

# Civil Service Reforms and the Development of Korea

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**Abstract:** Human resources in government have been recognized crucial elements for national development in that civil servants make policy decisions and implement them. Especially in the case of economic development, high levels of expertise and experience are required for civil servants. Korea's economic development provides good example of the importance of public human resources. The Korean government recruited new civil servants through the civil service exam, a very difficult and competitive test. Most civil servants who pass this exam have a high degree of knowledge of economics, public policy, and public administration. During period of industrialization in Korea, civil servants used these abilities to design and implement public policies for economic and social development that enabled the country to make surprising progress. As Korea lacks natural resources, the role of civil servants is much more important than that in many other countries. This study reviews historical changes in the Korean civil service system, especially the recruitment system.

**Keywords:** civil service reform, recruitment system, national development

## INTRODUCTION

Human resources in government are crucial for national development because civil servants formulate and implement public policies. Korea's social and economic development demonstrates the importance of human resources. As is already well known, with the "miracle on the Han River," Korea overcome devastation wrought by the Korean War. Many people point out, and even supporters of small government can agree, that competent and dedicated public servants were the forces behind Korea's rapid social and economic development in the aftermath of the war (Chang 1993).

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Since the late 1940s, the Korean government has recruited civil servants through civil service exam, a very difficult and competitive exam that confers prestige on those who pass it (Cheng, Haggard, & Kang 1998). Most civil servants who pass this civil service exam have a high degree of knowledge, skills, and abilities, and they have enabled Korea to make surprising progress.

Many scholars who have studied East Asian economic development have focused on the bureaucracy and analyzed its effects on national development. For example, Hwang (1996) points to the bureaucracy as a major factor contributing to South Korea's social and economic development, arguing that bureaucrats acted as the nexus between the political power of the presidency and monopolistic capital. As Korea lacks natural resources, it may be natural that the role of human resources, especially civil servants, has been much more emphasized there than in other countries. Given the level of social and economic development Korea has garnered through competent human resources in the public sector, exploring how successive Korean governments accomplish their goals and agenda by recruiting competent public servants and reforming the public personnel system could shine light on how this success was achieved. There have been many public personnel administration reforms in Korea, but owing to space constraints, this study covers only a limited number of important reforms and changes in public personnel administration. Yet the civil service reforms (especially in the recruitment system) discussed in this study are representative of the reform agenda of each government, and so this historical approach to the public personnel system of Korea should be fruitful.

## **DIVISION OF THE PHASES IN KOREAN GOVERNMENT**

This study divides Korean government into seven periods as follows: the Rhee Syngman government (1948-1960) and the Second Republic (1960-1961); the Park Chung-hee government (1961-1979); the Chun Doo-hwan government (1980-1987) and Roh Tae-woo government (1988-1993); the Kim Young-sam government (1993-1998); the Kim Dae-jung government (1998-2003); the Roh Moo-hyun government (2003-2008); and the Lee Myung-bak government (2008-2013). We assume that each government and its president had different goals and reform agendas, based on their interpretations of the period during which they governed and the environment in which they found themselves. Table 1 below summarizes the goals, values, and major reform actions of civil service systems across governments in Korea.

**Table 1.** Phases of Public Personnel Administration (PPA) in Korea

Phase	National Goals	Phase Description	Values in PPA	Major Reform Actions
1 (1948-1961)	Establishment of nation's foundation	Institutionalization of PPA	Merit principle	National Public Service Law (1949) Enforcement of civil service exam (1949) National Training Center for Public Servants (1949)
2 (1961-1979)	Reconstruction of nation Economic development	Establishment of career civil service system	Efficiency Professionalism	Employee performance rating system (1961) Reform of civil service exam (1963) Reform of pay administration (1963)
3 (1980-1993)	Economic and social development	Minor reform in PPA	Efficiency Professionalism	Reform of civil service exam system (1981) Public Servants' Ethics Law (1981)
4 (1993-1998)	Reform of undemocratic	Globalization and NPM reform in PPA	Efficiency Competition	Introduction of preliminary pay for performance (1995) Quota for female public servants (1995)
5 (1998-2003)	Parallel democratic and economic development	Division of policy formulation and implementation in PPA	Efficiency Competition Professionalism	360-degree evaluation system (1998) Introduction of open-competition-position system (1999) Management by objectives (1999) Expansion of pay for performance (1999) Gender equality employment system (2002)
6 (2003-2008)	Participation and decentralization	PPA innovation	Fairness Professionalism Participation	Expansion of technocrat hiring (2004) Personnel administration guideline for disabled public servants (2004) Local talented person hiring system (2005) Customized benefits system (2005) Senior executive service (2006)
7 (2008-2013)	Leading nation of the world through the advancement	Minor reform in PPA	Equity Professionalism	Abolition of age ceiling for civil service exam (2009) Hiring of high school graduates (2010) Reform of civil service exam (2011)

## **PHASE 1: INSTITUTIONALIZATION OF PUBLIC PERSONNEL ADMINISTRATION (1948-1961)**

After the establishment of a new Korean government in 1948, the administration of the President Rhee Syngman made an effort to institutionalize the civil service system at the same that it struggled to establish the foundations of a nation. The Rhee administration provided fundamentals of public personnel administration and the principles of the merit system by enacting the National Public Service Law in 1949 and introducing the civil service exam.

### **The National Public Service Law (1949)**

The National Public Service Law of 1949 was the first piece of legislation that addressed the basic groundwork of public personnel administration, outlining recruitment methods, public servant regulation, rewards, and disciplinary punishment. By law, public employees had to pass a civil service examination to be hired, which was open to the public (article 28), and hiring was by special appointment (article 6). The law also introduced a rank-in-person system (article 10) and guarantees for public employees' status (article 39). These principles were based on the merit system, which the Rhee administration had pursued.

### **Enforcement of Civil Service Exam (1949)**

The civil service exam, introduced by the National Public Service Law, was divided into two categories: the higher civil service examination and the ordinary civil service examination. The former was for the fourth-grade-level civil servant while the latter was for the fifth-grade-level grade civil servant. At this time, there were five grades, two of which—grades three and four—had A and B subdivisions; grade one was the highest (assistant minister level) and five was the lowest. However, these civil service examinations did not ensure the successful applicants' employment because they were just qualifying exams.

Since the higher-level public employee position has historically been a prestigious one, a number of graduates from elite universities took the civil service exam (Evans, 1998). Thus, passing the civil service exam was very difficult: 1 out of 39 passed in 1949; 1 out of 70 passed in 1953, and 1 out of 179 passed in 1960 (table 2). However, although the civil service exam was highly competitive, most civil servants were recruited with perfunctory screening. Among 8,599 men who became public servants from 1949 to 1961, only 3.9 percent (336 men) were recruited on the basis of the

**Table 2.** Passing Rate for the Higher Civil Service Exam (1949-1963)

Year	Times	Number of Test Takers	Number of Test Takers Who Passed	Passing Rate
1949	1	625	16	39:1
1951	2	457	39	12:1
1952	3	258	21	12:1
1953	4	711	16	44:1
1953	5	842	12	70:1
1954	6	1,141	17	67:1
1955	7	1,999	30	67:1
1956	8	2,855	108	26:1
1957	9	3,414	51	70:1
1958	10	3,047	50	61:1
1959	11	3,416	24	142:1
1960	12	5,557	31	179:1
1961	13	4,450	110	41:1
1962	14	3,036	50	61:1
1962	15	3,825	56	68:1
1963	16	3,194	36	89:1

Source: Ministry of Government Administration 1980

results of their civil service exam, while 96.1 percent (8,263 men) were recruited via special appointment (Cheng, 1998). This is due to the fact that political appointment based on the spoils system or patronage was still rampant at that time. Although the National Public Service Law clarified the principles of a merit-based recruitment system, these principles were not realized.

### **National Training Center for Public Servants (1949)**

In 1949, the Rhee government opened a central training center for public servants in order to educate newly hired officials as well as incumbent officials. Before the establishment of this center, each department had trained their own officials. However, this dispersed approach was not effective or efficient way to provide various training programs required for improving employees' skills and abilities.

## **PHASE 2: ESTABLISHMENT OF THE CAREER CIVIL SERVICE SYSTEM (1961-1979)**

Much attention has been paid to the Korean bureaucracy, especially its merit-based system.<sup>1</sup> Many scholars have maintained that the Korean government promoted bureaucratic reform that made the bureaucracy more meritocratic and that this merit-based recruitment and promotion system gave birth to competent bureaucracy (Cheng, 1998; Campos, 1996; Evans, 1998). Evans (1998) asserts that meritocratic recruitment to public service was one of the institutional cornerstones of the East Asian economic miracle, and Campos (1996) points out that the implementation of a merit-based system was a critical step for sustaining the competent performance of the government. Given the goal of national reconstruction and economic development, competent bureaucrats were needed who could formulate effective policies, such as five-year plans for economic development, and implement them. It was the Park Chung-hee administration that sought this kind of civil service reform, establishing a merit-based personnel system, building up a career civil service system, and improving the efficiency of public bureaucracy. In particular, the Park administration aimed to change the recruitment and promotion system. Under the Rhee administration, there was a possibility that unqualified public officials would be recruited through the channel of special appointment, which had more lenient criteria for selection. By reforming the civil service exam, the government was able to select qualified and competent public officials based on objective criteria. In addition, the administration made the promotion system a more meritocratic one by installing an employee performance rating system. Pay administration was also improved. Improving the internal incentive structure, these measures were intended to motivate public officials to work hard and to attract more talented personnel to the public sector.

### **Reform of the Civil Service Exam (1963)**

With the change from a five-grade-level system with A and B subdivisions in grades three and four to a five-grade-level system with A and B subdivisions in grades two, three, four, and five, civil service exams for fourth grade B and fifth grade B were conducted for the first time. By the new National Public Service Law of 1963, a new civil service exam for the third-grade B level manager position was introduced. Civil

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1. Berman et al. (2010) define the merit system as “a fair and orderly process for recruitment, promotion, rewards, and punishments on the basis of qualifications, performance, and competitive selection as judged by experts.”

service exams came to guarantee employment, and those who had passed civil service exam became public officials without having to go through other screening processes. Since the civil service exam objectively assessed the competence of applicants for public servant positions and used universally applied criteria, unlike special appointments, it became the main channel of recruitment. As the new government dismissed more than 35,000 civil servants and expanded the recruitment system through the civil service exam, the number of employees recruited through the exam also increased from 1961 to 1980 (Evans, 1998; see table 3). 20 percent of higher-level civil servants entered the bureaucracy through the civil service exam under Park administration while only 3.9 percent entered that way under Rhee administration (Cheng, 1998).

**Table 3.** Number of Recruitments through the Civil Service Exam (Third Grade B)

	1949-1959	1960-1970	1971-1975	1976-1980	1981-1985	1986-1988
Recruitment	244	461	804	944	537	398
Annual Average	22.2	52.3	207.4	302.4	171.8	182.7

Source: Chung 1989.

Passing rates for the civil service exam were low. The ratio of applicants seeking to enter the bureaucracy to those who succeeded in entering it was 47:1 in 1964 and 72:1 in 1974. The gap between the number applying for civil servant positions and those that received a job continued to increase, reaching a record high in 1986 of 164:1 (see table 4).

**Table 4.** Passing Rate for Civil Service Exam (Third Grade B)

Year	Passing Rate	Year	Passing Rate	Year	Passing Rate
1964	47:1	1973	40:1	1982	100:1
1965	25:1	1974	72:1	1983	120:1
1966	22:1	1975	44:1	1984	132:1
1967	73:1	1976	93:1	1985	129:1
1968	32:1	1977	54:1	1986	164:1
1969	36:1	1978	31:1	1987	120:1
1970	54:1	1979	41:1	1988	102:1
1971	18:1	1980	59:1	1989	103:1
1972	82:1	1981	91:1	1990	79:1

Source: Ministry of Government Administration 1980, Kim 1999

There are several factors that contributed to making civil service positions highly competitive. For one thing, a civil servant was guaranteed lifetime employment and stable income. Public officials were also given various benefits such as medical insurance and national pension. In addition, high-ranking bureaucrats in government enjoyed enormous power. In Korea, like many developing countries, the government was the most powerful organization within society (Im, 2014). Thus, officials in government could acquire and assert political authority. Above all, however, higher-level public officials enjoyed tremendous prestige and elevated social status, as public service in Korea has long been seen as an honorable profession (Evans, 1998; Im, 2014). The 600-year-old Confucian tradition in Korea contributes to this (World Bank, 1993). In line with the hierarchic social class structure of Confucian culture, Koreans have placed high value on scholars. For example, those who passed the examinations administered by the king became advisers to the king and enjoyed social prestige and powerful influence. These Korean cultural traditions encourage young people to take civil service exam in the hope of gaining entry to a public service career.

Since civil service exam is so competitive, the civil service has had its pick among “the best and the brightest” (Evans, 1998). A merit-based recruitment system like civil service exam thus functions as a filter, preventing adverse selection or a “lemons” problem (Campos, 1996). If the bureaucracy is filled with mediocre individuals and the status of public servants is low, then talented candidates will not seek out a career in public service, which in turn further contributes to the degradation of the field. Table 5 shows that those who have earned bachelor’s degree or higher made up the majority of the total number of successful applicants in the 1970s and 1980s. Although the requirement that a candidate have a university degree was abolished in 1972, it is extremely difficult to pass the exams without training in a well-established university in practice (Campos, 1996).

**Table 5.** Academic Background of Successful Applicants (Third grade B)

	Bachelor’s degree or higher	Total successful applicants
1973-1987	2,251 (97.5%)	2,257 (100%)
1980-1987	966 (99.4%)	972 (100%)

Source: Chung 1989



### **Employee Performance Rating System (1961)**

The first regulations for performance appraisal were established in 1961. Based on these regulations, evaluation results were reflected in personnel administration. However, these evaluation methods failed to assess the ability of public officials because they only took account of bureaucrats' academic background. In 1973, a rating regulation for public servants' promotion was enacted, and public officials came to be evaluated based on their performance and ability. Accordingly, principles of personnel administration focusing on capability and affording less weight to other factors were developed. As a merit-based promotion system provided objective criteria for promotion, it lowered the possibility of abuse and personal discretion on the part of authorities, especially politicians (Campos, 1996).

### **Reform of Pay Administration (1963)**

Potential applicants for the public service are influenced by the compensation that government offers, and the government should seek to attract competent candidates who might otherwise choose private employment (Campos, 1996). Under the former National Public Service Law, a grade-based pay system was used, but it failed to reflect individual's ability and performance in pay. Thus, the new National Public Service Law of 1963 introduced a position classification system to take duties and responsibilities (article 46, section 1) in the pay system into account, as well as living expenses and private-sector wages. In general, there was a perception that public servants in Korea are less paid than their private-sector counterparts, but about the wage gap between the two sectors is not as significant when one considers the total compensation package of public servants, including pay, prestige, and job security. In particular, a variety of allowances help to narrow the gap between public and private wages. Public officials' pension, which is a form of deferred compensation, also improves the compensation system of public employees.

## **PHASE 3: MINOR REFORMS IN PUBLIC PERSONNEL ADMINISTRATION (1980-1993)**

Because they were generally satisfied with the Park administration's civil service system, the Chun Doo-hwan government and the Roh Tae-woo government did not initiate major reforms to it. Instead, they introduced minor revisions in order to enhance the professionalism and efficiency of public servants.

One minor reform was that the public service grade structure was changed from a five-grade-level system with A and B subdivisions in all but the first grade level to a system with nine grades and no subdivisions (see table 6). Therefore, three new civil service exams were introduced, one for the fifth-grade level, one for the seventh, and one for the ninth. These three entrance channels are the main recruitment tool of the current civil service system of Korea. Another reform was the enactment of a public service ethics law (1981). The purpose of this law was to prohibit public servants from getting property illegally and to establish ethical guidelines for public servants as public service providers. The law stipulated that public servants had to register all property, that candidates for public service jobs had to release information pertaining to property and blind trusts, and that the reemployment options of retired public servants would be restricted, among other things.

**Table 6.** Change of Public Servants' Grade System

Year/Month	Grade Change
1948/11	15 grades (grade 1-grade 15)
1949/8	5 grades (grade 1-grade 5)
1949/11	7 grades (grade 1, 2, 3A, 3B, 4A, 4B, 5)
1950/12	6 grades (grade 1, 2, 3A, 3B, 4, 5)
1961/4	9 grades (grade 1, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B)
1981/6	9 grades (grades 1-grade 9)

Source: Joo & Kim 2006

#### **PHASE 4: GLOBALIZATION AND NEW PUBLIC MANAGEMENT REFORM IN PUBLIC PERSONNEL ADMINISTRATION (1993-1998)**

President Kim Young-sam pursued reform of the public personnel administration system, emphasizing “competition” and “efficiency” through small government. He also stressed “globalization” understood as a state of affairs that allows for unlimited and borderless competition. Yet, at the end of Kim’s term, Korea faced a huge financial crisis, and public personnel administration found itself face-to-face with the so called worldwide new public management reform trend, which encouraged the public service sector become more market oriented. Major personnel reforms of the Kim administration were the introduction of a pay-for-performance plan (1995), a quota for female public servants (1995), and a mandatory property registration system (1993).

The special bonus allowance the Korean government introduced in 1995 to the public sector linked performance to pay, the goal being to provide an incentive for public officials to work hard. It was not a formal pay-for-performance system, but it planned to provide the top 10% of public officials (based on a performance rating system) with 50%-100% of their base pay once a year. The Kim government also tried to hire more female public servants so as to fully utilize female human resources. To this end, a quota for women in the public sector was established and applied to the pools of candidates taking civil service exams, although the quota system was temporary until 2000. For example, the percentage of women to be hired from the pool of candidates who passed the fifth-grade- and seventh-grade-level exams was 10% in 1996, 13% in 1997, 15% in 1998, 18% in 1999, and 20% in 2000. Yet number of female public servants in the upper fifth grade is still low, as seen in table 7. The Kim administration also implemented mandatory property registration system for civil servants higher than grade four, which was enacted in the 1981 law providing ethical guidelines for public servants. The purpose of this system is to ensure that Korea's public service sector meets the global standard for clean government.

**Table 7.** Percentage of Female Public Servants in the Central Government

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total	29.8	31.5	32.8	32.9	34.0	35.4	38.1	38.8	40.1	40.8
Upper Fifth grade	3.0	3.5	4.8	5.5	6.4	7.4	8.4	9.4	10.0	10.8

Source: Central Civil Service Commission 2006, Oh et al. 2009

### **PHASE 5: DIVISION OF POLICY FORMULATION AND IMPLEMENTATION IN PUBLIC PERSONNEL ADMINISTRATION (1998-2003)**

President Kim Dae-jung strongly promoted government reform as a means of resolving the financial crisis, emphasizing efficiency, performance, and privatization in the public sector, his government having arrived at the conclusion that the unprecedented financial crisis was the product of an inefficient and inflexible bureaucracy. His government created Central Civil Service Commission (CSC) and split policy formulation and public personnel administration between two agencies: the CSC and Department of Public Administration and Autonomy. This division led to the opportunity for a full-scale study of public personnel systems and for reforms to be introduced.

### Introduction of an Open-Competition-Position System (1999)

The Kim Dae-jung government revised the National Public Service Law in 1999 to allow civilian experts to enter the civil service in the first, second, and third grade levels. The intention here was to enhance the professionalism and competitiveness of what as a closed system. There are positions that call for a certain kind of expertise, and as a result of this reform, candidates from both the public and private sectors were able to apply for those jobs. The open-competition-position system brings new ideas and fresh blood to the public service sector. Yet it can also lower the moral of insiders to the extent that it decreases their chances of being promoted. As table 8 shows, the number of open-competition positions and recruitments to these positions increased during the first decade of the twenty-first century. However, the effectiveness of this new system has been questioned because the number of hires that are externally recruited is still lower than the number that are internally recruited.

**Table 8.** Open-Competition-Position System

Year	Number of Open-Competition Positions	Number of recruitments	Internal recruitments	External recruitments
2000	130	65	54 (83.1%)	11 (16.9%)
2001	131	115	96 (83.5%)	19 (16.5%)
2002	139	118	95 (80.5%)	23 (19.5%)
2003	142	124	87 (70.2%)	37 (29.8%)
2004	154	136	75 (55.1%)	61 (44.9%)
2005	156	146	79 (54.1%)	67 (45.9%)
2006	207	166	94 (56.6%)	72 (43.4%)
2007	220	196	86 (43.9%)	110 (56.1%)
2008	188	136	64 (47.1%)	72 (52.9%)
2009	182	149	82 (55.0%)	67 (45.0%)
2010	198	157	86 (54.8%)	71 (45.2%)
2011	246	194	108 (55.7%)	86 (44.3%)
2012	311	235	147 (62.6%)	88 (37.4%)

Source: [www.index.go.kr](http://www.index.go.kr)

### Improvement of Civil Service Exam (2002)

Ever since the civil service exam was reformed in 1963, it has been a crucial recruitment channel, attracting talented people to seek a jobs in the public sector. However, several defects in civil service exam emerged during the transition to an information-oriented society and the change in the public administration paradigm (CSC 2005). For example, the civil service exam did not capture qualities requisite for a real job (e.g., creativity or ability to react), as it focused on evaluating rote knowledge (Kwon 2003). In addition, there was not much connection between the education students were receiving at universities and the civil service exam, and the test covered too many subjects, aggravating applicants' burden (CSC 2005). To address these concerns, a new evaluation system that measures diverse skills, the PSAT (public service aptitude test) was introduced for the fifth-grade level. In addition, more importance was accorded to the interview, and in-depth interviews were conducted in order to evaluate abilities and potential that cannot be evaluated in written test. The traditional subjects for the civil service exam were also replaced with specialty subjects, and the number of subjects was reduced.

### Management by Objectives (1999) and the Expansion of Pay for Performance (1999)

In the process of resolving the financial crisis, the Kim government paid a lot of attention to the improvement of public servants' performance. That is, reform of the performance evaluation system for public officials was the administration's top priority. The management-by-objectives system, which was a private firm's performance management tool, was introduced to evaluate the performance of public servants from grade four to grade one in 1999.

After the financial crisis, efficiency and public administration performance became important issues. As a result, the preliminary pay-for-performance system of 1995 was expanded into two kinds of system in 1999. A performance-related annual pay system was introduced for the first, second, and third grades, and a performance-related bonus was announced for the fourth through ninth grades. Table 9 shows the ratio of bonuses to performance results for civil servants lower than grade four.

**Table 9.** Performance-Related Bonus System in 2000

Performance	Top 10%	20%	40%	Lowest 30%
Ratio of Bonus	150%	100%	50%	0%

Source: Central Civil Service Commission 2006

### **The 360-Degree Evaluation System (1998)**

To enhance objectivity and fairness in the evaluation of public sector personnel, the Kim government enacted 360-degree evaluation requirement. Evaluations by colleagues, subordinates, clients or customers, and supervisors or managers would be considered in the review processes for promotion, performance pay, training needs, and so on.

### **The Gender-Equality Employment System (2002)**

After temporarily using a quota system to recruit women to the public sector, the Kim government introduced the gender-equality employment system in 2002. Under this system, if one gender makes up less than 30 percent of the total number of successful candidates, more candidates of that gender are recruited in addition to the original employment quota. The system is based on theories like representative bureaucracy and affirmative action.

## **PHASE 6: INNOVATION IN PUBLIC PERSONNEL ADMINISTRATION (2003-2008)**

The Roh Moo-hyun government emphasized fairness, professionalism, participation, and delegation in public personnel administration. In particular, the Roh government called itself a participatory government, which means that it emphasized expert and citizen participation in the process of government innovation (Namkoong 2007). President Roh also emphasized the importance of public servants' competences, such as knowledge, skill, and ability. During the Roh administration, the CSC resumed full responsibility for managing public personnel, which enabled it to introduce many new systems and institutions for public personnel administration reform. It seems that most of the innovative civil service reforms of Korea were adopted in this period. In addition, the Roh administration organized a presidential committee to explore government innovation and decentralization and established a roadmap for civil service reform (Kim 2010).

### **Senior Executive Service (2006)**

The aim of the senior executive service is to ensure that the right person is used in the right place regardless of departmental affiliations by removing the rank-in-person

system for the first- through third- grade high-level public servants who are key players in policy process. The service trains public servants who can see the woods rather than trees, who can coordinate the conflicts of interest among many actors. High-ranking positions in the first through third grades are filled via the open-competition system and the draft system (in the draft system competition for a given position is limited to government bureaucrats). The senior executive service has succeeded in increasing openness in public service, strengthening the ability of high-level public officials, and reinforcing a performance-based system, although it failed to seriously undermine bureaucratic sectionalism (Park & Jo 2013).

**Table 10.** Number Open-Competition and Draft Positions

Year	Open-Competition Positions	Draft Positions
2006	207	199
2007	188	107
2008	198	88
2009	246	90
2010	286	89

Source: Park 2012

### **Expansion of Technocrat Hiring (2004) and Local Talented Person Hiring System (2005)**

The Roh administration introduced a variety of programs to increase diversity and representativeness in government bureaucracy. First, to meet the increased demand for science and technology policy, the Roh government tried to attract and retain excellent scientific and engineering personnel. For example, the administration carried out a five-year plan for expansion of human resources in science and engineering among the upper fourth- grade, increasing the numbers of public officials with expertise in these areas from 26.6% in 2003 to 29.6% in 2006. In addition, more public officials were employed in technical positions in the fifth grade (i.e., middle managers). The percentage of public officials in technical posts among newly hired fifth-grade officials was 23.5% in 2002, 50.1% in 2004, and 34.7% in 2006.

Second, the Roh government aimed to open public jobs to local talented people and increase the representativeness of local officials. For this reason, it selected talented persons from various regions based on the recommendation of principals and several tests and employed some of them as sixth-grade public officials after they had served a

three-year apprenticeship. In addition, a hiring program that mandated seeking out local talented prospects was put in place from 2007 to 2012, under which a certain percentage of candidates who passed the fifth-grade open-competitive civil service exam who were hired had to be talented graduates of local universities. A series of such steps undertaken by the Roh government reflects its commitment to solving the problem of regional disparity and imbalance in the civil service.

### **Release of Salary Information (2004) and the Customized Benefits System (2005)**

The Roh administration made public servants' salary information available to the public in an effort to enhance mutual trust and understanding between the citizens and public employees. Starting in 2004, the CSC began providing information about public servants' salary and allowance through its web site. The purpose of this reform was to rationalize the reward system by making the salary decision process transparent to the public and public officials. In addition, in order to improve public officials' satisfaction and use government funds effectively, a new benefit system, a cafeteria plan, was established allowing public servant to choose benefit items with funds allocated to them according to their preference. This benefits system has been praised for its high variety and convenience.

### **Expansion of Confirmation Hearing System (2005)**

Confirmation hearings for high-level political appointees by the National Assembly was enacted in 2000 and expanded to all ministers of the central government in 2005. Through these hearings, the National Assembly checks the nominees' eligibility, competence, tax payment history, military service history and explores possible ethical concerns, and so on. The National Assembly can use the hearing process as a means to secure checks and balances with the president. However, although this hearing system is a mandatory procedure and the hearing committee issues an eligibility report for the candidate, the president does not have to heed this report except in the case of several high positions such as prime minister and chairman of the Board of Audit and Inspection.

## **PHASE 7: MINOR REFORMS IN PUBLIC PERSONNEL ADMINISTRATION (2008-2013)**

The Lee Myung-bak government tried to increase fairness and professionalism in public personnel administration by building on the reform trends initiated by the Roh



government. However, the Lee government abolished central CSC and gave the Department of Public Administration and Security full responsibility for the administration of public personnel. As a result, there had not been major public personnel administration reforms in this period.

### **Abolition of Age Ceiling (2009) and Hiring of High School Graduates (2010)**

Ever since the introduction of the civil service exam, there has been an age restriction. The upper age limit was 45 in 1963, but it decreased steadily to 32 in 2008. The Lee government abolished the age limit for civil service exam in 2009, allowing it to recruit its officials on the basis of abilities and competencies, regardless of age. As a result, every Korean over 20 years old can take the fifth- and seventh-grade civil service exam, and every Korean over 18 years old can take the ninth-grade civil service exam (see table 11). In addition, President Lee argued that in order to ensure fairness, the government should increase the percentage of public servants whose highest degree was a high school diploma. Based on this idea, starting in 2010, the government has recruited technicians with high school diplomas into ninth-grade positions on the basis of recommendation of principals of technology or vocation-specialized high schools. In addition, public administration and administrative law, which had been mandatory subjects, were made optional, and in 2013 high school subjects like math and science were added to the optional subjects for the civil service exam for the ninth grade. This measure was intended to help high school graduates enter into public service.

**Table 11.** Age Limit for Civil Service Exams

Grade	1963	1968	1973	1979	1983	1995	2008	2009
Fifth Grade	22-45	20-45	20-40	20-40	20-35	20-32	20-32	20-
Seventh Grade	18-40	18-40	18-35	20-35	20-35	20-35	20-35	20-
Ninth Grade		18-35	18-28	18-28	18-28	18-28	18-32	18-

Source: [www.seoul.co.kr/news/newsView.php?id=20120326012003](http://www.seoul.co.kr/news/newsView.php?id=20120326012003)

### **Relative Evaluation System in the Senior Executive Service (2009)**

From its beginning, the Korean senior executive service had relied on a five-scale evaluation system (i.e., very poor, poor, average, good, very good), but owing to Korea's paternalistic culture, this evaluation system ended up being too lenient. To fix this problem, in 2009 the government introduced a relative evaluation component as part of the performance evaluation of the senior executive service so that it could

assign a certain percentage of people to each of the categories, which alleviated the leniency problem.

## CONCLUSION

Over the last sixty years, Korea's civil service, like that of other developing countries, has faced various kinds of difficulties that successive administrations have tried to address these issues by introducing new systems and adjusting themselves to changing environments. The history of civil service reforms in Korea has important implications for other developing countries. First, the Korean government established a merit-based recruitment system that emphasizes competencies, performance, knowledge, and so on. By means of the civil service exam, the government was able to evaluate the abilities of candidates and select them objectively. In addition, political appointment or special appointment, which detracts from a merit-based system, was circumscribed within narrow bounds. According to the spoils system, a president can appoint people who share his or her political views to the important positions. This is necessary if he or she is to achieve his or her campaign promises. Nevertheless, these political appointees ought likewise to be selected on the basis on their knowledge, skill, and ability if nepotism is to be avoided. Accordingly, the Korean government has introduced merit systems to ensure these principles are followed and confirmation hearings for important nominees before the National Assembly to check the candidates' eligibility and competency. In addition, the civil service exam has been improved in such a way that its results reflect capacities of the test takers that are relevant to public service, which in turn enables the government to select competent and able candidates that contribute to the professionalism of the bureaucracy.

Second, the Korean government has opened the public service to everyone. Recruitment into the civil service occurs via two tracts: the annual open-competitive civil service exams and irregular special recruitment processes (e.g., career-competitive civil service recruitment in Korea) (Kim 2010). From 1963 to 1972, the open-competition exams were geared toward elites because in order to take the exam, a candidate had to have a bachelor's degree or higher. To fix this problem, the government eliminated the education requirement, enabling anyone to take the exams. To create a more diversified bureaucracy that allows the government to reflect various interests and perspectives in society, the government introduced elements of representative bureaucracy, such as quotas for women and for specific regions, to the civil service recruitment systems (Namkoong 2007). Further, the government introduced a special recruitment channel as a supplementary tool to open-competition exams (Kim 2010) through which

specialists in specific fields can be hired, allowing civilians with particular kinds of expertise to enter public service. In short, opportunities for becoming a public official in Korea have been expanded and diversified.

Third, performance-based public personnel administration has been strengthened. To improve government performance and efficiency, motivating public officials is as important as recruiting talented people. The government evaluates public servants based on their capability and performance, and public officials are promoted or receive a raise on the basis of the results. In addition, the government expanded the pay-for-performance system, as a means of eliminating a seniority-based salary system and offering incentives to public service employees. The senior executive service, which emphasizes performance and competition, was introduced in 2006, and its evaluation system was improved in 2009.

Another notable thing in the history of civil service reforms in Korea is that most of reforms were successful in spite of the resistance to them, which is very natural phenomenon in administrative reforms. Namkoong (2007, 42) pointed out that there are three major factors that have contributed to the transformation of the Korean civil service: changes in the socioeconomic environment that triggered the reforms, consensus among public human resource management experts on what needed to be done to improve the civil service and continuous support from political leadership. The Park Chung-hee, the Kim Dae-jung, and the Roh Moo-hyun governments in particular made significant progress, compared with other governments. It seems that at least two of these three factors were at play during these administrations. For example, the need for socioeconomic development was a triggering event during the Park administration, and public human resource management experts argued that professional human resources were critical to Korea's reconstruction and development. In addition, President Park paid special attention to creating a professional bureaucracy for that purpose. The Roh government gave strong support for civil service reforms by establishing the CSC, which was complemented by public human resource management scholars' emphasis on a performance-based and decentralized civil service. Based on this review of the history of administrative reform in Korea, we can confirm that factors such as chief decision makers' attention to the need for change, compliance of bureaucrats, experts' consensus, and triggering events are important to the success of reforms.

Despite a number of reforms in public personnel administration, there are still a lot of improvements that are needed. Most of the successful reforms have focused on recruitment of competent and promising candidates. Compared to reforms in recruitment processes, training, education, and career development reforms have received relatively little attention. Considering the increased demand for professional and dedicated public

servants, the government should invest in capacity building and various incentive programs. Further, despite the great strides that have been made, the public service still remains a relatively closed, seniority-oriented arena, and unfair public personnel practices have not been completely eliminated.

It usually takes considerable time and effort to reform the civil service because the process requires civil servants to change their attitudes, behaviors, and bureaucratic culture. This process calls for long-term perspectives and vigilant attention to be implemented successfully. Yet governments should always be pushing for civil service reforms because public servants are critical forces in high-performing and successful governments. Human resource management in public service does not just help public officials but determines how a government operates. Since Korea saw high growth with the help competent public servants, Korea's experience is a good example for developing countries that are seeking social and economic improvement.

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