

PUNJAB'S RESULT BASED MANAGEMENT FRAMEWORK

July 2009

I. INTRODUCTION

1. The Government of Punjab (the Government) has set income growth and improved social services as its twin development objectives. Punjab's Vision 2020 (2004) projects Punjab as a reasonably well-off, educated, and healthy society by 2020, and envisages the doubling of per capita income to \$2000 in the same period. The Government wants to adopt modern public resource management techniques to achieve this vision and is in the process of introducing a result based management (RBM) framework linking development objectives, outcomes, outputs, systems, and resources to guide reforms and monitor the progress of the province in realizing its vision.

2. RBM is a public sector management philosophy and approach that focuses on achievement of goals and objectives through strategic planning; systematic implementation; effective resource usage; performance monitoring, measurement and reporting, and evaluation to improve result delivery (Thomas, 2008)¹. It has been successfully implemented by many countries, most notably Malaysia and Canada. More and more developing countries have also incorporated a result focus into their public resource management systems.

3. Punjab has started to introduce the result framework and desires to benefit from the experience of these countries. RBM in Punjab aims to serve as an important tool to help the legislators, executives, people of Punjab, and development agencies in monitoring and evaluating how well the Government is performing, and how outcomes are being achieved. Over time, the RBM will support a development agenda that shifts emphasis from inputs and activities to greater accountability for results.

4. Successful introduction and implementation of Punjab's RBM depends on political will and institutional capacity. As such RBM, is a political process with technical dimensions – not the reverse.² Introducing a result framework alone will not lead to successful outcomes without efficient and effective public financial and human resource systems. Enabling a greater role by the private sector is also a prerequisite. Based on these considerations, the Government is undertaking reforms to improve public financial management, human resource management, and creating an enabling environment for business. The proposed draft RBM framework was prepared through consultations with relevant line departments in Punjab. Much more consultation is required to obtain stakeholder input and improve this draft framework. Successful implementation of the RBM requires a change of the institutional cultural mindset on how the public sector works, which further requires long term efforts over the next few years or even decades.

¹ Thomas, Kosha, Malaysia: Integrated Results Based Management, 2008 Community of Practice on Managing for Development Results, Annual Publication. This discussion in this note draws from this paper.

² The International Bank for Reconstruction and Development / The World Bank *Designing and Building a Results-Based Monitoring and Evaluation System, A Tool for Public Sector Management, A Workshop for Government Officials and Their Development Partners*, 2000.

II. ANALYTICAL FRAMEWORK OF THE RESULT BASED MANAGEMENT FRAMEWORK

5. RBM support greater efficiencies and effectiveness in the public sector. The cornerstone of the RBM is its strong focus on performance and linkages between performance and policy-making and resource allocation. Though there is overwhelming emphasis on outputs and outcomes, RBM also stresses the importance of resources and systems. It requires integration between result-based budgeting systems and personnel performance systems, between the operating and development budgets, and between expenditure and policies. The key dimensions of RBM are discussed below to provide context for Punjab and support learning from international experiences.

- **Strategic alignment.** RBM generally requires a government to clearly articulate its long term vision, develop medium term strategic frameworks, and annual budgets. These long term visions, medium frameworks, and short term plans complement each other.
- **Management principles.** The RBM is based on two key management principles. First, *Let Managers Manage*. This is based on the consideration that managers are nearest to where outputs are produced and should be given flexibility/authority to manage for results. The second is that *Authority Must Match Accountability* to ensure that the increased authority and flexibility is geared towards delivering the desired results.
- **Integrating finance, human resources, and systems.** The key components of RBM are the Results Based Budgeting System and the Results Based Personnel Performance System. Complementary components include the Results Based Management Information System, the Results Based Monitoring and Evaluation Framework, and the management information system. RBM provide the necessary framework for planning, implementing, monitoring and reporting on organizational performance, and linking organizational performance to personnel performance. The close integration and feedbacks between these components makes this system dynamic and evolving. In Malaysia, for example, the main component of its RBM system is the Integrated Performance Framework (IPF) in the form of a Performance Agreement detailing the level of performance that can be achieved by an entity for a given budget year. The Performance Agreement is prepared and submitted at the activity level by the activity manager to the Controlling Officer who in turn aggregates all these documents and submits them to the Central Budget Office. The Ministry of Finance mandates the process by way of an administrative circular. The close integration between finance, human resources, systems, and processes ensures systematic and structured performance planning, management, and measurement and tight linkages with resource usage and policy implementation. For this reason, RBM is often driven by the Finance Department. This allows the planning framework to be integrated with the budgeting process so that managers could be held accountable for the resources that were provided to them. Clearly, the role of personnel performance is very important.
- **Department heads as the key stakeholders.** The RBM requires top management to be actively involved in strategic performance planning, and active consultation and consensus building with the lower accountability levels. This is in line with the top-down and bottom-up approach to planning in the RBM system. This strategic planning process focuses on clients and beneficiaries and their needs.

6. Efforts at improving the RBM can lead to improved public service delivery and improved value for money in the public sector.

III. PUNJAB'S RESULT FRAMEWORK

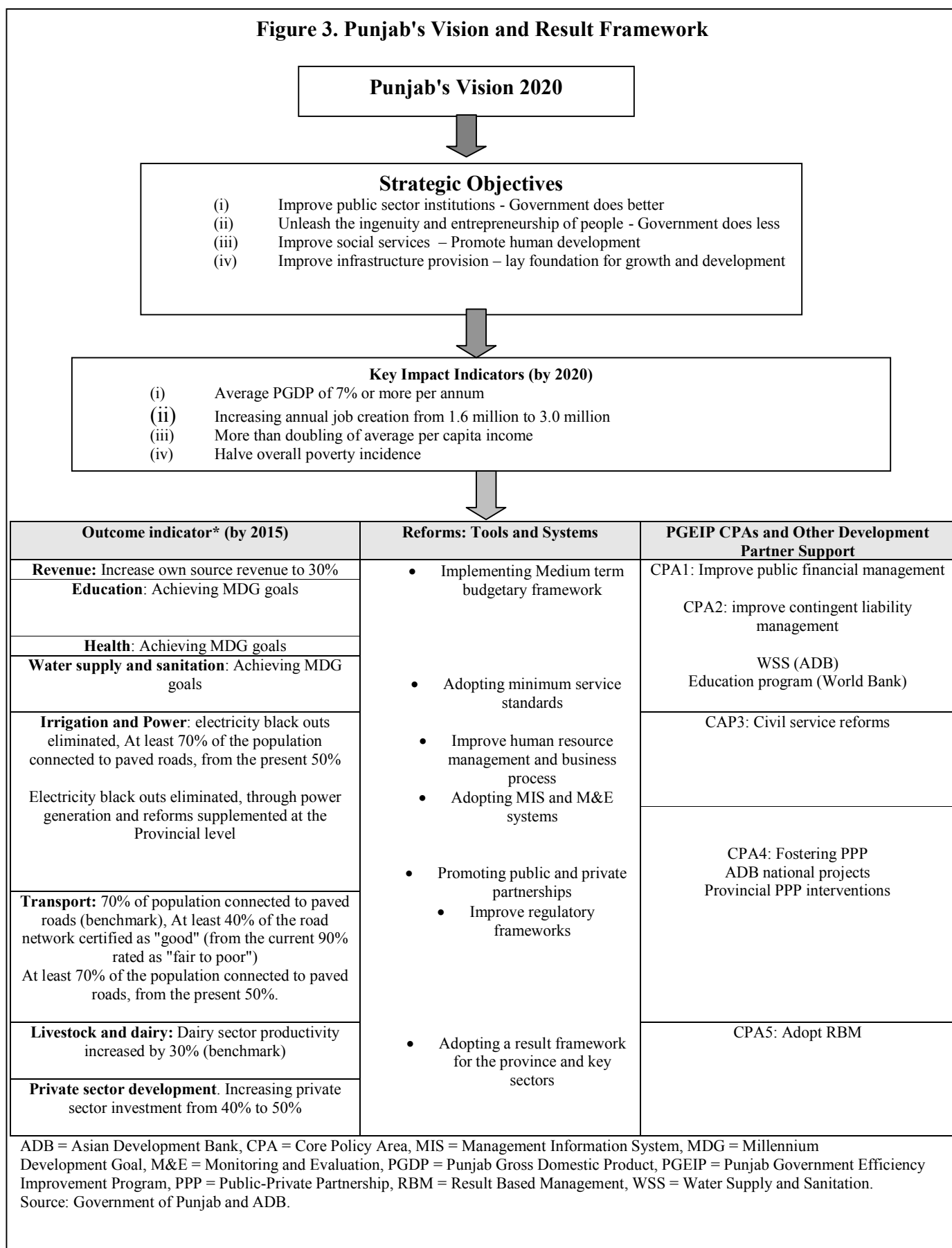
7. The Government of Punjab is pursuing a result framework which is linked with its long term vision, medium term strategy, and the thrust of reforms. The framework covers income generation, social and infrastructure service delivery, and public institutions. Guided by Vision 2020, Punjab's medium-term development framework (MTDF) and medium term budgetary framework (MTBF) for 2008–2011 highlight the need for improving social service delivery, removing infrastructure bottlenecks, developing a productive private sector, and strengthening public sector institutions as its key thrusts.

8. In line with international best practices, Punjab's RBM framework focuses on results (outputs, outcomes and impact), but also emphasize the need for efficient and effective utilization of inputs and work processes. The key components of Punjab's RBM include impacts, sector outcomes, and efficient processes. The key sectors include education, health, water supply and sanitation (WSS), irrigation and power, transport, livestock and dairy, taxation, and private sector development. Based on the situation on the ground, the RBM pays particular attention to achieving positive gender results.

A. Overview of Punjab's Result Framework

The overview of Punjab's RBM is included in Figure 1, and details are discussed in section B.

Figure 3. Punjab's Vision and Result Framework



B. Development Indicators

1. Level 1: Development Impact by 2020

9. The development impact indicators of Punjab set out the long term targets in economic growth, employment generation, and poverty reduction. The Government wants to achieve average provincial gross domestic product growth of 7% every year to enable it to double per capita income in a decade or so. It aims to produce at least million of new jobs each year. The current 20% poverty incidence is expected to be halved to 10% by the end of this period. These are fundamental building blocks towards achieving Punjab's Vision 2020's of developing a reasonably well off society.

Table 1. Development Impact Indicators (By 2020)

Results				Monitoring and evaluation			
Indicators	Base line year	Baseline value	Targets by 2020	Data source and collection strategy (first, second, frequency)	Resource and system needed and cost of collection	Data analyses	Reporting plan
Per capita income (\$)	2007/08	1,000.00	2,000.00	Punjab Economic Report, Statistics from the Bureau of Statistics Collected annually	Provincial national accounts system needs to be significantly strengthened*	Chief Economist and his/hers team	Punjab Economic Report to be produced annually
Economic growth (2009-2020 average)	Average 1972-2007	5.1%	7.0%				
Employment creation: Annual addition to employment (million)	Average 2002-2007	1.6	3.0				
Poverty Incidence	2006/07	20%	10%				

*Restructuring of the Bureau of Statistics and significant improvement in data availability and quality is needed.

2. Level 2: Sector Outcomes and Resources by 2015

10. The Government of Punjab has identified 8 key sectors for focused development results. These include education, health, WSS, transport, irrigation and power, livestock and dairy, taxation, revenue generation, and private sector development. The outcome indicators identified focuses on benefits to beneficiaries.

11. Given the close linkage between resources and outcomes, the expected budget allocation for each sector reflected in the province's medium term fiscal framework is also included. It is key to note that, except the Health Department and Irrigation and Power Department, all the resource allocation is not based on costing of outputs and outcomes. Under the resource framework, the close linkage between resources and results need to be established and accounted for. This will be supported by the public financial management reforms.

(1) Education Sector

12. Punjab's education attainment falls short of counties of similar income levels. Education empowers people for better employment, is a key driver for growth, and serves as an equalizer for opportunities. The Government of Punjab aims to improve access towards universal primary

education and by eliminating gender disparity between male and female school children. Achievements of these targets will help Punjab to become a relatively 'educated' society envisaged in the Vision 2020. Key targets are listed in Table 2.

Table 2. Education Sector Outcome Indicators (Education Department, By 2015)

Indicators	Results				Monitoring and evaluation			
	Base line year	Baseline value	Targets (2012)	Targets (2015) MDG	Data source and collection strategy (first, second frequency)	Resource and system needed and cost of data collection	Data analyses	Reporting plan
Sector outcomes								
Overall NER, primary level (5-9 age group, grades 1-5) total [male, female]	2006-07	62% [59%, 64%]	66% [62%, 70%]	100% (universal primary education)	Baseline from Pakistan Social Living Standards Measurement Survey		Education Department	Information is posted on government website: pesrp.punjab.gov.pk Towards the future the website will include a citizen complaint mechanism
Overall NER, middle level (10-12 age group, grades 6-8)	2006-07	20%	22%		Completion rate derived from annual census data			
Female-male ratio NER, primary level in rural areas	2006-07	89%	92%	100% (eliminate gender disparity)	School Education Monitoring Information System (SMIS), using annual census and monthly monitoring system			
Female-male ratio NER, middle level in rural areas	2006-07	74%	78%	100% (eliminate gender disparity)				
Youth literacy rate (% of population 15-24)								
Expected Resource Allocation	Rs. In million	FY 2010	FY 2011	FY 2012				
Current Expenditures		21,311	23,444	26,085	MTBF, annual	Financial Management Unit to be strengthened	Education Department	MTBF, annual
Development Expenditures		22,725			Civil Account, AG Punjab, Monthly, Annual	PIFRA system	Finance Department	Civil Account, AG Punjab, Monthly, Annual
Total		44,036				Expenditure Tracking/Budget monitoring system needed	P&DD AG Punjab	
		RE 2008-09	BE 2009-10	BE 2010-11				
Improved quality and relevance of education (teacher		Rs2.286 billion	Rs2.836 billion	Rs3.836 billion	Medium Sector Framework of School Education	Assess learning levels against grade competencies and through	In depth analysis for horizontal and vertical feedback	Provincial Educational Assessment Center (with National Education

training, incentives)					Department	examinations (assisted by Punjab Examination Commission)		Assessment System)
Improved access (school improvement and upgradation)		Rs2.50 billion	Rs7.70 billion	Rs9.005 billion		Data on number of schools with missing facilities, number of schools upgraded from primary to middle, middle to secondary, validated by TPV		
Improved equity (free textbooks, stipends, low-cost private school support)		Rs5.01 billion	Rs6.86 billion	Rs7.57 billion		Data on provision of free textbooks and stipend for eligible girls		Monitor progress in school enrollment, completion, transition rates and gender
School management, governance, monitoring		Rs1.442 billion	Rs2.014 billion	Rs2.017 billion		Data on transfer and utilization of budget Data on teacher absenteeism Information on capacity support to School Councils		Quarterly reports on sector expenditure

(2) Health Sector

13. Punjab aims to achieve the MDGs for the health sector, focusing on maternal and children health. Health sector expenditure will significantly increase in the mid to long term. The specific targets are listed in Table 3.

Table 3. Health Sector Outcome Indicators (Health Department, By 2015)

Results					Monitoring and evaluation			
Indicators	Base line year	Baseline value	Targets (FY2012)	Targets (FY2015)	Data source and collection strategy (firsts, second, frequency)	Resource and system needed and cost of data collection	Data analyses	Reporting plan
Sector outcomes								
Infant mortality rate per 1,000 live births	FY2004	77	67	40	Secondary source: Punjab MICS, every 4 years Statistics from Health Department Pakistan Social and Living Standards Measurement Survey	Strengthening the statistical capacity of the Health Department Donor support for large surveys	Health Department P&DD	Statistics from the Health Department to be reported annually

Maternal mortality ratio per 100,000 live births	FY2008	244	218	140 (FY2019)	Statistics from Health Department	Strengthening the statistical capacity of the Health Department Donor support for large surveys	Health Department P&DD	Statistics from the Health Department to be reported annually
Under 5 mortality rate per 1,000 live births	FY2008	111	77	52	Secondary source: Punjab MICS, every 4 years Statistics from Health Department Pakistan Social and Living Standards Measurement Survey	Strengthening the statistical capacity of the Health Department Donor support for large surveys	Health Department P&DD	Statistics from the Health Department to be reported annually
Measles immunization (% of one-year olds immunized)								
Expected Resource Allocation (PRs. Million)								
Current Expenditures	FY2008	13,415	27,361		MTBF, annual	Financial Management Unit to be strengthened	Health Department	MTBF, annual
Development Expenditures	FY2008	9,533	13,617		Civil Account, AG Punjab, Monthly, Annual	PIFRA system	Finance Department	Civil Account, AG Punjab, Monthly, Annual
Total	FY2008	22,948	40,978			Expenditure Tracking/Budget monitoring system needed	P&DD AG Punjab	

(3). Water Supply and Sanitation (WSS)

14. Punjab's goal in WSS is based on Target 10 of MDG 7 which is to halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation. The specific targets are included in Table 4 below.

Table 4. Water Supply and Sanitation Outcome Indicators (Public Health and Engineering Department, By 2015)

Results					Monitoring and evaluation			
Indicators	Base line year	Baseline value	Target (2012)	Targets (2015)	Data source and collection strategy	Resource and system needed and cost of data collection	Data analyses	Reporting plan
Urban water supply population coverage (%)	2001	56	75	80	Multiple indicator cluster survey (MICS) currently	Need to allocate resource to collect indicators annually	MICS analysis	MICS report
Rural water supply	2001	25	56	65				

coverage (%)					collected infrequently.			
Urban sewage/drainage population coverage (%)	2001	51	75	82				
Rural sewage/drainage population coverage (%)	2001	33	62	70				
Expected Resource Allocation								
Current Expenditures	FY2009	1,977	2,563		MTBF, annual	Financial Management Unit to be strengthened	Health Department	MTBF, annual
Development Expenditures	FY2009	18,000			Civil Account, AG Punjab, Monthly, Annual	PIFRA system	Finance Department	Civil Account, AG Punjab, Monthly, Annual
Total	FY2009	19,976				Expenditure Tracking/Budget monitoring system needed	P&DD AG Punjab	

(4). Communication and Works

15. Punjab faces a huge infrastructure deficit. Annually it spends around 30% of the development budget on construction, maintenance and repair. Reform plan is still under preparation. The specific targets are included in Table 5 below.

Table 5. Transport Outcome Indicators (By 2015)

Results					Monitoring and evaluation			
Indicators	Base line year	Baseline value	Target (2012)	Targets (2015)	Data source and collection strategy	Resource system needed and cost of data collection	Data analyses	Reporting plan
<i>Sector outcomes</i>					MIS		Communication and Works Department	
Kms of road constructed					Monthly reports from engineers in the field			
Kms of road maintained and repaired					Third-party validations			
Population connected to paved roads	2007	50	62	70				
Road network certified as "good" (%)	2007	10	28	40				
Expected Resource Allocation	Rs. million	FY 2010	FY 2011	FY 2012				
Current Expenditures		5,070	5,762	6,507	MTBF, annual	Financial Management Unit to be strengthened	Communication and Works Department	MTBF, annual
Development Expenditures		51,215			Civil Account AG Punjab			
Total		56,286			Monthly, Annual	PIFRA system	Finance Department	Civil Account, AG Punjab, Monthly,
						Expenditure		

					Tracking/Budget monitoring system needed	P&DD AG Punjab	Annual
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(5). Irrigation and Power

With the canal irrigation in place for more than a century, there is minimal expansion in the canal system and irrigated land. As such, the objective of the Irrigation and Power Department with respect to irrigation is to ensure the reliability and equitable distribution of irrigation water. On the energy side, the energy demand for the entire province is around 11,000 megawatts. Currently, there are no operating provincial interventions, since energy is more of a Federal Government subject. However, with the power crisis, the provincial government is preparing a 10-year plan to build installed capacity using provincial resources. The specific targets are included in Table 5 below.

Table 6. Irrigation and Power (Irrigation and Power Department, By 2015)

Indicators	Results				Monitoring and evaluation			
	Base line year	Baseline value	Target (2012)	Targets (2015)	Data source and collection strategy (firts, second, frequency)	Resource and system needed and cost of data collection	Data analyses	Reporting plan
Sector outcomes								
Relative Delivery Performance Ratio	Rabi 2007-08 Kharif 2008	0.93 0.94			I&PD monitoring reports	Monitoring system in I&PD has been established Third Party Evaluation has been adopted. Need to strengthen capacity in forecasting water resource availability	I&PD analysis	Daily
Average no. of days with channel running from head	2008	132		Daily				
Average no. of days of no supply at tails	2008	19		Daily				
% of days when there is no supply at tails despite channels are running from head	2008	14.4.%		Daily				
% of authorize supply at tails				Daily				
Installed energy generation capacity due to provincial initiatives (megawatts)				Annually				
Electricity black (hours per day)	2009	6	0	0				
Expected Resource Allocation								
Current Expenditures	FY2009	7,425	10,079		MTBF, annual	PIFRA system	MTBF, annual budgett	MTBF, annual budgett
Development	FY2009	11,302	14,000		Civil Account, AG Punjab, Monthly, Annual	Expenditure Tracking/Budget monitoring system needed		
Total	FY2009	18,727	24,079					

(6) Livestock and Dairy

16. Livestock and dairy generate about 40% of farmers' income and their importance is growing. Through effective research and the extension of services, Punjab aims to significantly increase the productivity of the livestock and dairy sector.

Table 7. Livestock and Dairy Outcome Indicators (By 2015)

Results					Monitoring and evaluation			
Indicators	Base line year	Baseline value	Target (2012)	Targets (2015)	Data source and collection strategy (first, second, frequency)	Resource and system needed and cost of data collection	Data analyses	Reporting plan
Sector outcomes								
Annual animal mortality (%)	2009	10	6	2	?	?	?	?
Milk yield per year (Liter)	2009	1200	2200	3200				
Expected Resource Allocation								
Current Expenditures	FY2009	1,793	2,266		MTBF, annual	PIFRA system	MTBF, annual budget	MTBF, annual budget
Development	FY2009	2,000			Civil Account, AG Punjab, Monthly, Annual	Expenditure Tracking/Budget monitoring system needed		
Total	FY2009	3,793						

(7) Excise and Taxation

17. Punjab wants to significantly increase own source revenue for infrastructure and social services. The result indicators are outlined below.

Table 7. Excise and Taxation Outcome Indicators (Exercise and Taxation Department, By 2015)

Results					Monitoring and evaluation			
Indicators	Base line year	Baseline value	Target (2012)	Targets (2015)	Data source and collection strategy (first, second, frequency)	Resource and system needed and cost of data collection	Data analyses	Reporting plan
Sector outcomes								
Growth in E&TD Tax Collection	FY2008	3%			E&TD Reports	Revenue monitoring system needed	E&TD	Publication of monthly collection report
Growth Rate of UIPT	FY2008	15%			Civil Accounts, AG Punjab, monthly		Finance Department	
Growth Rate of MVT	FY2008	-6%						
Time to complete tax payments (No. of days/hours)								
Expected Resource Allocation								

Ratio of collection to cost	FY2008							
Own source revenue as a % of total revenue	FY2008	28	35	45				

(8) Private Sector Development

18. An overly stretched public sector will not be able to delivery focused results. Furthermore, the limited resources and capacity of the public sector will not be sufficient for achieving the development results. The private sector is also best suited for economic activities. There is also great benefit to be derived from increasing private sector participation in infrastructure and social services. Thus enabling private sector participation is also a key building block for RBM. Punjab's reforms in this regard focus on improving the regulatory environment, streamlining government functions, and enhancing PPP.

19. Punjab wants to significantly increase the role of the private sector in the economy and public service provision. The result indicators are outlined below.

**Table 8. Private Sector Development
(Cross cutting sector, to be coordinated by the P&DD, By 2015)**

Results					Monitoring and evaluation			
Indicators	Baseline year	Baseline value	Targets (2012)	Targets (2015)	Data source and collection strategy (first, second, frequency)	Resource and system needed and cost of data collection	Data analyses	Reporting plan
Sector outcomes								
Reduce cost of doing business	2009	XXX in doing business survey	XXX in doing business survey	XXX in doing business survey	P&DD annual reports Cost of doing business survey	A database recording PPP projects in P&DD and number of public sector commercial entities in FD need to be established	P&DD, Finance Department	Annual report
Expected Resource Allocation								
Current Expenditures					MTBF, annual Budget	PIFRA system needs to be installed	E&TD	
Development Expenditures							Finance Department	
Total					Civil Account, AG Punjab	Expenditure Tracking/Budget monitoring system needed		

20. These outcome indicators will be the basis for guide resource allocation and monitoring of progress in the Province. Annual updates of the indicators will be prepared by the Result Based Management Framework Working Group to be submitted to the Cabinet or Assembly for review.

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Enabling Private Sector Participation					
Improve regulations on doing business	200	XXX in doing business survey	XXX in doing business survey	XXX in doing business survey	XXX in doing business survey

3. Level 3: Efficient, Accountable, and Enabling Systems and Processes

22. The development results will not be attainable without the support of efficient, accountable, and enabling systems and processes. Reforms and capacity building in the areas of public financial management, human resource management, information management, and monitoring and evaluation are prerequisites for a successful RBM. In view of the limited resources and capacity of the public sector, the Government also needs to create an enabling environment for the private sector to contribute to the Province's development results. Without these reforms, the result framework will be of little practical value.

23. The Government of Punjab is fully aware of these prerequisites and is carrying out institutional reforms and capacity building to establish the necessary systems for the RBM. As such, efficient, accountable, and enabling systems and processes features prominently in Punjab's RBM. The indicators in this category are classified into 5 areas: public financial management, human resource management, information technology-supported management information systems and general monitoring and evaluation systems; and an enabling environment for the private sector. Strong capacity in these areas is essential to enable the Government to optimize the use its resources for results. A major constraint on growth and service delivery in Punjab is the institutional weakness of the public sector.³Punjab's Vision 2020 and medium strategy provide a platform for continuing reforms to improve public sector efficiency and create an enabling environment for the private sector.

(1). Public Financial Management

24. Budgeting and planning are critical instruments for managing results. Punjab's budgeting system is in transition from the traditional line item budgeting to medium term output based budgeting. This will further evolve into outcome based budgeting in the next few years. Budgeting reforms in Punjab aim to facilitate expenditure prioritization; linkages between inputs, outputs and outcomes; and harmonization between development and current expenditures, and between expenditures and policy intent. Moving forward, budget reforms should also empower line departments with autonomy coupled with clearly specified accountability. The role of central departments such as the Finance Department and Planning Department should evolve from micro management to aggregate controls and become more effective in hold departments

³ See Ishrat Husain, Reforming the Government in Pakistan: Rationale, Principles and Proposed Approach, *The Lahore Journal of Economics*, Special Edition (September 2007).

accountable for performance. Departments should increasingly use Strategic Planning as the Basis for Budget Preparation.

(2). Performance based human resource management system

25. Without capable and motivated civil servants, RBM will be of little practical benefit beyond being a statement of admirable intentions. The human resource management system of Punjab suffers from many deficiencies. There are few instruments for managers to manage: promotion is seniority based and rigidly defined by the All Pakistan Grades. There is especially little chance for technical staff to be promoted. Compensation is fixed for each grade and there is virtually no room for rewarding performance in the mainstream system. Compensation is also characterized by prevalence of fringe benefits such as housing and cars which, coupled with poor asset management systems, lead to an opaque, rigid, and wasteful system. Recruitment is slow and the process is not rigorous for the non-carder staff. Given the limited regard for performance, training plays a limited role in skill development. This lack of management tools has led to frustration for managers and the over use of two instruments: administrative orders and frequent transfers of staff, both of which disrupt the overall performance system. For staff, this system provides little motivation to perform, grow, and develop in line with the organization goals.

26. It will thus not be possible to introduce and implement RBM without fundamental civil service human resource reforms in Punjab. Indeed the Government of Punjab is already implementing such reforms supported by the Asian Development Bank's Punjab Government Efficiency Improvement Program (PGEIP). The reforms center on ***providing managers with tools to manage, and motivate civil servants to perform***. Introducing merit and performance based human resource management systems is the corner stone of the reforms. Clear lines of accountability need to be established at both the organizational and individual levels. Coupled with accountability, more autonomy and flexibility should also be given to managers based on the consideration that managers are nearest to where outputs are produced. The appraisal system should be weighted towards the performance of individuals.

(3). Improve Business Processes and Introduce E-government

27. Streamlining business processes will lead to improved efficiency. The increased use of information technology (IT) has particularly opened up room for significantly reducing the time taken in managing tasks. The Government of Punjab is in the process of expanding IT. However, this process needs to be sped up. Business process reengineering must also go hand in hand with IT efforts, as computerization of inefficient processes will not deliver desired results in of itself.

(4). Monitoring, Evaluation, Reporting, Management Information System

28. The implementation of the RBM requires a dynamic and sufficient monitoring and evaluation (M&E) system supported by MIS. The role of MIS and M&E are closely related. Adequate and reliable information allows transparent and fair assessment of performance, and timely remedies when problems occur. Effective feedback between MIS, M&E, and financial and human resource management systems are crucial to the success and effectiveness of RMB.

29. In Punjab, MIS and M&E with sufficient details of information need to be established in each department. In addition to departmental information, data for the indicators comes mostly

from the Punjab Economic Report, and Multiple Cluster Indicator Survey. The frequency, coverage, and quality of this data need to be improved. The national accounts data in particular needs to be produced and the Statistics Bureau needs to be restructured and improved.

30. An annual update of the indicators will be prepared by the Result Based Management Framework Working Group to be submitted to the Cabinet or Assembly for review.

31. The key indicators for efficient, accountable, and enabling systems and processes are summarized in Table 8.

Table 10. Efficient, accountable, and enabling systems and processes

Indicators	Base line year	Baseline value	Target (2012)	Target (2015)	Targets (2020)
Public Financial Management					
Output and outcome based budgeting	2009	2 departments	8 departments and 3 districts	20 departments and 10 districts	All departments and local governments' budget output and outcome based
Rationalize annual development plan	2009	Average throw forward is 3.5 years 102 tokenized new schemes 80% of new schemes unapproved	Average throw forward of 2.5 years Zero tokenized schemes No unapproved schemes	Average throw forward of 2 years Zero tokenized schemes No unapproved schemes	Average throw forward of 1.5 years Zero tokenized schemes No unapproved schemes
Human Resource Management					
Introduce performance and merit based HRM	2009	None	5 departments	All departments	All departments and local government
Revise HR rules and procedures	2009	Cabinet approval of civil service reform policy	Rules drafted to allow merit and performance based recruitment and performance management	Tenure stabilized and monetization of compensation carried out	Modern HR systems similar to that of Singapore and Australia introduced
Business Processes and Systems					
Information technology supported business process reengineering	2009	None	5 departments	All departments	All departments and local government
Monitoring and Evaluation					
Establish IT supported MIS system	2009	1 department	5 departments	All departments	All departments and local government
Establish result based M&E system	2009	0 department	5 departments	All departments	All departments and local government

IV. CONCLUSIONS AND RECOMMENDATIONS FOR IMPLEMENTATION

32. With increasing resource constraints, governments need to be more efficient and effective to ensure results deliver the best 'value for money' of public resources. The public is also demanding better quality and more responsive services. Political leaders in Punjab are sensitive to people's needs and are service orientated. The RBM provides the legislators and executives with a comprehensive system to manage development results.

33. The RBM proposed for Punjab focuses on achieving development goals through clearly identified development targets. While it stresses the importance in identifying and tracking development indicators, it pays special attention to improving the efficiency of resource management. In this regard, putting in place sound public financial management, human resource management, and efficient business processes supported by information technology, and monitoring and evaluation systems, are critical. There are also great needs for optimizing the function of government and enabling greater private sector participation in economic activities and delivering infrastructure and social services. These are the foundation for delivery development results.

34. RBM is expected to promote a stronger culture of result focus in Punjab. This draft framework will be undergo further consideration and development, and is expected to usher in an evolving RMB in the next few years or even decades.