

Outline of FY 2007 NPA Policy Evaluation Results

Policy Objective 1 Realization of appropriate working conditions adapted to the social and economic conditions

- 1-1 As compensatory measures for the denial of labor rights to national public employees, making recommendations to the Diet and the Cabinet, improving the systems, and ensuring appropriate operation of the systems so that the remuneration of national public employees will be adapted to the social and economic conditions.**

[Overview of Reflection of Previous Policy Evaluation Results]

Following a suggestion that various measures be taken to realize remuneration adapted to socioeconomic circumstances and maintain appropriate system management, we intended to recommend and report on issues to be revised in order to secure appropriate remuneration based on an accurate remuneration comparison between national public employees and employees in the private sector.

[Overview of Activities]

1 Recommendation to adapt remuneration to the prevailing social conditions

We recommended an increase in monthly remuneration and special remuneration (bonuses), both of which were below the private sector level in 2007. Regarding reform of the remuneration system, we recommended that a Specialized Staff Salary Schedule be established as one of the measures to be implemented in FY 2008.

Following the government's decision to carry out revisions based on the recommendation for employees other than those in designated service, the reform law took effect on November 26, 2007, and was promulgated on November 30, 2007.

2 Correct understanding of opinions of each Office and Ministry, employee organizations, and the public at all levels; reflection of those opinions in the remuneration recommendation and in institutional design and management

Meetings with employee organizations (241 times); Forum on the Public Employee Issue (4 times), Opinion exchange with local intellectuals, executives of small and medium-sized enterprises, etc. (in 39 cities)

3 Transparency of the remuneration system; information disclosure

We provided information through the "Mechanism of the Remuneration Recommendation and Points of This Year's Recommendation", graphic presentation of the recommendation; posting of recommendation-related materials on NPA website, etc.

[Overview of Evaluation] [Evaluation Perspective : Necessity, Effectiveness]

In order to secure an appropriate remuneration level and compensation for employees under the denial of labor rights, appropriate utilization of the NPA recommendation system is essential. As for remuneration system reform, which is to move forward using a phased approach from FY 2006 through FY 2010, steady implementation has been expected.

The FY 2007 recommendation has received fairly good coverage by the media. Meanwhile, despite some dissatisfaction on the part of employee organizations over prioritized distribution of bonuses to high achievers, the recommendation of the revision on monthly remuneration and bonuses has been generally accepted.

Thus, the policy objective set for FY 2007 is considered to have been largely accomplished.

[Matters to be Reflected in Future Policies]

In order to realize remuneration adapted to socioeconomic circumstances and maintain appropriate system management, we will put our efforts into various measures. Above all, as for the remuneration system reform, we have been moving forward using a five-year phased approach toward completion in FY 2010. Regarding issues to be implemented in the future, we will work out the details through dialogue with each Office and Ministry, employee organizations, etc.

1-2 Steady reform of the remuneration structure to ensure appropriate remuneration in accordance with duties, responsibilities and performance on duty

[Overview of Reflection of Previous Policy Evaluation Results]

Our objective was steady development toward the introduction of Wide-area Transfer Allowances, the implementation of a Managerial Allowance flat-rate system, and establishment of the Area Allowances System through dissemination of information to each Office and Ministry as well as verification of the management situation by payroll auditing, etc. Also, following a suggestion that appropriate management is essential in order to reflect performance in pay step increases and diligence allowances, we worked on the smooth introduction of remuneration system reform and the maintenance of appropriate management through explanatory meetings, payroll auditing, etc.

[Overview of Activities]

1 Steady progress toward establishment of the Area Allowances System

The revision of the Area Allowances payment rate was smoothly implemented through explanatory meetings and seminars. There was no problem regarding FY 2007 Payroll Auditing (intended for 357 government offices and subsidiary bodies) results, except for 10 cases including some inaccuracy in the transfer indemnity payment rate. The payment rate for allowances based on regional difference was also correctly managed.

2 Smooth implementation of Wide-area Transfer and Managerial Allowances flat-rate system

Wide-area Transfer Allowances and the Managerial Allowances flat-rate system were smoothly implemented through explanatory meetings and seminars. There was no problem regarding FY 2007 Payroll Auditing (intended for 357 government offices and subsidiary bodies) results, except for five Wide-area Transfer Allowance-related cases including the adjustment of multiple benefit with Area Allowances or Remote-area Allowance-pursuant allowances and one case regarding managerial allowances, which was related to transitional measures.

3 Steady reflection of job performance in pay step increases and diligence allowances

In light of the revised system to extend the scope of improved performance appraisal measures in pay step increases and diligence allowances to regular employees in FY 2007, we listened to the opinions and requests of each Office and Ministry based on FY 2006 implementation status, etc. We also gave guidance as to appropriate management, and held seminars. The percentage of managerial employees who came under the upper categories of pay step increases or diligence allowances at the Office and each Ministry corresponded to the standard set by the NPA Rule. There was no problem regarding FY 2007 Payroll Auditing (intended for 281 government offices and subsidiary bodies in relation to pay step increases; 357 in relation to diligence allowances) results.

4 Recommendation on matters to be initiated in FY 2008 and development of system

We recommended the establishment of a Specialized Staff Salary Schedule as one of the measures to be implemented in FY 2008. The reform law in line with the recommendation was promulgated on November 30, 2007. Meanwhile, the NPA Rule defining items needed for the establishment of

Specialized Staff Salary Schedule, etc. was issued on February 1, 2008.

For the completion of the Area Allowances System in FY 2010, the NPA Rule stipulating the payment rate in FY 2008 was proclaimed on February 1, 2008.

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness]

The Area Allowances System, which represents one of the important challenges of remuneration system reform, has been steadily developed with a view to completion in FY 2010. The introduction of Wide-area Transfer Allowances and the realization of the Managerial Allowances flat-rate system were conducted smoothly. The management of measures to expand the scope of application for reflecting performance in pay step increases and diligence allowances in each Office and Ministry is in keeping with the spirit of the policy. Moreover, our recommendation on the establishment of Specialized Staff Salary Schedule as one of the issues addressed in FY 2008 has led to institutional improvement. Thus, the policy objective set for FY 2007 is considered to have been attained.

[Matters to be Reflected in Future Policies]

We will work steadily to complete development of the Area Allowances System through workshops to disseminate information to each Office and Ministry as well as verification of the management situation by payroll auditing, etc. We will also endeavor to ensure that performance is appropriately reflected in pay step increases and diligence allowances.

Furthermore, for the smooth introduction of the Specialized Staff Salary Schedule, we will ascertain its application status from institutional and operational aspects, giving necessary guidance, etc. to each Office and Ministry.

1-3 Realization of appropriate working hours, working environments, etc. and maintenance and promotion of employees' health

[Overview of Reflection of Previous Policy Evaluation Results]

Following a suggestion that consideration of prescribed working hours is needed in light of the situation in private enterprises, etc., we conducted a survey, etc. on the prescribed working hours of private enterprises. Meanwhile, the Part-time Child Care Leave System was introduced to support balancing of work and family life in response to the suggestion that consideration is needed in order to increase the acquisition rate for Child Care Leave by male employees. Based on the indication that, with regard to Mental Health Care, it is necessary to ensure that psychiatrists, etc. are available for each Office and Ministry, we secured the necessary expenses through a budget request.

[Overview of Activities]

1 Improvement of conditions for flexible working hours

We established rules in accordance with the enforcement of the Self-development, etc. Leave Law which encourages independent study by employees. Along with establishment of the Specialized Staff Salary Schedule, we revised rules for application of the flexible working time system to specialized staff.

2 Consideration of appropriate prescribed working hours

Based on the data on working hours in the private sector (average prescribed working hours: 7 hours 44 minutes a day, 38 hours 51 minutes a week), we expressed in the report at the time of recommendation that we will recommend a review of working hours based on the principle of following the private sector by adjusting the working system, etc. in or around 2008.

3 Promotion of stricter working hour management (including overtime work)

In the report at the time of recommendation, we mentioned the importance of concerted efforts by

government on the systematic reduction of working hours by setting goals in each Office and Ministry, etc. We discussed with the relevant Office and Ministries.

4 Promotion of utilization of the supportive measures for balancing work and family life

- We held explanatory meetings in 10 cities nationwide in order to publicize the introduction of the Part-time Child Care Leave System, etc.
- In order to improve conditions for work-childcare balance, we revised the “Guidelines concerning Utilization of the System to Support Employees to Balance Work and Child Care”, cosponsoring “Liaison Conference on Support for Balancing Work and Child /Family Care” with each Office and Ministry.
- We created and distributed leaflets on supportive measures, posting content on the NPA website.

5 Cultivation of Mental Health Care director and counselor

- Mental Health Care lecturer cultivation seminar (9 times), number of participants (186), satisfaction level of participants (98.6%)
- Mental Health Care counselor cultivation seminar (once), number of participants (86), satisfaction level of participants (94.0%)

6 Education of officers in charge of Mental Health Care in each Office and Ministry

- Mental Health Care seminar (10 times at NPA headquarters, regional bureaus and local offices), number of participants (683), satisfaction level of participants (88.2%)

7 Raising awareness of employees to prevent sexual harassment, etc.

- Sexual harassment prevention symposium (once), number of participants (258), satisfaction level of participants (about 97%)
- Conference for officials in charge of sexual harassment prevention measures (10 times)

8 Promotion of measures for the relief of victims

- Sexual harassment counselor seminar (10 times), number of participants (760), satisfaction level of participants (about 92%)

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness, Priority]

In order to respond to a sharp decline in the birth rate, improving the working environment to achieve a better work-life balance is a primary task. Also, the reduction in working hours is an urgent issue that the government should tackle in a unified manner. Another significant challenge in both the public and private sectors includes the prevention of sexual harassment. In light of the situation described above, said policy is indispensable.

Institutional improvement was realized through establishment of the Self-development, etc. Leave System. An announcement was made that a review of the prescribed working hours would be carried out in or around 2008. Initiatives to bring about shorter working hours have made progress. Also, the satisfaction level of participants in the Mental Health Care seminar, etc. was high. Thus, the policy objective set for FY 2007 is considered to have been largely accomplished.

[Matters to be Reflected in Future Policies]

Regarding prescribed working hours, following an examination of the challenges surrounding this endeavor, recommendations on the review need to be made by around 2008 in accordance with the objective of being in sync with the private sector. Regarding the reduction in overtime work, concerted government efforts are required. We will continue our commitment to these efforts in cooperation with each Office and Ministry. In order to enhance the acquisition rate for Child Care Leave by male

employees, we will carry out public relations activities in relation to the system and work on improving working conditions. It is also important to go ahead with various measures for Mental Health Care and sexual harassment prevention.

Policy Objective 2 Securing, development and promotion of diverse and competent personnel

2-1 Securing diverse and competent personnel stably and continuously and utilization of diverse and competent personnel in the private sector

[Overview of Reflection of Previous Policy Evaluation Results]

In response to a suggestion that more importance needs to be placed on quality in recruitment activities, we implemented an approach to recruitment targeting public policy graduate school students. Regarding the System for Recruiting Experienced Personnel, after being encouraged to publicize the system to the general public, we distributed posters to law schools and conducted public relations activities through the NPA website, e-mail newsletters, etc. In addition, regarding personnel exchanges between the government and private sectors, in response to requests for holding nationwide explanatory meetings aimed at private enterprises in many places, we co-sponsored meetings with Nippon Keidanren in Sendai and Nagoya for the first time.

[Overview of Activities]

1 Improvement and strengthening of recruitment activities

- Explanatory meetings on duties, etc for each Office and Ministry.
 - Level I examination: 24 times, about 4,900 participants
(previous fiscal year: 23 times, about 4,500 participants)
 - Level II examination: 31 times, about 6,600 participants
(previous fiscal year: 35 times, about 6,900 participants)
- Applicants for recruitment examinations decreased 10.6% compared to the previous fiscal year. (125,733 people (previous fiscal year: 140,599 people))
- Implementation of “Kasumigaseki Internship” (33 participants from 6 graduate schools, acceptance by 11 offices and ministries) and “Kasumigaseki Open Seminar” (twice (autumn, spring) 25 offices and ministries about 9,500 participants)

2 Implementation of fair and effective recruitment examinations

- We enabled examinees to ascertain their acceptance status, etc. by improving the information service on NPA website regarding examinees' results. (Release of the first and second exam results, the final pass score, etc.)
- The agreement on recruitment procedures was implemented appropriately among each Office and Ministry

3 Promotion of utilization of the System for Recruiting Experienced Personnel

10 projects in 8 ministries, 1,550 applicants, 61 successful applicants (previous fiscal year: 7 projects in 6 ministries, 1,312 applicants, 107 successful applicants)

4 Implementation of the national public employee mid-career worker screening examination (Second Chances Examination)

25,075 applicants, 162 successful applicants (prospective employees) (first implementation in

FY2007)

5 Ensuring appropriate utilization of the personnel exchange system between the government and private sectors and the Fixed-term Employees system; promotion of recruitment

- The Law concerning Personnel Exchange between the Government and Private Sectors
The number of new employees recruited under the Exchange through Recruitment program (31 people (previous year: 50 people)) The number of new employees dispatched under the Exchange through Dispatch program (22 people (previous year: 16 people) As of December 31, 2007: 91 employees currently in office recruited through the personnel exchange system, 36 dispatched personnel
- The Law concerning Fixed-term Employees: number of recruited personnel (257 (previous fiscal year: 243))

6 Promoting invitation and recruitment of female students to public service

- Implementation of seminars for female students (13 times, 1,265 participants (previous fiscal year: 14 times, 1,360 participants))
- Proportion of females among recruitment examination applicants, successful applicants, recruited personnel(() represents the figure in the previous fiscal year)
Applicants: Level I (29.5% (29.7%))
 Level II (31.0% (31.2%))
 Level III (32.4% (33.4%))
Successful applicants: Level I (Administration, Law, Economy)(17.6% (21.8%))
 Level II (Administration)(30.1% (31.9%))
 Level III (34.7% (36.4%))
Recruited personnel: Level I (Administration, Law, Economy)(24.6% (25.4%))
 Level II (Administration)(28.1% (30.8%))
 Level III (34.8% (38.1%))

[Overview of Evaluation] [Evaluation Perspective: Necessity, Efficiency, Effectiveness, Fairness, Priority]

We went ahead with recruitment activities through various explanatory meetings on duties, etc., by improving the contents of the meetings. Also, we conducted recruitment examinations appropriately, enhancing the transparency of examinations by improving the information service regarding examinees' performance. Having obtained the agreement of each Office and Ministry, the fairness of the recruitment procedure was secured. We implemented the System for Recruiting Experienced Personnel extensively in line with requests from each Office and Ministry, contributing to the maintenance of diverse and competent personnel. In regard to the mid-career worker screening examination (Second Chance Examination), we put effort into public relations and appropriate management of examinations. In the Personnel Exchange between the Government and the Private Sectors, the number of exchanges through dispatches hit a record, while the number of employees recruited under the Exchange through Recruitment program is also on the increase. The "continued employment-type", established in accordance with the revision of the Law on Personnel Exchange between the Government and the Private Sectors in 2006, accounts for about 90% of exchanges through recruitment, thus is proving to be an effective policy.

Through the implementation of these measures, the policy objective set for FY 2007 is considered to have been partially attained.

[Matters to be Reflected in Future Policies]

In response to the decrease in applicant numbers for public employee examinations, we have to take

measures to maintain diverse and competent personnel in line with the change in the human resource supply structure and the public employee system reform situation. In order to maintain diverse and competent personnel, with the emphasis on graduates from professional graduate schools, we will also reinforce educational activities for freshmen and sophomores from a medium-term point of view. Institutional considerations, including the state of recruitment examinations, are also important. We continue to work hard on recruitment activities for female students, inviting them to join the public service.

2-2 Development of competent personnel with a broad perspective and ability to respond to the demands of the times

[Overview of Reflection of Previous Policy Evaluation Results]

Administrative Training proved to be effective. Implementation avoiding the usual periods when the Diet is in session, etc. worked well, leading to better efficiency. We aimed at maintaining effective implementation by improving the content and style of training.

[Overview of Activities]

1 Development of administrators who can respond to internationalization

- Job retention rate of personnel who were dispatched abroad under the Long-term Overseas Fellowship Program (FY 2005:96.8% (FY2004:96.1%))
- The number of personnel dispatched abroad under the Long-term Overseas Fellowship Program remains around 120 in recent years.

2 Development of advanced leadership of executives

Administrative seminars held for executives

For Director-General level personnel of the headquarters of the Office or Ministry:

Number of participants (14 (previous fiscal year: 14)), satisfaction level of participants (56%)

For Assistant Director-General level personnel of the headquarters of the Office or Ministry:

Number of participants (14 (previous fiscal year: 14)), satisfaction level of participants (92%)

Aspen Method:

Number of participants (9 (previous fiscal year: 8)), satisfaction level of participants (100%)

For Directors of regional bureaus/office:

Number of participants (68 (previous fiscal year: 130)), satisfaction level of participants (94%)

3 Appropriate operation of rank-based joint administrative training for employees of the Office and Ministries

Satisfaction of trainees in each training session (100%~87% (previous fiscal year: 100~87%))

4 Development of online e-learning training

We conducted an e-learning training trial (51 participants, including 6 who could not take the course due to an IT environment problem). Requests in the questionnaire survey included the creation of training content related to sexual harassment or mental health, a reduction in standard training hours, multiple alternatives for on-line distribution, etc.

[Overview of Evaluation] [Evaluation Perspective: Necessity, Efficiency, Effectiveness]

With the Long-term Overseas Fellowship Program for human resources cultivation, seminars, and training sessions receiving high commendations from participants as well as dispatcher offices and ministries, the policy objective set for FY 2007 is considered to have been largely accomplished.

Chief level 86.2%, Assistant Director level 92.0%

3 Expansion of the promotion of female employees

- The percentage of female employees of all managerial positions
Unit Chief level (FY 2006: 16.2% (previous year:15.6%))
Assistant Director-level of the headquarters of the Office and Ministries (FY 2006: 5.9% (previous year: 5.9%))
Director and Office Head-level of the headquarters of the Office and Ministries and above (FY 2006: 2.0% (previous year: 1.8%))
- The NPA implemented the “mentor development training”. (13 times at NPA headquarters and regional bureaus (local office), 624 trainees (previous year: 16 times, 720 trainees))

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness]

Following the issuance of the guideline on the changes in the status of employees, we received an increased number of referrals and consultations, some of which led to dismissal cases based on the guideline. In this regard, the policy is considered to have been effective. The number of promotions of employees recruited through Level II and Level III examinations to senior officials is steadily increasing. Meanwhile, although the expansion of female employee recruitment has made steady progress, the proportion of female employees in managerial positions remains low. Further efforts are needed to ensure they have opportunities for promotion.

Thus, these policies seem to have contributed to some extent to the improvement of promotion opportunities based on ability and performance.

[Matters to be Reflected in Future Policies]

As for the appropriate implementation of changes in employee status, we will follow up the situation in each Office and Ministry. Regarding improving the measures to cultivate and promote employees recruited through Level II and Level III examinations, we will make strong and concerted efforts as the government including approaches to improving the working environment such as consciousness raising and holding seminars in each Office and Ministry.

Also, in cooperation with each Office and Ministry, we are expected to move ahead with specific policies aiming at the expanding opportunities for the promotion of female employees, including the establishment of working conditions favorable to them.

3-1 Development of a performance appraisal system to evaluate employees' ability to accomplish duties and performance on duty accurately (a new performance appraisal system)

[Overview of Reflection of Previous Policy Evaluation Results]

Based on the second trial analysis, we proceeded with specific work to expand the scope of evaluation application to local bodies, specialized kinds of work, etc. In addition, in accordance with a recommendation for further examination on use of evaluations, feedback, and grievance procedures, we conducted trials aimed at local bodies and specialized kinds of work.

[Overview of Activities]

- 1. Verification of the appropriateness of standards and the effectiveness of procedures, etc. in performance appraisal trials in light of analysis of the impact of the expansion of the scope of evaluation application (job title); Further consideration of the expansion of the scope of evaluation application (local bodies, type of job); Specific measures for implementation**

We conducted verification through the second trial-related survey (data: 985 evaluators; 4,191 evaluated), etc.

Main results are as follows:

- As for the evaluation method, both in the role achievement evaluation and the duty behavior evaluation, about 70% responded that it was “instructive”.
- As for the evaluation feedback, the satisfaction level of those that did not receive the results of their evaluation was lower than that of those who did receive them.

2. Planning of the Performance Appraisal System for accurate evaluation of job performance and achievements in line with post-trial participants’ survey analysis and discussions with each Office and Ministry, employee organizations, etc.

For establishment of the performance appraisal system, we held discussions with each Office and Ministry, employee organizations, etc. The main opinions expressed are as follows:

- Regarding disclosure of evaluation results, some were in favor, citing the benefits arising from their utilization, while others took a more cautious approach.
- In relation to grievance procedures, some accepted that the involvement of representatives of employee organizations, etc. was necessary, while others were against it.

3. Implementation of evaluator seminar developed in FY 2006

- Conduct of trial of evaluation ability development seminars (24 participants from 24 headquarter bodies; 74.4% regarded the seminars as meaningful.)

4. Consideration of system to respond to evaluation-related grievances

In the trial intended for local bodies and specialized kinds of work which was begun in October 2007, an inquiry counter for grievance procedures was set up in local bodies for each bloc organization, etc.

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness, Priority]

The new performance appraisal system, a basic tool for personnel management based on ability and performance, should be utilized in appointment, remuneration and human resources development. In this regard, the priority of development of the new performance appraisal system is very high. The second trial-related survey, in which about 70% respondents rated the system’s evaluation method as instructive, also demonstrated its effectiveness and necessity. In response to requests from each Office and Ministry, and employee organizations for consideration of the status of feedback or grievance procedures, we exchanged opinions at various conferences, etc., clarifying the points that must be kept in mind when implementing institutional design. In the “Evaluation ability cultivation seminar” held on a trial basis, with over 70% of participants saying that the event was meaningful, effectiveness was confirmed to some degree. The trial that began in October 2007 was a massive one, with the number of participants, both evaluators and the evaluated, about 8 to 9 times greater than in the second trial. Thus, the policy objective set for FY 2007 is considered to have been attained.

[Matters to be Reflected in Future Policies]

Based on trial results, we will promote consideration of establishment of a performance appraisal system, taking evaluation feedback or grievance procedures into consideration. Also, we need to examine utilization of the evaluation results as they relate to appointment and dismissal, remuneration and human resources development, aiming at reaching a conclusion in line with the establishment of the new performance appraisal system. Meanwhile, based on the fact that the new performance appraisal system will come into effect by July 2009 at the latest, we need to conduct a trial by then involving as many employees as possible. As for the “Evaluation ability cultivation seminar”, we will make it more useful to participants by developing and introducing examples of successful study cases in light of the

FY 2007 results, etc. In FY 2008 seminar, employees in local bodies are expected to join in as well.

3-2 Improvement of the appointment system and its utilization for thorough personnel management based on ability and performance

[Overview of Reflection of Previous Policy Evaluation Results]

In response to a suggestion regarding incorporation of employees' ability and performance in the new performance appraisal system, we promoted examination of application of the system to appointment.

[Overview of Activities]

We drew up policy plans on utilizing the new performance appraisal system when making appointments in accordance with trial results and the opinions of people concerned.

[Overview of Evaluation] [Evaluation Perspective: Necessity, Priority, Fairness]

The promotion of personnel management based on ability and performance is an important issue to be tackled by the entire government. The revised National Public Service Law stipulated that the new performance appraisal system be established within two years from the promulgation (July 6, 2007) for application in personnel management including appointment. Thus, improving the appointment system and the way to utilize the system is very necessary and a high priority policy goal. In FY 2007, we expressed our basic stance in the report at the time of recommendation, promoting examination of clear and fair use of the system in appointment. Through this work, we moved ahead toward achieving the goal. Thus, the policy objective set for FY 2007 is considered to have been attained.

[Matters to be Reflected in Future Policies]

In the future, when considering how to reflect employees' ability and performance when assigning them to new positions under the new performance appraisal system, we will verify trial results, and gain an understanding of the people concerned through dialogue.

3-3 Improvement of the remuneration system and its utilization for thorough personnel management based on ability and performance

[Overview of Reflection of Previous Policy Evaluation Results]

In response to a recommendation that further specific examinations be conducted based on the trial implementation status and results as well as the opinions of the people concerned, we moved ahead with a specific consideration of the application of performance appraisal results to remuneration in line with trial analysis results and the opinions of each Office and Ministry, etc.

[Overview of Activities]

Studies to promote reflection of performance appraisal in remuneration under the new performance appraisal system

Based on the opinions of each Office and Ministry, etc., in the report at the time of recommendation, we presented our basic attitude regarding the application of the results of the new performance appraisal system to remuneration. Then, we proceeded with a further examination so that our stance regarding utilization could be clarified.

[Overview of Evaluation] [Evaluation Perspective: Necessity, Priority]

The promotion of personnel management based on ability and performance is an important issue to be tackled by the entire government. The revised National Public Service Law stipulated that a new performance appraisal system be established for application in personnel management such as remuneration, etc. Thus, improving the remuneration system and the way to utilize the system for thorough personnel management based on ability and performance is a high priority policy goal. In FY 2007, we expressed our basic stance in the report at the time of recommendation, suggesting further examination so that this stance could be clarified further. Thus, the policy objective set for FY 2007 is considered to have been attained.

[Matters to be Reflected in Future Policies]

We will go ahead with further specific examination in order to promote reflecting performance in remuneration under the new performance appraisal system, taking trial implementation status and results as well as the opinions of the people concerned, etc. into consideration.

Policy Objective 4 Securing and promotion of fair and transparent public employee management

4-1 Support for employees' life planning responding to an aging society

[Overview of Reflection of Previous Policy Evaluation Results]

Previous policy evaluation indicated the necessity to encourage the Office and Ministries to utilize the short-time working system when they re-employ national public employees. In response to this, the NPA provided information on efforts made by the Office and Ministries utilizing the system actively, and directed each Office and Ministry to make aggressive budget requests in FY 2008. Furthermore, we responded to a request for the integration and improvement of the life planning seminar and re-employment support seminar.

[Overview of Activities]

1 Smooth implementation of the Re-employment System/ Hearings on re-employment held in each Office and Ministry (4 offices and ministries)

We conducted hearings on how to facilitate coordination between the employment and pension systems (merits and demerits from the viewpoint of each Office and Ministry if retirement age is extended to 65, and the Office and Ministries are obliged to re-employ retired national public employees).

Opinions were divided according to each situation on the ground: "Gradual extension of mandatory retirement age is preferable", "It's desirable to make re-employment obligatory", or "The combination use of these policies is advisable."

- Re-employment situation

Each Office and Ministry: 24 offices and ministries (previous fiscal year: 24 offices and ministries), re-employed employees/ mandatory retirees 17.6% (previous fiscal year: 14.7%)

Specified Independent Administrative Institutions: 5 institutions (previous year: 6 institutions), re-employed employees/mandatory retirees 51.5% (previous year: 41.1%)

2 Support for employees' life planning and employment outside public service

- Life planning seminar (12 times, 611 participants) Evaluation by participants (satisfied 88.1 %)
- Distribution to each Office and Ministry of brochures, etc.: "To take a step forward", "Job choice after retirement" (revised)

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness]

For active utilization of the re-employment system, disseminating and providing information on the system is indispensable. We supported each Office and Ministry's commitment through distribution of brochures, etc. There was no major change in the re-employment situation, but some offices and ministries introduced the short-time working system for re-employed employees. With its rate expanding to 56.0% (55.1% in the previous year), utilization seems to be increasing.

As for seminars, the life planning seminar and re-employment support seminar were integrated. Participants have increased following the addition of an extra venue. With 88.1 % of participants expressing satisfaction, it is believed that the seminars had effects on support for life planning.

Thus, the policy objective for FY 2007 is considered to have been largely accomplished.

[Matters to be Reflected in Future Policies]

Further utilization of the short-time working system is necessary given the cap placed on the number of people who can be employed etc. in order to re-employ personnel that have both the desire and ability to work. It is also necessary to provide information on efforts of the Office and Ministries to support utilization of the short-time working system.

As for seminars, based on the opinions expressed by participants, we will further enrich the seminar content by sharing the experiences of re-employed personnel. Materials also need to be improved through the revision of brochures, etc., and facilitate participation by increasing the number of venues, etc., if necessary.

4-2 Appropriate re-employment restrictions to ensure fairness of public service

[Overview of Reflection of Previous Policy Evaluation Results]

Previous policy evaluation indicated the necessity of continuing appropriate review of national public employees' employment at profit-making enterprises after leaving public service. In response to this, the NPA continued appropriate review. Previous policy evaluation also indicated that PR activities should be made actively toward concerned parties in order to promote further utilization of the "Fair Human Resources Utilization System." In response, the NPA distributed pamphlets to private enterprises.

[Overview of Activities]

1 Strict screening of approval applications for re-employment in profit-making enterprises; Report of the approval situation to the Diet/Cabinet

- We responded appropriately to inquiries and referrals from each Office and Ministry, and carried out a strict review of approval application matters.
- Number of audits in 2007 (headquarters: 6 (previous year: headquarters 5; other bodies 2))
- Number of approved re-employment cases in 2007 (78 approvals by NPA, 591 approvals by each Office and Ministry)
- We reported the approval situation in 2007 to the Diet/Cabinet, posting it on the NPA website.

2 Measures to Promote Utilization of the Fair Human Resources Utilization System to private enterprises

- Number of re-employment cases approved by NPA based on requests from private enterprises (18 (15 in the previous year))

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness]

In order to ensure that public services are performed properly and the general public retains confidence in the public service, it is vital to conduct a review of re-employment in profit-making enterprises appropriately. We strictly reviewed application cases from each Office and Ministry in accordance with approval standards. We reported the results for review or approval to the Diet/ Cabinet, providing the results on the NPA website to gain the understanding and consent of the public. Meanwhile, the number of approvals by NPA through the “Fair **Human Resources Utilization System**”, which is intended to enhance the transparency of public employees’ re-employment and the utilization of the expertise and ability of employees, is steadily on the rise, proving that the system has had a positive influence on fairness and transparency.

Thus, the policy objective set for FY 2007 is considered to have been attained.

[Matters to be Reflected in Future Policies]

The review of approval applications by NPA for re-employment in profit-making enterprises was abolished on December 31, 2008, following the revision of the National Public Service Law. Under these circumstances, a fresh look at the main policies seems warranted.

4-3 Appropriate and smooth implementation of equity process and grievance procedure

[Overview of Reflection of Previous Policy Evaluation]

As for the equity process, promotion of process efficiency and early evaluation issuance is required. Under these circumstances, we ensured appropriate and prompt execution in FY 2007, including the adoption of the proportion of adjudications issued within half a year from conclusion, etc. as a measurement indicator (over 70%). Regarding the grievance procedure, among current issues are the improvement of liaison meetings or Training Courses for Officers at the Offices and Ministries in Charge of Complaint Counseling, the prompt handling of claims by e-mail, etc. We set the proportion of participants that gave positive feedback for the Training Course for Officers at the Offices and Ministries as a measurement indicator (over 80%). We also worked on prompt execution by adopting the proportion of troubleshooting counseling cases handled by email within 3 working days as a measurement indicator (over 95%)

[Overview of Activities]

1 Appropriate and prompt handling of equity process

- Processing of claims for review related to adverse actions
 - The number of claims: 174 cases
 - The number of claims processed: 131 cases
 - The number of NPA judgments: 71 cases
 - The number of cases carried over to the next fiscal year: 203 cases
- The percentage of NPA judgments issued within a half year from conclusion of all NPA judgments: (53.5%(Target: over 70%)).

2 Appropriate and prompt handling of complaint counseling

- Proportion of troubleshooting counseling cases handled by-email within 3 working days (86.2%(Target: over 95%))
(Note) Number of troubleshooting cases received by NPA: 1,175 (previous year: 1,227)

3 Enhancement of cooperation with each Office and Ministry

- Training Course for Officers at the Offices and Ministries in Charge of Complaint Counseling (13 times, 668 participants), evaluation by participants (“instructive” 89.8% (Target: over 80%))

- Liaison meetings for officers at the Office and Ministries (12 times, 438 participants)

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness, Efficiency]

Appropriate and prompt handling of the equity process contributes to the protection of employee interests, appropriate management of personnel administration and the maintenance of fair and efficient operation of public services. We need to aim for the promotion of procedural efficiency and rapid issuance of judgments. In FY 2007, we actively responded to the review of a vast number of FY 2006 cases, etc., while the proportion of adjudications issued within half a year from conclusion, etc. fell short of the target.

As a whole, however, we could maintain the same level as the previous fiscal year in terms of the number of cases handled by securing enough time for review. In this regard, policies related to the Equity Process are considered to be significant and effective.

The Grievance Procedure contributes to maintaining and improving the efficiency of the public service through the appropriate and prompt resolution of various problems in workplaces. With the number of consultations remaining high, the proportion of troubleshooting counseling cases handled by-email within 3 working days did not reach the target. Even so, a prompt process was basically secured. Meanwhile, due to information offered through liaison meetings or Training Course for Officers at the Offices and Ministries in Charge of Complaint Counseling, etc., troubleshooting counseling cases NPA delegated to each Office and Ministry were generally handled within a month or so. Thus, the ability of each Office and Ministry to handle troubleshooting counseling cases has improved.

Under these circumstances, the policy objective set for FY 2007 is considered to have been largely accomplished in relation to troubleshooting counseling. As for the Equity Process, however, the promptness of the procedure remains an issue.

[Matters to be Reflected in Future Policies]

As for the Equity Process, in the face of the ever-increasing number of pending cases, we will aim to process more cases than in the previous fiscal year. Meanwhile, an increase is expected in the number of complaint counseling cases about the work performance appraisal, which relates to the new pay increase system and the Diligence Allowance, and complaints associated with the full-scale implementation of the performance appraisal system which is now being implemented on a trial basis. Under these circumstances, we need to address the improvement of the complaint counseling system.

4-4 Promotion of public understanding of public employees and personnel administration

[Overview of Reflection of Previous Policy Evaluation Results]

In response to a suggestion for the better use of the National Personnel Authority Monthly Magazine and the expansion of public relations activities such as the posting of information on the NPA website, we introduced a summary of magazine articles on the NPA website as part of dissemination efforts and endeavors to promote public understanding.

[Overview of Activities]

Promotion of public understanding of public employees and personnel administration through public relations and public hearing activities directed at the general public

- We created a website showing a list of NPA-related statistical data and the latest or past issues of the National Personnel Authority Monthly Magazine in order to create a better information service.
- In the National Personnel Authority Monthly Magazine, we serialized “Relay-style explanations on the public employee system”, listing contributions by outside authors. For reader-friendliness, we used many charts, pictures and a simple layout.

- As part of public hearing activities directed at the general public, we implemented public employee affairs meetings (4 times), dialogues with business managers (77 times), etc.

[Overview of Evaluation] [Evaluation Perspective: Effectiveness, Efficiency]

In public relations activities, following our efforts to make the NPA website and the National Personnel Authority Monthly Magazine easier for the general public to understand, visits to the website have started to increase. As for public hearing activities directed at the general public, we collected opinions and recommendations from the public extensively through the National Public Employee Monitoring System.

Meanwhile, the criticism of the public service has been intensifying due to a series of scandals involving public employees. Thus, further efforts are needed to promote public understanding of public employees and the personnel administration.

[Matters to be Reflected in Future Policies]

In order to improve the content of National Personnel Authority Monthly Magazine, based on opinions of National Public Employee Monitors, etc., we will address the enhancement of public relations activities, taking the level of understanding that can be expected among the general public into consideration.

4-5 Promotion of rationalization of personnel management utilizing IT

[Overview of Reflection of Previous Policy Evaluation]

We carried out system improvements, etc. in accordance with institutional amendments, etc., and finalized the content for the upgrade process with the intention of beginning operations, based on the opinions of each Office and Ministry, etc., following a decision to that effect.

Meanwhile, based on another decision to review the Optimization Plan and support the smooth introduction of the system in each Office and Ministry, we revised the Optimization Plan in accordance with discussions with the relevant offices and ministries. Furthermore, we helped each Office and Ministry formulate a system transition plan to facilitate smooth introduction.

[Overview of Activities]

1 Improvement of the Personnel and Remuneration Duties Information System in line with the remuneration system revision, etc.; Support for preparations by each Office and Ministry

- We made program improvements in keeping with the revision of the remuneration system, etc.
- We convened a working group consisting of officials in charge of practical business affairs of personnel and remuneration duties in each Office and Ministry. Examining the system upgrade required for central control, etc., we discussed the content of the system upgrade with each Office and Ministry.

2 Review of the Optimization plan such as smooth transition to a central control system, etc.

- In response to the Cabinet Secretariat suggestion for further review including administrative operation methods, we promoted examination with each Office and Ministry, finalizing the proposal on the revision of the Optimization Plan.

[Overview of Evaluation] [Evaluation Perspective: Effectiveness]

We are in the process of the IT-driven promotion of streamlining of personnel administration affairs. In FY 2007, we conducted preliminary work: revision of the Optimization Plan, including a shift to the central control system; drawing-up of an establishment policy for a system contributing to the

streamlining of personnel administration affairs through consideration based on opinions of officials in charge of practical business affairs of personnel and remuneration duties in each Office and Ministry; preparation for smooth system transition by formulating a phased transition plan in each Office and Ministry.

Thus, the policy objective set for FY 2007 is considered to have been attained.

[Matters to be Reflected in Future Policies]

In order to realize a functional improvement in systems and smooth introduction in each Office and Ministry, we will respond to institutional amendments and the shift to a central control system, implementing system upgrade based on requests from each Office and Ministry. We also support each Office and Ministry's efforts to formulate their own system transition plan, clarifying the sharing of roles in the centralized operation system between the operation center and each Office and Ministry.

4-6 International cooperation to developing countries in the field of personnel administration

[Overview of Reflection of Previous Policy Evaluation]

In light of the decision to consider seminar results in line with the needs of developing countries, we planned and implemented seminars with the objective of solving the problems in each country, based on the experience gained at seminars conducted in FY 2006 with special consideration of how to enhance governance in developing countries.

[Overview of Activities]

Implementation of Training for the Purpose of International Cooperation and dispatch of personnel that are expert in the area of personnel administration

- As for Training for the Purpose of International Cooperation, we held issue specific group training 3 times (23 participants) (Satisfaction level of participants (high :87%))
- As no request for cooperation was received, we did not implement regional focused special training or dispatch experts.

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness, Priority]

After all projects (regional focused special training) applied to the Ministry of Foreign Affairs were adopted, we planned and implemented them with the help of the Japan International Cooperation Agency. Based on the experience gained in FY 2006, we improved lecture content with special consideration of how to enhance governance in developing countries. Moreover, by increasing the time allotted for question-and-answer sessions and discussion, we increased opportunities to provide advice that would contribute to an analysis of problem solving suited to the situation in each trainee's home country. As a result, a high level of satisfaction among trainees was attained.

Thus, the policy objective set for FY 2007 is considered to have been largely accomplished.

[Matters to be Reflected in Future Policies]

We will further make applications to the Ministry of Foreign Affairs on appropriate issue specific group training, based on needs of developing countries. We will also give consideration to regional focused special training and expert dispatches following requests from the Ministry of Foreign Affairs, if any.

Policy Objective 5 Maintaining the ethics related to duties of national public employees and securing the people's trust

5-1 Establishment of a system to cultivate and maintain employees' ethical sense and maintain the ethics

[Overview of Reflection of Previous Policy Evaluation]

In response to a suggestion for dissemination of the Ethics Law and Ethics Code, and improvement of activities to be implemented during the Week of National Public Employees Ethics, etc., as part of educational activities in the Week of National Public Employees Ethics, we called on the Ethics Supervisory Officers (Administrative vice-minister, etc.) to clarify their own stance on public employee ethics by contacting all employees by e-mail. We also improved the website of the National Public Service Ethics Board, etc.

[Overview of Activities]

1 Dissemination of the Ethics Law and Ethics Code

- Distribution of national public employee ethics books to all new employees
- Posting of educational materials using presentation software on the website of the Ethics Board
- Evaluation of materials created for use at group ethics seminars in each Office and Ministry: 83.1 points
- Implementation of explanatory meetings on the ethics system (10 places nationwide; 735 participants; evaluation by participants, 76.6 points)

2 Promotion of educational activities to support ethical values

As part of educational activities in the Week of National Public Employees Ethics, the NPA established a slogan on the public service ethics through open participation, produced and distributed posters and pamphlets with the slogan, and established the Public Service Ethics Hotline. In addition, in 73.0% of all bodies, the Ethics Supervisory Officers gave lectures on the public employee ethics to their junior employees during the Week of National Public Employees Ethics.

- Implementation of ethics seminars in local cities (twice, evaluation by participants: 80.3 points)

3 Improvement and strengthening of the system to maintain ethics

All offices and ministries established the Internal Reporting System.
94.4% of offices and ministries allow anonymous reporting.

4 Ensuring a strict and prompt action against violations

We requested a report on 40 cases in which surveys were conducted for acts suspected of violating the Ethics Law, etc., providing an observation, if necessary.

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness, Efficiency]

The institutional improvements made to support and maintain ethical behavior are considered to have made progress to some extent. Meanwhile, in light of the fact that violations are still occurring, etc., we need to make further efforts in cooperation with each Office and Ministry.

[Matters to be Reflected in Future Policies]

We will promote the measures below to ensure that the general public continue to have confidence in the public service:

- Appeal to employees to participate actively in explanatory meetings on the ethics system; Improvement of the meetings

- Submission of requests for lectures through conferences and sending e-mail messages to employees by the Ethics Supervisory Officers during the Week of National Public Employees Ethics
- Enhancement of functions of the Internal Reporting System, etc., including informing the Ethics Supervisory Officers of cases
- Stricter actions against violations

5-2 Promotion of understanding of the public employee ethics and collecting opinions of citizens, private enterprises, etc.

[Overview of Reflection of Previous Policy Evaluation]

Following requests for extensive public relations activities on the Ethics Law and Ethics Code targeting private enterprises, etc., we improved the content of the Ethics Board website. We also recruited lecturers to be dispatched to seminars, etc. sponsored by economic organizations, etc., and took action so that dialogue between corporate ethics experts and the president of the Ethics Board could take place.

[Overview of Activities]

1 Promotion of information provision and understanding about the Ethics Law and the Ethics Code among private enterprises, public service corporations, etc.

We sent various pamphlets on the occasion of surveys targeting small and medium-sized companies for the dissemination and understanding of the Ethics Law and Ethics Code and distributed pamphlets, in departments in charge of contract affairs in each Office and Ministry, to their counterparties, etc. during the Week of National Public Employees Ethics.

2 Collecting opinions of the people in general and intellectuals about the ideal ethical regulations for national public employee and the degree of confidence in national public employees, etc.

We conducted a questionnaire survey of monitors (intellectuals) on public employee ethics and a questionnaire survey of monitors (general monitors) for national public employees. We also held two meetings with intellectuals and a meeting with editorial writers of the media.

[Overview of Evaluation] [Evaluation Perspective: Necessity, Effectiveness, Efficiency]

We have been making efforts for the dissemination and understanding of the Ethics Law and Ethics Code among private enterprises, etc. through distribution of various pamphlets on the Ethics Law and the Ethics Code and information provision on the NPA website. In small and medium-sized company surveys, however, the level of publicity for these falls short of the goal. In light of the situation, we will reinforce public relations activities aimed at private enterprises, etc.

[Matters to be Reflected in Future Policies]

In order to promote understanding of public employee ethics, we will develop public relation activities aimed at private enterprises, etc., including publicity activities targeting economic organization, etc. and distribute various pamphlets through surveys, etc.