

# Is this any way to run an organization? Reflection on OSCE's employment policies

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## **Introduction**

It is well-known to those who follow the Organization for Security and Co-operation in Europe (OSCE) that it is a non-career organization. Employment terms, in most cases, are limited to seven years for one post and to ten years for individuals who have changed positions. For some senior posts, classified to the level P-5 or higher on the United Nations (UN) scale (which applies to many management positions in the OSCE Secretariat and Institutions) the maximum terms are set even lower, at five years. The rules governing these terms of employment in the OSCE were put in place on 1 January 1999 and the only exceptions were granted to those staff members who were seconded to the OSCE by the participating States prior to that date. For such individuals the time on secondments before 1999 did not count towards their years of service (Full disclosure: I was one of the beneficiaries of this exception, which allowed my association with the OSCE to last thirteen years.).

The purpose of this article is not to advocate for changes in the OSCE's employment policy. The article is written with full understanding that such a change will not garner consensus of the participating States. Opposition by some participating States to the change in the non-career service in the OSCE, just as their opposition to the OSCE acquiring a legal personality, is essentially ideological in nature, stemming from their deep mistrust in career international organizations such as the United Nations (UN) or from their belief that a time will come that the OSCE is no longer needed and thus all positions in the OSCE should be, by definition, non-career. Rather, the article seeks to describe the challenges posed by the non-career nature of service in the OSCE and how these employment policies contribute to the overall decline of the organization's reputation and capacity. It takes a managerial rather than political perspective in analyzing some negative consequences of the non-career employment rules.

## **Why this is important: The evolving nature of the OSCE's work**

In its early years, during the transition from the Conference on Security and Co-operation in Europe (CSCE), the nature of the OSCE assignments can be described as purely political. The OSCE's actions aimed at having a demonstration effect of the international community's focus, interest, and concern. The early mandates of

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the OSCE missions focused on monitoring and reporting. This objective can be described as ‘putting warm international bodies’ in pre- or post-conflict situations to serve as eyes and ears of the international community. Indeed, such work could not be anything but temporary in its very nature. Setting up conferences and seminars, which occupied many staff in the OSCE Secretariat and Institutions for much of the last century, was not a convincing argument for a career employment arrangement, either.

This logic started to fail when some OSCE institutions began engaging in project work, and, especially, when the Permanent Council began passing budgets that envisaged funds going to the OSCE Missions for project implementation. It is outside this article’s scope to discuss whether the engagement of the OSCE in projects — often at the expense of political monitoring and reporting — was in itself a step beneficial to the organization, but it is important to appreciate that the OSCE’s work rapidly shifted from quick impact projects such as one-off trainings and review of draft laws to more in-depth topics, requiring time and considerable expertise. Examples of such topics are assistance in establishing civil registers, efforts to follow-up election observation missions with more systematic assistance and dialogue on elections, reviews of the entire legislative processes rather than of single laws, and assistance in fundamental reforms of justice systems. This shift to more in-depth assistance was indeed required by conditions on the ground. The OSCE could not simply continue to do quick impact projects or one-off trainings as such activities simply did not look serious or significant compared to the work of NGOs and bilateral assistance agencies. And, once the OSCE has entered the universe of assistance providers, it had to compete in that universe and establish a credible reputation.

However, unlike many agencies engaged in the assistance work, the OSCE’s programmatic activities are handicapped by the non-career rule. While seven years (and five for managerial positions) seem like a long time, in countries that have elections once every four or five years, an officer working on electoral assistance on the ground in the ODIHR can only stay for one electoral term. This term of service is often insufficient to develop expertise to work credibly with a country that genuinely wishes to avail itself of the OSCE assistance, but is very suitable for a country that simply wants to go through the motions. A country not truly interested in OSCE’s election assistance but wishing to give an impression of engagement can point to discontinuities and shifts in the OSCE staff dealing with election issues as one of the reasons it cannot implement reforms recommended by the OSCE.

There is another relevant change in the environment in which the OSCE finds itself. In the early years of the organization, it was assumed that all participating States who undertook the OSCE commitments in good faith would move quickly towards implementing them. However, it is now increasingly clear that the leadership of many of the OSCE participating States are determined not to see their countries implement OSCE commitments, especially in the human dimension, as evidenced by the fact that seven OSCE participating States are rated as ‘not free’ in

Freedom House's 2009 Freedom in the World survey, and thus persistent pressure and support for proponents of reforms is needed.<sup>2</sup> But, in case of the OSCE, authorities of these countries know that they can simply outwait both the rotating chairmanships, and constantly changing OSCE personnel and capitalize on the short-term nature of the OSCE personnel's attention to persistent shortcomings.

### **The changing international organizations labor market**

A concurrent factor that is important in considering the impact of non-career employment policies in the OSCE is the evolution of the labor market in the international organizations. At the time of the transformation of the CSCE to the OSCE, the UN may have been the only viable alternative to the OSCE for citizens of many participating States with suitable background for work with international organizations. However, since 1994, many of these States became members of the European Union (EU), the Council of Europe (CoE), the North Atlantic Treaty Organization (NATO), and the Organization for Economic Co-operation and Development (OECD).

By 2005, as the first generation of staff affected by the seven-year rule was leaving or preparing to leave the OSCE, the detrimental effect of the OSCE employment policies had become palpable to outside observers. That year, two reports on the organization's activities and future prospects suggested the need for lifting of the current non-career rules while the so-called Eminent Persons report commissioned by the OSCE mentioned the issue only in passing.<sup>3</sup> The OSCE PA — Zurich institute of World Affairs colloquium was particularly emphatic on the human resources issue stating that 'The OSCE counts good professionals. The problem is that the Organization is not able to retain them or attract (sic) experienced senior staff due to restrictive staff rules that limit the maximum duration of employment to seven years. These rules have become counter productive. The OSCE loses not only experience and know-how, but it also lacks the continuity needed for the successful implementation of programs on the ground. The OSCE competes directly with other career-based international organizations e.g. the European Commission, the UN, NATO and Council of Europe, for experienced trained staff. Addressing this problem is essential to improve the quality and credibility of the work of OSCE. The OSCE needs to keep efficient employees for as long as desirable in order not to lose experience,

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<sup>2</sup> The seven are: Azerbaijan, Belarus, Kazakhstan the Russian Federation, Tajikistan, Turkmenistan, Uzbekistan. See [http://www.freedomhouse.org/uploads/fiw09/FIW09\\_tables&GraphsForWeb.pdf](http://www.freedomhouse.org/uploads/fiw09/FIW09_tables&GraphsForWeb.pdf).

<sup>3</sup> See Jos Boonstra, *OSCE democracy promotion: grinding to a halt?*, October 2007 *FRIDE* Madrid, p. 18.; *Colloquium on. 'The Future of the OSCE'. A Joint Project of the OSCE Parliamentary Assembly and the Swiss Institute for World Affairs*. Washington, 5-6 June 2005, pp. 11-12.; *Common Purpose: Towards a More Effective OSCE: Final Report and Recommendations of the Panel of Eminent Persons on Strengthening the Effectiveness of the OSCE*, 27 June 2005.

institutional memory and valuable networks. To that effect, the OSCE employment rules should be revised. This can be done by eliminating maximum time limits while maintaining fixed term contracts subject to periodical, in-depth review of performance. Such system would allow full flexibility as well as preserve the best OSCE professional staff.<sup>4</sup>

It should be noted that the principal drafter of the OSCE PA — Zurich Institute for World Affairs report was the former ODIHR Director Gerard Stoudmann. Stoudmann is was widely credited for dramatically increasing the ODIHR's operational capacity and who was highly aware that, in order to build a credible institution, OSCE had to compete for competent staff with other international, primarily European, organizations, As those organizations expanded, and citizens of most of the OSCE participating States gained eligibility for the employment in them, more and more individuals with skills needed in the OSCE moved to work for other organizations. This left the OSCE handicapped in the market for individuals with appropriate training and skills. Supply of such individuals is not infinite.

### **What are the consequences?**

From the managerial standpoint, the OSCE employment rules create serious challenges. A responsible manager should be concerned with the reputation of the organization s/he is working for as well as with the end products. In addition, staff motivation is an important factor as is the effective use of the organizations resources. The following discussion briefly sketches how the OSCE employment policies fall short of contributing to any of these objectives.

### *Reputation*

Regaining lost reputation is virtually an impossible task. Once lost, credibility is often lost forever. The OSCE's reputation is formed by ordinary people and NGO activists who come in touch with the organization on the ground. This reputation does not emanate from the decisions made by the OSCE's Permanent Council in Vienna's Hofburg or even from interaction with the often busy heads of OSCE field operations. Rather, the main source of the organization's reputation are NGOs and ordinary citizens' encounters and work with an OSCE field operation or Institution staff member who is seen as the agent of the organization's principles and expertise. It is damaging to the organization's reputation when experts leave — often in the middle of important projects — and are replaced by staff perceived by local actors as possessing inferior skills or being less true to the values of the organization than their predecessors, or, in some cases, not replaced at all. This is particularly true of places where changes come slowly, such as Central Asian States and where many locals still wistfully praise the excellence and highly principled approach of the first generation of the OSCE Missions established some

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<sup>4</sup> Colloquium on 'The Future of the OSCE'. *A Joint Project of the OSCE Parliamentary Assembly and the Swiss Institute for World Affairs*. Washington, 5-6 June 2005, pp. 11-12.

ten years ago. Equally, the organization's reputation is not enhanced by the decline in engagement by the OSCE in the participating States where the OSCE commitments face the most serious challenges due to the fact that the new staff from these institutions are not comfortable working there and tend to cover the terrain where other international institutions such as the Council of Europe, the UN, or the European Union are already active.

#### *Staff motivation*

There are many organizations that offer only limited advancement opportunities or prospects of job security in exchange for a job well done. The OSCE's employment policies offer few advancement opportunities nor job security. Indeed, sooner or later anyone in the OSCE who is not on leave from his country's government service begins prioritizing his or her search for the next job over the job at hand. The OSCE's rules make this inevitable and thus put managers in a no win situation. Often a manager knows that the best reward for an experienced staff member nearing the end of his/her term of service in the OSCE is to shift her or his work load to a less experience staff member, even at the expense of quality. In particular, a manager facing a similar situation in the not too distant future is prone to do so. At the same time staff members at the end of their service with the OSCE will lose motivation if it appears likely that their good work may be lost since there are few guarantees that this staff member's successor would have similar training, skills, understanding of the OSCE or of the situation in the participating States where this staff member has been working. Again, this circles back to the reputation. It is not helpful to give an impression of an organization where the experienced staff is constantly looking for a new job and is losing motivation towards the end of his or her OSCE service. And, when former competent OSCE staff obtain employment with a different organization, it is logical that partners would want to continue working with that particular person, and shy away from working with a new OSCE staff member, especially if this new staff member appears inexperienced and lacking the contextual knowledge.

#### *Institutional memory*

Some may argue that the OSCE is no worse or better than national diplomatic services or other international organizations where staff rotations are regular and staff rotates between different overseas postings and the headquarters. The difference is that not everyone working for a national foreign service or for another international organization is going to rotate or leave the organization in a relatively brief period of time. And, in a national diplomatic service, there is always an opportunity to consult with the predecessor at the post or with colleagues who have followed the issue or the region in question. Institutional memory should not be confused with routine filing and archiving. Institutional memory means retaining the context, the understanding of successes, and, perhaps more importantly, of failures. In the OSCE the institutional memory is susceptible to frequent staff shifts, and staff members do not have incentives to record or pass

on institutional memory. Such evaporation of institutional memory presents great risk to efficient use of resources. It is usually not clear to new staff what has been tried, why certain things have not worked and what partners have shown themselves unreliable. New staff members — despite perfunctory induction courses now offered both in Vienna and Warsaw — have to be immersed not only in mechanics of their work, but in the context. In the OSCE, staff are expected to be active, but being active should not mean simply doing a project for the sake of doing it, in particular if the organization has failed in the past in similar efforts. However, in the OSCE there is no good method to prevent the repetition of failures. A new staff member often does not possess information about past failures. It is even more challenging for the new staff to deal with the participating States whose leaders and key personnel in the ministries have been in their jobs for a long time and have a far greater institutional memory of dealings with the OSCE. There is no reason why host countries would be interested in working with an organization that is likely to continue repeating the same mistakes. This again goes back to the earlier discussion on the reputation of the organization.

*Maintaining a culture of not dealing with problem employees and perpetuating questionable recruitment practices*

Career organizations occasionally acquire a reputation of accumulating ‘dead wood’ and this has occasionally been used by proponents of keeping the OSCE a non-career organization. What is not appreciated, however, is that non-career organizations have their fair share of unproductive but immovable workers as well. In the OSCE the preferred method of dealing with problem staff members — stimulated by non career rules — is simply doing nothing. Indeed, as the length of service of managers or the problem staff are limited, there is very little appetite in the organization to deal with personnel problems as they are expected to vanish with time (often to be replaced by new ones). This is also why questionable recruitment practices are tolerated. A few years ago, well-meaning members of OSCE delegations could only whisper and shrug shoulders when the head of one of the OSCE entities marginalized his international professional staff by surrounding himself by advisers from his own country, who were not selected competitively and then proceeding to offer a post of a deputy head of a newly created department to the spouse of one of these advisers, again without any competitive process. Such hirings, as well as recruitment to senior posts of persons whose lack of substantive or diplomatic skills and unsuitability of the post, are dismissed by the OSCE delegations as ephemeral phenomena, addressing which would require too much effort despite the detrimental impact such hires make to the effectiveness of this part of the OSCE. The ‘this will pass’ approach to underperformers that has been repeating over and over in many parts of the OSCE is a direct counterargument to those who think that non-career organizations are inherently immune to bad employees and do not generate ‘dead wood’.

### **Concluding observations**

In the private sector reputations are everything. In the world of intergovernmental organizations, reputations are often neglected or sacrificed in the name of political interests. Reputations of organizations do not emerge by themselves. They are a result of actions and reputations of people working for them. If organizations neglect the 'human factor', their reputations suffer and organizations find themselves in decline. There is much evidence the OSCE is in decline, and many analysts attribute the decline to the behavior of the participating States towards certain directions of the organization's work, such as election observation. What this article has attempted to highlight is that the participating States have also eroded the organization's effectiveness by perpetuating a way of depriving it of quality personnel. Employment policies of the OSCE were designed in another era when political dynamics were significantly different from the current situation and the desire of the participating States to meet their commitments was taken at face value. When these started to fall apart, they were not reexamined in a timely fashion. Failure to adapt to the changing environment had a detrimental effect on the OSCE, for successful organizations adjust to the changing circumstances, while the unsuccessful ones fail to adopt and decline, perhaps irreversibly.

Technically speaking, it would be relatively easy to fix the problems outlined in this article without turning the OSCE into a career organization. It can be done, for example, by instituting rigorous performance evaluations procedures, by allowing some exceptions for those staff members who have risen through the organization's ranks and have shown themselves guardians of the organization's institutional memory as well as by taking stock of the international organizations labor market and making the OSCE terms of employment more competitive. These changes take political will and desire to work towards consensus. In the current highly contentious OSCE environment, this is simply impossible. However, it is worth noting that ironically, among those participating States that most vehemently oppose changes in the OSCE employment rules, are countries such as the United States, which emphasize their strong support for the work of the OSCE in Human Dimension. The most serious work of the OSCE is conducted in the Human Dimension, which also bears the most negative consequences of the organization's staffing rules. It is difficult to comprehend why these States undercut their own objectives by unwavering support for current employment policies of the organization.