the Draft Budget Law for 2021.¹⁴ Programme budgeting implies decision-making as enforced by ministries and spending units of the first level - the Ministry of Finance, the Government, the Parliament, which is based on tangible data regarding strategic priorities and budget allocations. It implies the establishment of clear responsibility for the management of the programme and, thereby, the establishment of management responsibility in spending units and, ultimately, the improvement of the provision of public services in the public sector. Through further elaboration of the programme budget, which is currently introduced only in principle, a better informed insight into the real needs of institutions should be provided. Namely, in the upcoming period, greater elaboration of the programme at the level of activities is expected, which will create a clearer view on the necessary number of employees.¹⁵

Additionally, public finance management reform has, in the meantime, led to an improved information system, which has facilitated communication between the Ministry of Finance and Social Welfare and its spending units, and enabled easier budget preparation. Two additional projects, under implementation until the end of 2021, are important drivers of improving budget planning.¹⁶ According to information provided on the implementation of projects, a situational analysis has been conducted so far, and a concept for improving multi-year and

12 Decree on the Content, Process and Method of Preparation and Amendment of the Personnel Plan for State Administration Bodies and Government Services ("Official Gazette of Montenegro", no. 050/18, 20/07/2018).

13 Milena Muk, *Public Finance Management: The Other Side of the Coin (updated monitoring report)*, Institut Alternative, Podgorica, September 2019.

14 Draft Budget Law, 2021.

15 Interview with Bojan Paunović, director general of the State Budget Directorate at the Ministry of Finance and Social Welfare, held on Zoom, April 2, 2020.

16 1. Improvement of the budget system, multi-year budget planning and the system of internal financial control, and 2. Improvement of the IT system for budget planning.

programme budgeting has been developed. Among other things, the plan is for the medium-term budget framework to consist of the following:

- a starting point, i.e. continuation of financing of current policies and implementation of legislation,
- introduction of procedures for identification, prioritisation, costing and selection (in accordance with available funds) of new public policy proposals, changes or withdrawal from the implementation of existing policies, new capital projects and / or amendments to existing capital projects.¹⁷

This second aspect of medium-term planning is highly significant for quality personnel planning. Without a clear vision and knowledge about planned reforms and their objectives, it is not possible to respond to the real needs for human resources in the public administration.

The analysis of the requests for budget allocations of the five institutions covered by the research¹⁸ shows that a rationale was not provided for planned expenditures for gross salaries and social contributions through implementation of public policies and reforms in certain areas. In principle, our monitoring of public finance management reform has shown that the information in the requests for budget allocations is far from comprehensive. Although units often ask for an increase in budget funds, most of them do not state any problems in financing or specify expenditures for new activities, while even for current activities, more than a quarter of spending units for which we received information did not provide clarification.¹⁹ Of the analysed requests for budget allocations for 2021, only the request sent by the Health Insurance Fund to the Ministry of Finance in 2020 stated that expenditures for gross salaries and contributions in the health system were planned in relation to the baseline, as well as in relation to the requests of health care institutions for admission of new employees and allocation of specialisations. The request also considers the objectives of the Human Resources Development Plan in Health Care 2013-2022. However, it does not provide any additional details.²⁰

Rationales are lacking, as well as important information

Personnel plans adopted at the Government level are not accompanied by adequate rationales. Consequently, the analytical foundation upon which they are based is unclear. For example, in the Rationale of the Personnel Plan for 2020, only one sentence is provided as reasoning for the increase in the number of employees, stating that it is due to “changes in regulations in the area of competence of bodies as well as tasks related to the EU integration pro-

17 Ministry of Finance, *Information on Improvement of the Budgeting System and the Multi-year Budget Framework*.

18 Police Administration, Customs Administration, Ministry of Science, Ministry of Public Administration, Health Insurance Fund.

19 Milena Muk, *Public Finance Management: The Other Side of the Coin (updated monitoring report)*, Institut Alternative, Podgorica, September 2019. Available at: <https://institut-alternativa.org/en/35779-2/>

20 Decision of the Health Insurance Fund, no. 02-8726, Podgorica 10/11/2020.

cess.”²¹ In addition, they do not contain a report on the implementation of the personnel plan for the previous year, despite the legal obligation to do so, but only a comparative overview of key information from the personnel plans for the current and previous year. Reasons for a lacking implementation of personnel plans for the previous year are not provided, nor does it clarify why the number of civil servants or employees should be increased or decreased indefinitely, although the Decree on Personnel Planning stipulates that the rationale should contain that level of information.

Therefore, we do not know what the plans are based on, nor do we know what their implementation looks like. The Ministry of Public Administration, Digital Society and Media, as the line ministry, has a negligible role in the personnel planning process, mainly technical, consisting of submitting a unified personnel plan for state administration bodies and government services to the Government for adoption. The consolidated plan, based on the submitted individual plans drafted by state bodies, is made by the Human Resources Management Authority. Prior to adoption, the consolidated personnel plan must be approved by the Ministry of Finance. However, due to the lack of quality control by the relevant Ministry of Public Administration, neither the Ministry of Finance nor the Human Resources Management Authority has the authority or the responsibility to substantially state the needs of individual bodies in terms of the required competencies and skills to perform strategic and regular activities.

From the aspect of information management, the Statistical Office, the Ministry of Finance and Social Welfare, and the Human Resource Management Authority play an important role. However, much of the basic information relevant to human resource management is missing. In its annual reports, the Human Resources Management Authority presents data on the number of successfully managed vacancies and advertisements for employment in state bodies, but there is room for improvement, especially in terms of describing the figures that are presented and integrating the gender and human rights perspectives, which would allow for adequate planning of affirmative policies, and, if necessary, tools such as gender-sensitive budgeting.²² The Statistical Office, which publishes official data on average salaries by sectors, does not offer an overview of the average salary in the public administration, but for “public administration and defence, compulsory social security”, the exact scope of which is not entirely clear.²³

The improved information system for salary records is currently in the testing phase and it is expected to be connected with the Central Personnel Records, kept by the Human Resources Management Authority. Additionally, the scope of the salary system is expected to expand to include the central level of public administration with about 40 thousand employees. This information system should contain a detailed overview of all elements in the salary structure, including variables and allowances on various bases, and enable easier reporting on the sala-

21 Rationale of the Personnel Plan for 2020, available at:
<https://uzk.gov.me/arhiva/227259/Kadrovski-planovi-drzavnih-organa-za-2020-godinu.html>

22 Reports by the Human Resources Management Authority available at:
<https://uzk.gov.me/biblioteka/izvjestaji>

23 Statistical Office, 2020 Statistical Yearbook.

ry policy. In order to monitor the implementation of the personnel plan and the budget, especially from the aspect of motivational policy and financial assessment, it is very important to monitor the fairness of the salary system and the distribution of privileges, including variables and other salary supplements. Wage data for vacancies to be filled are also a necessary aspect of responsible budget and personnel planning. However, due to the factual division of the personnel and budget planning processes, existing practices are mainly reduced to the personnel policy being adjusted to a predetermined budget and limits set by the Ministry of Finance.

Millions for “contractors” without a clear plan

Personnel plans are, in principle, reduced to tabular overviews of the number of systematised jobs in state bodies, the number of temporarily and permanently employed persons by key categories of officials, the number of employees needed, and the number of those whose employment has terminated. However, there is no data on other forms of engagement, such as service contracts, although they represent a significant budgetary item. Practice also shows that these contracts, although they frame an obligation rather than an employment relationship, are often used for work relationships in state bodies, as well as contracts for temporary and periodical jobs, which should be used for a limited duration, and only for jobs that do not require special expertise and are not provided for in the acts on internal organisation and systematisation of state bodies. The constant growth of expenditure for service contracts, as well as consulting services, indicate the need to place greater emphasis to this aspect of the budget and personnel planning.

Table: Expenditure for service contract and consultancy services²⁴

Year	Expenditure for service contracts	Expenditure for consultancy services, projects and studies
2021	11 465 564	30 232 669
2020	8 862 472	28 255 415
2019	8 737 203	38 094 533
2018	8 120 914	32 072 103
2017	7 248 416	30 981 979

The State Audit Institution (SAI) has determined that the system of planning service contracts, additional work contracts and contracts on temporary and occasional work within state administration bodies is inefficient. Planning is mostly not explained, and it is based on expenditure from the previous period. “The non-existence of a Plan which would define the set of activities to be implemented during the year through conclusion of contracts, the number of persons and necessary financial resources, leads to significant redirections of funds during the year for implementation of the said contracts and, in certain instances, payments

²⁴ More information on the “budget” cross section available at the specially designed portal “Moj novac”. Data for 2020 are presented in comparison with the budget law and rebalance, and for 2021 in comparison with the draft Budget Law for 2021, More details available at: <http://mojnovac.me/web/home>

are made from funds approved for other purposes”, the SAI found in its 2020 audit of the effectiveness of management of this type of contracts.²⁵ SAI also found that service contracts were not kept on one budget line, which is why actual expenses were higher. In addition, they found that they had been concluded for activities that should have been performed by employees in accordance with the conditions and job descriptions from the act on internal organisation and systematisation.

The related problem of planning expenditures for gross salaries and employee contributions as well as for other types of engagements (service contracts, temporary and periodical contracts, intellectual services) points to the need for personnel plans to include, in addition to the number of employees, other experts and persons who contribute to the work of state bodies through special engagements. In countries with a more developed system of personnel planning, such as the United Kingdom and Belgium, a distinction is made between the so-called “contractual staff” and full-time employees; personnel plans cover these different types of engagements. These examples also support the claim that there is a need for quality information as a basis for good budget and personnel planning, but also for reporting on the workforce in the state administration during the year. In addition to boosting transparency, such an approach ensures a timely exchange of information between state bodies. For example, in the United Kingdom, many institutions publish workforce management information on a monthly basis, which includes data on the number of different categories of employees and the associated costs, albeit unevenly and in an informal format.²⁶ The publication of these data was a response to the intensified control of spending on employment, as well as the need to monitor the costs of consulting services.²⁷

Conclusion

Although it requires authorisation of the Ministry of Finance, the personnel plan at the state administration level does not contain financial impact assessments. In other words, it is not clear how much funding will be set aside for new hires or severance pay. This is a good illustration of the alienation of the two processes, budgetary and personnel planning, the synergy of which is required for gross wage expenditures to be planned realistically and in a way that could achieve substantial optimisation. In other words, if personnel planning as an instrument were to come to life in its entirety, no additional plans for optimisation of public administration would be required.

The presented findings illustrate that personnel planning, in addition to the previously noted lack of link with budget planning, suffers from other shortcomings that produce negative

25 State Audit Institution, *Revizija uspjeha: Uspješnost upravljanja ugovorima o djelu, ugovorima o dopunskom radu i ugovorima o privremenim i povremenim poslovima u organima državne uprave*, Konačni izvještaj, Podgorica, June 2020.

26 Data for 2020 available at:
<https://www.gov.uk/government/publications/workforce-management-information-2020>

27 Oscar Huerta Melchor, *The Government Workforce of the Future: Innovation in Strategic Workforce Planning in OECD Countries*, OECD Working Papers on Public Governance No. 21.o

impacts on public finances. Procedural shortcomings are mostly reflected in the omissions in terms of timely adoption of personnel plans, i.e. in the fact that in one year (2017) the personnel plan was not even adopted, while in subsequent years it was adopted with a delay of up to six months. Additionally, despite the legal obligation to do so, personnel plans do not contain a clear rationale or information on the implementation for the previous year.

The content of personnel plans is lacking in comprehension. Apart from an informative tabular overview of employees by certain job categories, and by institutions, the personnel plan does not include other types of engagement in the state administration (e.g. service contracts or consultancy services), although the SAI also recognised the need for better planning and control for this purpose. The availability of data on annual expenditure related to human resources in the state administration is also lacking, and produces a negative impact on the quality of budget planning.

Recommendations

Preparation of personnel plans ought to be synchronised with budget allocation requests and the overall budget planning process, by providing, inter alia, full information on new activities that are being planned and strategic objectives for which engagement or reassignment of employees is required. That information should also form the basis for more detailed personnel planning;

Mandatory items and a form for requests for budget allocations ought to be prescribed, so that they contain information on the requirements related to human resources, especially in relation to the needs of defining and implementing new public policies, as well as a plan and rationale for engagement, be it based on service contracts, temporary and periodical jobs, consultancy services, etc.;

Through amendments of the Law on Civil Servants and State Employees and special laws, such as the Law on Health Care or the Law on Education, it is necessary to expand the circle of bodies and institutions that are obliged to implement mandatory personnel planning, primarily to include public institutions and agencies;

The personnel plan should contain the anticipated financial effect of new employment and termination of employment, in case it implies the payment of severance pay;

In addition to new employments, the personnel plan should foresee, provide a rationale, and leave the possibility for filling certain vacancies through permanent (re)assignment of employees;

In addition to being subject to authorisation issued by the ministry in charge of finance, the personnel plan should contain a rationale of the need for new staff, termination of employment, etc. in accordance with previously defined obligations;

The Ministry of Public Administration, Digital Society and Media should take on the role of quality control of the personnel planning process, to ensure that personnel plans are based on previously conducted analyses of the number of employees, as well as their knowledge, skills, abilities and other potentials, and provision of assessments arising from such analysis through a clearly defined checklist, which should include issues of previously conducted analyses, rationales and projections. The Ministry should compile a report on an annual basis on the implemented personnel planning process, and point out the problems and challenges in the implementation of this institute;

State bodies, following the example of good comparative practices, should publish data on the implementation of personnel plans and their financial effects on a regular basis, in order to monitor the implementation in a timely manner, while planning for future expenditures: in this regard, the information system for centralised payroll should be used for automated reporting to the public on a monthly basis, and on all bases of income in the public sector;

The Statistical Office, the Human Resources Management Authority and the Ministry of Finance and Social Welfare should proactively publish gender-disaggregated statistics on human resources in the public administration, including salaries, personal income, and wage supplements, which can be achieved by improving the payroll information system.

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Institute Alternative (IA) is a non-governmental organisation, established in September 2007 by a group of citizens with experience in civil society, public administration and business sector.

Our mission is to contribute to strengthening of democracy and good governance through and policy analysis as well as monitoring of public institutions performance.

Our objectives are to increase the quality of work, accountability and transparency, efficiency of public institutions and public officials; to encourage open, public, constructive and well-argument discussions on important policy issues; raising public awareness about important policy issues, strengthening the capacity of all sectors in the state and society for the development of public policies.

The values we follow in our work are dedication to our mission, independence, constant learning, networking, cooperation and teamwork.

We function as a think tank or a research centre, focusing on the overarching areas of good governance, transparency and accountability. The areas of our work and influence are structured around the following five main programmes: public administration; accountable public finance; parliamentary programme; security and defence, and social policy.

On the basis of our five programmes, we monitor the process of accession negotiations with the EU, actively participating in working groups Public procurement (5), Judiciary and Fundamental rights (23) and Financial control (32). Our flagship project is the Public Policy School, which is organized since 2012, and in 2018 we organized the first Open Budget School.

So far we cooperated with over 40 organisations within regional networks in the Western Balkans and with over 100 organisations in Montenegro. Institute is actively engaged in regional networks: Think for Europe (TEN), Pointpulse, SELDI, WeBER, UNCAC Coalition, Global BTAP, PASOS and The Southeast Europe Coalition on Whistleblower Protection.

The results of our research are summarised in 127 studies, reports and analyses, and the decisionmakers were addressed 1036 recommendations. Over four thousand times we communicated our proposals and recommendation to the media for better quality public policies.

We started three internet pages. My town is a pioneer endeavour of visualisation of budgetary data of local self-administrations. My Administration followed, which serves as an address for all those citizens that have encountered a problem when interacting with public administration and its service delivery system. The newest internet portal, My Money, provided national budget data visualisation.

Institute Alternative regularly publishes information about finances, projects and donors that support the work of the organisation. For this reason, the Institute have five-stars rating third year in a row, according to a survey conducted by the international non-profit organisation Transparify, which evaluates transparency for over 200 research centers.

President of the Managing Board is Stevo Muk, and our organisation currently has ten members.
