

# Modern management mechanisms in the civil service of the Republic of Kazakhstan

## Modernos mecanismos de gestión en la administración pública de la República de Kazajstán

K.A. KIRDASINOVA [1](#); B.S. TOLYSBAYEV [2](#); N.V. YUVITSA [3](#); L.M. MUTALIYEVA [4](#); A.A. DUISSEMBAYEV [5](#); G. K. UTARBAYEVA [6](#); G.S. ZHANSEITOVA [7](#)

Recibido: 10/04/2017 • Aprobado: 15/04/2017

### Content

- [1. Introduction](#)
  - [2. Methods](#)
  - [3. Discussion and Results](#)
  - [4. Conclusion](#)
- [Bibliographic references](#)

#### ABSTRACT:

This article provides a literature review of domestic and foreign authors, who conducted the research of the development and use of different approaches to enterprise management system, various forms of ownership, including the public service. The authors carried out an analytical evaluation of the current state and development management in the civil service of the Republic of Kazakhstan. Characteristic features of administrative processes are shown. In this paper, an attempt to compare the influence of living costs with attractiveness of public service has been made in the context of regions. It confirms the relevance to make a revision of financial security and well-being of public servants, particularly in regions. Adoption of regional coefficients seems significant as well. Meanwhile, the author indicates the need to provide a balance between promotion of public service attractiveness and prevention of dependency among public servants. The size of minimum and maximum salary of different administrative public service positions of corps «B» is examined. Public servants' income level and incomes used for consumption per capita on average are

#### RESUMEN:

Este artículo proporciona una revisión de la literatura de los autores nacionales y extranjeros, que llevó a cabo la investigación del desarrollo y uso de diferentes enfoques para el sistema de gestión empresarial, diversas formas de propiedad, incluyendo el servicio público. Los autores realizaron una evaluación analítica de la situación actual y la gestión del desarrollo en la administración pública de la República de Kazajstán. Se muestran las características de los procesos administrativos. En este trabajo, se ha intentado comparar la influencia de los costos de vida con el atractivo del servicio público en el contexto de las regiones. Confirma la pertinencia de hacer una revisión de la seguridad financiera y el bienestar de los servidores públicos, particularmente en las regiones. La adopción de coeficientes regionales también parece significativa. Mientras tanto, el autor señala la necesidad de proporcionar un equilibrio entre la promoción del atractivo del servicio público y la prevención de la dependencia entre los servidores públicos. Se examina el tamaño del salario mínimo y máximo de diferentes puestos administrativos de

compared in the paper.

**Keywords:** Salary, motivation, civil servant, attractiveness of public service, public service, regional coefficients.

servicio público del cuerpo «B». El nivel de ingreso de los servidores públicos y los ingresos utilizados para el consumo per cápita en promedio se comparan en el documento.

**Palabras clave:** Salario, motivación, función pública, atractivo del servicio público, servicio público, coeficientes regionales.

## 1. Introduction

On the way to becoming an independent state the Republic of Kazakhstan has undergone the public administration reform, which is one of the important conditions for the acceleration of socio-economic development of the country.

The Republic of Kazakhstan has developed the constitutional foundations of the civil service as the most important governance mechanism fundamentally different from that of the earlier administrative management system.

Public service not only reflects the objectives, functions and main features of the state but is designed to ensure their practical implementation.

In the Republic of Kazakhstan, according to the Register of public service positions, civil service staff is divided into two categories:

- Corps "A" - administrative public positions of management level, which provide a special procedure for the selection of the personnel reserve, competitive selection, transmission and termination of public service defined by the President of the Republic of Kazakhstan, as well as special eligibility requirements.

- Corps "B" administrative public positions not included in the corps "A".

The level of activity of civil servants is now one of the most important factors determining the level of development of Kazakhstan.

Based on the above we can conclude on the relevance of the research topic, the results of which are presented in this article.

Publications analysis of personnel management system in modern conditions has shown that personnel policy as a branch of economic activity and its role and importance in the socio-economic development is of sufficient relevance for research.

Various aspects of the state apparatus activity, the problem of the forms of realization of authority, public administration, public service issues are discussed in the studies of such scholars and researchers of neighboring countries as V.Pogrebinsky (2009), T.Y.Bazarov, H.A.Bekov, E.A. Aksenov (1995), V.V. Cherepanov (2008), A.I. Turchinov, K.O.Magomedov (2010), L.M.Dudayev (2008) and others.

In their works researchers define control mechanisms as a basis for the organization, moreover, they prove that the efficiency of the enterprise depends on the motivational approaches.

Foreign researchers Flamholtz E. G. (1985), Pepper G.L. (1995), Jefkins F. (1998), O'Riordan J. (2015) and other discuss models and management issues in government and commercial organizations.

Also, the features and patterns of modern mechanisms in the management of civil servants were considered such Kazakh authors as: M.S.Nurtazin (2014), S.G.Kaparov (2009), A.K.Sadvokasova (2008), A.J. Kusainova (2015), A.Kulzhambekova (2013), D.Y.Kuatova (2015), S.N.Musenova (2010) and others.

Despite the studies of economists in the theoretical and methodological aspects of the context, the study of problems of improving the management of public servants is insufficiently studied and creates opportunities for further research.

In this regard, the purpose of this article is to study the current state of management of civil

## 2. Methods

In the practice of the analysis of the standard of living and its statistical accounting a cost integral index cost of living is used. The term "cost of living" is used to refer to the value of commodities, an appropriate level of satisfaction of the needs.

According to this interpretation, changes in the cost of living are determined by the dynamics of consumer prices, structural changes in consumption related to income growth and needs, the state of market conditions (the ratio of demand and supply of goods), as well as other factors. With this understanding the cost of living most closely matches the content of the category of the standard of living, it takes into account the living and working conditions. The cost of living is seen as a consumer budgets of the population (actual, regulatory, forecast) and is offered as a tool for investigating the value system of the standard of living (Kuatova, 2015).

On the basis of statistical data collected, as well as other information available in the public domain, we have made a comparison of the cost of living impact on the attractiveness of the civil service across the regions.

Per capita nominal income of the population in 2015 amounted to 67 321 tenge and increased in comparison with the year 2014 by 8.1%, while consumer prices for goods and services in this period by 6.6% (Nurtazin, 2014). In real terms, revenues grew by 1.4% compared to the previous year (Table 1).

Table 1. The nominal income of the population (estimated)

|                            | Per capita nominal income of the population, tenge |         | In % to the previous period |       |
|----------------------------|--|---------|-----------------------------|-------|
|                            | 2015   | 2014    | nominal                     | real  |
| The Republic of Kazakhstan | 67 321   | 62 271  | 108,1                       | 101,4 |
| Akmola                     | 56 579   | 52 771  | 107,2                       | 100,8 |
| Aktobe                     | 60 921   | 60 042  | 101,5                       | 95,7  |
| Almaty region              | 53 860   | 47 557  | 113,3                       | 106,7 |
| Atyrau                     | 123 202  | 124 705 | 98,8                        | 92,3  |
| West Kazakhstan            | 64 317   | 62 028  | 103,7                       | 97,5  |
| Zhambyl                    | 43 143   | 39 764  | 108,5                       | 101,9 |
| Karaganda                  | 66 841   | 63 833  | 104,7                       | 98,2  |
| Kostanay                   | 55 399   | 51 633  | 107,3                       | 100,7 |
| Kyzylorda                  | 49 400   | 49 998  | 98,8                        | 92,3  |

|   |         |         |       |       |
|---|---------|---------|-------|-------|
| Mangistau   | 101 302 | 102 645 | 98,7  | 91,6  |
| South Kazakhstan  | 35 830  | 34 688  | 103,3 | 96,8  |
| Pavlodar  | 66 488  | 64 026  | 103,8 | 98,0  |
| North Kazakhstan  | 54 653  | 51 078  | 107,0 | 100,7 |
| East Kazakhstan   | 55 392  | 53 504  | 103,5 | 96,8  |
| Astana city   | 128 956 | 109 866 | 117,4 | 108,6 |
| Almaty city   | 111 530 | 104 832 | 106,4 | 100,0 |
| Max   | 128 956 | 124 705 | 117,4 | 108,6 |
| Min   | 35 830  | 34 688  | 98,7  | 91,6  |
| Max / Min, times  | 3,6     | 3,6     | 1,2   | 1,2   |
| Note: The data of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan |         |         |       |       |

Superiority of the average per capita nominal income of the population in 2015 is held by Astana city, Atyrau region and Almaty city, where the index has exceeded the average by 1.7-1.9 times (Methodological recommendations for determining the subsistence level and the poverty line, 2008). The regions with the lowest incomes are South Kazakhstan, Zhambyl and Kyzylorda regions, the amount of income in which is 53-73% of the republican level. The difference between the maximum and minimum values of average per capita nominal income of the population among the regions in 2015 was 3.6 times (Table 2).

Table 2. The income used on consumption per capita across the regions

|                            | Cash expenditures of the population on average per capita in 2015. (Stat. Data) |
|----------------------------|---|
| The Republic of Kazakhstan | 38 502  |
| Almaty city                | 60 882  |
| Astana city                | 48 887  |
| Karaganda                  | 46 208  |
| Almaty region              | 40 885  |
| East Kazakhstan            | 40 593  |
| Mangistau                  | 39 315  |

|   |        |
|---|--------|
| Pavlodar  | 37 616 |
| Aktobe  | 37 541 |
| Akmola  | 36 464 |
| North Kazakhstan  | 36 032 |
| Atyrau  | 34 785 |
| Kostanay  | 34 778 |
| West Kazakhstan   | 34 123 |
| Kyzylorda   | 28 859 |
| Zhambyl   | 27 589 |
| South Kazakhstan  | 26 491 |
| Note: The data of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan |        |

The highest level of income used for consumption on average per capita in 2015 was 46208 tenge in Karaganda region, the lowest 26491 tenge - in South Kazakhstan region (excluding the city of Astana and Almaty).

As can be seen from Table 2, the greatest amount of income used for consumption is used by residents of Astana and Almaty cities, which amounted to 48887 tenge and 60,882 tenge.

Depending on the usage intensions, consumer budgets can be actual characterizing the prevailing consumer expenditure and consumption and normative or forecast (Musenova, 2010). Expansion of the practice of drawing up the forecast budget is an essential tool for monitoring and evaluating the effectiveness of social policies and the regulation of the individual components of the system or the standard of living of the individual parts of these components. Thus, the consumer budget of the population is a concrete integral indicator of the cost of living capable of commensurating the range of different conditions of human subsistence: climatic, economic, environmental, value systems, consumer preferences, the level of culture and morality. This set of factors determines the state of socio-economic status of individual, collective, territorial community, etc..

Consumer budgets in conjunction with demographic indicators, characteristics of the labor market and living standards, data of population sociological surveys, environmental assessment of habitat give quite a complete picture of the current living standards system that is the basis for the development of proposals for its improvement.

According to the Law of the Republic of Kazakhstan dated November 23, 2015 TSU 416-V «On State Service of the Republic of Kazakhstan", there are certain limitations associated with the stay in the public service. These include, inter alia, the prohibition to engage in other paid activities, except for teaching, scientific and other creative activities. Also, state employees are forbidden to engage in entrepreneurial activities, including participation in the management of a commercial organization, regardless of its organizational and legal form, if direct involvement in the management of a commercial organization is not part of its official powers in accordance with the legislation of the Republic of Kazakhstan (Flamholtz, 1985).

Consequently, the bulk of the civil servants count only on the appropriate official salary, calculated on the basis of the Unified system of labor remuneration approved by the President of the Republic of Kazakhstan.

A civil servant has the right to encouragement and remuneration depending on the public office he or she holds, the quality of work, experience and other grounds established by the above law (Pepper, 1995). At the same time remuneration of civil servants should provide sufficient material conditions for the unconditional and comprehensive performance of official duties, promote the staffing of government bodies with competent and experienced staff, stimulate their conscientious and proactive work. The well-known fact that in addition to themselves, according to the Republic of Kazakhstan Code on December 26, 2011 No. 518-IV «On Marriage (Matrimony) and Family", parents are obliged to support their minor children and able-bodied adult children are obliged to support their disabled parents which need help and take care of them.

These rules are provided in order to draw attention to the fact that civil servants are also citizens of the Republic of Kazakhstan and are obliged to abide by the law.

Let us consider the size of the minimum and maximum salaries of different categories of the corps "B" administrative positions (considering the rise, 2016 data) to compare them with the level of income spent on consumption in the average per capita in 2015, Table 3.

Table 3. The minimum and maximum salaries of the various categories of positions of administrative state posts of "B" corps at the regional level (taking into account the increase, 2016 data)

| No.  | "B" corps position category | Name of "B" corps position |  | Minimum | Maximum |
|--|-----------------------------|----------------------------|--|---------|---------|
|  |                             | No.                        | Name   |         |         |
| <b>D categories group</b>  |                             |                            |  |         |         |
| <i>Apparati of region akims, the capital, cities of republican significance, apparati of region Maslikhats, capital, the cities of republican significance, apparati of the region audit commissions, capital, the cities of republican significance, apparati of (Secretariates) Assembly of People of Kazakhstan in the regions, the capital, citis of republican significance</i> |                             |                            |  |         |         |
| 1  | Category D-1                | 1                          | The head of maslikhat apparatus  | 182388  | 246515  |
| 2  | Category D-2                | 2                          | Chief of Staff of the audit commissions of regions, capital, cities of republican significance | 163233  | 220698  |
|  |                             | 3                          | Deputy head of akim apparatus  |         |         |
|  |                             | 4                          | Deputy head of maslikhat apparatus   |         |         |
|  |                             | 5                          | Head of apparatus (secretariat) of the Assembly of People of Kazakhstan                        |         |         |

|   |              |    |   |        |        |
|---|--------------|----|---|--------|--------|
| 3 | Category D-3 | 6  | Head of structural unit   | 123257 | 166564 |
|   |              | 7  | Assistant to akim of the region, capital, city of republican significance |        |        |
|   |              | 8  | adviser to akim, the capital city of republican significance              |        |        |
|   |              | 9  | Chief inspector   |        |        |
|   |              | 10 | Press Secretary   |        |        |
| 4 | Category D-4 | 11 | Chief Specialist  | 93275  | 125755 |
| 5 | Category D-5 | 12 | Leading Specialist  |        |        |

*The regional executive bodies, executive bodies of the capital, the city of national significance, financed from the local budget*

|    |                |    |                    |        |        |
|----|----------------|----|--------------------|--------|--------|
| 6  | Category D-O-1 | 13 | Head               | 182388 | 246515 |
| 7  | Category D-O-2 | 14 | Deputy Head        | 163232 | 220697 |
| 8  | Category D-O-3 | 15 | Head of Department | 109932 | 148242 |
| 9  | Category D-O-4 | 16 | Chief Specialist   | 83282  | 112430 |
| 10 | Category D-O-5 | 17 | Leading Specialist | 75000  | 101600 |
| 11 | Category D-O-6 | 18 | Specialist         |        |        |

### **E categories group**

*Akim apparati in districts, districts in towns and cities of regional significance, apparati of region Maslikhats*

|    |              |    |   |        |        |
|----|--------------|----|---|--------|--------|
| 12 | Category E-1 | 19 | Deputy akims of districts, districts in towns and cities of regional significance | 150740 | 203208 |
| 13 | Category E-2 | 20 | Chief of staff  | 134916 | 182387 |

|    |              |    |                                  |        |        |
|----|--------------|----|----------------------------------|--------|--------|
| 14 | Category E-3 | 21 | Head of structural unit          | 102437 | 138249 |
|    |              | 22 | Assistant to district akim       |        |        |
|    |              | 23 | Advisor to district akim         |        |        |
|    |              | 24 | Chief Inspector of district Akim |        |        |
| 15 | Category E-4 | 25 | Chief Specialist                 | 77453  | 104936 |
| 16 | Category E-5 | 26 | Leading Specialist               |        |        |

*The district executive bodies financed from the local budget, akims of cities of district significance, villages, rural districts*

|    |                |    |   |        |        |
|----|----------------|----|---|--------|--------|
| 17 | Category E-R-1 | 27 | Akims of cities of district significance, villages, rural districts<br>Head of Department | 142412 | 192382 |
| 18 | Category E-R-2 | 28 | Deputy Head of Department   | 127422 | 172394 |
| 19 | Category E-R-3 | 29 | Head of sector  | 96607  | 129919 |
| 20 | Category E-R-4 | 30 | Chief Specialist  | 73288  | 99106  |
| 21 | Category E-R-5 | 31 | Leading Specialist  | 64703  | 88279  |

*Akim apparati of district significance cities, villages, rural districts*

|    |                |    |                         |        |        |
|----|----------------|----|-------------------------|--------|--------|
| 22 | Category E-G-1 | 32 | Deputy akim             | 122424 | 164899 |
| 23 | Category E-G-2 | 33 | Head of structural unit | 110932 | 149908 |
|    |                | 34 | Assistant to akim       |        |        |
|    |                | 35 | Advisor to akim         |        |        |
| 24 | Category E-G-3 | 36 | Chief Specialist        | 69957  | 94108  |
|    | Category E-G-  |    | Leading Specialist      | 62461  | 84115  |



Note: Compiled by the authors on the basis of legislative acts, as well as announcements of vacant posts of the Agency for Civil Service Affairs of Kazakhstan and countering corruption kyzmet.gov.kz(kyzmet.kz).

The average monthly income of civil servants is shown in Figure 1.

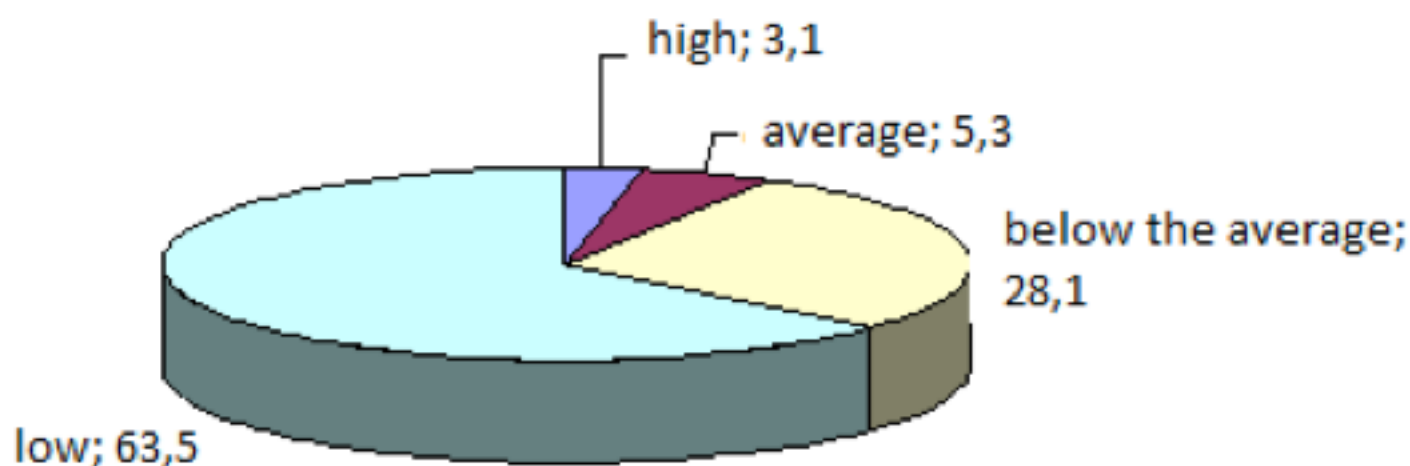


Figure 1. The average monthly income of civil servants in Kazakhstan (2015-2016)

Thus, the monthly minimum official salary of a leading specialist of the district executive body, financed from the local budget, of district significance cities, villages, rural districts is 62,461 tenge, and the maximum - 84 115 tenge. Respectively, for example, in the Karaganda region, the civil servant, receiving 62 461 tenge, spends 46208 tenge only to its individual consumption (Methodological recommendations for determining the subsistence level and the poverty line, 2008).

Despite the stability, payment of civil servants remains uncompetitive in comparison with the private sector, especially the specified gap can be seen in the western region of the country, which leads to unattractiveness of the work in the civil service for qualified professionals.

It is possible to judge the attractiveness of the civil service in the regions using data on staff turnover and competition for one seat in each region. As of January 1, 2016 the number of vacant administrative state posts was 7.6% (7556) of the regular number of civil servants (according to data of the Agency for Civil Service Affairs and countering corruption). The average age of civil servants is 38.9 years, while the number of civil servants over 29 years is 74.2%. That is, the bulk of the civil servants, it can be assumed, are familial and have, as evidenced by the statistics, one or more children.

For 2015, competitions to occupy 21439 administrative positions were declared, of which 5478 jobs were announced repeatedly. The number of vacancies not occupied during competitions - 9208. The number of participants of competitions has counted 24310. As a result of competition 12231 state administrative positions were occupied, ie 57.1% of the total number of announced vacancies.

Consequently, competition for state service in the Republic is 1.1 people per seat.

It is also worthy to note the features of social support from the state in some regions for the formation of an objective assessment of the attractiveness level of the civil service in some regions of the country. So, for example, according to the Law of the Republic of Kazakhstan dated June 30, 1992 No. 1468-XII «On social protection of citizens affected by the environmental disaster in the Aral Sea region," people living in the zone of ecological disaster shall be entitled to:

1) citizens living in the areas of environmental disaster and ecological crisis and retired before January 1, 1998, are entitled to a pension applying the coefficient of living in ecologically

unfavorable conditions in the zones of:

ecological disaster - 1,5;

ecological crisis -1,3;

2) remuneration, scholarships using the coefficient of living in ecologically unfavorable conditions in the zones of:

ecological disaster - 1,5

ecological crisis - 1,3

environmental pre-crisis state - 1,2

3) additional annual paid vacation (in addition to vacation, given for work in hazardous working conditions) in the zones of:

ecological disaster - 12 calendar days

ecological crisis - 9 calendar days

pre-crisis state - 7 calendar days  
календарных дней

4) together with the provision of vacation each year there is material assistance for rehabilitation in the amount of the monthly wage rate or official salary in excess of the existing payments.

Depending on the classification of areas of concern of the Kazakhstan part of the Aral Sea region, specified areas include the main part of the Kyzylorda region, some areas of Aktobe region, South Kazakhstan region and Ulytau district (within the boundaries of the settlements of the former district Zhezdi of Zhezkazgan region) of Karaganda region. Therefore, either no turnover or an addressive turnover in the public service is expected in these regions, or high competition for employment in state service (such coefficients exist for the victims of the nuclear tests at the Semipalatinsk nuclear test site).

This assumption can be verified by analyzing the monitoring data of public service staff of the Republic of Kazakhstan across the regions. Experience shows that due to the establishment of environmental factors in the Kyzylorda region satisfaction with wages for civil servants is high and according to preliminary data the turnover is virtually absent.

Where the satisfaction of civil servants is high, the turnover respectively will be lower, there will be high competition for one seat, and hence in these regions public service can be considered attractive. Accordingly, it is also necessary to assess the satisfaction of civil servants with their labor, which will be the basis for comparison (O'Riordan, 2015).

Public service is less attractive in the following regions: Almaty, Astana, Karaganda, Almaty, East-Kazakhstan, Mangistau, as the cost of living in these regions is more expensive than in the others. And, accordingly, there is outflow to private structures.

Summarizing, we can once again confirm the relevance of the revision of the level of material well-being of civil servants, especially in the regions. Of course, this is not the only factor influencing the increase in labor productivity, however, the above data indicates their specific insufficiency.

The uniform remuneration system does not include assessing the quality and result of the work, that is, all workers are equalized, amount of salary increases only in the case of a transition to a higher category of "B" Corps positions or of transition to another position, referred to the "A" corps (the only variable factor is the "work experience").

Entry into force of the new Law "On State Service of the Republic of Kazakhstan" in 2016, which lays the legal foundations for the transition to the career model of public service, and the realization of its fundamental mechanisms, urgently require the rise of efficiency, attractiveness and prestige of public service throughout the Republic with provision of income level of civil

servants matching the living standards of the region.

Thus, the issues of improving the remuneration, including the need to improve the regulatory framework in this area require a coherent, integrated and unified approach that takes into account interrelation of remuneration level with results achievement and the quality of work, implementation of the principles of "fairness" and "motivation" in wages, constant monitoring and careful analysis of the private sector labor payment, provision of interconnection of remuneration and economic growth, labor productivity across the regions.

---

## **3. Discussion and Results**

### **3.1. Modern trends in the evaluation of staff activity**

Practice has shown that the reforming of the civil service is carried out in the system of public service organizations. If the organization of public service includes issues on the establishment of official titles, the definition of authorities for each position, the rules of introduction to public service, retention and termination of service relationships and more, then the human resources management is a part of the public authority strategies, including the purposeful complex provision of the organization with necessary staff composition and the creation of favorable socio-psychological conditions for its productive activity (Turchinov & Magomedov, 2010).

Staff evaluation is performed to determine whether the worker is adequate for a vacant or occupied workplace (position) and performed in three different ways:

- Assessment of employee potential;
- Evaluation of individual contributions;
- Certification of personnel - a comprehensive assessment of the worker, taking into account the potential and the individual contribution of the employee to the end result.

The initial data for the staff evaluation are:

- staff workplace models;
- regulation on the certification of personnel;
- method of staff rating evaluation;
- staffing establishment;
- employee records;
- orders of the HR;
- sociological profiles.

The following documents are generated as a result of the staff evaluation:

- professional knowledge and skills testing results;
- evaluation of business and moral qualities;
- assessment of the level of industrial qualification;
- the conclusion of the evaluation committee.

In recent years, a method of complex evaluation of management personnel with the help of a rating has proven to be effective (the rating is the sum of points, measuring the potential of employee for a specified period of time, depending on the combination of qualitative and quantitative characteristics and based on the accepted models of the workplace).

The absolute value of the ranking can be brought to a fixed value (O'Riordan, 2015).

Evaluation of employee potential is important, as it allows you to determine the suitability of human characteristics to the regulatory models of the workplace, to determine the professional suitability and future official career.

### **3.2. Mechanisms of management of public servants activities**

The state apparatus of the Republic of Kazakhstan is represented by a set of government

agencies, divided into the central and local, in accordance with the three branches of authority. In general, the public service has more than 91 thousand civil servants, of which 3.6 belong to the category of political and 96.4% - to administrative civil servants. Civil servants population dynamics is shown in Figure 2.

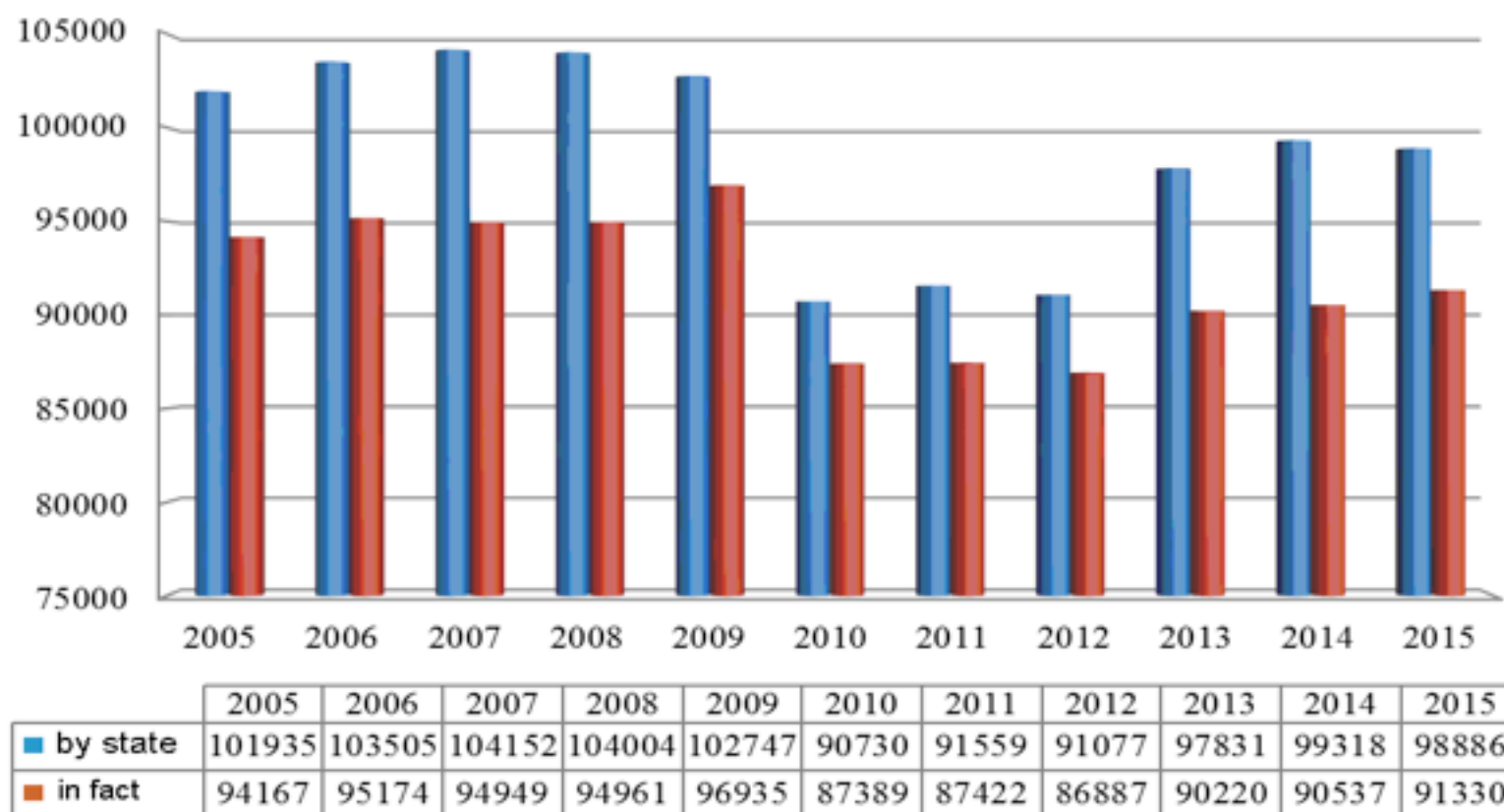


Figure 2. Dynamics of the number of civil servants in 2005-2015

The age structure of civil servants is sufficiently balanced with predominance of the younger generation of experts and specialists positions (Figure 3).

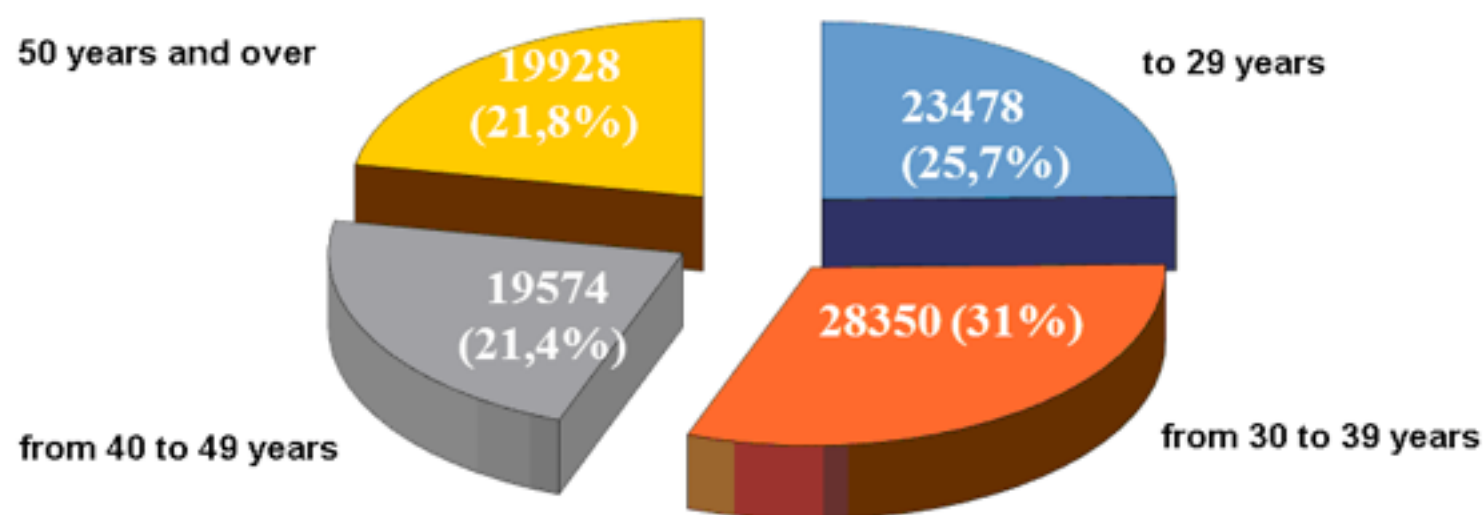


Figure 3. The age structure of civil servants as of January 1, 2016

The average age of public servants is 38.9 years, including the average age:

- political civil servants - 48.3 years;
- administrative civil servants Corps "A" - 46.6 years;
- administrative civil servants Corps "B" - 38.9 years (Kusainova, 2015).

Effective implementation of government reforms in various areas and sectors of the economy, held in the Republic of Kazakhstan requires training of civil servants and specialists mastering modern methods of management in the public service (Dudaeva, 2008).

Public service staff management is considered as one of the mechanisms for the implementation of personnel policy of the management subject, a system of organizational, socio-economic, psychological, moral and other measures having a regulatory - legal framework

to ensure the rational use of human abilities (Kaparov, 2009).

Civil Service Human Resource Management is a series of interrelated areas and activities shown in Table 4.

Table 4. Structure of public service personnel management.

| <b>Management of Civil Service Staff</b>                    |   |   |
|---|---|---|
| <b>Formation of staff</b>                                   | <b>Demand for staff</b>   | <b>Stabilization of staff</b>                                   |
| *staff structure prediction;<br>*definition of demands      | *professional qualification and official promotion of employees (career management) | *the qualifications of staff, tools and ways of its improvement |
| - staff planning  | - creation of permanent staff   | - identification of employees potential                         |
| ° attraction, recruitment, selection and placement of staff |   | ° training, professional development in an organization         |
| ~ employment contracts, competitive selection, dismissal    | ~ improving the moral and psychological climate in the team                         | ~ retraining outside the organization                           |

The amount of work in each of the activities depends on the place of a public authority in the structure of public administration, the situation on the labor market, qualifications of personnel, social - psychological conditions and the workplace and beyond, and many other internal and external factors (Cherepanov, 2008).

Motivating work of civil servants takes place on the basis of the balance of their interests and needs of the modern HR Civil Service.

Monetary allowance of civil servant except official salary includes the following stimulating or motivating financial payments: monthly bonuses to the basic salary for a qualified category, the special conditions of state service, length of service, as well as the premiums on the results of work (Kul'zhambekova, 2015).

Bonus for qualifying category stimulates the employee to continuous professional growth appropriate to the level of training for public office.

Bonus for length of service affects on reducing staff turnover, secures the employees in state bodies, promotes the growth of professional skills and experience (Pogrebinskaya, 2009).

Premium payment terms are established by heads of government bodies and are fixed in the regulations.

### **3.3. Conceptual approaches to remuneration in Kazakhstan**

There are two basic concepts determining the nature of wages in economic theory:

a) *wages* are the price of labor, corresponding to cost of consumer goods and services, which

provide the reproduction of the labor force while satisfying the physical and spiritual needs of the worker and his family members. Its size and dynamics are influenced by market factors and primarily by supply and demand;

b) *wages* - is the monetary expression of value of the commodity "labor" or "transformed form of "labor force" commodity. Its value is determined by the conditions of production and market factors - supply and demand, under the influence of which the deviation of wages paid of the cost of labor occurs.

Labor Code of the Republic of Kazakhstan has differentiated the concept of "wages" and "remuneration" and determined that:

- *wages* - remuneration for work, depending on the employee's qualification, complexity, quantity, quality and conditions of work, as well as payments of compensatory and stimulating character;

- *remuneration* - a system of relations associated with the provision of the mandatory payments of remuneration for their labor to employees by the employer in accordance with the Labour Code and other normative legal acts of the Republic of Kazakhstan, as well as agreements of employment, collective agreements and acts of the employer.

According to the content this concept characterizes the organization of wages, which includes a system of evaluation of work effort and the results of labor, various forms of payment to encourage workers to work.

### **3.4. Remuneration of civil servants is based on the tariff rate.**

Labor Code of the Republic of Kazakhstan determines the tariff rate as a fixed amount of remuneration for workers for performed work quotas (job duties) of a certain complexity (qualifications) per unit of time. Depending on the chosen time unit the tariff rates of the employee are set as the hourly, daily or monthly (Jefkins, 1998).

Tariff rate of the first category employee determines the payment for the most simple labor (the lowest level of qualification of labor). The state sets the minimum guaranteed payments to an employee of the first category in the performance of his job duties in normal conditions and during normal working hours per month (Sadvokasova, 2008). The size of the monthly wage rates can not be lower than the minimum monthly wage established at the national level. Accordingly, the minimum amount of the hourly wage, ie, hourly wage rate, under condition of performance of the job duties may not be less than the minimum monthly wage divided by the average number of jobs according to the balance of the working time for the relevant calendar year.

For this purpose following formula is used:

$$MWhour = \frac{MWmon}{WHBmon}, \text{ where}$$

*MЗПчас* – minimum hourly wage of the employee of the first category;

*MЗПмес* – the minimum monthly wage established in the corresponding year by the law of the Republic of Kazakhstan on the republican budget;

*WHBmon* – the average monthly working time balance, approved by the Ministry of Labor and Social Protection of the Republic of Kazakhstan for the corresponding year.

Law of the Republic of Kazakhstan dated December 3, 2013 No. 148-V «On republican budget for 2014-2016" the minimum size of wages for 2014 is set in the amount of 19966 tenge, the average monthly balance of working hours is 164 hours (Table 5).

Then the minimum hourly wage (MWhour), ie hour tariff rate of the employee of the first category should be not less than the following values:

19966

$MWhour = \frac{19966}{164} = 121,74 \text{ tenge}$

164

Table 5. Balance of working time in 2014, as approved by the Ministry of Labor and Social Protection of the Republic of Kazakhstan

| Period             | Number of days |  | Working days, 40-hour working week  |             |
|--------------------|----------------|--|---|-------------|
|                    | calendar days  | calendar days, excluding public holidays | work schedule from the 1st day until the end of the month, five days working week |             |
|                    |                |  | Days  | hours       |
| January            | 31             | 29                                       | 20  | 160         |
| February           | 28             | 28                                       | 20  | 160         |
| March              | 31             | 27                                       | 17  | 136         |
| <b>I quarter</b>   | <b>90</b>      | <b>84</b>                                | <b>57</b>   | <b>456</b>  |
| April              | 30             | 30                                       | 22  | 176         |
| May                | 31             | 28                                       | 19  | 152         |
| June               | 30             | 30                                       | 21  | 168         |
| <b>II quarter</b>  | <b>91</b>      | <b>88</b>                                | <b>62</b>   | <b>496</b>  |
| <b>1 half-year</b> | <b>181</b>     | <b>172</b>                               | <b>119</b>  | <b>952</b>  |
| July               | 31             | 30                                       | 22  | 176         |
| August             | 31             | 30                                       | 21  | 168         |
| September          | 30             | 30                                       | 21  | 168         |
| <b>III quarter</b> | <b>92</b>      | <b>90</b>                                | <b>64</b>   | <b>512</b>  |
| <b>9 months</b>    | <b>273</b>     | <b>262</b>                               | <b>183</b>  | <b>1464</b> |
| October            | 31             | 31                                       | 23  | 184         |
|                    |                |  |   |             |



|                                    |            |              |              |             |
|------------------------------------|------------|--------------|--------------|-------------|
| November                           | 30         | 30           | 20           | 160         |
| December                           | 31         | 28           | 20           | 160         |
| <b>IV quarter</b>                  | <b>92</b>  | <b>89</b>    | <b>63</b>    | <b>504</b>  |
| <b>Year</b>                        | <b>365</b> | <b>351</b>   | <b>246</b>   | <b>1968</b> |
| <b>The average monthly balance</b> |            | <b>29,25</b> | <b>20,50</b> | <b>164</b>  |

The average balance of working hours is calculated according to the formula:

$$\text{a) per one day: } \frac{163,33}{29,25} = 5,52 \text{ hours;}$$

b) based on calendar days of leave:  $5,58 \times 42 = 234,36$  hours

Thus, payroll, retained to the employees during annual leave will be:

$$1486 \times 234,36 = 348258,96 \text{ tenge}$$

For more effective motivational approach to encourage civil servants labor it is necessary to use different models, in particular the model of the individual employee value.

According to the model the individual employee value is determined by the volume of public services, which is expected to be provided by the employee or implemented while working in the organization (Labor Code of the Republic of Kazakhstan, 2007). This determines the expected conditional employee value (CEV). At the same time the individual value depends on the expected probability that the employee will work in this organization, and that realizes its potential here. Thus, CEV includes all of the potential income that the employee can bring to an organization if he will work in it for the rest of life. The value of employee, taking into account the likelihood that he will be working in the organization for some time, defines the expected realizable value (RV). The expected realizable value consists of two elements: the expected conditional value and probability of continuing membership in the organization, which expresses the expectation of the management about what part of these revenues will be realized in the organization before the expected time of employee's dismissal (Pogrebinskaya, 2009).

Mathematically this can be expressed by the following equations:

$$RV = CV \times E(E)$$

$$E(T) = 1 - E(E),$$

$$ATC = CV - RV = RV \times E(T),$$

Where  $CV$  and  $RV$  — the expected conditional and realizable value;

$E(E)$  — the likelihood that the worker will remain working in the organization after a certain period of time;

$E(T)$  — the probability of withdrawal from the organization or employee turnover rate;

$ATC$ — Alternative turnover costs.

In this model, the cost of human resources is a probability value. For the organization, this may mean that not always the employee with the greatest potential will be the most useful to the



enterprise. And the HR manager seeking to optimize the value of their human resources, should choose the candidate with the highest realizable value, not just the most capable (Bazarov, Bekov & Aksenova, 1995).

The model also describes the dependence of the value of human resources on their degree of satisfaction. Therefore, satisfaction must be measured and reported to the company's management.

---

## 4. Conclusion

The idea of the fundamental need for using the value of human capital for the developing and making management decisions and assessing the effectiveness of management activities takes root ever deeper. For this purpose ideas are developed about the value of the human component of the organization, parameters significantly increasing or decreasing the capital of the company invested in staff are highlighted.

Formation a new system of payment based on the labor results of civil servants in the future will include the introduction of an objective grading system that will set the "weight" of the position on the basis of clear factors (knowledge and skills, the scale of the issues involved and the responsibility) instead of the current office registry. Taking into account the grading a guaranteed component of remuneration will be formed.

In turn, the variable part of remuneration is based on the results of the implementation of key performance indicators, goals and competencies assessment. Improving system of labor remuneration will require the allocation of additional budgetary resources, time-consuming and careful analysis.

Finally, these approaches substantively correlate with the conceptual principles of the concept of the Nationwide Social Development of the Republic of Kazakhstan till 2030.

In particular, the introduction of regional correction factors to the basic salary of civil servants will contribute to achieving a high standard of quality of life for all Kazakhstanis.

However, as noted in the document, "citizens do not accept dependency, productively work, comply with the safety in the workplace, accumulate pension savings" (Labor Code of the Republic of Kazakhstan, 2007). Thus, with the introduction of regional factors it is important to strike a balance between increasing the attractiveness of public service and prevent the emergence of dependent moods. In other words, the regional correction factors are designed primarily to align regional disparities to ensure a minimum acceptable standard of living of civil servants, but in no case does it mean a luxurious life guarantee from public funds.

Effective Stimulative Package of measures should be realistic, have a clear goal, to be fair and equitable, reflecting staff needs and include both tangible and intangible components. This combined incentive measures for state service can attract talented, competitive specialists with sufficient experience, can have a significant impact on the socio-economic development of regions and the country as a whole.

---

## Bibliographic references

Bazarov, T.YU., Bekov, H.A. & Aksenova, E.A. (1995). *Methods for evaluating the management of state and commercial structures*. Moscow: IPK GS.

Cherepanov, V.V. (2008). *Fundamentals of public service and personnel policy*. Moscow: Laws and regulations.

Dudaeva, L.M. (2008). *Evaluation of the effectiveness of civil servants. Methodology, theory and practice*. Moscow: CentrLitNeftegaz.

Flamholtz, E. G. (1985). *Human Resource Accounting*. N.Y.: Jossey-Bass Publishing.

Jefkins, F. (1998). *Public relations*. London: Pitman publishing.

- Kaparov, S. G. (2009). *The main directions of modernization of civil service in Kazakhstan*. Public Administration in the Republic of Kazakhstan: priorities and realities: a collection of abstracts. Almaty.
- Kuatova, D.Y. (2015). *Economics of the enterprise: practical course*. Almaty.
- Kul'zhambekova, A. (2015). Kadrovaya sluzhba gosudarstvennogo organa v koncepcii novoj modeli gosudarstvennoj sluzhby Respubliki Kazahstan. *Actual problems of the economy. Scientific economic journal*, 9(171), 295-301.
- Kusainova, A.ZH. (2015). Human capital: features of manifestation and reflection of the quality of life. *Actual problems of the economy. Scientific economic journal*, 9(171), 324-332.
- Labor Code of the Republic of Kazakhstan from May 15, 2007 № 251-III (With amendments and additions as of November 7, 2014).
- Methodological recommendations for determining the subsistence level and the poverty line*. (2008). Astana.
- Musenova, S.N. (2010). *Formation of personnel technologies in the state service with the use of competencies*. Astana: Master PO.
- Nurtazin, M.S. (2014). *Kazakhstan state service: state and prospects (regional level)*. Astana: LAP LAMBERT Academic Publishing.
- O'Riordan, J. (2015). *Organisational culture and Public service*. State of the Public Service Series. Research Paper № 16. Institute of Public Administration.
- Pepper, G.L. (1995). *Communicating in Organizations: A Cultural Approach*. N.Y.: McGraw-Hill.
- Pogrebinskaya, V. (2009). The standard of living of the population and the structure of income. *Economist*, 10,18-22.
- Sadvokasova, A. K. (2008). *The sociological analysis of development of public service in the Republic of Kazakhstan*. The author's abstract of the thesis for the degree of Doctor of Sociology. Astana.
- Turchinov, A. I. & Magomedov, K. O. (2010). *Personnel potential of the state civil service: spiritual and moral problems*. Moscow: RAGS.

- 
1. L.N. Gumilev Eurasian National University, Astana, Kazakhstan. C.e.s., Associate Professor. E-mail: [marso310@mail.ru](mailto:marso310@mail.ru)
  2. L.N. Gumilev Eurasian National University, Astana, Kazakhstan. D.e.s., Professor
  3. L.N. Gumilev Eurasian National University, Astana, Kazakhstan. D.e.s., Professor
  4. Kazakh University of Economics, Finance and International Trade, Astana, Kazakhstan. C.e.s., Associate Professor
  5. L.N. Gumilev Eurasian National University, Astana, Kazakhstan. C.e.s., Associate Professor
  6. L.N. Gumilev Eurasian National University, Astana, Kazakhstan. C.e.s., Associate Professor
  7. .N. Gumilev Eurasian National University, Astana, Kazakhstan. C.e.s., Associate Professor
- 

Revista ESPACIOS. ISSN 0798 1015  
Vol. 38 (Nº 23) Año 2017

[Índice]

[En caso de encontrar algún error en este website favor enviar email a [webmaster](mailto:webmaster)]