

Austrade's performance agreements are linked to the agency's performance measurement system, and are highly quantified. An STC's performance agreement would include factors such as the following:

- export impact;
- client satisfaction;
- leadership (i.e. motivation and team building measured in part through 360° degree inputs, the main areas being knowledge, working environment, role model, cross-cultural skills, contribution to morale);
- revenues generated;
- introduction of new clients;
- a management audit — effective management of post resources;
- building relationships with allies in Australia and locally (e.g. co-funding opportunities); and
- contribution to Austrade's standing (e.g. media visits and events, presentations to local groups).

A growing number of agencies, particularly those that are now recruiting extensively from the private sector, have revised their remuneration and advancement policies in order to retain competent officers. To retain good staff in the light of higher private-sector salaries, Tradenz is developing a new remuneration policy that involves benchmarking its salaries against market trends. Austrade has set up an incentive system with higher salaries and developed its own staff classes, based on performance levels, for Australia-based employees to differentiate them from the rest of the public sector. The agency also introduced a bonus scheme that applies to all staff, including LES. Bonuses are now given to the top two out of five performance levels. In 1995-96, this covered approximately 45 to 50 percent of staff. Early indications suggest that such rewards are helping to retain good staff. In the past two years, Finland's FFTA started offering bonuses amounting to a maximum of one month's salary. Similarly, Ireland has developed a bonus scheme for the top 15 percent of staff. A bonus can equal up to six weeks' salary. In both these agencies, the bonus is, at least in part, dependent on client satisfaction.

4. Interchanges with the Private Sector

A number of countries have established interchange programs to develop and benefit from more specialized skills at posts, and to broaden the experience of TCs. The United Kingdom has developed a private-sector interchange program with annual targets. From the government's perspective, officers can learn, first-hand, how a firm operates internationally, and posts gain improved commercial expertise through the presence of experienced private-sector executives. Officers are seconded to a company involved in exporting or overseas investment, typically for six months to two years. Ideally all interchanges are on a head-for-head basis. Industry has, however, found it difficult to release its executives for longer periods. As of the end of July 1997, private-sector secondments to posts will be primarily for a few months only. The United Kingdom's Foreign and Commonwealth Office pays travel and living expenses while the companies pay the salaries. The target for 1997-98 is 20 secondments. On the other hand, Austria has integrated a mandatory secondment into the career-development path — the first year is for training, then a three-year posting followed by a year in a firm, then two more postings of three years each, after which an officer can compete for an STC's position.

The Norwegian Industry Attachés program (NIA) is another interesting one. Government-funded and separate from the NTC, this program involves private enterprises or trade associations locating an employee in an NIA office abroad for 6 to 18 months. The person works on assignments both for his/her own company/association and for NIA clients. The costs are shared between the government and the company/association. NTC and NIA offices abroad co-operate and are frequently co-located. Another Norwegian program exists to second people from priority sectors to work in overseas posts for two years to improve their effectiveness (the MFA partially funds the program).

Obviously, quite a number of innovative and new approaches are being taken by other governments, which in turn are being considered for our own service. In the next issue of TCS International, the Trade and Political Personnel Division (SPF) will update you on what DFAIT is doing in the areas of recruitment, training, appraisals and interchanges.