

**Strategic Development Scheme  
for  
Junior Executives**

**VI Annual Meeting on  
Human Resources Management  
of  
Central Bank  
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# I. Institutional Framework

- public sector institution
- founded in 1957
- about 15.000 staff
- 66 branches
- 1990/1992: German unification  
(German monetary union)
- 1999/2002: European Monetary Union  
(introduction of the Euro)

## II. Personnel policy Framework

- employment conditions of the public sector
- dualism of employment status (civil servants, public sector employees)
- highly regulated employment conditions, but in many aspects slightly different for both status groups
- incentive and motivation policy restricted to non-financial instruments
- Key area is staff development
- no external budget constraints

## III. Personnel Development Approach at Bundesbank

### 1. Definition

- no individual career planning,  
because vacancies have to be advertised  
(transparent internal job market)
- developing and improving professional qualifications  
and management skills (qualitative approach)

## 2. Goals

- enhancing motivation and commitment of junior staff
- improving selection quality for management positions
- early identification and development of management skills

### 3. Competitive external environment

- loss of monetary competence in Europe to the European Central Bank
- less attractive employer vis-a-vis international organizations and commercial banks
- recruitment becoming difficult

## IV. Development Scheme for Junior Executives

### 1. Prerequisites

- strategic approach
- involvement of the supervisors
- compatibility with other HR tools

## 2. Instrumental Set- up

goal	management competence	professional competence
responsibilities	HR	Supervisors
instruments	 <ul style="list-style-type: none"> <li>• interviews</li> <li>• development centre</li> </ul>	<ul style="list-style-type: none"> <li>• training</li> <li>• annual employee feedback talk</li> <li>• performance appraisal</li> </ul>
target groups	junior executives	all staff

### 3. Start of the program in 2002

### 4. Participants

- all junior executives after two years joining the Bundesbank (no selection)
- voluntary basis

## 5. Multistage Procedure

- Development Centre  
(new tool)
- Development interviews with each participant and each supervisor
- Individual Development Plans for the participants
- a one year-special program for best performers  
(to start)
- Feedback interviews after 2 years with each participant  
(to start)

# V. Development Centre

## 1. Structure

- two days
- 8 participants
- 6 observers and external consultant
- performance reports for each participant

## 2. Special features

- leadership skills are simulated in 5 exercises
- exercises are part of a “virtual world”
- exercises reflect typical situations for manager positions

# Exercises

## Allergo

Management discussion  
with a member of staff

## Descartes post basket

Processing of incoming  
e-mails: decisions, setting  
priorities, initiating tasks

## Scale

Discussion with a  
colleague of equal status

## Requirements for junior management of the Deutsche Bundesbank

## Group discussion expansion

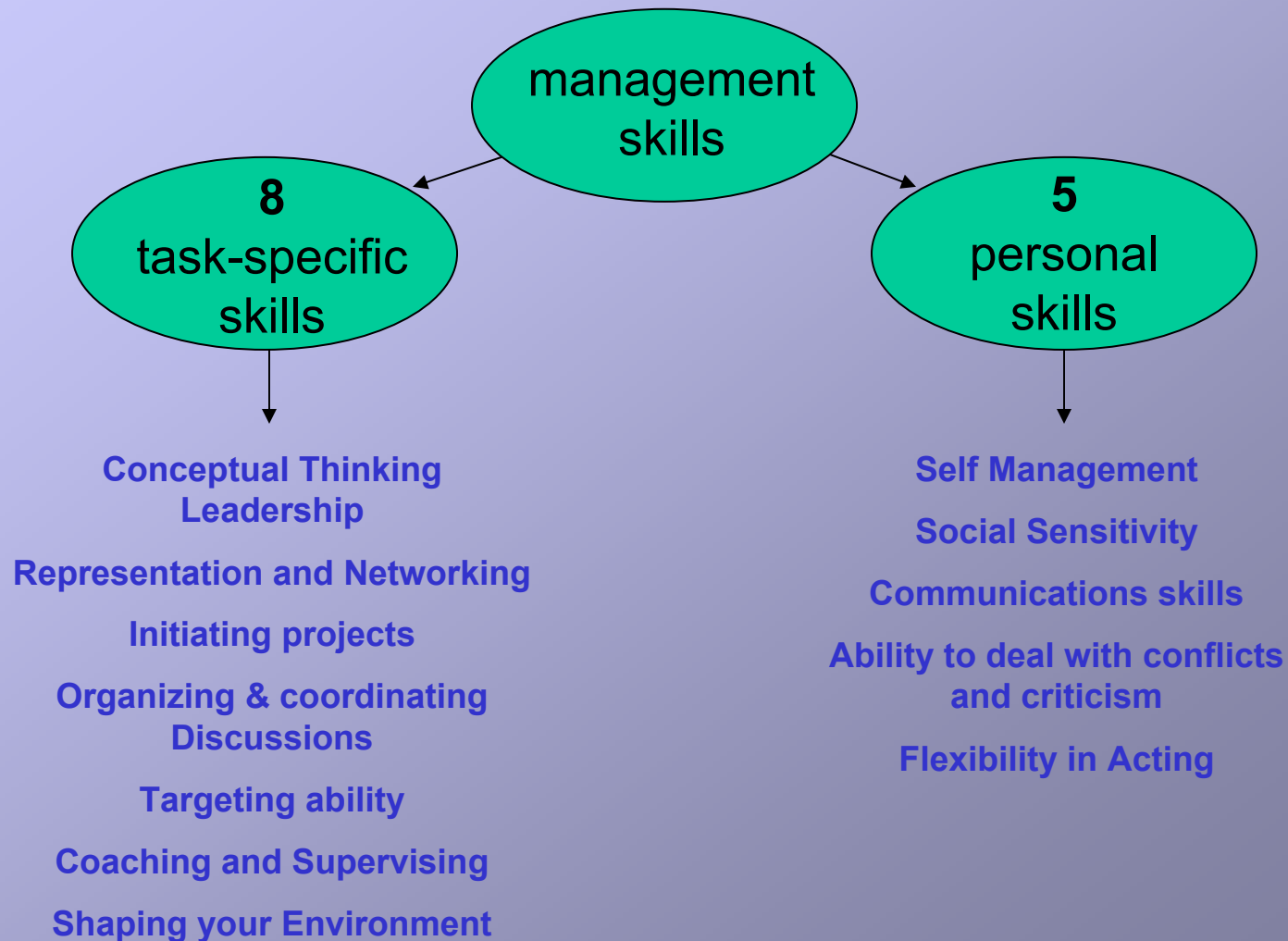
Preparing a vote given  
various differing interests

## Quality circle

Persuasive discussion  
with superiors

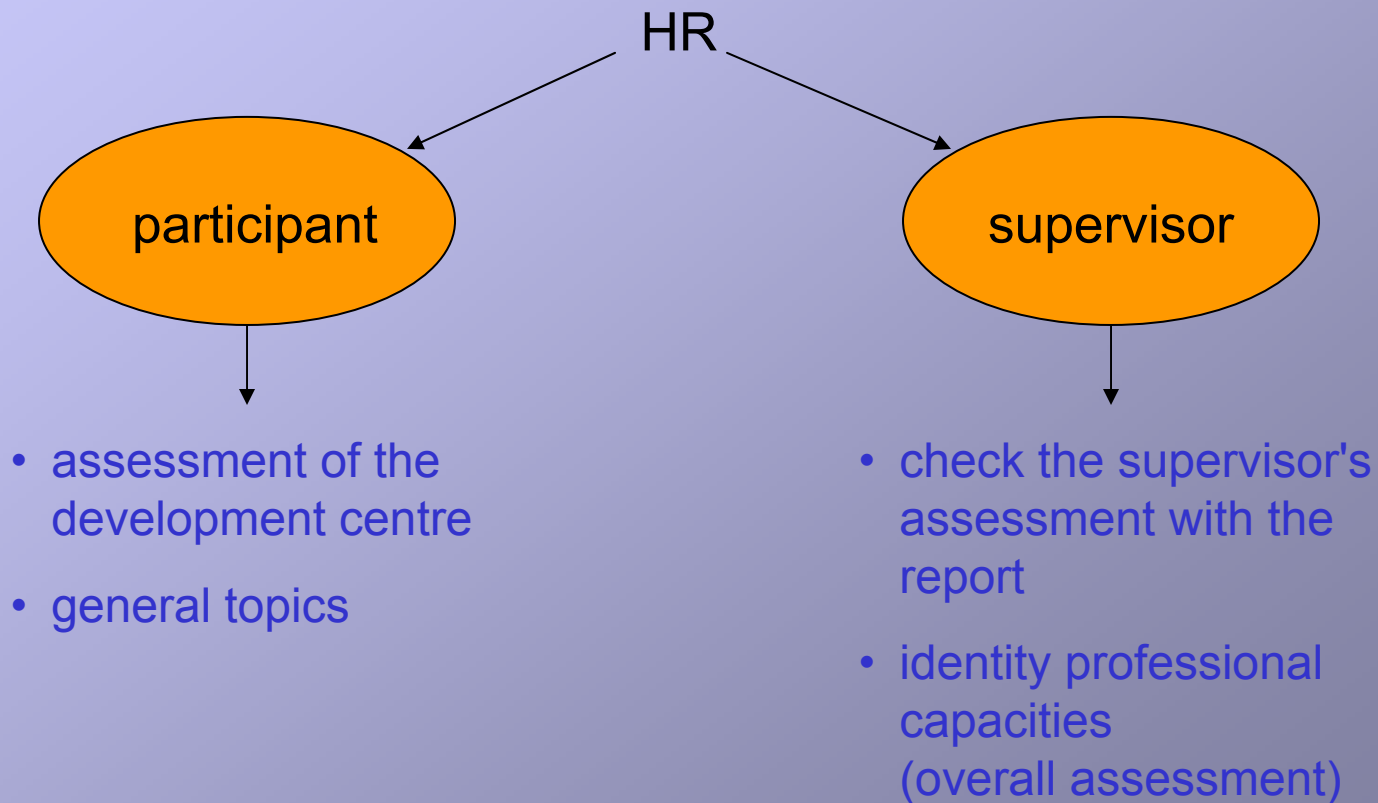
- criterias have been tailor-made according to a Bundesbank-specific “manager profile” (result of interviews with top executives)
- a uniform manager profile for the whole bank, no specific profiles for different departments (research vs. operational areas)

- 13 criterias for assessing management potential around



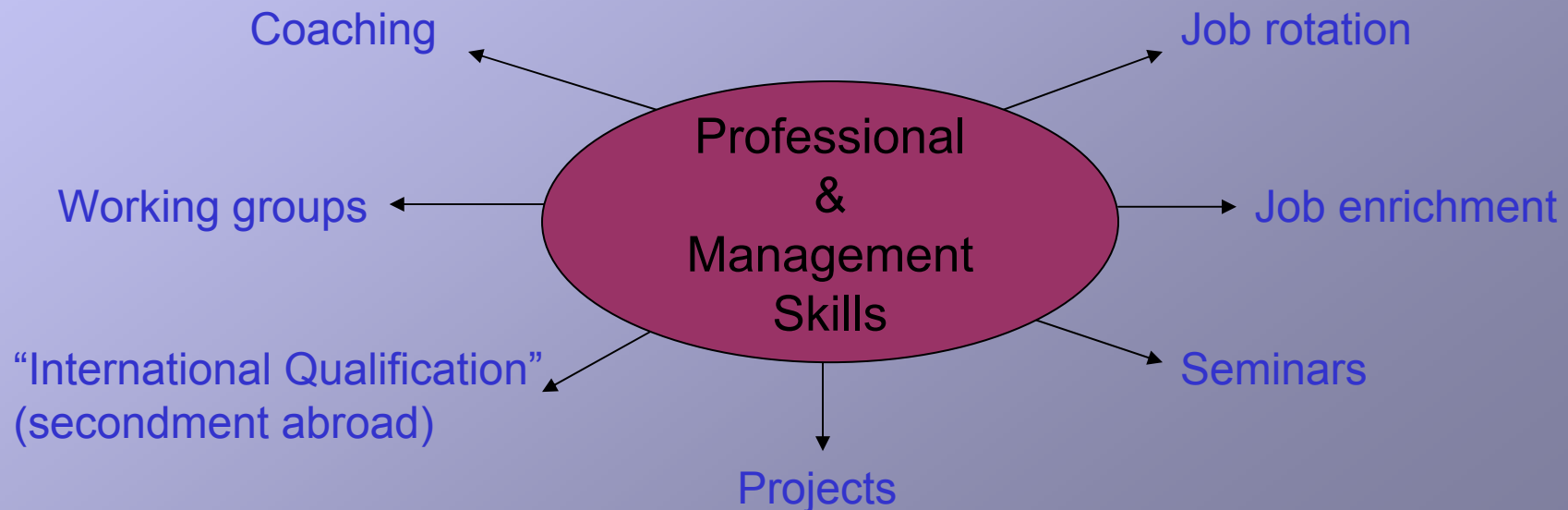
- two observers assess strengths and weaknesses of each participant during each exercise
- observers' conference at the end of the development centre
- immediate feed-back to the participants
- results are fixed in a detailed written report (4 weeks later)
- report is confidential (participant, supervisor, HR division), not for the personal file

## VI. Personnel Development Interviews



## VII. Individual Development Plan

- development measures agreed between participant and supervisor  
(copy to HR)
- broad spectrum



## VIII. Special programme for best performers

- selective group  
(about 10 former participants p. a.)
- one year program by an external coach
- self-learning and -exercising projects to improve  
their management skills