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Working group on  
Foreign Service reform



# Working group recommendations on the reform of the Foreign Service

Ministry for Foreign  
Affairs of Finland

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Ministry for Foreign Affairs of Finland Helsinki 2023

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## Working group recommendations on the reform of the Foreign Service

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**Abstract**

On 30 August 2023, Minister for Foreign Affairs Elina Valtonen appointed an internal working group at the Minister for Foreign Affairs to prepare a reform of the Foreign Service in accordance with the Government Programme. The deadline was set at 1 December 2023. The reform is needed because of the fundamental change in the foreign and security policy environment.

The working group gives recommendations regarding six themes: management, resources, practices, competence development, organisation, and network of missions. The reform will be budget neutral.

The recommendations aim to strengthen the Foreign Service's capacity. The working group recommends a simpler structure of management groups and changes to the management culture. Annual targets set by the management should guide a flexible allocation of resources. Department heads should have a stronger role. Practices should be improved by streamlining time-consuming processes and by promoting digitalisation. Strategic human resources planning should be improved. There should be stronger efforts to develop the competence of personnel. A Euro-Atlantic department and two new units, one for EU affairs and one for strategy and policy planning, should be created. The working group recommends better business advice services, stronger exertion of influence in technology foreign policy and more efficient guidance of UN affairs. The resources of the mission network should be focused on countries of strategic importance to Finland. The administrative burden of missions should be eased.

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## Työryhmän suositukset ulkoasiainhallinnon uudistamiseksi

### Ulkoministeriön julkaisu 2023:26

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**Yhteisötekijä** Ulkoasiainhallinnon uudistus -työryhmä  
**Kieli** englanti **Sivumäärä** 43

### Tiivistelmä

Ulkoministeri Elina Valtonen asetti 30.8.2023 ulkoministeriön sisäisen työryhmän valmistelemaan ulkoasiainhallinnon uudistusta hallitusohjelman mukaisesti 1.12.2023 mennessä. Uudistuksen lähtökohtana on ulko- ja turvallisuuspoliittisessa toimintaympäristössä tapahtunut perustavanlaatuinen muutos.

Työryhmän suositukset koskevat kuutta teemaa, jotka ovat johtaminen, voimavarat, toimintatavat, osaamisen kehittäminen, organisaatio ja edustustoverkko. Uudistus toteutetaan budjettineutraalisti.

Suosituksilla halutaan vahvistaa ulkoasiainhallinnon toimintakykyä. Johtamisen osalta suositetaan ministeriön johtoryhmärakenteen yksinkertaistamista ja muutoksia johtamiskulttuuriin. Johdon vuosittain asettamat tavoitteet ohjaavat voimavarojen joustavaa kohdentamista. Osastopäälliköiden rooli korostuu. Toimintatavoissa työaikaa syöviä prosesseja kevennetään ja digitalisaatiota edistetään. Kehitetään strategista henkilöstösuunnittelua. Henkilöstön osaamisen kehittämiseen panostetaan. Suositetaan euroatlanttisen osaston perustamista, EU-yksikön ja strategia- ja politiikkasuunnitteluosaston perustamista. Vahvistetaan yritysneuvontaa, teknologiaulkopolitiikkaan liittyvää vaikuttamista sekä YK-asioiden ohjausta. Edustustoverkon osalta resursseja kohdennetaan Suomen kannalta strategisesti merkittäviin maihin. Edustustojen hallinnollista työtä kevennetään.

**Asiasanat** uudistaminen, ulkoasiainministeriö, suositukset, raportit

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## Arbetsgruppens rekommendationer för att reformera utrikesförvaltningen

### Utrikesministeriets publikationer 2023:26

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### Referat

Den 30 augusti 2023 tillsatte utrikesminister Elina Valtonen en intern arbetsgrupp vid utrikesministeriet för att före den 1 december 2023 bereda reformen av utrikesförvaltningen i enlighet med regeringsprogrammet. Utgångspunkten för reformen är den grundläggande förändring som skett i den utrikes- och säkerhetspolitiska miljön.

Arbetsgruppens rekommendationer gäller sex teman: ledning, resurser, verksamhetssätt, kompetensutveckling, organisation och nätverk av beskickningar. Reformen genomförs budgetneutralt.

Syftet med rekommendationerna är att stärka utrikesförvaltningens handlingsförmåga. När det gäller ledningen rekommenderas det att strukturen hos ministeriets ledningsgrupp förenklas och att ledningskulturen ändras. De mål som ledningen årligen ställer upp styr en flexibel fördelning av resurserna. Avdelningschefernas roll betonas. I fråga om verksamhetssätten görs arbetstidkrävande processer lättare och digitaliseringen främjas. Den strategiska personalplaneringen utvecklas. Man satsar på personalens kompetensutveckling. En rekommendation är att det inrättas en euroatlantisk avdelning, en EU-enhet och en strategi- och politikplaneringsenhet. Företagsrådgivningen, påverkan i anslutning till teknologiutrikespolitik samt styrningen av FN-ärenden stärks. När det gäller nätverket av beskickningar riktas resurser till länder som är strategiskt viktiga för Finland. Beskickningarnas administrativa börda lättas.

**Nyckelord** reform, utrikesministeriet, rekommendationer, rapporter

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## INTRODUCTION

The security and operational environment in Finland and Europe has undergone a fundamental change since Russia launched a full-scale war of aggression against Ukraine. Europe is facing its gravest security risk for decades. Russia's war against Ukraine undermines the security of Finland and Europe as a whole. In this difficult situation, Finland's most important communities of values, partners and allies are the European Union, the Nordic countries, the United States and NATO. Finland's objective and best interest is to have a united, globally strong and strategically competitive European Union, continue the close cooperation with the Nordic countries and maintain a broad-based relationship with the United States. The NATO membership strengthens security of Finland and stability in Northern Europe and position Finland even more firmly as a part of the European and transatlantic security community.

Global confrontation and tensions between great powers have intensified and will have interrelated implications for security, economy, technology, security of supply, industry and trade. Pressures on the rules-based world order, the rise of power politics, climate change, global migration driven by poverty and a lack of opportunity, extremism and terrorism all challenge Finland's foreign and security policy. Faced with these developments, Finland works proactively to uphold the rules-based international order. Asia, Africa and Latin America are becoming increasingly important. Finland is building sustainable partnerships with developing countries based on mutual benefit and respect. Developments in Africa will also have a direct impact on Europe's future. Global challenges, such as the technological transition and climate change, are affecting Finland's foreign policy environment and the attainment of its objectives.

Foreign trade and investments play a key role in securing jobs, livelihoods and prosperity in Finland. Ongoing geopolitical and geo-economic changes are forging ever closer links between politics and the economy. Protectionism and efforts to strengthen strategic sectors also create tensions between otherwise like-minded countries. In this new situation, it is increasingly important for Finland to be able to influence the rules of world trade and improve Finnish companies' access to new markets.

Finland's foreign policy is prepared and implemented by the Ministry for Foreign Affairs and its diplomatic missions. The Ministry's task is to promote the security and welfare of Finland and Finnish people as well as to work for a secure, fair and sustainable world. The Foreign Service and the network of diplomatic missions serve the President and the Government, all ministries, and the Finnish people and society at large. This administrative branch includes the Ministry and the network of foreign missions, but unlike other ministries, the Foreign Ministry has no subordinate agencies. Additionally, the Ministry for Foreign Affairs administers the State of Finland's real estate property and the leased premises in the network.

The Foreign Service has been able to respond to the fast changing operating environment. According to a stakeholder survey conducted in summer 2023, the Foreign Service has been successful in achieving its key objectives and enjoys a good reputation. However, the change in the operating environment as well as the concurrent developments in working life have highlighted the need to review ways of working and structures that were last reviewed more extensively after Finland's accession to the European Union. Faced with the increasingly complex operating environment, it is of primary importance to review management and goal orientation, the appropriateness of the existing organisation and the continuous development of staff competence. The Foreign Ministry's role as a crisis management and emergency response organisation has been growing in recent years.

Prime Minister Petteri Orpo's Government Programme calls for a reform of the Foreign Service. It states:

*"The Government will implement a reform of the Foreign Service to support the new era of foreign and security policy, taking into account the additional obligations arising from NATO membership, for example. The objective of the reform is to focus on Finland's foreign and security policy interests, the promotion of economic growth, international economic relations and technological development.*

*In connection with the reform, the Government will evaluate the management of multilateral matters in the Foreign Service.*

*We will concentrate resources and investments on countries that are strategically important to Finland. This will apply to the network of Finnish missions, economic relations, security cooperation and development cooperation.*

*Decisions on the size of the network of missions will be made systematically over the long term. Finland will seek practical common solutions with the missions of other Nordic countries and EU Member States."*

On 30 August 2023, Minister for Foreign Affairs Elina Valtonen appointed an internal working group within the Foreign Ministry to prepare the reform of the Foreign Service as foreseen in the Government Programme. Upon completion of its preparations, the working group presents in this report concrete recommendations to the management of the Ministry on the implementation of the reform.

### **Mandate and term of the working group**

The working group's mandate was to review all key areas in terms of the Foreign Ministry's duties, objectives and ways of working. Due consideration in this process was given to the ongoing examination on Business Finland's network abroad and the preparation of Government's reports related to the Foreign service outlined in the Government Programme. The fact that the reform is to be carried out budget-neutrally is duly taken into account in the recommendations. The present report proposes no changes to the division of duties between ministers, on which a political agreement was made when the Government was formed.

The working group's term ran from 4 September to 1 December 2023 as stated in the letter of appointment.

### **Composition of the working party**

The working group was chaired by Lauri Tierala, State Secretary to the Minister for Foreign Affairs, and vice-chaired by Pekka Puustinen, Under-Secretary of State for Internal and External Services at the Ministry for Foreign Affairs. Serving as members of the working group were Katja Bordi, Head of Financial Planning; Katariina Hautamäki-Huuki, Second Secretary for Administrative Affairs; Reetta Härönoja, Counsellor Kirsikka Lehto-Asikainen, Counsellor Vesa Lehtonen, Counsellor Turo Mattila, Counsellor Anna Merrifield, Counsellor Anne Sipiläinen, and Counsellor Tuomas Tapio. The working group was made up of people who were expected to contribute a wide range of experience. They did not represent their own organisational units or any specific staff categories. Serving as secretaries to the working group were Counsellor Niina Nyrhinen and Counsellor Salla Romakkaniemi. Petra Sarias, content and communication expert, was responsible for the working group's communications.

## Workings and consultations

The working group convened 20 times during its term, one of the meetings being an all-day working retreat. First, the working group discussed the working procedures and terms of reference and agreed to focus on six main themes: management, resources, ways of working, competence development, organisational structure and the network of foreign missions.

Focusing on these six themes, the working group requested written opinions from the Ministry's departments and services, foreign missions, staff organisations and external stakeholders. Written opinions were received from all departments and services of the Ministry for Foreign Affairs, 63 foreign missions, both staff organisations and 29 different stakeholders, including nine ministries, the Office of the President of the Republic, NGOs and business representatives. Additionally, the working group sent an internal questionnaire in Finnish and English to all Foreign Service staff members, to which 250 people responded anonymously. The number and content of the feedback and proposals lent support to the working group's view that a reform was indeed needed. The working group paid a visit to the management groups of all departments and services of the Ministry for Foreign Affairs; organised thematic hearings in various teams held four open staff hearings in Finnish and English via a video link; and consulted the Foreign Affairs Spouses, Partners and Families Association as well as the two staff organisations on two occasions. The hearings were held in the form of hybrid meetings and open consultations were arranged at different times of day to allow a maximum number of staff members to participate. Additionally, the progress made by the working group was discussed at meetings with the Ministry's management groups and the Cooperation Board.

The working group perused an extensive body of data, which was discussed at the working group meetings and by smaller groups of members assigned to address specific themes. Also, the members of the small groups held in-depth discussions with the representatives of individual departments and units. The number of opinions, hearings, suggestions and proposals for improvements was so high that it was impossible to include all the useful ideas in the recommendations. Moreover, many of the points on which comments were received have already been, or are currently being, addressed as part of ongoing processes.

The working group informed the Parliament's Foreign Affairs Committee of its work on 23 November 2023.

Also, the working group reported on its progress on the front page of the Kampus intranet and issued three public releases.

A Government project window was created for the reform project for public monitoring of the implementation of the Government Programme.

### Foreign ministries of peer countries

The working group obtained information on the activities of the foreign services of Sweden, Norway and Denmark. In the face of the transformation of the operating environment, the need for greater flexibility has been recognised in said Nordic countries. As other countries have opted for different organisational structures, they cannot be replicated as such. However, all the countries recognise the need for a more flexible use of resources, fewer levels of decision-making and lower hierarchies. All three foreign ministries also seek to prioritise and deprioritise tasks. Goal-oriented management was perceived as an important objective in all foreign ministries. Also, there is a preference to devolve responsibility to departments and units. The attractiveness of the Foreign Service as an employer and the development of staff competences are important priorities. In the recent reorganisation of the Swedish Ministry for Foreign Affairs, a departmental structure was adopted by grouping units into six large directorates, such as the Directorate General for Euro-Atlantic Affairs and Security. Further reorganisation efforts will address matters related to the network of foreign missions, staff competence development and rotation system. Norway is carrying out an extensive reform of its foreign service due for completion in 2025. One of the objectives is to focus on core duties. Denmark's Ministry of Foreign Affairs is organised into five main areas of activity and its activities are to a great extent governed by clear annual objectives.

# 1 Recommendations of the working group on foreign service reform

## 1.1 Management

### 1.1.1 Current situation

According to the Ministry for Foreign Affairs' Rules of Procedure (28.8.2008/550), the Ministry has two management groups: the Management Group of the Ministry composed of ministers and public officials, and the Extended Management Group whose meetings are also attended by the Directors General of departments and services. As it is, Management Group in ministerial composition meets rarely and its role in managing the Ministry's activities is not systematic. The workings of the management groups were streamlined in 2022 by shortening the meeting time of the public official composition, and the management group structure was reorganised in spring 2023 by reducing the size of the Extended Management Group and increasing the frequency of its meetings. Feedback suggests that the reforms represent steps in the right direction. However, the contribution of public official composition (so called restricted management group) is still perceived as vague and disconnected from the operational activities of the departments. Also, the overall impression is that the objectives of the Foreign Service and the guidelines issued by the Management Group are not communicated, implemented and monitored adequately.

The written comments received from departments, foreign missions and stakeholders, as well as an internal staff survey and separate consultations, confirmed the working group's own findings regarding management performance within the Foreign Service. The replies called for more transparent, proactive and interactive management. Senior management was hoped to assume a stronger leadership role while at the same time the role and responsibility of Directors General was highlighted. Another wish expressed by the respondents was that strategic priorities and objectives should be defined in more detail and implemented more systematically. It was hoped that management would be bolder in prioritising and deprioritising objectives and pay closer attention to the priorities when allocating resources. Objectives and priorities should be communicated on an

ongoing basis, and the priorities should be consistently present in the day-to-day activities. Clearer objectives would support productive and efficient management as well as improve work performance.

The comments received by the working group were quite unanimous in supporting a single management group system and reducing the number of management levels. The managerial role of Directors General was underlined. A lot of comments were received regarding the management of foreign missions. Many respondents stressed the need to pay closer attention to the leadership skills and aptitude of appointees to managerial positions.

### 1.1.2 Objective

Ideally, the Foreign Service should be able to respond to the challenges imposed by the new foreign and security policy era in a proactive, timely and flexible fashion. The objective is to put in place a more efficient management structure and a more interactive management culture that support the attainment of clearly defined objectives at all organisational levels.

### 1.1.3 Recommendations

#### **Recommendation 1: Transfer to a management system with a single management group**

The working group recommends that the management of the Ministry for Foreign Affairs be streamlined and simplified, and that the management groups in their current form be abolished (sections 9 and 10 of the Rules of Procedure).

A single management group should be set up at the Ministry for Foreign Affairs, comprising the Minister for Foreign Affairs and other ministers in this administrative branch, the Permanent State Secretary, political State Secretaries if any, Under-Secretaries of State, Directors General, the Director General of Administrative Services, the Director General of Legal Service, the Director General of Consular Services, and the Director General of Communications. The members of ministerial cabinets would have the right to attend the meetings of the Management Group to support the respective ministers. Membership in the Management Group means a commitment to lead the Foreign Service as a whole, not a mission to advocate the interests of one's own area of responsibility. The Management Group would convene once a week under the Minister for Foreign Affairs. The Management Group would be vice-chaired by the Minister for Foreign Trade and Development.

When both ministers are unable to attend, the meetings would be chaired by the Permanent State Secretary or the most senior Under-Secretary of State. The new management system would not affect the decision-making powers of the Foreign Minister, other ministers or the senior public officials.

The Management Group may invite permanent experts to the group as well as other experts and representatives of services and operational units on a case-by-case basis to address specific issues. Representatives of staff organisations would have the right to speak and attend at meetings discussing documents with wide-ranging implications for the Foreign Service staff or other important guidance documents. The agenda for the Management Group meetings would be made available to the staff organisations in advance. The Management Group would specifically address HR matters together with the staff organisations at least every six months.

### **Recommendation 2: Strengthen the Management Group's role in establishing operational objectives**

The working group recommends that the Management Group's role in setting the objectives for the Foreign Service's activities and passing decisions on key issues be strengthened. The Management Group should assume responsibility for ensuring that the activities are based on clear objectives that are to be pursued with determination and that progress in attaining the objectives is systematically monitored by the Ministry and the network of foreign missions. Aside from establishing and monitoring priorities, the Management Group would also be responsible for deprioritising issues and allocating resources, insofar as these decisions require discussions at the management group level.

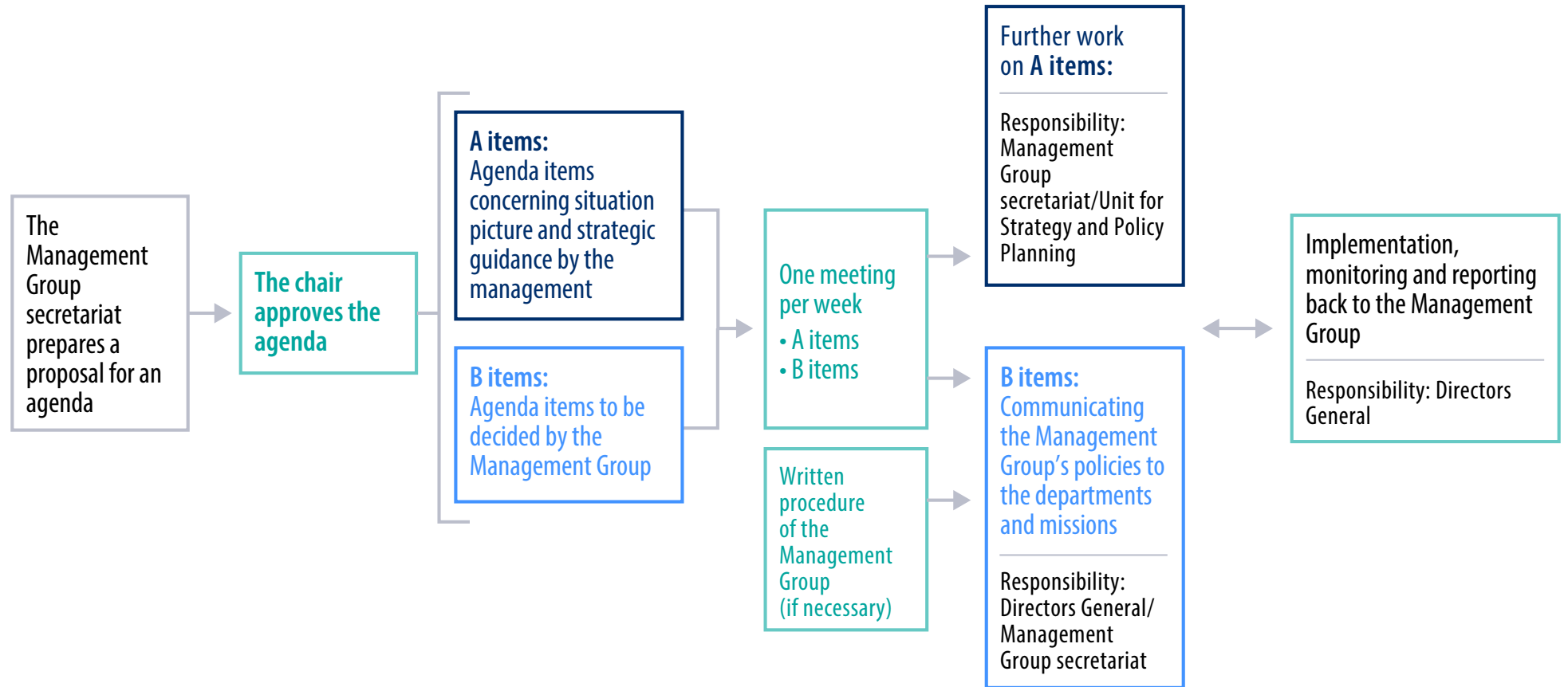
The Management Group would address matters related to the strategic and horizontal management of activities (Level A matters) as well as matters referred to ministers by a lower decision-making body (Level B matters). The agenda items would consist of decision and management matters and the formation of a shared situational picture, not just dissemination of information. The Directors General of the relevant department would be responsible for presenting the case for final decision-making to the Management Group, based on a clear proposal prepared with due regard to any other departments or services participating in the review of the matter. Formal decisions on the matters addressed by the Management Group would be taken in accordance with the decision-making powers set out in the Rules of Procedure. Each Director General of department or service would be responsible for disseminating the information to their units and foreign missions, including classified information.



A stronger staff function would be set up to support the Permanent State Secretary in the weekly preparation of the meeting agenda. A new Strategy and Policy Planning Unit, under the authority of the Permanent State Secretary, would support the Management Group in substance preparation of horizontal matters, and particularly in drafting annual strategic objectives (1.5.3. recommendation 8).

The changes to the workings of the Management Group and the clarification of the management function are not designed to move decision-making powers to a higher level; instead, the idea is to ensure that any decisions capable of being taken at the unit or departmental level are actually made at these levels, and that matters referred to the Management Group are based on a clear proposal for a decision prepared at the departmental level. Each department and service should see to it that the ways of working of their own management groups support the foregoing objectives.

**Figure 1.** How the Management Group works



### **Recommendation 3: Establishment of clear annual objectives**

The working group recommends that the Ministry for Foreign Affairs establish strategic annual objectives at the ministerial level which can subsequently be translated into annual operational objectives for the lower level. There should be a limited number of such annual objectives to ensure that they effectively govern the allocation of resources and intensify the impact of activities. At the same time, the process of establishing tangible operational objectives for departments, units and foreign missions will become more standardised. No more than three to five objectives should be set to provide a basis for deprioritising other duties. Progress in attaining the objectives would be monitored regularly at all levels, typically on a quarterly basis, and corrective action would be taken promptly. Monitoring would be mandatory and systematic, which would make it a key management tool. Directors General will play a key role in this respect. A description of how the annual objectives are linked to the operational and financial planning process is provided in the Use of resources section (1.2.3. recommendation 1). Efficient communications will ensure that all Foreign Service personnel is aware of the annual objectives. One of the key tasks of managers is to ensure that each member of the workplace community understands the implications of the objectives for their duties and that the objectives govern work at all organisational levels.

### **Recommendation 4: Reinforcement of leadership skills and the management of departments, units and missions**

The working group recommends that management skills be improved at all levels and in all managerial and supervisory positions. Management training should be provided early on in the career path. Managerial training should be regular and obligatory at the various career stages to develop leadership skills. Successful completion of specific management training courses should be a necessary prerequisite for qualification for head of unit and senior managerial positions. Leadership support, mentoring and management tools should be increased systematically.

The working group recommends that only those willing and able to lead be appointed to managerial positions. Special attention should be paid to aptitude, and screening of management potential and 360-degree assessments should be used more extensively. The Ministry's management policy should be updated, and an interactive management culture should be strengthened.

Steps should be taken to make it possible to devote more time to management duties. An assessment should be made as to whether large departments need two deputy Directors General and a staff function to allow Directors General to

devote more time to management duties. Similarly, the need to appoint full-time deputy heads of unit and/or to expand the managerial responsibilities of team leaders should be assessed, including those of immediate supervisors. The number and appropriate size of teams should be determined with due regard to the units' responsibilities and objectives. To support management and improve functionality, the size of departments, units and teams should be harmonised.

### **Recommendation 5: Defining the role of Under-Secretaries of State and reducing their number**

With the abolition of the small management group, the roles of the Under-Secretaries of State should be clarified. The coordination duties of the Under-Secretaries of State and the duty to monitor the operations of the key departments for his or hers functional area, as specified in the current Rules of Procedure should be abolished (section 48). As a result, the primary role of the Under-Secretaries of State would be clarified: to assist Ministers and the Permanent Secretary of State in the discharge of their international duties as well as to perform specific comprehensive and horizontal duties assigned by the management. The working group recommends a transition to a system of three Under-Secretaries of State, two of whom would be responsible for duties consistent with those of the respective ministers, namely foreign and security policy and trade and development policy. The position of the Under-Secretary of State for Internal and External Services would be retained, but the working group finds it advisable to assess potentially overlapping duties between Under-Secretary of State and the Director General of Administrative Services on connection with the mid-term review of the reform.

### **Recommendation 6: Updating the composition of the Key Group**

The Key Group prepares matters concerning the appointments of the highest official positions and functions designated in section 11 of the Rules of Procedure of the Ministry for Foreign Affairs (550/2008). Additionally, the Key Group may also consider other matters concerning official appointments and assignments of major importance in terms of significance to staffing policy.

It is proposed that the Key Group include the Permanent Secretary of State, the Under-Secretaries of State and the Deputy Director General for Human Resources. Participating in the preparations by the Key Group for the appointment of heads of missions and roving ambassadors will be the Directors General responsible for the mission concerned once the candidates have been short-listed.

## 1.2 Use of resources

### 1.2.1 Current situation

The change in the operating environment requires a partial reallocation of human resources to support the promotion of Finland's foreign policy objectives as efficiently as possible. The state of Finland's public finances imposes a number of constraints on the operations of the Foreign Service, which may require substantial adjustment measures. At present, there are more duties to be filled in the Foreign Service than staff available. There is a broad consensus within the Ministry that, as it is, resources cannot be allocated quickly enough to respond to changes in the operating environment. Priorities and objectives should be clearer to give departments solid backing for a flexible reallocation of resources. The structure of the line organisation does not encourage the allocation of resources across departmental or unit boundaries in favour of most important shared objectives. In the operational and financial planning process, departments and services are assigned specific duties to be performed, which provides little incentive for bold prioritisation.

### 1.2.2 Objective

Ideally, the Foreign Service's resources are allocated to objectives clearly defined by the Management. Operational and financial planning should be governed by tangible annual objectives. Departments should manage man-year-based resources flexibly to ensure that essential tasks are always properly executed and the established objectives are met, while unforeseen resource needs arising from changes in the operating environment are handled appropriately even outside the operational and financial planning process.

### 1.2.3 Recommendations

#### **Recommendation 1: Reforming the operational and financial planning process**

The Foreign Ministry's operating and financial planning and monitoring system covers its strategic outlines as well as medium and short-term operational and financial planning and reporting. The working group recommends that the operational and financial planning process be reformed and the Ministry's resources reallocated.

The working group recommends that, following the adoption of the new resource management model, operational and financial planning be based on the strategic objectives for the Foreign Service approved by the Ministry's Management Group. In the course of the preparations, the Management Group would be assisted by the new Strategy and Policy Planning Unit (1.3.5. recommendation 8). The resource and financial framework for planning would be determined by HR management and the resource planning group. Subsequently, the individual departments, missions and units would set their own tangible annual objectives and plan their workings and use of appropriations accordingly within the limits imposed by the resource and financial framework.

Departments would play an important role in planning the use and allocation of resources. Also, the responsibility of the Directors General would increase in the Management Group, which prepares the proposal for the allocation of man-year-based resources for the entire Foreign Service to be presented for the Permanent State Secretary decision-making. The Management Group should assess the resources in terms of the objectives and priorities of the Foreign Service as a whole.

Budget compliance should be continuously monitored at all levels including in terms of resources, starting with the definition and assignment of duties based on specified man-years. Departments should play a key role in monitoring. If necessary, the Ministry's Management Group could review the objectives and resource allocation even outside the operational and financial planning process, for instance in response to abrupt changes in the operating environment.

### **Recommendation 2: Reallocating resources from isolated tasks to broader areas**

The working group recommends that, with the updated operational and financial planning process, each department be given a man-year framework instead of a list of duties to be filled. Within this framework, the departments should plan, prioritise and assume responsibility for defining and allocating job descriptions in accordance with the pre-determined objectives, with due regard to the job grade system. The key positions that must always be filled should be determined as part of the resource allocation process. If new positions are created, corresponding reductions should inevitably be made elsewhere.

To allocate resources in a man-year framework geared to specific objectives, it is important to strike a balance between the number of positions and the pool of staff available. When prioritising and deprioritising tasks, departments and units should be able to allocate the resources at their disposal flexibly.

Based on the strategic objectives, resources should be channelled at least to the following priority areas: The United States and other key like-minded partners; Northern Europe; exercise of influence within the EU as well as security policy; great power relations and geoeconomic competition (including the G7, G20 and BRICS). Non-prioritised tasks should be incorporated into bigger sets following clear-cut deselections.

Exports and investments promotion should be intensified by concentrating resources and focusing economic and commercial promotional activities on key markets. The operations and management of the Team Finland network is to be reformed as foreseen in the Government Programme.

In the exercise of influence within the EU, the focus should shift from general all-sector monitoring to more focused and proactive efforts in compliance with the pre-defined priorities.

With the reduction in development funding and country programmes outlined in the Government Programme, departmental resources can be reviewed in the light of the priorities.

### **Recommendation 3: Developing ways of working to respond to unforeseen changes with the existing human resources**

The working party recommends that procedures be put in place in the Ministry and missions networks to permit a quick reallocation of human resources. Said model should have built-in optional flexibility mechanisms, such as 'pooling arrangements', long-term secondments and flexible allocation of the work contribution of staff members. The model calls for sound management and would make use of an up-to-date register of staff qualifications to be created in the HR management system (1.4.3. recommendation 2). Given the limited human resources and in the interest of efficient utilisation, employees should be members of the pools while they are performing their regular duties.

To respond to any unexpected administrative needs of missions, the working group proposes the creation of a pool within the Ministry's administrative teams as part of their duties. This calls for an analysis of the current duties and working processes of the administrative teams, which is addressed in more detail in the section of this report entitled 'Ways of working' (1.3.3. recommendation 2).

## 1.3 Ways of working

### 1.3.1 Current situation

The ways in which work is carried out is changing across society, and digital developments offer opportunities to boost productivity. The Foreign Service needs to reduce onerous routine tasks to make more time available for goal-oriented exercise of influence. Change requires the courage to review established practices and experiment with different ways of working. There is a clear readiness and willingness among the staff to make ways of working more effective.

Partial improvements have been achieved by eliminating and standardising internal service processes within the Foreign Service. However, substantial resources are expended at the organisational level for purposes such as the preparation of materials related to visits and meetings, as well as the multi-layered approval procedures for memoranda. Also, the Government's joint development projects have done little to alleviate the burden of the cumbersome ways of working.

In particular, the VAHVA case management system, specifically designed to facilitate legislative drafting, electronic decision-making and archiving, is ill-suited for the core work carried out by the Foreign Service, where a fast and secure reporting system is of paramount importance. As a system, VAHVA is cumbersome and practically impossible to use for missions, whose communications connections are often limited. VAHVA's poor functionality was exceptionally frequently cited in the comments received by the working group. Users spend a lot of time struggling with the system. The problem also affects well-being at work and has been highlighted in job satisfaction surveys.

The scope and complexity of the administrative work carried out by administrative teams and missions has increased in recent years. An efficiently managed holistic approach to development and support for this work is called for. As it is, many tasks that could be handled centrally in Helsinki are decentralised out to missions. At the Ministry, administrative officials have few opportunities to participate in the substantive duties in their respective units or departments. The potential offered by task force arrangements, skills pools and project working is not harnessed systematically.



### 1.3.2 Objective

Ideally, staff should devote much more of their working hours to promoting the established objectives. Greater focus should be placed on exerting influence on the international scene, while routine work should be reduced by streamlining procedures and standardising processes. The staff should be able to use time-saving tools and up-to-date ways of working.

### 1.3.3 Recommendations

#### Recommendation 1: More prioritisation and project-type ways of working

The working group's recommendation is to develop working methods and a culture where people focus more on the efforts required to promote the annual objectives. At the same time, a more project-based approach should be encouraged, which calls for a definition of the objectives at the beginning of the projects, the allocation of responsibilities, scheduling and the analysis of outcomes at the end of the project. Aside from having a greater impact, work would also become more motivating.

Reporting should be developed to make it more analytical and goal-oriented. Reports should focus more on the progress made in attaining the objectives, follow-up action and monitoring. At the same time, routine reporting (e.g. EU working group meetings and committees) should be reduced and the topics to be monitored prioritised and deprioritised. Participation in multilateral and EU conferences should be governed by the importance of the issues being addressed and Finland's possibilities for exerting influence. The need for detailed instructions for meetings should be assessed in terms of the priorities, and staff members should be encouraged to engage in a close and informal exchange between the Ministry and missions.

#### Recommendation 2: Eliminating repetitive and time-consuming processes

The working group recommends that the Ministry appoint a person to lead a fixed-term project to identify repetitive and time-consuming processes in both substantive and administrative duties. He or she should be tasked to propose concrete measures to improve efficiency through streamlining, standardisation, etc. The Management Group should assume responsibility for launching a project to implement the solutions in the Ministry and monitoring the progress made in the departments, services and diplomatic missions.

Processes requiring such streamlining and/or standardisation could relate to activities such as preparations for visits, preparation of documentation, requests for action, processing of enquiries from citizens, or preparations for events and conferences. Useful tools for this purpose could include simpler working platforms geared to the adoption of shared practices or templates that reduce the amount of duplicate work being carried out in the Ministry. As far as preparations for visits are concerned, steps should be taken to start using electronic documentation as extensively as possible and adopt an electronic 'visitor file' with due regard to meetings that have to be conducted without any electronic devices.

The working group recommends that a more comprehensive approach be adopted to developing administrative activities, as the development needs in the Ministry and missions are partly identical. In the development efforts, due consideration should be given to the recommendation of the administrative working group. Within the Ministry, the responsibility for developing the duties of the administrative teams should not be left exclusively to the team network; instead, it should receive the full backing of the Management. The Management should assess the overall situation and ensure that the project is duly completed.

More specifically, it is important to streamline repetitive, resource-consuming tasks and devote the time so saved to more substantive duties suitable for administrative officials. Linking the department's substantive duties to administrative duties as appropriate would make the work more meaningful and administrative careers more attractive. Also, the working group recommends the establishment of pools of administrative officials, from which resources could be flexibly allocated to missions (1.2.3. recommendation 3). To improve work planning and avoid peaks in workload, the annual clocks for administrative duties should be regularly reviewed in consultation with the departments, units and missions.

### **Recommendation 3: Improved digital tools**

The working group recommends that the Foreign Ministry's Unit for Information Technology and System Services be instructed to explore options and submit a proposal for developing a lean and secure (up to security class IV) reporting system suitable for the Foreign Service's needs. The development and deployment of the reporting system is a priority and must be adequately resourced to ensure the Foreign Service's cost-effectiveness and efficiency in providing analytical information to the President, the Government and stakeholders. The Foreign Ministry must be prompt and actively involved in the preparation of a shared information system for the central government administration to make sure that the specific characteristics of the Foreign Service are taken into account.

As far as artificial intelligence (AI) is concerned, the working group recommends that a task force be appointed to pilot AI solutions that meet the needs of the Foreign Service and to submit recommendations to the Management Group for the deployment of this technology. Due consideration should also be given to the plans prepared by the Prime Minister's Office and the Government ITC Centre for harnessing AI in central government administration. Additionally, the Ministry should participate in joint projects to ensure that the special needs of the Foreign Service are taken into account. The adoption of AI systems also calls for training to give the staff members the capabilities to fully and securely deploy the tools.

The working group strongly recommends the use of shared digital platforms instead of e-mails.

## 1.4 Competence development and human resources

### 1.4.1 Current situation

The Foreign Service employs a total of around 2,400 people. The four largest staff categories are diplomatic and administrative officials holding general-career positions, specialist officials and locally recruited staff working in missions. Of all employees, one-third works in the Ministry and two-thirds in missions. Most of the mission staff are recruited locally.

With regard to human resources, the working group was expected to make recommendations for the development of staff competence. However, HR matters emerged as major issues in the comments, hearings and internal surveys. The proposals and opportunities for improvement concerned structures, rotation planning, pay schemes, working methods and changes made in recent years, including the centralisation of duties in the Government Administration Unit. The hoped-for changes were specifically related to occupational well-being, transparency and a multi-voiced dialogue, consideration of family circumstances and, in particular, the expectations of younger public officials regarding the present-day working life. The working group received a large number of ideas for improving the status of employees that the working group finds relevant and worthy of consideration by the Ministry's senior management. The present report recommends improvements to a number of key areas.

On-the-job learning is important for all the staff irrespective of their career paths. Special training provided by the Government Administration Unit and the Foreign Ministry is also available. However, training is not systematically linked to specific

career stages, and there is a general perception that improved qualifications do not contribute to career advancement to a sufficient degree. Not much training tailored to the needs of the Foreign Service is available, partly due to the transfer of training resources from the Foreign Ministry to the Government Administration Unit. Too little training in English is provided for the staff recruited locally by the diplomatic missions. Whatever training is available is used sporadically and in self-guided manner.

Successful candidates for a general career in the Foreign Ministry start by attending the Training Course on International Affairs-for Diplomats (Kavaku) or the Induction Course for Administrative Career Staff (Halku). The courses provide a wide range of introductory information and skills for the job. No similar mandatory joint advanced training is available later for those pursuing general careers. On both general and specialist career paths, people wish to be able to deepen their competences and advance in their careers as specialists without having to first be appointed to managerial positions.

Leaves of absence from the Ministry to serve in external duties useful for the Foreign Service's purposes are perceived as meaningful in all career paths and should be treated with greater flexibility.

The performance appraisal procedure used in the government pay scheme is ill-suited for the rotation of positions common in the Foreign Ministry, because its smooth operation may require a transfer to a position of the same qualification level. Upon transfer to a new position, the current system almost invariably leads to a reduction in pay. A pay component similar to change security is hoped for at all levels. Moreover, the application of the pay scheme and the compensation system for missions in emergency situations is felt to be rigid. As far as administrative duties are concerned, the job classification applied in the Foreign Service is seen as lagging behind the actually increasing complexity of the duties. Also, employees find that service at missions of a high hardship rating is not sufficiently taken into account in the rotation process.

Human resources management at the Foreign Ministry calls for both specific expertise in human resources management as well as close familiarity with the Foreign Service. According to the comments received by the working party, the prevailing view in the workplace community is that strong HR expertise is of crucial importance, particularly in managing rotation, which involves processing of confidential information concerning individuals and family members. Thereby independence, acceptability and consistency in decision making can be strengthened.

The Foreign Service employs around 300 specialist officials, recruited to the Ministry to bring in-depth expertise in a particular field. A special structure should be created to cater for these positions to create prospects for career advancement within the Ministry. The Ministry is about to introduce more exacting specialist positions, which will partly improve the situation for specialist officials. An specialist official may apply for and be appointed to a general-career position, but the Foreign Ministry's current interpretation of the rules complicates the recruitment of a replacement for a specialist appointed to such a position. This reduces specialist officials' prospects for participation in job rotation. The Ministry has introduced an internal recruitment process, which makes it possible for a person holding an specialist position to be selected for a career in diplomacy by way of dispensation.

The Government is in the process of preparing a report on transfer to shared Government posts and the centralisation of the government HR administration in the Prime Minister's Office. The public official system pursuant to the Act on the Foreign Service differs considerably from the central government public official system. The Foreign Service's public official system provides for obligatory job rotation in the Ministry and missions, without which the Foreign Service could not function.

### 1.4.2 Objective

Ideally, the Foreign Service should have satisfied and highly qualified staff who are afforded diverse opportunities to develop their working skills and capabilities. Competence development should be a career-long path that caters for the needs of the organisation and supports the attainment of goals by individuals over the long term. Competence development should be recognised as a core activity vital to the organisation's ability to evolve. The Ministry should identify areas requiring specialisation in advance and achieve an adequate level of competence. Skills development should be a managed activity. The organisation's human capital should also be built up through secondments to positions in the central government, international organisations, European Union institutions, as well as in the private and third sectors.

Ideally, HR planning should be interactive and supportive. Staff members should be able to feel that their voice is heard. HR planning should facilitate the diversification of career opportunities for specialist officials and permit specialisation in a general career. Ideally, the pay scheme should support career advancement and job rotation.

Ideally, the Foreign Ministry's employer image should stand for not only a high standard of competence but also values important in today's working life, such as equality and non-discrimination, as well as a flexible work-life balance which makes allowance for individual family situations.

The specific characteristics of the Foreign Ministry should be taken into account in the joint efforts to develop government administration.

### 1.4.3 Recommendations

#### Recommendation 1: Systematic long-term competence development

The working group recommends major investments in training and a systematic enhancement of staff competence to support career-long professional development. More compulsory training is also recommended.

The working group proposes that the Director of the Unit for Human Resources Development and Occupational Wellbeing be given the role of Head of Training. The Head of Training's primary responsibility should be to prepare a proposal to the Management Group for a comprehensive reform of the competence development system in the Foreign Ministry so as to ensure that due consideration in the provision of training and skills development at work is given to the Ministry's operational objectives.

Competence development should be more clearly linked to career planning. The training provided by the Ministry and career planning provided must respond to changing needs by ensuring that the Ministry possesses the necessary skills in areas such as technology, great power relations and the various aspects of security policy in the context of the NATO membership. Special attention should be paid to improving commercial and business competence. With regard to maintaining an adequate level of competence in Eastern affairs, including the knowledge of the Russian and Ukrainian languages, sufficient training and support for learning should also be provided in Helsinki to complement the skills acquired through service in the diplomatic missions abroad.

The working group recommends that the Training Course for Newly Recruited Diplomats (Kavaku) be divided into two parts, initially focusing on the skills essential to diplomatic duties, including the managerial skills required for the position of a Deputy Head of Mission. The time and resources saved through a

shorter initial training period would be used to build up a second training cycle before progressing to Counsellor level. This training course would be open to officials from all career categories, as appropriate.

As it is, the Induction Course for Administrative Career Staff (Halku) already focuses on the skills and competence required for the foreseen positions. Similarly, the working group recommends a shared training period for administrative officials after a ten-year career in the Foreign Ministry to support long-term skills development.

The training to be provided for specialist officials to expand their field of expertise should be structured and goal-oriented.

Steps should be taken to improve access to the training organised in English by the Ministry and the Government by local recruits, including non-Finnish-speaking staff members.

Self-training outside the Ministry and secondments to positions in the central government, international organisations, European Union institutions, as well as in the private and third sectors, will also play an important role in developing professional skills in all career categories.

### **Recommendation 2: Developing strategic HR planning**

The working group recommends a more strategic approach to human resources planning. Regular career discussions and assessment of management potential apply to all career categories. An important part of the scheme is that competence development should be obligatory. Time should be made available for training within the workplace community. Strategic human resources planning calls for close interaction between the Human Resources Unit and the Unit for Human Resources Development and Occupational Wellbeing and with the staff members.

The working group proposes improvements to transfer planning affecting those pursuing a general foreign service career. From the standpoint of the skills and competence of officials and the human capital of the entire Foreign Service, it is important that the duties assigned to people at the beginning of their careers constitute a coherent package which includes service both in the Ministry and foreign missions. At mid-career and beyond, an official's experience should be reviewed and systematic efforts made to strengthen specific skills through transfer planning and training. At the same time, it is imperative to ensure that the organisation continues to possess strong general expertise in foreign policy.

The working group recommends that the Foreign Service put in place a flat and staff-motivating system for assessing the professional skills of public officials. Such assessment could serve both as a tool for long-term career planning and as a way of sourcing talent in emergencies and other such situations requiring a quick response. The system could be modelled on the annual professional skills mapping system employed by the Danish Foreign Service, for example.

With regard to the network of missions, the needs and possibilities for diversifying the job descriptions of locally recruited staff should be examined.

The working group notes that the performance appraisal of the Foreign Ministry staff is based on the pay scheme defined in the collective agreement between the government-sector social partners. Any substantial changes to performance appraisals are subject to approval by the employer and the staff associations of the Foreign Ministry, as well as central labour market organisations. The working group sends a strong message to the social partners underlining the need for reform.

The working group recommends that HR management pursue a determined policy of giving extra credit for service in diplomatic missions of a high hardship rating when it comes to career advancement. Public officials must be able to have a clear perception that sound work performance in such a mission will make him or her eligible for positions they prefer. The working group recommends that the incentives to apply to missions with a high hardship rating should be further increased.

As the Government is considering a transition to system of shared posts, the working group recommends that the Ministry actively seek to maintain the current public official system as defined in the Act on the Foreign Service. This is necessary to maintain the operational capabilities of the Foreign Service.

### **Recommendation 3: Promotion of specialist careers**

The working group recommends that the system of specialist positions be further developed and strengthened to ensure that skills requiring specific expertise will continue to be available in the Foreign Service in the future. This would respond both to the need to provide a more diversified career opportunities for specialist officials and to create a career path for those pursuing general careers who are not keen to assume managerial positions.



Work to update job titles should be continued to permit the introduction of a tiered title system for people in specialist positions to reflect the accumulating experience gained in a specific field.

The working group recommends that the Ministry reconsider its position saying that a replacement for a specialist official cannot be recruited from outside the Ministry when such a specialist relocates to a general-career position for a limited period of time.

#### **Recommendation 4: Reinforced human resources management skills**

The working group recommends that the Ministry define interaction as the core concept in human resources management. Public officials due to rotate to new positions will be informed of the planning process affecting their career, including the parties involved and the decisions made. The working group recommends that the receiving party be more extensively involved in the selection process. Candidates for managerial positions should be required to submit to an assessment of managerial potential and undergo managerial and leadership training.

The working group recommends constancy of the Foreign Ministry's HR administration and strengthening of HR expertise outside regular general careers. This would contribute to increased confidence in the HR planning system among staff members. At the same time, the Ministry's human resources management must ensure that the specific characteristics of the Foreign Service, as opposed to those of the central government administration in general, are taken into account.

#### **Recommendation 5: Responding to the employees' wishes concerning changes**

The working group proposes that responsibility for teleworking arrangements be delegated from the ministerial to the departmental and unit level. The starting point is the current teleworking regime, which permits employees to agree on teleworking with their immediate supervisors, provided that the work duties of the individual concerned allow for this. While flexibility and individual freedom are promoted, a minimum time limit for working in the office should be established.

The working group finds that the overall reform of the compensation system applied at foreign missions should be more flexible and that due consideration should be given to the suitability of the system for varying family situations and circumstances.

The working group recommends that HR administration prepare a family and spouse strategy that will explore the opportunities for improving the position of general-career officials' spouses and families while allocating adequate resources to this end in the HR administration.

To promote dialogue and make more extensive use of staff expertise, the working group recommends the establishment of a channel that staff members may use to express constructive criticism of foreign policy to senior management when necessary. A similar forum is used for example in the US Administration (*Dissent Channel*).

## 1.5 Organisational structure of the ministry

### 1.5.1 Current situation

The Ministry for Foreign Affairs is divided into regional departments, political departments and service areas. The present structure took shape after Finland's accession to the European Union to reflect the then-current operating environment and actual resources. While the structure is still largely functional, the rapid change in the operating environment favours a reorganisation and more coherent, focused and effective action.

There is a growing need for a more planned approach to exerting influence in the EU Member States and the United States. With the NATO membership, the Euro-Atlantic area is becoming increasingly significant and the relations with the neighbouring states, especially the Nordic countries, are growing in importance, along with the Baltic Sea region and the UK. Also, Africa's importance as a strategic partner and neighbour to the EU will increase. In the longer term, global changes and developments must also be taken into account, with the focus of the world economy and politics shifting more clearly towards Asia, Africa and Latin America. It is in Finland's best interest to contribute to solutions to global challenges and form new partnerships where necessary.

To promote Finland's economic and export objectives in a rapidly changing operating environment, it is imperative for the Foreign Service to improve its ability to serve companies and ensure that they have flexible access to the services offered by the Ministry and its missions.

Strategic communication as well as communication on current affairs as part of goal-oriented efforts to exert influence are growing in importance in today's information environment.

Several Foreign Ministry units are engaged in the exertion of influence within the EU and the coordination of EU positions. The need for more coherent visions and greater impact, both nationally and within the EU and its Member States, was recognised long ago. This was also reflected in the comments and opinions received by the working group. However, no clear-cut view on the most workable solution materialised.

According to the Government Programme, the reform will include an evaluation of the management of multilateral matters in the Foreign Service. The consultations and opinions received by the working group pointed out that more consistent guidance was needed for the formulation of positions on UN and global issues. There is also a need for stronger coordination and advance preparation of multilateral matters for which other ministries have substantive responsibility. Several optional solutions were proposed in the opinions and comments. The most urgent issue identified by a majority of respondents was, above all, UN-related guidance.

## 1.5.2 Objective

The goal is to put in place an organisational structure that supports efficient and effective operations in the changing operating environment, and is able to respond flexibly to future challenges while promoting cross-departmental ways of working. Ideally, the departments should be larger than they currently are on average and units ought to be more equal in size. The organisational structure should allow for flexible prioritisation of tasks at departmental and unit level in the face of fast changing circumstances.

## 1.5.3 Recommendations

### **Recommendation 1: Establishment of a Euro-Atlantic Department**

Given the growing importance of transatlantic relations, the working group recommends the creation of a new regional department for Europe and North America. It would enable targeted efforts to influence developments within Euro-Atlantic community while focusing on important and wide-ranging bilateral relations. This calls for close interaction across departmental and unit boundaries.

The new Euro-Atlantic Department would be responsible for: Northern Europe; USA, Canada, the UK; Central, Western and Southern Europe; and South-Eastern Europe. As regards regional cooperation, the new department would assume responsibility for the Barents Euro-Arctic Council (BEAC) and the appropriation for the Baltic, Barents and Arctic Cooperation (IBA) from the Department for Russia, Eastern Europe and Central Asia. The Unit for North America (ASA-20) should be transferred from of the Department for the Americas and Asia, as well as the position of one Deputy Director General. Additionally, the new department would carry out the duties related to the G7 Group.

Because there is a growing security policy interest in Arctic cooperation and in Finland as one of the Arctic countries, and because the management of Arctic cooperation and the Arctic Council as well as polar issues are distinct from regional cooperation, these responsibilities are to be taken over by the Political Department.

The new department should have a Director General and two Deputy Directors General.

### **Recommendation 2: Establishment of an EU Unit**

The working party recommends the establishment of an EU Unit. The unit should take over all the duties of the Unit for General EU Affairs and Coordination (EUR-20) and the Unit for European Common Foreign and Security Policy (POL-30) as well as the EU development policy tasks from the Unit for General Development Policy (KEO-10), as well as the duties related to the EU's enlargement policy from the Unit for South-Eastern Europe and EU Enlargement (EUR-40). Additionally, the new unit would be responsible for coordinating EU trade policy issues when they relate to a broader horizontal position formation.

The unit would be subordinated to the Permanent State Secretary. This would support the Permanent State Secretary in the efforts to strengthen the Ministry's proactive role in exerting influence in the EU. The unit's core mission is to oversee proactive efforts in compliance with Finland's overall objectives to influence EU policies in areas for which the Foreign Ministry is responsible. Moreover, the unit would coordinate and prepare Foreign Ministry's positions on EU matters that fall within the remit of other ministries. The unit would work in close collaboration with the Ministry's departments, the Permanent Representation of Finland to the EU and the bilateral representations in EU Member States on matters related to Finland's exercise of influence within the EU. On enlargement policy issues, the unit would work closely with the Department for Russia, Eastern Europe and Central Asia and

the Euro-Atlantic Department, with due regard to the connection between the forthcoming negotiations on the EU's internal reforms and the Union's enlargement policy.

The working group recommends that the Head of the EU Unit attend the meetings of the Ministerial Committee on EU Affairs deputising for State Secretary and those of the Committee for EU Affairs.

### **Recommendation 3: Strengthening coordination and guidance on UN and multilateral issues**

Inter-ministerial coordination and preparations on multilateral issues should be reinforced under the leadership of the Ministry for Foreign Affairs. The working group proposes that a permanent body consisting of the heads of international affairs at the various ministries be established and a provision to this effect is added to the Government's Rules of Procedure.

The duties of the second Deputy Director General in the Political Department should be redefined as that of the Deputy Director General of UN and Global Affairs, responsible for coordinating UN affairs in the Foreign Service.

The working group proposes two options for dealing with UN and global affairs, neither of which affects the division of duties between ministers or the use of development cooperation funds and appropriations.

**Option A:** The working party recommends the establishment of a UN Affairs Unit. The new unit would combine the existing UN and General Global Affairs Unit (POL-50) and the Unit for UN Development and Innovation Issues (KEO-40). The unit would be placed in the Political Department. At the same time, the Unit for Climate and Environmental Diplomacy (KEO-60) should be transferred to the Political Department as it is responsible for themes that extend beyond development policy and constitute a key UN policy priority.

**Option B:** One solution advocated especially by multilateral-missions is the establishment of a specific UN/Multi/Global Department. It would house two UN units and the Unit for Climate and Environmental Diplomacy. However, it would be relatively small for a separate department. The continued operation of the Unit for Human Rights Policy in the Political Department was felt to be justified. Very few countries have integrated international financial institutions into multi-departments. Similarly, in trade policy matters, delegating matters handled

by multilateral organisations to another department simply because they are multilateral would be artificial. Clustering certain thematic issues from several departments into a global department was also considered one option.

#### **Recommendation 4: Reinforcing the exercise of influence in technology-related matters**

The working group recommends that exerting influence and skills and capabilities related to technology foreign policy are strengthened. However, based on the comments received, the working group is not proposing the creation of a separate technology unit. Technology and innovation matters under the responsibility of the Ministry for Foreign Affairs and related expertise, including from outside the Ministry, should be prioritised. To lead this fast-growing portfolio in the Foreign Service, a thematic ambassador should be appointed to chair the Ministry's Technology Management Group and ensure that technology-related issues are effectively coordinated within the Ministry and with stakeholders. The ambassador would be guaranteed adequate operational support. The common operational objectives for technology foreign policy should be defined in connection with the formulation of the Ministry's annual objectives.

#### **Recommendation 5: Reform of the regional departmental structure as part of the mid-term review**

The working group recommends that the goal in reorganising regional departments should be to create two, or no more than three, regional departments to replace the existing four. An overall assessment should be made as to the most suitable placement of the countries monitored by the Unit for Eastern Europe and Central Asia (ITÄ-20) and the Department's future as a whole. The current responsibilities of the Department for Africa and the Middle East and the Department for the Americas and Asia are also changing, both as a result of the transformation of the operating environment and the implementation of the Government Programme. The importance of the countries in this region is growing as a result of great power competition and partnership building, as well as economic and technological change. Larger regional departments would be able to respond to crises and changing priorities more quickly and flexibly than today. The mid-term review of the Foreign Service in 2026 will provide an opportunity to assess the regional departmental structure and make the necessary changes.

The working group recommends that when these recommendations are implemented, monitoring and exercise of influence in respect of major power relations, including the G7, G20 and BRICS, should be stepped up across departmental boundaries.

### **Recommendation 6: Establishment of a Business Service**

The working group recommends that the Ministry's service function be reinforced and a Business Service be established at the interface between the Ministry and business. Companies' information needs and contacts with the Foreign Ministry are increasing. A *front desk* type of service would provide initial advice on export promotion, export controls and sanctions and, when necessary, refer companies to the appropriate unit and specialist. The creation of a Business Service does not mean that the substantive duties related to export controls and sanctions would have to be merged or taken away from the existing departments. It is advisable to continue to keep position formation on export controls and sanctions policy separate from customer service. The working group finds it important to carefully assess the impact of the changes related to the reform of the Team Finland network on the organisation of the Foreign Ministry, once the decisions on developing the network have been made.

### **Recommendation 7: Focus on core communication duties**

The working group recommends that the Department for Communications focus on communications addressing strategic and current issues. The Foreign Ministry's communication activities are primarily targeted at international audiences and contribute to Finland's foreign policy goals. The Department for Communications should continue to oversee and support the missions in their communications. As a result of the prioritisation of departmental duties, the Trade Policy Magazine will in future be published online. A similar assessment will be made in respect of the Development Magazine; its publication will either be delegated to a partner or it will be terminated. Country branding will be potentially reorganised after the decisions on the oversight of Business Finland's activities abroad have been made.

### **Recommendation 8: Establishment of a Strategic and Policy Planning Unit**

The working group proposes the establishment of a strategic and policy planning unit. It would assist the Management Group in setting annual strategic objectives and preparing the substance related to horizontal issues. The unit would be subordinated to the Permanent State Secretary. The strategy and policy planning unit would be assigned specific responsibilities for developing policy initiatives and

writing speeches to support the ministers in this administrative branch. The unit would work in close collaboration with other units and departments. The reform would mean that the Unit for Policy Planning and Research is replaced by this new type of unit, which would have no duties related to the management of external research.

### **Recommendation 9: Transfer of development support services and project management to the Department for Development Policy**

The working group recommends that development support services and project management for non-bilateral development cooperation be transferred to the Department for Development Policy. Such services include discretionary government grants, delegated cooperation of the EU, management of procurement processes as well as legal services. The transfer is designed to ensure the effectiveness and quality of development cooperation, as well as appropriate risk management and maximum efficiency in managing tasks requiring specific expertise. Country-specific and regional development cooperation and its planning, guidance and management would continue to be handled by the regional departments as part of Finland's overall relations with the countries concerned.

### **Recommendation 10: Improved preparedness**

The working group recommends that the Ministry's operational crisis preparedness capabilities be improved. Standby and on-call arrangements, preparedness pool, skills, training, communication tools and IT applications and other relevant issues should be reviewed. The Foreign Ministry is the competent authority in charge of managing crises affecting Finnish people abroad. The need for a full-time preparedness manager should be assessed.

The Foreign Ministry serves as secretariat to the Ministerial Committee on Foreign and Security Policy. The working group recommends that the operational preparedness of the Committee's secretariat be improved in the face of the changing operating environment. A system of permanent deputising arrangements and standby duty should be created.

### **Recommendation 11: Clarification of the role of thematic ambassadors**

Steps should be taken to improve Finland's capabilities to exert influence in priority themes important to Finland for which several departments are now responsible. Thematic ambassadors serve as leaders of trans-departmental task forces with the powers and responsibilities set out in the Rules of Procedure in promoting the



respective themes. Thematic ambassadors are an effective tool in responding to rapidly changing priorities and objectives for exerting influence without the need to set up new units within the organisation. The areas where thematic ambassadors are needed to promote the Government Programme and the Ministry's strategic objectives will be identified.

## 1.6 Network of diplomatic missions

### 1.6.1 Current situation

Finland has in place a reasonably large and geographically extensive mission network, whose level of funding is not consistent with the size of the network. The missions operate in highly diverse operational and security environments. The low staffing levels put a strain on staff wellbeing and pose a risk to their ability to function, especially in emergency conditions. This is also affecting the mission's capacity for exerting influence. The missions should be able to devote most of the working hours to external activities: to promote Finland's priorities and objectives and exert influence. To ensure adequate operational capabilities, the Foreign Ministry, in the negotiations on the Government programme, proposed a model where each mission would have at least two seconded diplomatic officials and two administrative officials.

Efforts have been made to reduce the administrative burden on the missions through various centralisation arrangements, but these have failed to have the desired effect. Expectations regarding the transfer of duties to Helsinki and the benefits of digitalisation have so far not materialised to the extent hoped for. Challenges are created by poor telecommunications connections, overly cumbersome IT systems and, to some extent, current legislation. Locally recruited staff play an important role in the operation of many missions, including consular and immigration services. Several comments called for more flexibility in resourcing the missions. Cooperation with EU delegations and the Nordic countries is important and adds value, but it is no substitute for the missions' role in advocating Finland's interests. Expectations that EU delegations could make up for Finnish missions and on the benefits of Nordic administrative cooperation in third countries, have so far proved exaggerated and failed to reduce the workload as hoped for.

Team Finland's work is not sufficiently resourced over the long term, which has complicated the efforts to exert influence. Moreover, export promotion has at times been hampered by conflicting instructions issued via different channels. As

foreseen in the Government Programme, the guiding role of the Foreign Ministry in promotion exports and internationalisation will be strengthened and the transfer of Business Finland's activities abroad to the Finnish mission network will be examined.

### 1.6.2 Objective

Ideally, Finland will have a strong and effective mission network, with a geographical coverage and resources commensurate with its foreign policy priorities and commercial and economic interests. Ideally, the missions will be managed effectively in accordance with the priorities set by the management. Most of the efforts will focus on exerting influence. No duplicate work should be carried out in the Ministry and the missions.

### 1.6.3 Recommendations

#### **Recommendation 1: Finland's mission network should be reviewed in the face of the new operating environment**

The working group proposes an overall review of the mission network to ensure that it is responsive to the changing operating environment and able to contribute effectively to Finland's foreign policy objectives. All decisions on individual missions must be made with due regard to their importance in terms of geopolitics, politics, trade, development policy, work-based migration and consular services. In the review of the mission network, due consideration should be given to the impact of the Business Finland reform and the development cooperation policies in respect of individual countries and regions.

Any decisions to open or close diplomatic missions must be made taking the long-term view following careful consideration of the overall impacts. The State of Finland's public finances also compels the Foreign Ministry to make adjustments. Given the circumstances, the opening of just one new mission may make it necessary to close several existing ones.

#### **Recommendation 2: Resources should be allocated to countries of strategic importance to Finland**

The working group recommends that the operational profiles of Finnish missions be clarified and that the missions operating in countries most relevant to Finland's objectives are adequately resourced. Finland's interests are more effectively served

by a smaller number of missions, each with adequate resources, rather than by a large but under-resourced network. If missions are closed, efforts should be made to redeploy their posted staff to other missions, especially in high-priority countries.

The number of staff should be evaluated in terms of the mission's operating environment and main duties and the presence of the agencies of other administrative branches in the host country. Resourcing must ensure that the mission's statutory duties (including consular services and immigration duties) are carried out.

### **Recommendation 3: Reducing the administrative burden on missions**

Efforts to develop the operations of missions should be ongoing and closely managed. The goal should continue to be to streamline administrative work and transfer it to the Ministry whenever possible. In the longer term, with the advance of digitalisation, the goal should be to transfer certain immigration-related duties from diplomatic missions to the appropriate authorities in Finland. The Foreign Ministry should actively promote legislative reforms related to these and other duties.

There is an urgent need to find a solution to the poor telecommunications connections that have a significant impact on the work of several missions.

### **Recommendation 4: Optional approaches to diplomatic representation**

Aside from the network of missions, the working group recommends an analysis of possibilities to increase regional presence in other ways, especially if the network needs to be cut back. One option could be to increase the number of roving ambassadors based in Helsinki. When the benefits and practicality of side accreditations are evaluated, it is important to assess whether some of these duties could be discharged better and more cost-effectively from the Foreign Ministry.

Continued efforts should be made to harness EU delegations where possible and to influence their ways of working, including the sharing of reports with Member States. Nordic cooperation between missions should be continued when needed and possible.

## 2 Implementation

The working group will present its report to the Ministers at the Ministry for Foreign Affairs on 1 December 2023. The final report is due for review by the ministerial management group on 8 December 2023.

It is proposed that work to implement the recommendations start in January 2024 by having the Ministry's Management Group establish the strategic annual objectives for 2024. After that, resources should be allocated in accordance with the selected priorities and organisational structure in anticipation of the 2024 budget execution documents. The working group recommends that the necessary changes to the Rules of Procedure are made on 1 March 2024 and that the new vacancies are filled no later than 1 September 2024.

The implementation of the recommendations will be regularly monitored by the Ministry's Management Group during the parliamentary term. The first review is scheduled for spring 2024. The working group also recommends a more extensive mid-term review of the reform in early 2026. This will offer an opportunity to critically assess the success and effectiveness of implementation and to make further recommendations and take any corrective action before the next parliamentary elections and the talks on the formation of the new Government.

Implementation will be promoted through close collaboration with the Cooperation Board and the involvement of the Ministry's staff.



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