CHAPTER 2

A NEW ROAD MAP FOR A MODERN AND WORLD CLASS PUBLIC SECTOR

2.1 Introduction

In line with the Government Programme 2012-2015 and with a view to modernising and increasing the efficiency of the Civil Service, the Government adopted the Programme-Based Budget, introduced the Performance Management System, reviewed organisational structures, computerised core services, and established new workflows, especially at customer counter services. These broad reforms, however, have not brought along a marked improvement in the current state of affairs.

An in-depth analysis of the current reform process revealed five major shortcomings:

(a) the absence of a cohesive reform institutional framework;
(b) a lack of co-ordination and communication between integral components;
(c) the dearth of consistent, proactive and supportive, overseeing units;
(d) the inherent rigidity of civil service structures and bureaucracy not conducive to innovation; and
(e) the lack of an attractive reward scheme to motivate individuals to perform beyond the minimal scope of duties.

2.1.1 Considering the current situation, the Committee firmly believes that there is an urgent need to re-engineer the reform agenda to establish a public service that is not only open, flexible, and responsive to the needs of its citizens, but also one that does not impinge on the civil servants’ quality of life and individual aspirations. A permanent mechanism implementing the reforms, and constantly factoring in new parameters is crucial to materialise this impetus and create a world class public service.

2.1.2 In the light of current economic realities and the time constraints in implementing a viable solution, the Committee recommends the re-definition of current roles and responsibilities in respect of the various stakeholders.

Recommendation EOAC 2

2.1.3 The Committee, therefore, recommends the establishment of a permanent hierarchical structure to clearly delineate between responsibilities and streamline the reform process throughout the Public Sector. An overview of the structure is shown in Figure 1. The *modus operandi* of each component is explained subsequently.
Conditions of Service

Chapter 2

A New Road Map for a Modern and World Class Public Sector

Figure 1 - Public Sector Reforms Programme: High Level Recommended Structure

Errors, Omissions and Anomalies
2.1.4 The main components on the proposed structure are as follows:

(a) **The Reforms Steering Council (RSC)** – the Command Centre spearheading reform initiatives and ensuring timely implementation of change management and improvement programmes in the Public Sector.

(b) **The Strategic Policy Unit (SPU)** - Operating under the aegis of the Prime Minister’s Office, the Strategic Policy Unit will be a specialised think tank of the Government designed to continually research methodologies to improve understanding of major challenges and propose appropriate solutions to socio-economic issues of national importance.

(c) **The Public Sector Re-engineering Bureau (PSRB)** – falling under the purview of the Ministry of Civil Service and Administrative Reforms, the Public Sector Re-engineering Bureau will be a body dedicated to provide real-time and continuous advisory services to the Council, concerning organisational reviews and restructuring exercises in the Public Sector. The PSRB will also be responsible to ensure implementation of the decisions of the Reforms Steering Council. In addition, it would monitor implementation and report progress on a quarterly basis to the Reforms Steering Council.

(d) **Reform Cells** – the re-establishment of the Reform Cells under the responsibility of each Ministry/Department and each parastatal/authority body to monitor performance indicators and facilitate the implementation of intra-departmental reforms.

2.2 **Reforms Steering Council (RSC)**

2.2.1 The first stage of the implementation process requires the expansion of the present mandate of the Public Sector Management Reforms Committee, falling under the purview of the Prime Minister’s Office, re-branding it as the Reforms Steering Council to include the following new terms of reference:

(a) to spearhead all public sector management reform initiatives for the multilateral modernisation of the Public Service;

(b) to evaluate the status of reform strategies through rigorous internal assessments and external feedback from relevant stakeholders;
(c) to oversee major mergers, corporatisation processes, rightsizing exercises, redeployments, and all other major organisational re-engineering endeavours;

(d) to monitor the implementation of the Performance Management System and Performance Incentive Schemes throughout the Public Sector; and

(e) to usher in a new mind-set and foster a modern culture at every echelon in the Public Sector.

2.2.2 The Reforms Steering Council will be chaired by the Senior Chief Executive, Ministry of Civil Service and Administrative Reforms with the following key officials as Members:

(a) a representative of the Prime Minister’s Office;
(b) a representative of the Deputy Prime Minister’s Office;
(c) a representative of the Ministry of Finance and Economic Development;
(d) a representative of the Ministry of Information and Communications Technology;
(e) a representative of the Ministry of Labour, Industrial Relations and Employment; and
(f) three representatives of recognised Federations of Trade Unions.

2.2.3 The Council may also co-opt other officials and any other person, as may be required depending on the relevant issues.

2.3 Strategic Policy Unit (SPU)

2.3.1 The Strategic Policy Unit will be responsible for building a cohesive policy framework aligning specific sectorial needs within the holistic set of national priorities to ensure the outset of a new era of sustainable growth that will ultimately empower the country’s graduation from an Upper-Middle Income Economy to a High Income Economy.

2.3.2 The Strategic Policy Unit will focus, inter alia, on:

(a) advising the Government on socio-economic issues of national importance and formulating policies for sustainable development and poverty alleviation;

(b) developing in collaboration with the Ministry of Finance and Economic Development in the context of the Economic and Social
Transformation Plan (ESTP) integrated action plans for all key sectors operating consistently within the overall policy framework;

(c) supporting the Ministry of Finance and Economic Development in preparing medium and long-term perspective development plans in line with the ESTP; and

(d) researching and identifying potential areas for the inception of new economic avenues and poles of growth.

2.4 **Public Sector Re-engineering Bureau (PSRB)**

2.4.1 Operating under the aegis of the Ministry of Civil Service and Administrative Reforms, the Public Sector Re-engineering Bureau will provide technical know-how, expertise and support in Public Sector Reforms. It will provide management and technical advisory services to the Reforms Steering Council on targeted restructuring undertakings and impel fundamental reforms within the Public Sector, thus implementing the Government Reform agenda.

2.4.2 The Public Sector Re-engineering Bureau will collaborate with the Reforms Steering Council and the Project Management and Delivery Unit of the Prime Minister’s Office to provide logistical support in implementing reform programmes; its predominant responsibilities are enumerated below:

(a) provide advisory services to the Reforms Steering Council;

(b) work in tandem with the Ministry of Information and Communications Technology and the relevant Ministry/Department to drive, implement and monitor the e-Government strategies;

(c) conduct organisational and management reviews, system audits, training and development analyses, and other services required by various Public Sector institutions;

(d) facilitate co-ordination within the Governmental machinery and ensure a time effective implementation of reform strategies;

(e) strengthen the cohesion between key divisions to reduce undue duplication of work, reduce overlapping scopes and prioritise the various reform efforts accordingly;

(f) conduct frequent programme evaluations to ensure that the most cost effective route is consistently adopted; and
(g) develop the necessary management and operational organigram to promulgate an optimal structure for the delivery of services in the Public Sector.

2.4.3 With the setting up of the Public Sector Re-engineering Bureau, the role of the Office of Public Sector Governance will have to be redefined so that it focusses on Parastatal Bodies, Local Authorities and other public enterprises as well as providing services on good corporate governance practices in the whole public sector.

Recommendation EOAC 3

2.5 Reform Cells in Ministries and Departments

2.5.1 To facilitate the implementation of reforms approved by the Council, the Committee recommends that each Ministry and Department re-activates the Reform Cells to coordinate with the Public Sector Re-engineering Bureau and the Project Management and Delivery Unit in a more pro-active and efficient manner.

2.5.2 A Reform Cell should be chaired by an officer not below the level of Deputy Permanent Secretary (formerly known as Principal Assistant Secretary) and should include all Heads of Section as well as representatives of Staff Associations or recognised Unions.

2.5.3 Each Reform Cell should, inter alia:

(a) monitor performance indicators in the Programme-Based Budget and identify weaknesses hindering the progress within the organisation;
(b) review processes, operations, and procedures to improve service delivery;
(c) facilitate the effective implementation of all relevant approved reform initiatives within the scope of their unit, including the execution of the e-Government Programme driven by the Ministry of Information and Communications Technology;
(d) devise an annual training plan for all members of staff after conducting a training needs analysis;
(e) develop, in tandem with the Management and the staff, schemes for performance-related incentives based on agreed criteria and desired outputs; and
(f) provide regular reports on the progress, observations, and suggestions to the Public Sector Re-engineering Bureau and the Office of Public Sector Governance.
2.6 Reform Cells in Parastatal Bodies and Local Authorities

Recommendation EOAC 4

2.6.1 The Committee strongly recommends that the Office of Public Sector Governance ensures that Reform Cells be initiated in all Parastatal Bodies and Local Authorities to review individual structures, human resource utilisation and their scope of activities. Their assignment should be aligned with those of the Reform Cells in Ministries and Departments, as set forth in this document in section 2.5.3.

2.7 Ministry of Finance and Economic Development (MOFED)

2.7.1 In addition to its statutory responsibilities regarding the National Budget and Economic Development, the Ministry of Finance and Economic Development shall strive to:

(a) implement and monitor the Programme-Based Budgeting and provide the necessary support to Ministries, Departments, Parastatal Organisations, and the Local Authorities;

(b) actively initiate reform initiatives falling under its jurisdiction for approval by the Reforms Steering Council and assist in the subsequent implementation process; and

(c) collaborate with the Reforms Steering Council and the Ministry of Civil Service and Administrative Reforms in the elaboration of their Performance-Related Reward and Incentive Scheme for various Ministries and Departments as well as in Parastatal Bodies and Local Authorities, and ensure the relevant alignment between the Programme-Based Budgeting and the Performance Management System.

***************