

Attractions and Repulsions: How Competitive is the Hungarian Civil Service Today?

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ABSTRACT

Purpose: The aging of civil servants poses the greatest risk for public institutions in Europe, making it increasingly difficult for employers to offer a suitably motivating atmosphere and attractive working conditions for different generations. Lately, research has been focusing on the tools and human resource (HR) and communication strategies that can help retain talented workforce and increase their loyalty. The purpose of the study is to investigate the competitiveness of the Hungarian civil service through a literature review, exploring how attractive or repulsive a civil service career is in the Hungarian labour market. Finally, the article presents some suggestions on how governments can proactively attract and retain the talented next generation of civil servants.

Design/Methodology/Approach: The article is partly descriptive and synthesizing, drawing on extensive, comprehensive knowledge and systematization of domestic and international literature and legislation.

Findings: The greatest challenge in public administration HR management today is replacing the older generation, transferring knowledge and practical experience, as well as winning over generations Y and Z and creating attractive working conditions for them. The article summarizes the options to address these staffing challenges based on the literature and practice offering numerous solutions to recruitment and retention issues.

Practical Implications: Public administration has always been considered a special field, with operating principles and processes differing significantly from those of the private sphere. A wide range of specialized literature has researched, through the explanation of generational change, the HR tools necessary for attracting and retaining today's employees. Some of the proposed tools and measures may differ from the traditional organizational culture of the public administration. This article lays the grounds for the next empirical phase of research, which will investigate the main motivators for public administration employees and the factors that drive their commitment. This phase will also examine whether the

motivators and commitment factors differ from those in the private sector and how the unique characteristics of public administration manifest in this field. By presenting development trends in Hungary, this study aims to contribute to the scientific discourse on the specific characteristics of this issue in Central and Eastern Europe.

Keywords: civil service career, competitiveness, human resources potential, labour shortages

JEL: J45

1 Introduction

Attracting and retaining a talented workforce is crucial for the success and growth of any organization. The aging of civil servants represents the greatest risk for public institutions in Europe. In some countries (Belgium, Italy, and Spain) up to 45% of civil servants retire may march in the next 15 years. Effective strategies must be implemented to attract of talented workforce, the implementation of knowledge transfer and provide advancement opportunities (European Semester-Thematic Information, 2018). European populations are aging and private- and public-sector organizations struggle to manage talent shortages that are undermining their workforces and productivity. Attracting and retaining workers became a top priority for governments otherwise labor shortages would cause several problems in the delivery of public service. Along with the emerging new challenges to the public administration system, youth involvement is becoming a critical task (Polyakova, 2020). There is a growing emphasis on attracting young talent to the civil service. Studies highlight the importance of open innovation and addressing the specific needs and expectations of younger generations to enhance the attractiveness of public administration as a career choice (Nana Amma, 2020).

Public service motivation is crucial because it explains a large part of the attractiveness of governments (Vandenabeele, 2004). Recent research reveals that compensation, meaningful work, and workplace flexibility top the list of factors civil servants said would keep them in their current roles (Smet, 2022). Threats to public human capital: budget cuts, aging personnel. Civil service human capital is threatened by mostly the following factors: budget cuts and the aging workforce (Hazafi, 2017).

The traditional concept of civil service, characterized by job security and distinct employment status, is gradually evolving. Many studies indicate a shift towards more dynamic and flexible employment models within public administration. This transition reflects broader societal and economic changes, impacting the overall appeal of civil service careers (Demmke, 2019). In the early 1990s, Hungary introduced a career system, which is now being dismantled for greater flexibility. The regulation of public service has become fragmented: there are eighteen types of employment relationships in the public sector, eight of which exist in public administration. Basic employment conditions vary by employer. New internal rules have replaced the unified public law reg-

ulation, potentially increasing the power of employers and the dependence of civil servants (Hazafi, 2023).

2 Methods

A stable and reliable public administration is fundamental for the competitiveness of a country (Uzsák, 2022). As a starting point, it is necessary to clarify what we mean by competitiveness in this article. Competitiveness can mean, on the one hand, how effectively and efficiently public administration can fulfill its tasks, and how it can continuously develop its services and processes. On the other hand, the concept of competitiveness can also be interpreted in terms of how well the sector can attract and retain talented employees. The term “competitive public administration” has frequently been used in the Hungarian public administration personnel policy in recent years (Hazafi and Kovácsné Szekér, 2022). In this article, we will work with this latter meaning. To achieve competitiveness, it is necessary to develop HR management tools in personnel policy that support the attraction, integration, and retention of employees in public administration careers.

The competitiveness of civil service positions can vary based on several factors, including government policies, economic conditions, and the specialties of the job market. To get the most accurate and current information on the competitiveness of the Hungarian civil service, we need to analyze official government websites, contact relevant authorities, and collect recent reports on public sector employment in Hungary. These sources should provide insights into the current state of the Hungarian civil service human resource management pursuits.

Both international and domestic literature mostly agree that it is nearly impossible to establish a single, universal principle to define who public service employees are (György-Hazafi, 2018). In the broadest, everyday sense, public service employees include elected representatives of legislative and representative bodies (parliamentary and municipal representatives); the personnel of the judiciary (courts, prosecution, etc.); the staff of public administration; the members of armed and other law enforcement organizations (police, defense, military, fire department); the staff of institutions and bodies providing public services operated by the state and municipalities (such as hospitals, schools, public cultural institutions); other individuals or employees of bodies performing administrative tasks; employees of publicly owned companies; and members of public bodies and public foundations. The narrower scope of public service is generally associated with the organizational system of public administration (Kun, 2017). This paper primarily focuses on the Hungarian terms: civil servants (employed by bodies with special legal status and local governments) and government officials (workers at central and regional government administrative bodies) ((Act CXXV of 2018, Hungary)) ((Act CVII of 2019, Hungary)).

To investigate the topic I have set the following areas: number of employees; factors of attraction and repulsion; generational changes; main characteris-

tics of the profession, and advantages and specialties of the civil service career. Based on the identified main areas of the topic, my research questions (RQs) of the study were:

- Is the Hungarian public administration characterized by the lack of manpower or the high number of employees?
- Which factors affect the public administration's ability to attract and retain civil servants?
- How attractive is public administration for young people today, and what trends characterize the development of the age composition?
- What other trends exist in public administration?
- Why it is worth choosing the public administration profession today?
- What could the public administration do to ensure competitive supply?

The article is partly descriptive and synthesizing, requiring extensive, comprehensive knowledge and systematization of domestic and international literature and legislation. One can form their own opinion and make a concrete proposal based on the relevant literature. In this respect, the article includes explanatory and reconnaissance parts as well. The study is mostly based on secondary data, which consists of books, reports, newspaper articles, legal rules, and various research journals.

The Hungarian literature is not very extensive regarding the scientific examination of the public administration to attract employees. I aimed to search the existing relevant literature, summarize, synthesize, analyze, and highlight the gaps in the literature to be able to point out future research areas.

3 Results

Employee retention challenges can arise from various factors, and identifying these gaps is crucial for implementing effective strategies. Public administration has always been considered a special field, its operating principles and processes differ from those of the private sphere in many respects. A wide range of specialized literature has researched, through the explanation of generational change, what HR tools are necessary to attract and retain today's employees. Some of the proposed tools and measures may differ from the organizational culture of the public administration.

In the literature, relatively few research take into consideration and build retention strategies based on the specialties of civil service organizational methods. Shortly it would be crucial to develop the civil service criteria system of employee retention and examine deeply its characteristics.

In Hungary, the strategic human resource management approach has not been developed in the past 50 years, and it has not become a priority in recent years, which results in the low quality of retention policies and insular solutions. The traditionally slower, bureaucratic, and under-resourced organizational system cannot keep up with the expectations of young and/or talented

employees living in the accelerated digital world and the world of opportunities in 2024.

A structural reform would be most beneficiary, although a change in the attitude of the organizations and the creation of several even minor opportunities could at least increase a bit the attractiveness of the public administration and the satisfaction of its employees.

4 Discussion

Many modern organizations in general struggle with similar problems, like aging workforce, recruitment and retention challenges, skill gaps, and resistance to change. This part of the study introduces the main finding in the case of Hungarian civil service specialties.

4.1 Is the Hungarian Public Administration Characterized by the Lack of Manpower or an Excessively High Number of Employees?

For a long time, forecasts and opinions stated that jobs were scarce, and employees should value their jobs due to the difficulty of finding new ones and the risk of unemployment. In the last few years, this notion changed radically.

One empirical study reveals that the core reason for highly educated individuals in Hungary rejecting public service is low salaries. The other crucial reason is the competition among employers: this forces them to bid against one another for suitable personnel (Tóth, 2019.). The fluctuations in the labor market affect the supply of public administration. In the case of a supply-side labor market, the pressure on the supply side pushes a significant part of those dismissed from the private sector into the public administration, who are taken in by the public administration due to the soft budget limit (Hazafi, 2023). And all of this is also true the other way around, the demand labor market sucks the labor force out of the public service, as the employment conditions are not competitive. What phase are we in right now? Is the public administration characterized by a shortage of labor or just too many staff? Both are true. Looking at the European continent as a whole, labor shortages are becoming a general trend in Europe, there are a few exceptions to this, such as the IT and financial fields (Fazekas and Köllő, 2016). The sectors most affected by the shortage are healthcare, education, construction, and hospitality. In Hungary, employment is high and the unemployment rate is low (KSH, 2021). But in addition to quantitative problems, it is becoming a trend that employee competencies are not able to keep up with changing demands. There are different solutions in the European Union member states to deal with the labor shortage. In certain sectors, migration, retraining, more efficient use of the workforce, involvement of the inactive, or family policy, will only have a visible effect in the long term (Dudás, Halmos and Kártyás, 2018).

Based on previous trends and individual experiences public administration is characterized by high turnover. The rate of legal relationship terminations is

well over 10% (Hazafi, 2017). For a long time, it was the highest in the ministries. Research examines the causes of turnover. We usually say that the absorptive effect of higher wages increases emigration. More than 40 percent of the Hungarian population looks for work based on earning opportunities, which is understandable. The scissors are swinging between the private and the wages of the public sector. The income provided by the private sector and the public sector differs the most in the case of graduates with several years of experience, here the salary difference reaches 40% (hrpwr.hu, 2023). Therefore, leaving the public service and avoiding the public sector is a rational decision in their case - if we only look at income. In the case of young people, the starting income available in the private and public sectors does not yet differ to such a significant degree, perhaps the effect of this is that young people often see these jobs as a springboard, and then leave the public sector after a few years (Veroszta, 2013).

In addition to salary, research shows that the lack of organizational stability and the uncertainty associated with a series of reorganizations are most often cited by those involved as the reason for leaving the job. Where organizational uncertainty is perceived, migration begins. Usually, those who receive a favorable offer do not hesitate. In many cases, the reason for the change is dissatisfaction with the management culture, workplace atmosphere, and organizational conditions (Restás, Szabó and Czibor, 2019).

There is also a significant movement within the public administration, which is experienced by the lower-level units in such a way that highly qualified and capable colleagues are "hunted down" by the governing bodies and taken away from them. But other reasons influence fluctuation. One example is the disproportionate workload, which has an alarming effect on employees (Family Friendly Country Research, Final Study, 2019). They usually wait a few years to see if the amount of tasks decreases or if the remuneration for this increases, and if this does not happen, they switch.

It is important to emphasize that the legal decentralization of the public administration implemented by the Act on Government Administration abolished the homogeneous unity of employers, and the fixed wage scale since each organization can freely develop its employment, remuneration, and working conditions (Act CXXV of 2018, Hungary). This puts them in a kind of competition with each other, and professionals go to places where they are offered more favorable conditions. In the last few years, this has strengthened the mobility between the bodies and created a smaller labor market within the public administration, which influences the labor flow according to the logic of the market.

Among young people, a common reason for switching is that their professional ideas are not fulfilled. They are looking for new opportunities due to job tasks unrelated to their ambitions, the lack of a career path, and the workload. According to some managers, there is also a problem with the personal internal attitude of young people, they cannot handle the workload, or they leave because their internal commitment is not adequate (Hazafi and Ludányi, 2022).

The number of employed persons is 4 million 706 thousand (KSH, 2022). The unemployment rate dropped from more than 10% to below 4% from 2018 (KSH, 2023). At the same time, the proportion of vacant positions almost tripled. If this is combined with an increasing economic performance, the public administration may find itself in a strong competitive position for a quality workforce. The signs of this are confirmed by the high fluctuation data (KSH, 2023a).

Looking only at the students of the Ludovika University of Public Service (LUPS) Édua Szakács had recently conducted research, and according to the data of the Graduate Track System, in the previous few years, 40 percent of undergraduates and 50 percent of MA graduates remained in the system. The research also showed that students' motivation decreases during the years of training, which is a dangerous trend. They get disheartened from the course on the go (Szakács, 2022). All this could cause a serious supply problem within 5-10 years.

4.2 Which Factors Affect the Public Administration's Ability to Attract and Retain Civil Servants?

The Russo-Ukrainian war crises and, the European energy crisis, are currently hindering opportunities and remuneration settlement. In the age of artificial intelligence and digitization, the demand for people who perform intellectual work that can be automated and replaced with information technology solutions will decrease, while the demand for employees with social skills, empathy, creativity, leadership, analytical, and problem-solving skills will increase (Poór, 2019). A workforce with less knowledge and skills will be needed in the future than at present, and this phenomenon will affect many areas of public service.

Public administration is also part of the global labor market, and although it is in a monopoly position in the management and operation of the state, it must compete for good labor on the labor market in the same way as any other actor, domestic or foreign (Kaiser, 2014). This is not typical in many places, there are exceptions and a high degree of awareness, it is more typical that organizations 'wait for the wind to blow the workforce through the door'. They do not place special emphasis on retaining the workforce either. We know that everyone can be replaced, the only question is at what price: knowledge flowing out, energy spent on recruitment and training, and money.

Quantitative and qualitative problems can be separated from each other. Looking at the figures, the lack of quality workforce is less spectacular, when there is no staffing problem, but the preparation, motivation, and performance of the employees fall short of what is desired, and this affects the performance of the entire organization, as well as the organization and sector (Parlament.hu, 2019).

Attracting, selecting, and managing talented employees are crucial for quality public service. It is often observed that strategic HR functions are lacking in public service, which studies from neighboring countries also highlight as a problem (Barrington, 2024).

It is in the interest of all of us that those working in public administration perform their tasks efficiently and with high quality. However, this requires the fulfillment of two conditions: if people with a high level of knowledge and good skills enter the sector, and if they stay for a longer period. However, experience shows that although there is enough work in public administration, it is becoming more and more difficult to obtain and retain good employees (Csutorás, 2022). Thus, there is both a labor surplus and a labor shortage.

It is worth separating the differences between the capital's larger cities and the rural administration. Mobility, the willingness to be mobile, and higher employee expectations are particularly high in the capital, less so in the countryside, but there the prestige of the profession is higher, but this is less and less compensating for salaries that are deteriorating with increasing inflation.

The competitive environment and Western Europe generally provide higher remuneration and prestige, as well as better advancement opportunities (Eurostat, 2022). Problems related to income are the (relatively) lower income provided by the public administration, the (relatively) flat salary range, typically not performance-based remuneration, and the narrow scope for income differentiation. In addition to salary, other factors that cause problems are the reduction of previous comparative advantages (stability, fewer working hours), the lower prestige of the public administration, career planning problems, the non-performance-based promotion system, over-bureaucratized processes, and the (information) technology lag. Attracting and retaining good professionals is becoming more and more difficult and expensive. The lack of skilled labor is now a serious threat to the performance of some institutions, and this will become an increasingly common phenomenon if the public sector's ability to attract and retain labor does not improve significantly (and quickly).

4.3 How Attractive is Public Administration for Young People Today, and What Trends Characterize the Development of the Age Composition?

There is a lot of talk about the aging society, generational change, and attracting young people. The general experience of the 2000s was that European societies are aging, and this process is particularly true for the public administration sector. Aging is characteristic in general. A high proportion of young entrants is also typical in certain sectors, mainly in the capital and in frequented specialist areas (OECD, 2019). Its causal system is complex. The question can be easily approached from a sociological point of view. The issue of generation management can provide a good handle for this. In the age of globalization, well-educated young people who speak languages are especially mobile and available for emigration abroad. Public administration is not a trendy profession, it is considered underpaid, and it can seem boring, filing, bureaucracy, and too tied up. The previously attractive features of public administration work, security, stability, and extra benefits have now

disappeared or are less promising. By being less promising, it is less attractive to a narrower segment of employees.

In many ways, the current career system of Hungarian public administration is tailored to Generation X. This generation currently forms the backbone of public administration, and Y is also highly represented. These characteristics are discipline, patience, loyalty, security, stability, low mobility, limited language skills, and average digital skills (Meretei, 2017). Raised by this generation, Generation Z, who were born between 1995 and 2012, grew up relatively well off in the information and consumer society, often in second-, third-, or multi-generational intellectual families. The language skills are high, the standard of living provided by the parents, and the opportunities are extensive (Garai and Fodor, 2018). They already received a different message from their parents than Generation X, that the workplace should be valued. We live in a fast-paced world and this generation lacks the discipline, patience, loyalty, and system-level approach characteristic of Generation X. Their value system is different: impatience, fast career, harmony between work and private life, sustainability, speed, and willingness to change. They are not afraid to change jobs if there are better opportunities either outside or inside the public administration, they do not hesitate much. Flexible working, information technology, high equipment, and the employer's brand are important to them. We live in an individualistic society, and supporting individual development is important to them (Vértesy, 2019).

In many cases, public administration can become a forced career either for young career starters or for later entrants (Szakács, 2022). It is typical of young people that they see the sphere as a springboard, they can change within 1-3 years if they are not caught. In the case of later entrants, we can think of those who take up work from a convenience point of view, a typical trend is that employees tired of the pace and grind of the private sector seek public administration, trusting that the pace of work will be slower, the workload will be lower, it will be more compatible with family life, or for any reason (e.g. caring for a relative) are immobile and accept a lower salary as a compromise.

The overall picture is mixed, we have very dedicated students who are preparing for public administration and persist there (Bright and Graham, 2015). In many cases, they are engaged due to family involvement, or they aspire to a leadership career. The other half of them, on the other hand, say that they do not want to work in public administration, or anywhere else but here, because it is not attractive to them, which they learned about the organization in the context of their professional practice. As counter-arguments, they indicate the salaries, the strict, fixed system, or that they feel that this is not what they are looking for, this is not what they desire, or this is not what they expected (Győrfiné, 2013).

Atypical work, flexible work, which is currently far away in the value system. A study before COVID pandemic showed that more than two-thirds of the beneficiaries introduced flexible employment forms in case of workers employed in traditional schedule schemes (5 days per week, 8 hours per day). The most

preferred flexible employment types were: part-time working and flexi-time, followed by allocated cumulative working hours and distance working (Evaluation report, 2019).

After COVID pandemic the In 2020, in the European member states 33.7% of employees worked exclusively from home (weekly 38.9 hours), and 14.2% chose the mixed solution, i.e. they spent half of their working time at home and half at the employer's headquarters, and 52.1% of them worked at other external locations. This figure has increased significantly compared to previous years. From the point of view of maintaining the competitiveness of companies, it is necessary to ensure flexible working, which includes the younger generations' demands expressed by employers (Stréhli, 2023).

Salary settlement is only one, but of course, a fundamental factor. In Hungary in 2023 net average earnings without discounts HUF 353,200 (KSH, 2023b).¹ Salary increases in ministries and government offices are not automatic but are an option for employers. The salary increase in the public sector should continue - after doctors, nurses, teachers, law enforcement, and soldiers - with government officials working in the central and regional administrations and civil servants working in territorial and local bodies.

The aim of the renewal of personnel policy that began in 2010 was to address the deficiencies accumulated over many years and to increase the efficiency and flexibility of public administration. The main trends points towards an open personnel policy, which increasingly prefers flexible, graded salary systems and advancement frameworks over the previous fixed salary system (Hazafi, 2019).

There are other longer-term trends. Already in the early 1990s, public administration was characterized by a preponderance of women. Today, their proportion has continued to increase, three out of four public service officials are women. The proportion of women working in public administration is almost as high as in education (76.2%) and health care (81%), which are traditionally considered feminine professions (Good State Report, 2018). This is a general phenomenon, also characteristic of Scandinavian countries, for example. However, the proportion of men in managerial positions is still much higher.

According to research, public sector workplaces often have characteristics preferred by women, such as job security, more easily compatible and predictable working hours and expectations with raising children, a less competitive or stressful work environment, and the feeling of socially useful work (Lovász, 2013).

In addition, women may also prefer working in the public sector because they believe that they may face less discrimination due to stricter workplace regulations (e.g. salary scales, and promotions). While the wage gap at the national economic level is 16.2% to the detriment of women, the inexplicable wage gap in the public sector is "only" 8% lower. At the same time, if we only look at clerical jobs, the difference immediately jumps to 30%. Examining the

¹ <https://www.ksh.hu/gyorstajekoztatok/ker/ker2302.html>

salary distribution, the disadvantage of women is increasing in both sectors, but to a lesser extent in the public sector. That is, the so-called glass ceiling phenomenon occurs in both spheres, but in a different order of magnitude (Szabó, 2018).

The feminization of the profession also plays a role in the fact that public administration tasks require more of the “women’s toolbox” - empathy, willingness to care and social skills, diligence, tolerance of monotony, and precision (Gellén, 2011). We can talk about a healthy workplace collective when female and male energies are in balance and the generational composition is diverse.

The picture is further colored by the fact that the legal profession, which plays a decisive role in public administration, is also characterized by a preponderance of women. While only 34% of judges were women in the 1970s, by 2014 their proportion had already reached 68%. This ratio seems to be stable in the prosecutor’s offices as well. Only lawyers have a higher proportion of men, even if only by a few percent. On the other hand, the situation is reversed for the candidate lawyers, the proportion of women among them is 60-61%, which already corresponds to the proportions established in legal training (Fónai, 2016). To what extent can public administration be considered the area of the legal profession?

While in the early 1990s, the majority of specialists were those with economics, commercial, technical, and agricultural qualifications compared to generalist lawyers and administrative organizers, in 2013, except for economic specialists, their proportion fell, and that of lawyers increased. The strengthening of the generalist trend is shown even more by the demands of employers. These predict a further increase in the demand for lawyers and public administration professionals (Rixer, 2017). Economic specialists are present in the largest number, and employers demand them in the first place. Every year, 1,200-1,500 people graduate as lawyers, but most of them will not do classic legal work, but will flow into public administration (juratus.elte.hu, 2023). The careers of lawyers, judges, and prosecutors are saturated. One of the typical recruiting markets for lawyers is public administration because they know suitable for official and legal application fields.

4.4 Why it is Worth Choosing the Public Administration Profession Today?

Many people previously mentioned predictability, plannability, and security as the attractiveness of public service, but this is still true, even if to a lesser extent than before (Linder, 2018). For those who prefer more predictable work and wages, stable working conditions, and the possibility of longer-term employment, the career may be attractive.

A recent study, involving 4620 respondents from PA, shows that in Hungary the vast majority of civil servants working in the public administration are ideally looking for stability at work (HR quick report, 2023). After that, the wage is the second most important factor. The next moderately important factors

are work-life balance, separation of private and work life, amount of stress, and flexible working hours. The least important factors are the possibility of advancement and training, education, and remote work.

Public administration education at the higher education level is important in all countries. Public Administration education is very diverse but also represents high quality (Pevcin, 2019). But apart from that, public administration needs a lot of other specialists from various fields of expertise, and parents and students don't have much idea and information about their career prospects in the public sector.

The hugely broad field of public administration offers nearly countless possible career paths. The diversity of the work, the multi-layered work, and the wide-ranging task system can be highlighted. There are many different areas of specialization at the local and national level, everyone can find what interests them, be it registration, IT, environmental protection, social sphere, taxation, settlement development, legislative drafting, strategy making, international affairs, and diplomacy.

Although public service work is perceived by citizens as having low prestige, the "vocational spirit" of public service workers can still be attractive: to do for the public good, for society, for a better functioning country and for public administration (Gellén, 2021.).

5 Conclusions

5.1 What Could the Public Administration Do to Ensure Competitive Supply?

Based on the review of the relevant literature, it can be concluded that fewer scientific publications specifically address the issue of workforce retention in public administration, whereas the private sector has a wealth of literature on this topic. The attractiveness of civil service is influenced by multiple factors, including leadership (professionalization, fairness, and the ability to engage young talent) (Quayed, 2015). Ongoing reforms and a focus on modernization are crucial for enhancing the appeal of civil service roles in today's competitive job market.

Attraction and retention of civil service employees is an ongoing process that requires a holistic approach. Organizations should take into account various factors that contribute to employee satisfaction and engagement to long-term success. In general, organizations should build on feedback and changing organizational needs in addition to regularly assessing and adjusting HR strategies. Retention strategies should be based on a stable financial basis, although there are numerous others that exist and can create a useful tool base for organizations (Hannay and Northam, 2000).

Given below are the most popular and important retention strategies that can help solve employee turnover problems.

Table 1. The most popular retention strategies in the literature

Retention strategies	Main components
quality leadership	well-prepared leaders in every level of the organization
working conditions	good standard of physical and psychological conditions
competitive compensation and benefits	competitive salaries and benefits packages to attract top talent, additional perks
professional development opportunities	opportunities for continuous learning and skill development
employer branding	strong and positive employer brand that reflects the values, culture, and commitment to employee well-being
public relations (PR)	use social media, own website to showcase the culture, show insight into daily work life
clear job descriptions	clearly outlined job responsibilities, qualifications, and expectations in job postings
positive work culture	an inclusive work culture that values diversity, promotes a sense of belonging
flexible work arrangements	flexible work schedules or remote work options, which are attractive to many young workers
social responsibility	commitment to social responsibility and community involvement
professional recruitment process	efficient and candidate-friendly recruitment process
invest in technology	commitment to innovation in technology
transparent communication	transparent about the organization's goals, values, and expectations, about the recruitment process, and what candidates
attend job fairs and other events	participate in industry-specific events and job fairs to directly connect with potential candidates
onboarding programs	onboarding processes, mentoring help new employees feel integrated into the organizational culture
employee engagement	open communication and involvement of employees in decision-making processes
feedback on performance	set professional goals, recognize and reward outstanding performance
exit interviews	exit interviews help to understand the reasons behind employee departures and gather feedback for improvement
well-being, work-life balance	treat them like people, organize well-being programs that focus on physical and mental health

Source: Based on the author's collection, 2024

Each sector and organization's needs are unique and some of the above-mentioned strategies make more or less sense than others.

The biggest challenge of Hungarian public administration HR is currently replacing the older generation, transferring knowledge and practical experience, as well as winning over generations Y, and Z and creating attractive working conditions for them. The literature and practice offer many options to solve replenishment problems.

One possible solution is the establishment of scholarships in addition to the existing ones, finding young talents. Talented young people starting their careers, who are highly qualified and speak foreign languages would see public administration as an attractive opportunity after graduation. More scholarship programs are needed, such as the Hungarian public administration scholarship (MKÖ) program (mkoprogram.hu, 2023), which attracts young talents to public administration.

We could even target the generation under the age of 18. The public administration career is not deeply in the public mind, which is why the career guidance for high school students was established in 2022. Based on research the introduction of public administration knowledge as an optional subject in high school (Köfop Report, 2018). For 11-12 Grades students developed a public administration subject, that during the period of career choice, it orients the students' attention towards the public administration career.

Direct supervisors play a key role in the development of job satisfaction and employee retention. Dissatisfaction with the leader is one of the common reasons for changing jobs. The development of leadership culture is one of the most important factors. If the leader of the team creates an inspiring and suitable environment for work, loyalty increases.

Flattening the structure of the organizations, reducing over-bureaucratized processes. Instead of a vertical-function-oriented approach to public administration, the enforcement of horizontal output-oriented aspects. For this, as a result, unnecessary hierarchy levels are eliminated processes are reduced its over-bureaucratized nature and the participation of the executive level promotes customer-oriented administration.

Development of digital opportunities, software, and information technology tools. In addition to speeding up administration, modern technology makes the workplace more attractive for the younger generation.

In Hungary, the strategic human resource management approach has not been developed in the past 50 years, and it has not become a priority in recent years, which results in the low quality of retention policies and insular solutions. The traditionally slower, bureaucratic, and under-resourced organizational system cannot keep up with the expectations of young and/or talented employees living in the accelerated digital world and the world of opportunities in 2024. Would be crucial to pay at least great attention to HRM functions regarding professional recruitment, selection, and retention functions.

A change in the attitude of the organizations and the creation of several even minor opportunities could increase the attractiveness of the public administration and the satisfaction of its employees.

Public administration has always been considered a special field, its operating principles and processes differ from those of the private sphere in many respects. A wide range of specialized literature has researched, through the explanation of generational change, what HR tools are necessary to attract and retain today's employees. Some of the proposed tools and measures may differ from the organizational culture of the public administration. In the next empirical phase of the research, it would be worthwhile to investigate what are the main motivators of public administration workers and what are the reasons for their commitment. To examine whether the motivators and commitment factors differ from the private sector and whether the specialty of public administration can be seen in this field.

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