



In-Service Training of Local Servants in Croatian Local Self-Government: between old Habits and new Ideas

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Abstract

The purpose of this paper is to research methods of in-service training of local servants in Croatian local self-government. The research conducted in the paper aims to contribute to scientific literature given that this area is relatively poorly researched and to determine to what extent the in-service training model is in accordance with the strategic model of human potentials development. To determine this, a legal analysis, an assessment of available documents on training programs and reports on local budgets in Croatian cities is being carried out. To examine more deeply the trends in the training of local servants and to answer the paper research question, a questionnaire was sent to Croatian cities. It is concluded that the importance of local servants training, which the scientific and professional literature strongly emphasizes, has not yet been recognized in Croatia as the legal framework does not emphasize the importance of training nor encourage its modernization, while at the same time very little funds for training are allocated from local budgets. The analysis of the questionnaire shows that the new trends in the training of local servants are very poorly represented and that ultimately the traditional (administrative) model of human potentials management still prevails in Croatian local and regional self-government.

Keywords

local self-government in Croatia, local servants, human potentials management, in-service training, strategic model of human potentials management, new trends of in-service training

1 Introduction

In-service training is a key segment of human potentials management (hereinafter: HPM)¹ in public administration. Most developed countries established training systems for public servants after the 1960s (OECD, 1997, 7; Marčetić, 2007, 230), while transition countries began somewhat later, during the 1990s after the fall of the socialist system, following the example of Western European countries.

Modern organizations operate in a changing and dynamic, globally competitive environment and are exposed to continuous advances in technology and innovation, which leads to changes in the meaning of human potentials development (Marčetić, 2007, 249–250). With the exception of senior specialists and key staff, employees became more easily replaceable and available, which is why they must find effective ways to apply and adapt their knowledge and skills to the changing circumstances in the workplace. The traditional approach to HPM was based on organizational stability, and education and training was relatively balanced and focused on employee career development. The contemporary meaning is much more complex, broader, and focused on the strategic development of staff.

Previous empirical research in the field of human potentials management in local self-government (LSG) of the Republic of Croatia shows that elements of traditional, administrative personnel management prevailed in many areas. In addition, legal shortcomings and gaps have opened space for political and/or discretionary decisions of heads of office or managers, which is a feature of the pre-Weberian, political model of personnel management (Marčetić, 2013, 191–192). These include the field of in-service training, which was not conducted in accordance with a well-thought-out HPM strategy and organizational needs, but rather *ad hoc*, according to uneven and discretionary criteria.

Given that the field of in-service training of public servants in LSG administrative bodies (hereinafter: local servants)² is relatively poorly researched, this paper seeks to determine whether local Croatian units have recently adopted new methods of in-service training in accordance with the modern trend of human potentials management which are linked with human potentials planning, strategic and organizational goals, competency models, etc. These methods have been used for a long time in the public administration of many other countries that have introduced elements of the strategic HPM and are gradually being introduced in the Croatian central civil service.

In methodological terms, to examine the possible application of new trends in the training of local servants, the legislative framework and available documentation are analyzed alongside an overview of the official gazettes of local units and their websites. Special emphasis is placed on training programs for local servants and officials in local self-government and reports on local budgets. To analyze the local system of in-service training, a questionnaire was sent to all Croatian cities. The analysis carried out makes it possible to draw conclusions in two directions: (i) whether the traditional approach to the in-service training of local servants prevails in Croatian local units, and (ii) whether new methods of in-service training have been introduced.

¹ The authors used the term “human potentials management” due to its developmental and human meaning, unlike the instrumental and utilitarian term “human resources management” used in economic and managerial literature.

² In this paper, the term local servants will be used for public servants employed in administrative bodies of local and regional self-government units.

2 From traditional to strategic human potentials management approach

The basic feature of the HPM function within the traditional (administrative) approach was centralization and formalization with the central personnel department designed to primarily deal with operational personnel activities and legislation of public servants (Op de Beeck et al., 2021, 60–61; Koprić et al., 2021, 164). The administrative model corresponds to the concept of traditional, Weberian administration and is based on legal and democratic values. Personnel service is centralized, the status of public servants is secure and protected by law because the personnel function is considered a social responsibility (Marčetić, 2007, 108–111). This was followed by the managerial model promoted within the New Public Management (hereinafter: NPM) doctrine, which is based on economic values and market-oriented approach in the public sector. NPM has completely changed the values and goals of the old traditional administration that began to resemble the private sector. Regarding personnel function, its basic features are decentralization of previously centralized personnel administration, increased management autonomy and flexibility and use of outsourcing. Managers are individually responsible for the result, the status of staff is precarious, the employment relationship is flexible and there is a greater emphasis on special skills and abilities, and not on formal education as in the traditional model (Op de Beeck et al., 2021, 60–61, Marčetić, 2007, 108, 112–114).

A strategic approach to HPM appeared in late 1980s under the influence of NPM but was developed at the beginning of the 1990s, after the managerial concept had already displayed certain weaknesses. An integral or strategic model was developed under the influence of the New Public Governance doctrine as a renaissance of traditional public sector values of legitimacy and accountability within the sustainable HPM. It seeks to combine the favorable aspect of the administrative model (acting in accordance with the rules and public interest) and the managerial model (organizational and individual efficiency and effectiveness, performance), while also introducing some new elements that were not represented in the previous models, such as strategic leadership, creation of networks, more active participation of citizens and employees, etc. Therefore, it represents democratic, legal, economic, and social values and thus the status of public servants is flexible, but within the legal rules that protect their rights (Marčetić, 2007, 114–117). Given that it borrows the best of each of both worlds, it is the most viable and relevant model for HPM in public organizations. In this model, the HPM function is combined and decentralized at all managerial levels, but central HPM departments determine strategy and coordinate HPM practice within each organization. Activities that can benefit from such collaboration between personnel bodies and line departments include designing and managing assessment centers, hiring key personnel, and restructuring organizational classification systems (Condrey, 2005, 6–13.; Marčetić, 2007, 114–117).

The strategic model stresses the need of systematic development of human potentials to achieve the strategic goals of organization, organizational competences and efficiency (Beaumont, 2002, 16–19) and represents an integral approach primarily related to strategic human potentials planning (Op de Beeck et al., 2021, 60–61). The most popular usage of the term strategic concerns “the need for an explicit (two-way) linkage between the *substantive* nature of human resource decisions and the *substantive* nature of the external, competitive strategy of the individual organisation” (Beaumont, 2002, 17). This means that HPM determines the successfulness of an organization’s business strategy, while the organization’s business strategy determines the goals, sets the models, and directs the development and methods of HPM. Thus, an organization has two strategies: external, with the purpose of finding ways for competitiveness on the market, and internal, which is oriented towards development, motivation, and the control of internal potentials (Beaumont,

2002, 16–19). This should in turn result in better productivity and performance. To achieve this, organizations must develop two types of human potentials strategy – a general and a series of specific strategies. Collectively, they form a model of strategic management of human potentials. The general strategy refers to an HPM in which business and strategic goals are achieved, and the organization's performance is increased, setting the boundaries and basis for specific HPM strategies. Specific strategies determine 'what' needs to be done in order to achieve the given objectives and include staffing, human potential development, talent management, knowledge management, competence management, performance management and diversity management (Bahtijarević-Šiber, 2014, 58–68).

Despite the many positive aspects of the strategic management of human potential, one should bear in mind that this concept is primarily conceived as a notion in the private sector to enhance the competitiveness of organizations in the market. However, public organizations cannot decide autonomously on the strategic components as organizations in the private sector can. The issues of the mission, objectives, content and financing activities of public organizations, as well as ways for evaluating the execution of tasks, depend on political decisions and numerous conflicting interests that arise from competing values in public administration. In determining the strategies of public organizations, the environment is a crucial factor, while the problems related to HPM in public administration are political rather than technical in nature. In this sense, the strategy-making process is more complex, and the effects it would produce are less predictable (Marčetić, 2007, 166–171).

In accordance with the strategic model of HPM, the general approach to in-service training includes assessing the candidate's training needs in relation to strategic, organizational, and individual goals, the use of the competency model to assess the training needs of individuals, assessing the content and duration of training in relation with workplace needs and connecting training with other methods of HPM (advancement, pay promotion, transfer etc.). Also, several new trends and methods have been developed which will be discussed in the following chapter.

3 Human potentials development in public administration

3.1 Education and training in traditional public administration systems

The need for the education and training of public servants has long been recognized. Following the 1960s, many developed countries established systems for the education and training of public servants. The continental countries of Western Europe, Germany and France in particular, played a leading role in these processes due to their traditional understanding of work in public service as a lifelong career (Marčetić, 2007, 230). In countries with a career civil service system, initial pre-service training, which provides a general framework for working in the public service, and adaptive training, which prepares the candidate for specific functions after or before advancement, prevailed. On the other hand, the Nordic and Commonwealth countries with position-based systems more highly valued specialist knowledge for individual positions, and each specialist had to continuously improve and develop their skills with regard to new technologies and the development of the profession (OECD, 1997, 7). These differences began to disappear over time. Rigid career systems became more flexible and began introducing programs focused on the continuous training of public servants, while position-based systems began introducing some forms of initial and adaptive training, particularly for managers.

However, in the 20th century, there was no continuity in the training and development of public servants not even in the developed countries of western democracies and instead it was

mainly focused on short-term goals of improving the current work performance. The exception was senior civil servants whose careers were carefully planned in some civil service systems such as Germany, Iceland, Japan, Mexico, Sweden and USA, which developed a coherent lifelong learning strategy, while, for example, Australia developed lifelong learning as part of a performance management system (OECD, 2004, 9). On the other hand, post-socialist countries started to establish modern education and training systems only after the fall of socialism, which was one of the conditions for joining the EU. Unlike Western democracies that introduced managerial methods into solidly formed traditional civil service systems, Eastern European countries had yet to establish a classic, Weberian administration, so their goal was also different – the establishment of a professional and depoliticized administration (Marčetić, 2007, 232–233). These education and training programs were mostly implemented partially and ad hoc, not as part of an integral system. Most of the post-socialist countries did not have elaborate public administration strategies and therefore no strategies for the education and training of public servants. For the most part, they did not carry out detailed analyses of the current situation with regard to the competencies of public servants and related training programs, or systems for evaluating the results of such programs (Serban, 2002, 38).

3.2 Shifts in human potential development approach

Modern changes in the market environment, the introduction of new technology and changes in organizational characteristics have significantly influenced new approaches to the education and training of public servants. Many countries have introduced legislation, regulations, initiatives, etc. to influence the level of training and development in organizations. They reflect the widespread opinion that the absence of such activities hinders the competitive performance of the entire national system. The training and development of public servants is seen as an important factor in strengthening organizational performance and the responsibility of public administration (OECD, 2004, 9), as well as a necessary element in the development of the individual careers of public servants. It should generally contribute to implementation of administrative reform and modernization, and more particularly to the adaptation of skills and qualifications to improve performance, increasing efficiency while reducing costs, promoting horizontal mobility, flexibility, and adaptability, improving staff motivation, improving HPM, improving relationship and services provided to the public, supporting staff-development, and developing international cooperation (OECD, 1997, 8–9).

According to Thunnissen and Sanders, the public sector is confronted with several challenges in connection with the changing environment, such as ageing workforce and labor shortage, the importance of the continuous development of skills and lifelong learning, competitiveness in the labor market etc. (Thunnissen & Sanders, 2021, 119). Broader societal changes place new demands and challenges in HPM on organizations and management structures in organizations (Bahtijarević-Šiber, 2014, 13). The economic paradigm and conception are changing, so intellectual capital is becoming an increasingly important part of organizational ‘assets’ and the strategic role of HPM; globalization in the context of increasing competitiveness places demands on new skills and competencies; the development of information technology requires new knowledge and knowledge management; demographic changes, such as population ageing, requires different approaches and ways of HPM.

In a dynamic environment, the approach to HPM is changing from an initial focus on pre-service qualifications and the very beginning of a career in (ultra) stable organizations to a strategic approach that requires continuous training, new skills, learning new concepts and

changing management style and system. Gradually, the importance of training shifted from the individual to the team and organizational level with the aim of improving individual, group, and organizational performance to Thunnissen & Sanders, 2021, 121). The traditional approach is complemented by a modern understanding that considers the individual careers of public servants and links the development of the individual to organizational development (Vukojičić Tomić & Lopižić, 2019, 74–75). In this sense, careers are not the sole responsibility of either an individual or an organization, but rather a process of a series of connected and coordinated activities in which the individual and the organization participate together (Marčetić, 2007, 251).

An important factor on which the success of professional development of employees depends on is the choice of appropriate training methods. The key question for choosing a method is: what should be learned? In order to create a program with the greatest effect, it is necessary to combine certain methods: lectures, discussion methods and conferences, printed material, practical and feedback techniques (writing information, questions, exercises, simulations, tests, role-playing, etc.), the application of technology or various audio-visual techniques, behavioral shaping methods such as mentoring, internship, job rotation, counselling, etc. (Marčetić, 2007, 242–245). In the development phase of the training program, the assessment of training and development needs is carried out at three levels: organizational, departmental, and individual (Van Wart, 2005, 276–283). In the past, training was mainly focused only on the individual and departmental level, while in recent times the analysis of organizational needs has become equally important. Data collected and evaluated in the needs assessment phase are crucial for creating a targeted and appropriate training program. The end product – training objectives, content, methods and techniques – must be agreed on by the training institution and the management of the organization seeking training for its employees (OECD, 1997, 19).

3.3 New trends and practices in human potentials development

The HPM cycle includes standard (traditional) functions, while in modern times, due to the challenges and changes described above, new trends are emerging due to strategic orientation. There are four basic categories of standard functions: human potentials provision (planning, recruitment, selection, employment), education and development, motivation and reward (monitoring and evaluation, motivation, reward, benefits), human potentials maintenance (safety and health, organizational culture, retention), communications and employee relations, services). In modern times, their scope and methods are changing, so we are talking about strategic management instead of ensuring human resources, while the new functions include competence management, knowledge management, diversity management, performance management, and talent management (Bahtijarević-Šiber, 2014, 21–24).

As the purpose of this paper is to examine whether new ideas and trends of HPM are applied in Croatian cities and whether these topics are included in local servants training, some of these trends and functions are briefly explained. The choice of trends that were examined by the research was preceded by a desk analysis that showed which trends are represented in national and local policies and strategic documents. This analysis showed that the competence model and diversity management are applied in the Croatian public administration at the national and local level, with different dynamics and modalities. As we will see later in the text, the competency model is being implemented in the state administration, and its application has also begun in local units. The application of different instruments for diversity management is the result of highly developed anti-discrimination legislation and public policies that, among other things, include the protection of certain social groups that are in an underprivileged

position and, consequently, the application of special measures for their employment in public administration. In addition, since 2017, Croatia has been a signatory of the Charter on Diversity of the European Union³. Knowledge management becomes a very important factor in conditions when the Croatian public administration has problems attracting new and appropriately skilled staff, as well as retaining existing staff (Marčetić et al., 2020).

The idea of *competence management* evolved in the 1980s influenced by managerial reforms. Following the example of those in the private sector, competency models have begun to be introduced in public sector organizations as key tools in many areas of HPM – from recruitment, evaluation, remuneration, to career planning and the development and training of civil servants. It identifies the competencies of public servants that will ensure the achievement of the organization's strategic goals and can be developed for the entire organization or only for certain units, functions, work processes or jobs within the organization (OECD, 2010, 22). Public servants acquire certain input knowledge, specifically related to the service, which related to personal motives, self-image, social role or skill make generic or input competencies (Bahtijarević-Šiber, 2014, 127–128). These are not necessarily related to work performance. The authors distinguish them from performance competencies or professional competencies that make up specific knowledge, skills and traits required by a job or role. This type of competencies has the greatest impact on job performance. Regarding the training and development of HR in public administration, it is possible to single out several key steps in the management of competencies (OECD, 2010, 30–41). First, it is necessary to conduct an analysis of the 'gap' or the lack of competencies and the necessary competencies, which is done in the phase of assessing the needs for learning and training. The second step determines the personal development plan for each employee, which lists the specific competencies that the employee needs to develop for better work performance. In the third step, based on the identified specific competencies for each employee, development goals and learning activities/methods (workshops, courses, etc.) are developed.

Knowledge management is a relatively young field that gained attention at the end of the last century (Colnar & Dimovski, 2017, 146). In today's knowledge society, one of the most important tasks of modern organizations is the constant increase of knowledge and maximum use of knowledge of employees (Bahtijarević-Šiber, 2014, 219). Knowledge management is considered a key strategic resource both for raising organizational performance and for creating competitive advantage and introducing innovation in the organization. Today, public administration organizations are facing a real problem of losing a significant amount of tacit (*know-how*) knowledge with the retirement of employees. Therefore, the sharing of this type of perhaps the most important knowledge and its codification, where possible, is becoming increasingly important (Colnar & Dimovski, 2017, 147). Knowledge management is a cycle that includes several related phases: knowledge acquisition and creation, knowledge storage and preservation, knowledge transfer and sharing, and knowledge use and application (Bahtijarević-Šiber, 2014, 231). There are several methods of knowledge transfer and sharing that refer to training, among other things. These include standard methods (for the transfer of explicit knowledge such as lectures, presentations, case studies, etc.) stories (storytelling of real and imagined events), communities of practice (groups of professionals who share common interests in communication for the purpose of sharing knowledge) and social networks (organized gathering of informal relationships between persons, groups or organizations). However, prescriptive models for knowledge management in public administration are very

³ More information on Croatian diversity charters can be found at: <https://www.hrpsor.hr/povelja-o-raznolikosti/>

rare due to varying degrees of bureaucracy and hierarchy between countries and administrative traditions, therefore it is mostly a modification of models used in the private sector (McEvoy et al., 2015).

In response to the growing diversity of modern societies, various approaches of *diversity management* have emerged. The first approaches appeared as early as the 1960s, through Equal Employment Opportunity (EEO) and Affirmative Action (AA) policies. These approaches are mostly based on the adoption of binding acts that force organizations to employ members of all minority groups in each country. Since the 1980s, diversity management has emerged as an approach based on the voluntary management of HR diversity in organizations and the recognition of the benefits of diversity in human resources for organizations. Diversity management is based on the broadest understanding of the concept of differences and includes a number of measures to ensure the employment of different individuals, but also to ensure the permanent management of such differences in order to benefit the organization (e.g., better organizational performance), employees (e.g., greater satisfaction) and service users (e.g., greater focus on the needs of users and consumers). The diversity management approach is included in various HPM methods. As the approach emphasizes the connection between the introduction of diversity management practices and organizational performance, diversity management is integrated into strategic HPM (Vukojičić Tomić et al., 2021, 310). Measures that benefit the diversity management approach are diverse in nature, from providing support to the leadership of the organization that supports the concept of diversity and introducing changes to the organization (e.g., through the adoption of diversity charters that advocate for employee diversity management); introducing and educating employees about diversity; various measures to monitor the results of the introduction of diversity policies and their impact on cultural change in the organization and organizational results (e.g., research of employees' attitudes towards diversity) and creating an organizational culture that supports diversity (e.g. through organizational change, mentoring programs, building common values and identity organizations) (Bahtijarević-Šiber, 2014, 377, Kellough & Naff, 2004). Training on diversity should include three components: familiarization with the legal framework (e.g. on discrimination), increasing understanding and acceptance of differences between people, creating diversity sensitivity. This can include, for example, role playing, self-awareness programs about one's own prejudices and stereotypes, and difference awareness where participants learn about others who differ on various grounds (e.g., language, culture, gender, age) (Bahtijarević-Šiber, 2014, 386–387).

4 Training of local servants in Croatian cities

Croatia is a centralized, unitary state with two tiers of self-government units: the first layer comprises municipalities (428) and cities (128) as local self-government units and the second comprises counties (20) as territorial (regional) self-government units. The basic features of Croatian local self-government system include the complexity of territorial organization, its insufficient stability, imbalance, insufficient efficiency, weak developmental potentials, and centralistic model of governing the state (s. more in Koprić, 2010). The number of cities in Croatia increased from 69 in 1993 to 128 in 2022. Parallel to this process, the number of local servants has been constantly increasing. In 2020, there were 11013 local servants in Croatian cities (Ministry of Finance, 2023) compared to 5443 local servants in 1995 (Marčetić & Lopžić, 2017, 417). The more detailed analysis of the growing number of local servants in Croatian cities indicates that there were discrepancies in the increase of their number among Croatian

cities which indicates that this trend was not only a result of the broadening of cities' scope of competence, but also of internal factors, and possibly of unnecessary and non-transparent employment in some cities (Marčetić & Lopžić, 2017, 429).

Previous research on local servants' training in Croatian local self-government units showed the growing number of activities aimed at local servants' training (e.g. numerous seminars, round tables, conferences, lectures, workshops) covering an array of diverse subjects (new legislation, finance, strategic planning and management, utilities, economic development, use of EU funds, communication with citizens and NGOs, building partnerships, etc.). However, there was a lack of a systematic approach to local servants' training since these activities had been offered on an *ad hoc* basis, without prior impartial analysis of existing needs for training that would consider specifics of individual local self-government units. Also, the insufficient coordination between the various training providers led to the overlap of the same or highly similar activities in individual municipalities, cities, and counties, while at the same time in other units such activities were not carried out at all. Finally, the lack of a standardized approach (in terms of content / topics, approach / methodology and expertise of the trainers) led to the varying quality of educational activities of the same content directed to the same user group (Kovačić, 2007, 320–321).

The act on local and regional self-government⁴ as a systematic law on Croatian local self-government system provides that local servants are to be supported by continuous in-service training through courses, seminars, and schooling based on the strategy and plan of local civil servants' training adopted by the Government on the proposal of the national alliance of local units and the ministry of public administration (art. 56b). The more detailed provisions on local servants training are prescribed by the Act on local servants and employees in local and regional self-government⁵ that was adopted in 2008. The Act contains several provisions related to the training of local servants including general provisions (art. 81–84) and provisions on internship (art. 85–93). However, these provisions are mostly on the level of recommendations and general principles. E.g., the Act stipulates that “local servants will be encouraged to undergo continuous professional training” (art. 81) and that “local servants are obliged to undergo continuous training for their jobs through workshops, courses, seminars, etc. and that their superiors are obliged to enable them to attend organized programs” (art. 82). As the Act does not specify these provisions or prescribes sanctions for their non-compliance, their meaning has a declarative nature (Marčetić & Lopžić, 2017, 426). Furthermore, the training of local servants is financed through local budgets (art. 84) that often do not have sufficient financial means for this type of expenditure. The Act only explicitly obliges trainees and employees who have been admitted to the local service with work experience for more than 12 months and have not passed the state professional exam (excluding persons who have passed the bar exam) to pass the state professional exam (art. 88 and art. 93). The Act on salaries in local and county (regional) self-government⁶ contains no provisions related to rewarding or promoting local servants for the successful completion of training programs. In 2017, the Act on the system of strategic planning and development management of the Republic of Croatia was adopted (Official Gazette 123/17), obliging local units to adopt strategic development plans

⁴ Official Gazette, 33/01, 60/01, 129/05, 109/07, 125/08, 36/09, 36/09, 150/11, 144/12, 19/13, 137/15, 123/17, 98/19, 144/20.

⁵ Official Gazette, 86/08, 61/11, 4/18, 112/19.

⁶ Official Gazette, 28/10.

that could have incited local units to adopt a more strategic approach to local management and consequently relating HPM practices with strategic goals.

Just as many other countries such as Austria, Cyprus, Finland, France, Germany, Greece, Hungary, Latvia, and Romania (Thijs et al., 2018, 26), Croatia established the State School of Public Administration as a separate national institute for the training of public officials in 2012. Prior to this, from 2006 to 2012, the training of local servants was organized at the Academy of Local Democracy, a training school specialized in the training of local servants. In practice, this institution was inefficient in its work that led to its abolition (Marčetić & Lopžić, 2017, 427). The State School of Public Administration provides following trainings: EU programs, public policies, special programs, programs of public management, public procurement, program for senior officials, and training of trainers (State School of Public Administration, 2022, 4). During the period of 2011 to 2014, the State School of Public Administration conducted 529 programs attended by 12,021 civil servants. Of these, 73 programs were attended by 1,692 local servants working in cities and counties. Some programs were intended for senior civil servants (leadership and management, strategic planning), while others were intended for civil servants (administrative procedure in practice, organization and conduct of meetings, specifics of the EU budget, etc.) and trainees (preparation for taking the general part of the state professional exam) (Marčetić & Lopžić, 2017, 427). The information gathered from the interview conducted with the deputy director of the State School of Public Administration conducted in 2022 indicates that the School played the greatest role in training of senior local civil servants, starting from the European Union IPA project “Establishment of a training system for good governance at the local and regional level” in 2012. The series of trainings took place in 2016/2017, 2017/2018, and 2018/2019 and were attended by 83 senior local civil servants. The training has diverse content, from good governance, European projects, local development, ethics and integrity, and individual coaching.

The data on the execution of local budgets (Ministry of Finance, 2023) provides interesting insights into the financial means Croatian local self-government units spend on the training of their local servants. Compared to county and municipal governments, Croatian cities spend less on the training of their local servants (only 0.04% of the city budget compared to 0.05% of the county, and 0.11% of municipal government budget). These financial means decreased over time: in 2005, they spent 0.07% of the local budget on training while in 2010 they spent 0.1% of the budget on training. However, in 2015 they spent the same amount on training as in 2020, a year marked with COVID-19, which might indicate they would have spent more financial means on training if the circumstances had remained unchanged. Additionally, an analysis of financial resources spent by local units spend on the training of each local servant shows that cities had more money to spend on the training of each local servant (1.018.23kn in relation to 320.15kn in municipalities and 816.33kn in counties in 2005). However, this amount drastically decreased. In 2020, cities could only spend 562.12kn per local servant while municipalities could spend 599.64kn and counties 576.05kn.

To examine whether Croatian cities adopted a strategic approach and new practices in the training of local servants, a questionnaire was dispatched to all Croatian cities. More specifically, the questionnaire examined: (1) whether there is a strategy or long-term training plan, (2) what are the criteria for sending local servants for training and areas of benefit from training, (3) whether training is related to other methods, (4) the fields of training programs, and (5) whether new HPM methods are applied in the training of local servants. Of 128 cities in Croatia, 48 cities (38%) answered the questionnaire.

The analysis of the answers from the questionnaire shows that the majority (83.3%) of cities have not adopted any strategy or long-term plan for the local servants training except for the City of Zagreb which is the capital of Croatia and has a twofold status of city and county. It should be noted that the City of Zagreb employs more than 1/3 of the total number of local servants in Croatia. Only five cities (10.4%) indicated that they are preparing or are developing a long-term training plan for their employees.

The data collected by the questionnaire indicates that most cities (79.2%) do not link the training of local servants to other HPM methods. The training of local servants is only associated with salary increases or salary bonuses in a single surveyed city, while in two cities this is linked to a transfer to a managerial position. In the ten cities surveyed, training was associated with promotion. Given that most cities in Croatia do not have a special HPM city office, the decision on local servants training is the responsibility of the mayor (42%) or the head of city offices (58%). The main criteria for sending employees for training include both the needs of the workplace (58.3%) and new circumstances in the workplace such as the adoption of a new regulation or the introduction of new technology (54.2%). A smaller number of cities expressed the interest of their staff as a criterion for training (27.1%), and it is particularly interesting that only three cities cited insufficient knowledge and skills of their staff as a criterion for training. Therefore, it can be concluded that the system for assessing the needs of candidates for training is insufficiently developed in Croatian cities.

Croatian cities see the greatest benefit from training in increasing efficiency in performing work tasks (89.6%). A smaller number of cities stated the satisfaction of their staff due to the possibility of professional development (29.2%), and only 14.6% of cities cited the satisfaction of citizens with the services provided. In terms of the fields of training programs, cities mostly opted for law (64.6%) and economy (75%), while only six cities saw the need to develop IT skills. Foreign languages or management methods (e.g., project management) have not been recognized as areas where local servants are trained. In only 37.5% of cities, local servants are sent to the State School of Public Administration for training, while other cities rely on the services of consulting firms and private schools and institutions. Only two cities have in-house training. Regarding new HPM methods and their application in the training of local servants, as many as 75% of the surveyed cities failed to introduce them. Ten of the surveyed cities introduced a competency model (20.8%), only 3 cities introduced knowledge management, and one city introduced diversity management.

Given that the results of the research showed that of all the new trends in the training of local servants, only the competency model is being gradually introduced, the reasons for this were additionally examined. The competency model for the training of local servants is a result of the “Development of the Competence Framework for Public Administration Employees” project funded by the European Union and implemented by the Ministry of Justice and Public Administration, which was launched in 2019 and completed in 2022. The aim of the project was to implement the competency framework for public administration and bring about the preconditions for the establishment of HPM in public administration based on the newly established competencies. The State School of Public Administration has recently provided series of trainings on the implementation of the competency model in public administration both for senior civil servants and other civil servants working in state government, local self-government, and public services.

5 Conclusion

The in-service training of public servants, as a key segment of human potentials development, is a continuous process of acquiring knowledge and skills and its ultimate purpose is to improve work performance and achieve organizational goals. In addition, it is important for motivating employees and retaining quality staff but also contributes to creating shared values within the organization. Thus, the entire individual career is associated with organizational development to boost organizational performance, which corresponds to the strategic model of HPM. Integral or strategic models seek to combine the advantages of both the administrative and the managerial model, while also introducing some new elements, such as strategic leadership, creation of networks, more active participation of citizens and employees, etc. It emphasizes the need for the systematic development of human potentials to achieve the strategic goals of organization, organizational competences, and efficiency.

The purpose of this paper was to determine to what extent the in-service training model in Croatian local units is in line with the strategic model of HPM. Specifically, the research covers the following methods: assessing the candidate's training needs in relation to strategic, organizational, and individual goals, assessing the content and duration of training in relation to workplace needs and connecting training with other methods of HPM, and other new trends and methods by using the competency model to assess the training needs of individual, competence management, diversity management and knowledge management.

An analysis of the legal framework for the training of local servants in Croatian local self-government has indicated that it does not emphasize the importance of the training of local servants as a method of HPM, nor does it encourage its modernization. Local units are not legally obliged to adopt a strategic plan for the training of local servants and there is no connection between training and other HPM methods in the normative sense. For this reason, the strategic approach to training and the introduction of new training methods reflect the proactivity and motivation, and often the financial capabilities of individual cities. Additionally, the data from the budget analysis show that Croatian cities allocate very little funds from their budget for training, and the fact that this amount is continuously decreasing over time is of additional concern.

The results of the questionnaire show that there is no strategic approach to training in Croatian cities in line with strategic HPM. The results indicate that the situation has not changed significantly compared to the previous analysis on training in the Croatian local government. This conclusion is derived from the following findings: (i) the vast majority of Croatian cities did not adopt a strategy on local servants' training, (ii) training is not linked to other HPM practices (promotion, salary increase or bonus), (iii) training is not based on local servants' needs, (iv) training is not linked to organizational goals and development even though cities acknowledge the importance of training for overall performance, (v) local servants mostly attend training in the field of law and economics, which is another indicator of the traditional approach to HPM.

With regard to the introduction of new HPM methods and, accordingly, new training methods, Croatian cities started with the introduction of the competence model primarily as a result of a project carried out at the national level (top-down approach). HPM methods such as diversity management and knowledge management are not developed at the national level, which is why the research confirmed the initial assumption that these methods are not recognized at the local level as well.

It can be concluded that the traditional (administrative) model of HPM still prevails in Croatian cities. HRM practices, which include local servants training, are shaped and influenced by national policies rather than intrinsic local initiatives aimed at the improvement of city management and performance.

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