



Factors Obstructing Reform of Punjab Public Service

PRMP

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1. Introduction

This report has been prepared at the request of the PRMP to review and expand upon the findings and recommendations of the HRM Report which relate to global HRM issues affecting the whole Punjab Civil Service. It is prepared and submitted by the Crown Agents HRM sub-component of the CSR project commissioned under the auspices of the Punjab Government Efficiency Improvement Programme (PGEIP).

In preparing this review the author has drawn on the work done in preparing the HRM Report (11 April 2011), as well as other reports and studies conducted as part of the PRMP and PGEIP programmes.

2. Background and Context

The following sections discuss the background and theoretical basis of the public service reform process in Punjab, and endeavour to provide a context for the present Review.

2.1 Punjab Civil Service Reform

Civil Service Reform (CSR) in any country is a sensitive, complicated and political process, and in Pakistan, historically, this has been especially true. Change happens very slowly and often against considerable active and passive resistance.

The Government of Punjab is clearly alive to the need for reform and has commissioned many studies and reports which have provided a multitude of recommendations on how the government machinery should be modernised. However, the complexities and interdependencies of the Federal and Provincial public service environment and institutional structure make it very difficult to know where to begin with addressing the factors affecting reform of the Punjab Civil Service. As a result, few studies have been translated into actual implementation.

This Review therefore seeks not only to identify the HRM issues affecting reform in the GoPb Civil Service, but also attempts to analyse the root causes that prevent so many recommendations from making it into sustained change.

2.2 CSR - a brief historical perspective

2.2.1 New Public Management

Consciously or unconsciously, most of the reform initiatives being advocated for the Punjab Civil Service are grounded in or consistent with the principles of the 'New Public Management' (NPM) movement. NPM is an international trend towards a different style of public sector management that is based on the recognition that traditional rule-based public administration systems are no longer sufficient for modern public sectors. Civil Services today are charged with more and more complex and technical tasks. NPM-style reforms are popularly associated with the centre right governments in the US and UK in the 1980s, as well as with New Zealand's 1980s and 1990s reform programmes (the most comprehensive NPM reform efforts yet attempted).

There are different perspectives on what reforms define the NPM movement, but some of the main characteristics include:

- A move to professional management, with managers given more spending discretion but also being held more closely to account for performance
- The break-up of larger government departments into smaller, more focussed units or agencies that are a step further removed from day-to-day political pressure
- Increased emphasis on competition, either internally or through increased use of the private sector
- Stress on private sector management practices and techniques

- Greater emphasis on output controls to drive increased efficiency
- Explicit standards and measures of corporate and individual performance
- Budgets reworked to be more transparent and to allow resources to be allocated against results (outputs) rather than inputs

2.2.2 NPM and HRM implications for reform

In parallel with the emergence of NPM reforms, the Human Resources profession has been undergoing change. Whereas it used to be focused on the purely quantitative processes of putting people in jobs, it was becoming more concerned with the **qualitative** aspect of getting the **right** person in the **right** job. Also, more and more of the day-to-day responsibilities of the former Personnel and HR sections were being devolved to the line managers. As a result, the modern model HR function generally comprises a central unit responsible for defining procedures and standards, while the day-to-day implementation of the policies and procedures is devolved to line managers with guidance and support from HRM professionals when required.

Many of these characteristics are present or implied in the Terms of Reference for many of the recent studies: an emphasis on performance; a stress on private sector management practices such as business process re-engineering and corporate planning; functional reviews to assess whether to privatise or corporatise particular parts of departments; more devolved budgetary responsibility.

However, many NPM / HRM concepts are quite new to Pakistan: professional management of the public service removed from political control; a focus on holding managers to account for meeting targets; the use of competition, etc. Adoption of modern management practices therefore requires these underlying fundamental concepts to be fully understood, accepted and embedded in central government thinking on management practices and procedures. Implementing reform has to take place from the top down, and from the centre outwards.

Despite this fundamental requirement, many public sector reform projects around the world still seek to implement Civil Service reform through a collection of often uncoordinated individual reform projects in selected pilot ministries or departments. However, without first establishing the fundamental policies and procedures and ensuring full, active and sustained support and commitment from the Centre, the reforms will not succeed in the long term.

What is required, rather, is to adopt a much more integrated, top-down approach encompassing the entire Civil Service. Only then will there be any real prospect for long-term success in reforming the Punjab Civil Service.

And since all reform ultimately depends on the employees adopting new attitudes and learning new methods of working, a competent and professional HRM function is central to the success of any reform process

3. Overview of HRM Situation Analysis

The HRM Report contains a fairly detailed analysis of the current complex and fragmented nature of the HRM function in the Punjab public administration, but for the purposes of this Review, a brief overview will suffice, since the situation is well documented in the many studies and reports which have preceded the present project.

3.1 Status of HRM in Punjab

In the past decade the Human Resources Management profession in the Pakistani private sector has progressed in leaps and bounds, but the same cannot be said in the public sector. There are very few true HR sections or wings in the Federal or Provincial Civil Services; there is no dedicated career path for HR practitioners; and is there no HR cadre or service group. HR management in the public sector is still firmly anchored in the “personnel administration” era and, by and large, focuses mainly on the numbers: a given number of posts requires the same number of jobholders.

Personnel management in the Punjab Public Service, then, is a purely administrative chore which is defined and regulated by a complex set of laws, regulations, rules and prescribed procedures designed to limit the opportunity for managers to exercise personal discretion or judgement.

True HR management, on the other hand, should be concerned with placing the *right* person in the *right* job, with the *right* qualifications and experience and at the *right* time. In other words, the focus should be *qualitative* rather than quantitative.

3.1.1 Sifarish culture

However, despite (or perhaps because of) the plethora of rules and regulations constraining effective management of the workforce, a powerful informal “sifarish” culture has been allowed to develop. This culture enables those who have sufficient influence to bypass the official regulations and procedures. It may be argued that it is this unofficial exercise of personal influence which has enabled the Civil Service to continue to operate with any semblance of effectiveness over the past several decades. By ensuring that at least on some occasions a good employee will be posted to a job which is suited to his or her experience and qualities, the sifarish culture can play a beneficial part in the management of the workforce.

The serious disadvantage of this informal process is that it depends on personal relationships and sometimes these loyalties can result in inappropriate appointments, and as a result is uncoordinated and inconsistent in its effect.

3.2 Fragmentation of workforce management

The absence of a professional HRM cadre has already been mentioned. But even the administrative management of the Civil Service workforce lacks a focal point to coordinate the recruitment, deployment and development of the employees. In addition to the Departments themselves, there are three principal bodies with a regulatory involvement in HRM:

- Services and General Administration Department (S&GAD)
- Service Regulations Wing of the Finance Department
- Punjab Public Service Commission.

3.2.1 Services and General Administration Department (S&GAD)

The S&GAD provides a wide range of services to the Civil Service. The Department is headed by the Chief Secretary and acts as his Secretariat. From an HR point of view, there are four different Wings and one Section with responsibilities relating to the Civil Service workforce:

- The **Services Wing** deals with the postings and transfers of officers at BPS18 and above in the DMG, PMS, and other Federal service groups. It reviews submissions for promotions from Departments, and makes recommendations to the appropriate appointing authority, such as the Chief Secretary. It can also initiate moves without prior notice to the individual’s employing Department.
- Within the Services Wing is the **Establishment Section**, which deals with the appointments of specialist and technical officers at BPS 20 and above. It does initiate moves, but reviews submissions and makes recommendations to the Chief Secretary.
- The **Administration Wing** deals with promotions and transfers of BPS 17 officers
- The **Personnel Wing** looks after staff up to BPS 16 who are posted to the secretariat sections in Departmental headquarters. Although these posts are located in the Departments, they are actually employees of S&GAD.
- The **Regulations Wing** in S&GAD is responsible for maintaining and interpreting the Service Rules and regulations which govern the Punjab Civil Service.

In 2005 a Public Policy and Change Management Wing was created in S&GAD with a remit, *inter alia*, to oversee employment policy and practices across the entire Punjab public service.

Properly staffed and empowered, this Wing could have been the ideal unit to drive the modernisation of service rules and practices, but it was deemed ineffective and closed down in January 2011.

Thus it may be seen that there is no focal point with an overview of the entire civil service workforce. With so many separate divisions of responsibility there is no capacity to identify early those with high potential and then to track and nurture them through the various stages of promotion and development. Nor is there any institutionalised mechanism for succession planning at the senior grade levels.

And worst of all, there is no HRM policy unit researching and developing new more efficient ways of managing the development and performance of the public service workforce.

3.2.2 Complex regulatory structure

There are around 25 statutory instruments which define the nature and scope of HRM activity in the Punjab Public Service.

In addition there are many notices and directives, such as the Rules of Business, which define and regulate the management of the Civil Service workforce. The Estacode is a compendium of these laws and directives and the 3-inch thick volume is the primary source of information on the very large body of regulatory instructions with which all officers and staff have to comply.

However, as noted above, the sifarish culture means that it is still possible for individual officers and other employees to circumvent or even by-pass completely the plethora of rules and regulations if they can deploy sufficient political or social influence either in their own right, or through a sponsor on their behalf.

3.2.3 Regulation v. Professional Expertise in HRM

Human resource management activity is therefore primarily driven by a conflicting combination of compliance with administrative regulations and the application of personal influence, rather than by professional expertise and judgement. These regulations are drawn up and maintained by different regulatory bodies such as S&GAD and Regulations Wing. There is no professionally expert oversight of the function, and therefore little scope to drive innovation. As a result, HRM in the public service has not progressed at anything like the speed with which the commercial sector has embraced the principles and techniques of modern HR management.

The shift from regulatory control to professional expertise in HR and operational management is essential and long overdue.

3.3 Summary of HRM Challenges in Punjab

Distilling the discussion points above, the challenges facing the introduction of modern HR management may be summarised in the following manner.

Professional HRM competence

- No professionally trained and dedicated HR practitioners at the Centre or in Wings / Sections
- Rigid regulatory framework discourages change
- Limited departmental autonomy in workforce management
- Departments lack fully functional HRMIS databases

Multiple Cadres and Streams

- Various provincial cadres and streams impede career paths and staff mobility
- Supplemented by civil servants from the federal cadre of District Management Group (DMG).

- While directorates are mostly headed by technical personnel with relevant qualifications and/or experience, at higher levels of the hierarchy general management cadres including DMG and PMS take the lead roles in managing most departments but frequently lack technical knowledge (where relevant)
- Multifaceted institutional structure and cadres system complicate and hinder modernisation and reform

Recruitment

- Recruitments in provincial government are made under various government rules, which are formulated under the Punjab Civil Servants Act, 1974
- PPSC is responsible for recruitment for all positions in BP-16 + and for selected positions between BPS-11 and 15
- Departments do not have full control over management level selection and postings
- Other recruitments are made by the respective departments

Training and In-Service Capacity-Building

- MPDD is now the focal point within the GoPb for in-service civil service training but is not effective at providing customised training of specialist technical subjects
- All the existing in-service training efforts are focused on management cadres and little or no in-service capacity development is provided for technical or secretarial cadres/streams

Staff Performance Management

- Absence of well-defined job descriptions hinders introduction of performance management
- Little or no accountability for sub-optimal performance
- Line managers do not have the necessary training or procedures to evaluate staff performance accurately, or to take appropriate remedial steps
- The concept of differential pay for different levels of performance is not currently acceptable either at the centre or to staff
- The ACR / PER system is basically sound in design, but flawed in its implementation; over 90% of employees are rated "A" so high performers cannot be identified.
- Unpredictable job tenures especially at the more senior grades, result in little commitment to long-term performance improvement programmes
- Technical personnel, mostly occupying the middle tier, generally have longer tenures but have little say in managing the overall direction of the department.

Staff Compensation & Benefits

- Severe performance-reward misalignment
- Job and personal pay grading structures are too closely linked and inflexible; this discriminates unfairly against technical and professional employees who do not have the lateral mobility or promotion prospects that administrative employees have
- Where there are comparators, public service compensation and benefits are generally below or well below open market levels
- Low compensation forces many officers and staff to undertake additional legal and illegal alternative income generating activities. For example, the opportunities for unofficial income in E&TD are well known, while many of the veterinarians in L&DD engage in private practice to supplement their income,
- In E&TD, an experimental collections-based incentive scheme is being piloted in a couple of circles, but the design is complex and may prove less effective than expected

4. So what is blocking Civil Service reform?

Most of these challenges have been identified, often several times, in previous studies, and many recommendations have been offered. But few of these recommendations have been acted upon. Since the remedial actions needed are not particularly difficult to identify, the question has to be asked: “Why has so little progress been made in reforming the Public Sector in Punjab?”

The key to the conundrum lies in the tangled web of conflicting cultures at play in Pakistani society combined with an equally tangled web of institutional cultures and practices which have actively, or through inertia, prevented the Punjab public sector from keeping up with modern international developments such as NPM.

4.1 Cultural issues affecting Public Sector reform

Culture, in the present context, is most simply defined as “the way we do things here”. Cultures develop as a result of external influences, custom and practice, history, and so on. They become established over time, and can exert a powerful influence on the behaviour of populations and workforces.

Some argue that cultures define organisational behaviour, others say that cultures develop as a result of behaviour over time. The truth is that both origins apply. All organisations have a corporate culture; in some cases these are carefully and actively managed so that the culture supports the objective of the organisation. But where no action is taken to manage the culture, it will develop nonetheless as a result of external and internal influences, and will have just as strong an effect on employees’ behaviour as if it had been actively managed, but may not operate to the benefit of the organisation.

Some of the cultural forces at work operate at the societal level and are embedded in the psyche of young Pakistanis as they enter employment. In the private sector employers can counterbalance external or internal negative cultural forces with education, good management practices, training and attractive pay and conditions. However, the public sector is generally unable to offer these culture-changing incentives, and so the negative forces continue to operate often throughout an individual’s public service career. Other cultural forces operate within the public service itself and in the course of a government employee’s career, become no less deeply embedded.

Of course there are always exceptions, but the factors listed here appear to be the norm rather than the exception.

4.1.1 Education

The problem starts as early as the classroom. Like the Civil Service itself, the current state education system at primary and secondary level is inherited from the British and, also like the Civil Service, has not really kept up with new trends and teaching methods and learning by rote is still the norm. The effect is that by the time they leave secondary education, many Pakistani students generally have raw knowledge but have little practical experience of applying their rote learning to analysing situations and devising innovative solutions. This criticism is less true of the often excellent private secondary schools which are available to students from families who have the means to pay the fees.

The Punjab Government invests a lot of time and money in vocational and management training for its employees. Officers have to attend mandatory courses before promotion to a higher grade. The Mid-Career Management Course, for example, typically lasts 12 weeks, and the Senior course a similar length of time. Officers return having learned about management theory, accounts, economics, business principles, and so on. But there is, as yet, little evidence that this knowledge is consistently translated into changed behaviour on the job. The theory is there initially, but without the opportunity to put it into practice, anything learned quickly decays and is forgotten.

In recent years there has been an explosion in the number of Civil Service officers who have benefited from foreign tertiary-level training using the most modern learning techniques, and

most of them bring home excellent degrees. Many of the younger officers and technical staff in government service today are better educated and have better learning and analytic skills than the older, and therefore more senior, officers to whom they report. As a result, the critical and analytical faculties developed in first class tertiary training are quickly forgotten when the officers are absorbed back into the prevailing deferential culture – educated young officers are not expected to question their seniors.

This situation is gradually correcting itself as foreign trained officers reach more senior posts. In the meantime it remains disappointing to note how few are posted on their return from training to jobs where their new knowledge and skills can be fully utilised.

4.1.2 Deference to elders

A related culture which is far more evident in eastern countries than in the West is respect for and deference to one's elders. Both through education and by upbringing Pakistani children learn from an early age to respect their elders, which generally means doing as you are told and not questioning instructions from a parent or older adult. This behaviour is so deeply ingrained that even as adults, there is great reluctance to challenge an instruction from a senior officer.

Despite the increasing impact of modern further education, the effect of the culture of deference to one's elders is still evident, in meetings for example, in the way that senior-most person will usually be deferred to, with more junior officers refraining from voicing different and possibly better ideas. As long as senior officers fail to encourage their juniors to speak out, to challenge and question without fear of career-limiting consequences, innovation will be hampered and reform stifled.

Left to itself, the impact of this aspect of Pakistani social culture is likely to diminish as today's children and teenagers are inevitably exposed to other cultures' values and practices through the internet and television. While some studies argue that these have little real impact on behaviour, the research has usually been in the context of violent or other anti-social behaviours. But any parent raising children in today's technological environment cannot be in any doubt that, whatever their negative effects, the internet and TV encourage an enquiring mentality. And as adults increasingly get used to coping with their children's difficult questions, and deferring to their children's greater ability to deal with new technology, this tolerance may begin to cross over into the workplace.

However, rather than wait for the shift to happen at its own organic pace, much could be done to manage a faster shift if senior officers were actively to encourage their juniors to speak out.

4.1.3 Sifarish & political influence

Most successful civil service administrations (modern or traditional) depend on the existence of a stated or unstated bargain or collective agreement between politicians and civil servants. In particular, an agreement whereby civil servants pledge unswerving allegiance to the government in return for no political interference in daily administrative issues. There is always a tension, but both sides understand that general adherence to the bargain is essential for effective operation.

In the UK this was first encoded in the Northcote-Trevelyan report in 1853, though in most countries it is not formally enshrined and there are variations on the theme. In Pakistan, however, such a bargain has decayed to non-existence, as reflected in regular political interference in pay, postings and transfers. This in turn begets passive bureaucratic resistance or indolence, day-to-day corruption and the use of sifarish. The situation has become something of a vicious circle.

The exercise of political, social or economic pressure has long been an accepted way to achieve one's objectives irrespective of prevailing rules, and it is unlikely that this practice will ever be completely stamped out.

But as long as it is so easy for the decision makers at the top of the Public Service and others with political influence to bypass the petty bureaucratic obstructions in dealing with the public

service, there will be little incentive for those with the power to do so to rectify these operational inefficiencies.

4.1.4 Central control

Historically Civil Service procedures were designed to ensure that subordinate staff did not exercise any discretion in the course of their work. Procedures were highly structured and in most cases the only decision that had to be made was whether a given set of circumstances met or did not meet a defined set of criteria. If not, the matter was to be referred up to the next level. In addition, multiple levels of approval were built into procedures, often doing little more than acting as a rubber-stamping post-box to a higher level, while causing unnecessary delays to the eventual decision.

Centralisation and control are tempting, especially in inefficient environments, but are often counter-productive. They lead to short-term attitudes and an over-reliance on appearance rather than substance. One person controlling everything cannot possibly absorb all the complexities of an issue, and so instead picks on the 'visible' or 'controllable'. This over-centralisation characterises most of the public sector management practices, and leads to a debilitating lack of trust between successive levels of the hierarchy.

One of the key features of NPM is that responsibility for making decisions is devolved much further down the management chain. Many Civil Services now accept that a small degree of risk is acceptable in return for faster and more efficient processing of the daily decisions necessary for efficient service delivery.

This shift in approach requires a degree of trust between managers and staff. Managers need to accept that there are different ways to achieve an objective, and staff need to have confidence that they will not be punished if they make a mistake. This change can only happen from the top down, with managers encouraging their subordinates to make decisions after ensuring they have the necessary information and skills to do so.

4.1.5 Blame culture

Compounding the effect of the lack of trust, there is a strong blame culture in the Punjab public service, with mistakes usually being severely punished. As a direct consequence, there is a powerful incentive for officers at all but the top level in the hierarchy to avoid making decisions. The prevalent mindset is "If I don't make a decision, I can't make a mistake". And minor decisions and approvals get pushed up the management ladder until DGs are spending far too much time dealing with minor issues that should never reach their desks.

As a consequence of this situation, senior managers are so busy dealing with the daily minutiae that they have little or no time for the "blue sky" thinking and planning they should be doing.

4.1.6 Donor aid dependency

The Pakistan economy is heavily dependent on international donor aid, and the same is true of the Civil Service at federal and provincial levels. Most of the public sector reform initiatives undertaken by the GoPb are donor driven, usually as a condition for the next tranche of funding. The Punjab Civil Service should be proactively driving its modernisation by itself, with a clear vision and direction for the future. Instead, the public sector has to confuse reform with simply reacting to the demands of the next international donor.

The Change Management Wing of S&GAD is a case in point. Set up as a condition of an internationally funded aid project, it was never properly resourced, and consequently could not gain the momentum to be effective. With the relevant project over and no external pressure to keep it going, the Wing was wound down and closed in January this year.

Given the combination of a donor-dependent mindset and the current economic environment, it is likely that little would happen without the impetus of donor funding. But if that funding is to have a sustained effect, the top management levels of the Civil Service must take more control of the direction and pace of reform. PMUs administer projects, but do not have clear direction from the top to guide them in their dealings with the donors.

Even at the donor level, individual agencies do not appear to talk with each other, and there is little evidence of a common direction or strategy guiding their interventions. As a result, projects are launched with little consideration of the lateral consequences for other initiatives being sponsored by other donors.

4.2 Institutional Issues affecting Public Sector reform

Many of the rules and procedures of the public service date from an earlier era when the prime concern was to eliminate any form of risk from the administration of revenues and services. Unfortunately, these rules and procedures are now effectively stifling the reform and modernisation of the Civil Service.

There are a number of institutional factors which are preventing the Service from moving on.

4.2.1 Lack of commitment to reform

First and foremost, at present there is an observable lack of commitment to reform at the senior levels of the public service. This manifests itself in the way senior line managers are moved around at short notice irrespective of their current commitments to long terms reform initiatives. It is also noticeable in the lack of effort to implement the recommendations put forward by the many recent studies and reports. In particular the CSR Reform study by Dr Musharraf Rasool Cyan, which has been approved by the Cabinet, has not yet been moved into implementation. Nor is there any impression of high level ownership of the reform initiatives being funded by the PGEIP project.

4.2.2 No powerful focal point for change

Another sign of the lack of commitment to reform is the failure to establish an effective and empowered institutional focal point to direct and manage the reform process. S&GAD, which should be researching and proposing new approaches to management of the Civil Service appears to be committed to preserving the status quo. The Planning and Development Department appears to be in reactive mode rather than determining the future vision and actively driving the direction of reform.

4.2.3 No professional HRM function

As noted earlier, reform inevitably requires the workforce to adopt new attitudes and learn new skills and processes. This would normally be a major part of the HRM function's responsibilities. But the Punjab Civil Service does not recognise HRM as a professional discipline and has no competent HRM capability at the centre, or in the Departments. There is no central unit defining policy, procedures and performance standards. Nor is there a central unit charged with analysing the training and development needs created by the reform initiatives, and then commissioning the interventions needed.

4.2.4 Fragmented responsibility for management of GoPb workforce

At no point is the GoPb workforce treated as an integrated whole. Some of the more senior posts are occupied by members of federally administered Service Groups - mainly DMG, but also a few from other Groups such as Office Management, Postal Services, etc. At provincial level responsibility for setting the rules and regulations governing the workforce is split between several different wings in S&GAD. Responsibility for implementing the rules and regulations is likewise split between S&GAD, the Departments / Directorates and District governments. This fragmentation of responsibilities, combined with the complex network of laws, rules and regulations leads to inconsistencies and inefficiencies in managing service delivery.

It also means that no-one has responsibility for monitoring the GoPb workforce as a whole, and no-one is researching and developing modern management rules and regulations, or co-ordinating the training that is needed to ensure suitably qualified personnel are available when required.

4.2.5 Short tenures destabilise reform

One of the most serious blockages to innovation and reform is the current practice of short tenures in middle and senior management posts. It is not unusual for a middle or senior manager to be moved after only a few months in post, and a tenure of three years is almost unheard of, despite being the period stipulated in the service rules for most posts.

It would appear that the executive level of the Punjab government sees summary transfers or postings as one of the key means of exercising control over the Public Service. This approach is preferred because it is much more direct than the alternative, but ultimately more productive of setting policies and objectives and using budgetary controls to exert leverage over departmental activities.

This practice has become so embedded in officers' thinking that it has become the cultural norm in the management levels of government service. Even though most officers deplore unpredictable short tenures, if an individual is not moved after a few months, the popular perception is that they have been passed over.

In addition to the issue of short tenures, the most senior administrative posts are, institutionally, in the gift of the Chief Minister, an elected politician. As a result, movements at the top level are usually occasioned for political reasons with little regard to the incumbents' ongoing tasks and responsibilities.

This practice means that an officer takes up a post with no certainty about how long he or she will be there. It is therefore not surprising that few managers will be motivated to plan and implement any initiative likely to require a long-term commitment. And if an officer is charged with such a project, the probability is that he or she will be moved on before completing the task. With no hand-over period, the incoming incumbent will have no ownership or commitment to the on-going task.

As a result, it is almost impossible for any project to receive continued consistent commitment for the length of time normally required for new reforms to become established and self-sustaining.

More than any other single factor, it is arguable that the practice of short tenures is at the root of GoPb's failure to achieve lasting reform of the Civil Service.

4.2.6 Qualifications versus Competence

During recruitment or selection for promotion, great weight is given to the academic qualification held by the applicant. This is quite a convenient factor since it is easy to measure and requires no judgement on the part of the recruiter; a Masters degree is worth more than an undergraduate degree, and a PhD is worth more than a Masters.

For some activities a vocational degree is highly relevant (medicine, law, engineering, etc), but for many jobs a degree simply indicates an ability to absorb and reproduce information. However, it must not be assumed that, say, a doctor with a first class degree will be better at his job than a doctor who just scrapes through with a third class degree.

The issue is that academic qualifications measure how well the individual has memorised his subject (the input), but they are demonstrably unreliable in predicting performance on the job (the output).

It is for this reason that modern selection methods now focus more on experience and demonstrated competence rather than academic qualifications. The drawback is that assessment requires more sophisticated techniques and a certain amount of judgement. The Punjab Public Service currently lacks people with the professional skills to make these judgements as fairly and objectively as possible. The need to address this lack reinforces the point made in para 4.2.3 (No professional HRM function)

4.2.7 Professionalisation

While many NPM enthusiasts would argue that NPM principles will solve all problems, others argue that the less tangible concept of professionalisation is just as important. Modern civil service structures now depend heavily on professions – engineering, medicine, human

resource management, economics, accounting, teaching, nursing. Professionals aren't just technically competent at their job, they operate as networks within the wider civil service structure, encouraging good practice and innovation, and acting as a powerful influence on policy. It is arguable that Pakistan has not yet made the jump from formal cadres to less formal but more powerful professions and professional networks.

4.2.8 Promotion based on Seniority

In para 4.1.2 reference was made to the culture of deferring to elders. In a social context this is arguably a good thing. However, applied in the work environment, the consequences are not so beneficial.

The official promotion processes depends heavily on seniority which is calculated from a number of factors such as the year in which the entrance competition was taken, and performance on the passing-out exam. As a result any group of government employees can quickly work out the order of seniority and therefore who should defer to whom. It is also known and understood who, in the absence of political or sifarish intervention, is next in line for promotion.

Employment in government service is generally seen as a job-for-life. Combined with the seniority-based promotion process, the result is a direct correlation between BS grade and age so that, in general, the senior-most posts are held by the oldest officers. This has a number of potentially adverse effects.

While some officers will make the effort to keep up with the changing requirements and developments in modern government service, many will not. And as the decision-makers, those who are not up-to-date will be at risk of making inappropriate decisions. Because of the deference culture, their subordinates who may be more up-to-date and better informed, will be reluctant to offer suggestions unless specifically asked.

The culture of seniority and deference is deeply embedded in the public service psyche and will not readily change until senior managers learn to value and exploit their juniors' strengths and ideas. It seems that the Mid-Career and Senior Management Courses have not been addressing this issue successfully.

4.2.9 Pay and job grades need revision

It is well known and widely accepted that the Basic Pay Scale is now badly out of sync with the cost of living, and in attempts to address the shortfall, the Government has adopted a cafeteria remuneration model with a plethora of allowances and benefits in cash and kind that is expensive and difficult to manage fairly and transparently.

In practice, no distinction is made between the job grade structure and the basic pay structure. Over the many years that the BPS has been in use, numerous tweaks and patches have been applied in attempts to address inequities that have emerged as old jobs are superseded and new jobs created.

Good international practice suggests that a job grading system needs to be reviewed and updated every five to seven years. It is therefore high time that the present pay and grading system is given a thorough overhaul.

Whether or not it is actually mandatory to do so, GoPb uses the federal basic pay scale to determine public service pay in the Province. It is therefore not feasible for the Government to take unilateral action on the pay and grading systems. However, the present structures are definitely out-of-date and are the source of ongoing problems at the federal level as well as within Punjab. GoPb should contribute its voice to the lobby for updating the BPS.

5. Unblocking the blockages

GoPb is absorbing huge amounts of aid funds, mostly in the form of long-term soft loans. Much of the funding is used for budget support, with the rest applied to reform-oriented projects. However the funds are used, and however far in the future, the Punjab Government will eventually have to repay the loans with interest. It should therefore be incumbent on every

elected member of the Government and every Public Service officer to ensure that the maximum value is obtained for the money being spent.

To ensure the most effective use of the funds, Public Service reform must be among the top two or three priorities for the Assembly, the Chief Minister and the Chief Secretary. Without active commitment at this level, much of the money being spent will not result in any lasting change or benefit to the citizens of the Punjab.

A number of cultural and institutional factors affecting the efficiency of the Punjab public service have been discussed. Each of these issues needs to be addressed, but will require time and effort. In the meantime, there are four top priority actions which will greatly help to get the reform programme moving.

5.1 Commitment from the top

The Chief Minister and Chief Secretary need to become more involved in the reform programme and to give their active support and guidance to the implementation of reform projects. Among other things, this will mean ensuring that the following actions are carried through as quickly as possible and with their wholehearted approval.

5.2 Create and empower an institutional focal point for reform

It is essential that an institutional focal point for reform is created at the centre of Government. This Civil Service Reform Planning Unit needs to be a separate entity reporting directly and jointly to the Chief Secretary and the Chief Minister. It needs a small staff, but people of the highest intellectual and personal calibre drawn from the provincial service cadres. Their task will be to provide the necessary vision, oversight and direction to the reform process, and to ensure that donor funded support is applied to projects that will contribute to the Civil Service's own objectives, rather than to any external donor's agenda.

5.3 Establish a professional HRM cadre

It is understood that establishing a new service cadre will not be a straightforward process. But with purpose and determination, it should be possible to start the process quickly with a central HRM Policy Unit. This Unit should be initially led by a professionally qualified and experienced HR practitioner, and staffed with a few high calibre officers who have an interest in people management and development. Their role in the beginning would be to review the current fragmented and outdated workforce management practices, and to develop a modern and integrated HR model for the Civil Service.

It may be necessary for this team to consult with external specialist advisers from time to time. But it is absolutely essential that the new HRM model is developed and owned in-house, not handed over to external consultants.

It is also absolutely essential that this Unit has full delegated authority from the Chief Secretary to liaise and consult with any person or group of persons in the employ of the Government.

5.4 Stabilise job tenures

As has been stated, the practice of transferring officers after only a few months in post is probably the single most powerful hindrance to Civil Service reform. This practice can be stopped overnight by the simple expedient of the Chief Minister and Chief Secretary refraining from transferring officers before their tasks have been completed. Any proposed senior move should therefore be checked with the CSR Planning Unit and the incumbent him/herself. In this way should the Chief Minister or Chief Secretary decide to go ahead with the transfer, it will be in the full knowledge of the potential impact on the relevant reform programme. At the very least, it might encourage the relevant parties to agree to a hand-over period in order to maintain a degree of continuity.

Acceptance by the Chief Minister and Chief Secretary of this constraint upon their powers will be a powerful indicator of their commitment to the Reform programme.

6. In Conclusion

None of the above items is new; all have been referred to in one or more of the many reports which have been written over the past few years.

Current public service management practice dates from an era when Civil Services sought to prevent individual employees from exercising personal initiative or judgement in the execution of their highly demarcated duties. Modernisation of workforce management will require a major shift in the current management style and practices, as well as the acquisition of new skills and attitudes.

To achieve step shifts in the organisational culture and management style of the Civil Service will require time and ongoing commitment from all levels of the workforce. Above all, in their vision, actions and communications, those driving the reform must be:

- Consistent
- Insistent
- Persistent

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