Public sector reform strategies: a note on recent practices in the Maldives

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Abbreviations

GDP gross domestic product
NDP national development plan
NOPAR National Office for Personnel and Administrative Reform
PSD Public Service Division
Public sector reform covers a wide range of activities, from structural organisational changes to broad policy initiatives, with the common objective of improving the efficiency and management of government. Programs and projects designed to improve the functioning of the public service are subsequently implemented through systems or strategies to operationalise and bring into effect the specific program or activity. This paper identifies some of the recent strategies adopted in public sector reform in the Maldives. Two strategies are explored in detail as case studies. One, is the National Agenda of Priority Programs and Projects drawn up annually; and the second, is the Government Reform Network established for improved governance and efficiency of public service organisations. This paper focuses on reviewing the implementation of these two strategies, and does not attempt to make detailed assessments of individual programs implemented under the strategies. The main points noted in this paper are: strategic planning exercise at departmental level needs to be strengthened; the monitoring mechanisms of the National Agenda of Priority Programs need to be revamped; a fully functional human resource unit needs to be institutionalised at departmental levels; and all activities at the departmental level need to be amalgamated into the planning exercise.

The Maldives is an independent island-nation of 1190 coral islands, spread over 859,000 sq kms in the Indian Ocean. The population of Maldives is 258,678 (Government of Maldives 1998a:2). Approximately 20 per cent of the population live in the capital Male’. Administratively the islands are divided into 20 atolls with Male’, the capital as the seat of government. Each atoll has an Atoll Chief, appointed by the President, who is in charge of the administrative, judicial and legal aspects pertaining to the atolls.

The government is headed by a President, who is elected every five years by the People’s Majlis, the country’s legislative assembly comprising of representatives from each atoll and the capital. Upon election by the People’s Majlis, the President is approved in a public referendum.

The Maldives is a small country, and shares many constraints of other small developing island nations. The population is disbursed across a host of islands; the agricultural base is weak with virtually no resources. The economy has until the 1980s been primarily dependent on the fisheries sector. Over the past decade, the economy had undergone a major transformation with tourism as the major contributor to the gross domestic product (GDP) (Government of Maldives 1998b:12). In 1997, the tourism sector represented 19 per cent of the GDP. Over the past decade, the Maldives economy sustained an annual GDP growth rate of 6 per cent. For 1998, the annual growth rate was estimated at 6.8 per cent (Government of Maldives 1998b:12).

The National Development Plan (NDP) for the period of 1997–2000, identifies six national objectives. These are improvement in living standards and quality of life, reduction of regional disparities, balanced distribution of benefits derived from developments to address vulnerabilities, sustainable development of physical and
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natural resources, good governance, and national unity and social cohesiveness (Government of Maldives 1998c:1).

Public sector reform in the Maldives

Although, the Maldives public service is similar in many ways to the public service of any developing country, it is also different in the sense that it is not a product of an administrative system inherited from a colonial power. The public service of the Maldives may be described as a unique system that has evolved out of tradition and cultural practices (Latheef 1993:8).

Academics have described the Maldives public service system as reflective of the distinguishing features evident in a small closely-knit community. Most public servants know each other and are related either through, neighbourliness, community activities or blood relations. As one academic points out, ‘the probability of one becoming some form of acquaintance with, or a close relation to a key player in a given situation is many times greater in the Maldives than in most societies’ (Latheef 1993:31).

Another writer notes the unique level of cooperation that exists among public servants as a result of this closeness and personal contacts. Hence, such closeness may also be considered as a facilitating force in bringing about better performance in public service organisations (Zameer 1994:33).

Although there are positive aspects to a small public service where people are personally connected, negative aspects need also be highlighted. Personal connections may contribute to inefficiency and corrupt practices in the functioning of the government. Closeness may also lead to difficulty in making objective assessments in the work place, and the reluctance of managers in taking any action that may disappoint fellow employees and staff.

Public sector reform in the Maldives generally may be categorised into three broad areas, developmental planning, human resource development, and institutional strengthening and management reform. The aspect of human resource development is crucial for national development, given the scarce resources in the Maldives. Instead of depending only on bilateral and international aid for scholarships and training opportunities, a major initiative taken by the government in this regard has been the Education and Training Project.

This project was launched at the national level to train professionals and academics through a loan scheme secured by the World Bank. The project comprised of the several components. These included teacher education; secondary education; skill training program and institutional staff training; and a fellowship program. Two projects have been completed to date, while a third project is underway this year.

For the purposes of this paper, the areas of reform discussed further in this paper focus on development planning and institutional strengthening and management reform, as the case studies identified in this paper falls into these two broad categories.

Developmental planning was introduced two decades back and the first NDP was
initiated in 1985. According to the first NDP ‘this first effort was more a policy statement than an integrated development plan’ (Government of Maldives 1985:iii). The first NDP focused on the crucial issues of foreign exchange problems; strategies to revamp the administration; improve balance of payments; and raise the level of economic self-reliance of the nation (Government of Maldives 1985:iii).

Subsequent NDP’s have been implemented over the years. One aspect that needs to be reviewed and studied is the planning, monitoring and evaluation process. This paper identifies a strategy adopted since 1997, that attempts to cut across departments in formulating a national agenda of priority projects and programs each year.

Institutional strengthening and management reform has been accorded the highest priority under the present government. The need to outline the standards of service delivery expected of government employees, and to impress on the employees the importance of a work ethic and work discipline have become central in the government’s effort at reforming the public service.

In 1982, an institutional framework was established within the President’s Office, as the National Office for Personnel and Administrative Reform (NOPAR). The placement of NOPAR under the direct guidance of the President reflected the importance accorded by the government to public sector reform. NOPAR, in the 1980s, carried out several reform projects under international assistance to streamline the government bureaucracy. These included for the first time an effort to formulate sound organisational structures, and training of senior officials on effective management practices. Training was provided on drawing up of organisation charts and functional charts, while job descriptions were introduced to all employees. Initiative was also taken by NOPAR through a committee appointed by the President to review administrative bottlenecks, rationalise jobs, streamline work-procedures and improve organisational productivity.

In 1990, the government adopted a standard for classifying and grading jobs in the public service. The objective was to grade jobs according to merit and to form job streams that will provide hierarchical structures in each job stream to pave the way for career development. Entry levels for university graduates were determined for professional job streams recognising their achievement and providing them the incentive to work in their respective sectors.

Two initiatives, focusing on recognising and rewarding employees are worthy of particular note. The first is the introduction of professional, technical and long-service allowances for government employees. The second is the implementation of an employee performance appraisal system. The objective of the appraisal system was to determine the suitability and eligibility of an officer for annual salary increments. According to the government guidelines performance appraisal can also be used for other personnel functions such as, to determine the eligibility and suitability for a promotion, to identify and plan training needs, to determine suitability of placement, and to reward top performers (Government
of Maldives 1999:8). An Employee Affairs Committee in each department was to review and moderate the appraisal process in each department. The Committee proved to be an institutional mechanism for assessing and reviewing employee issues in departments. This is perhaps a first step at setting up and strengthening of human resource functions at departmental level.

The central government agency with the mandate for modernising and reforming the public service is the Public Service Division (PSD). The centrality of the PSD stems from the fact that it is part of the President’s Office. The mission of the Public Service Division is to modernise and reform the public service to meet the development needs of the country and the aspirations of the people. According to the PSD’s Strategic Plan for the years 2000–2005, the mission will be achieved by establishing departments that are mission-oriented, responsive, innovative and efficient; and creating a skilled work force that is innovative and productive (Public Service Division 2000a:2).

Two key strategies adopted by the President’s Office in its effort at improving public services have been the development of a National Agenda of Priority Programs and Projects and the establishment of a network of senior government officials. While the former is self-explanatory, the objective of the network is to institutionalise a mechanism for implementing public service reform programs which mobilises the whole bureaucracy. This note considers each in turn as a case study in public sector reform.

Box 1 Sample of programs/projects in the National Priority Agenda of 2001

1. Work out an action plan for progressing Maldives towards a new phase of economic development.
2. Sanctioning and implementation of a tourism marketing strategy.
3. Conduct a public expenditure review and facilitate the effective utilisation of public resources for social and economic development.
4. Begin the physical processes needed to establish the government Intranet.
5. Conduct a study on privatisation of existing government services.
6. Complete the Science and Technology Masterplan.
7. Examine and implement possibilities of widening the public revenue base.
8. Submit the bill for the Amendment of the Foreign Investments Act to the cabinet.
9. Introduce operation theatre facilities in three of the regional medical centres.
10. Initiate a Dhivehi (local language) degree level course.
11. Enhance the availability of internet facilities in the education sector.
12. Establish a National Training and Skills Development Fund.
13. Open up the opportunity, for exporting fish, to private businesses, in an attempt to ensure that all fish catch are sold.
14. Initiate the project of setting up fish aggregating devices.
15. Construction of roads at Villin’gili Island (the fifth suburb of the capital).

Case study 1: the National Agenda of Priority Programs and Projects

The setting of a national agenda of priority programs and projects is a strategic planning exercise, where departments identify priority activities and programs each year, and submit them to the Cabinet for inclusion in a national agenda. A Cabinet sub-committee reviews the departmental submissions, and further submits the agenda for endorsement by the full Cabinet.

The purpose of drawing up an annual agenda of priority programs and projects for the whole public service, has been to agree at the highest level, that is at the Cabinet level, the programs and activities that would be given priority by the government in accordance with the available fiscal and monetary resources. Importance has been attached to the budgetary aspects, as an attempt has been made over the past few years to maintain a budget that is balanced and one that would stimulate growth and achieve national development objectives.

This annual exercise conducted by respective government departments, highlights priority activities to be achieved within each sector in accordance with the National Development Plan. Hence, the objective of this exercise has been to mobilise departments at the national level in order to achieve planned strides of progress in national development.

The agenda-setting exercise was initiated at the national level in 1997. Box 1 provides a sample of activities included in the agenda for the year 2001. It includes 12 projects in the broader economic development sector; 17 in the education and health sectors; 3 in the fisheries and agriculture sectors; 1 on infrastructure development; 11 in infrastructure development; 11 in social development; 5 in the sectors of transport and communication; and 9 in urban development.

Table 1 depicts the number of projects identified in the national agenda of priority projects by broad categories from the year 1997–2001. It shows that the number of

Table 1  Number of programs and projects by sector identified in the National Agenda of Priority Programs and Projects

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<tbody>
<tr>
<td>Economic development</td>
<td>..</td>
<td>4</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Education and health</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Fisheries and agriculture</td>
<td>..</td>
<td>1</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Infrastructure development</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>1</td>
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<tr>
<td>Institutional development</td>
<td>..</td>
<td>1</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Social development</td>
<td>..</td>
<td>2</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Transport and communication</td>
<td>..</td>
<td>2</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Urban development</td>
<td>6</td>
<td>6</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10</td>
<td>18</td>
<td>52</td>
<td>59</td>
</tr>
</tbody>
</table>

projects identified in the national agenda of priority projects had increased yearly, from 10 projects and programs in 1997 to 59 projects in the year 2001. One interesting aspect to be noted is the fact that in 1999, this exercise was not conducted at the national level. This shows poor planning at the departmental and central levels, and also the level of importance accorded by ministries and departments to this exercise. It was however, resumed in the year 2000.

Table 2 provides some statistics on the number of programs initiated and completed each year, from 1997–2001. Table 2 reveals that although there has been a steady increase in the number of projects assigned to the national agenda of priority projects since 1997, the number of projects completed by the end of each year has declined. This aspect is perhaps more evident when the percentages of projects completed over the period 1997–2000 is compared. In 1997, in its inception year, 90 per cent of the projects assigned to the national agenda were completed, while last year, the percentage of projects completed by the end of the year declined to 15 per cent. The main reason for this is the relative size of the projects undertaken. As these have become more ambitious, they cannot be completed in one year. Incomplete projects are then earmarked as ongoing projects. The percentage of projects in progress by the end of 1998 was sixty-seven. By the end of the year 2000, the percentage of projects in the on-going category had increased to seventy-nine.

These statistics suggest a need to revamp the monitoring process and to review the process of allocating new programs and projects in the national agenda of each year, as so many programs and projects remain incomplete by the end of the year. In addition, as projects ear-marked as ongoing, fall under the broader purview of a specific program, there is a need to keep track of the broader programs each project addresses and monitor the progress and impact of the broader programs as well. Ultimately, the impact of the broader developmental programs also need to be monitored. Furthermore, financial assessment of the projects needs to be undertaken, in order to appraise the cost-benefit aspects of each project and the subsequent impacts on the broader program that the project is intended for.

Some of the officials involved complain privately of the ad hoc nature of current planning. There is a feeling that the departments contribute ideas to the National Agenda of Priority Programs and Projects

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<tr>
<td>No. of projects</td>
<td>10</td>
<td>18</td>
<td>52</td>
<td>59</td>
</tr>
<tr>
<td>No. completed</td>
<td>9</td>
<td>5</td>
<td>8</td>
<td>..</td>
</tr>
<tr>
<td>% completed</td>
<td>90</td>
<td>28</td>
<td>15</td>
<td>..</td>
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</table>

Without these first being subject to a thorough departmental planning process. Further research focusing on feedback from the departments is necessary to test how meaningful the National Agenda of Priority Programs and Projects has been at departmental level.

Case study 2: the Government Reform Network: improving the service delivery function

The preceding section of this paper has outlined a macro-level strategy that has been adopted in pursuing the goals of national development. This section, that follows, outlines another such strategy, one that focuses on improving the efficiency of the operation and functioning of the government machinery.

In 1999, a Government Reform Network was established, representing one senior official from each ministry. The main objective of the network was to institutionalise a reform strategy for implementing programs that focus on improving the efficiency and functioning of the public service. The Reform Network, hence, represents the adoption of an institutional framework for the implementation of public service reform activities.

Traditional strategies identifiable in reform programs in a host of countries including the Maldives have utilised a ‘top-down hierarchical approach’ towards reform. Such a reform strategy has seemingly worked and proved successful for many developing countries and is still central to the implementation of development programs. However, such top-down hierarchical reform programs have led to the emergence of a dichotomy between the rhetoric of reform and the reality of implementation. In addition, such a system has not mobilised the whole bureaucracy, and some organisations tend to be more responsive and some less responsive in the implementation of the reform agenda. The Reform Network was seen as a step towards doing this.

Immediately, after launching of the Reform Network in 1999, a meeting was convened to discuss a public service reform agenda for adoption in 2000. One of the activities identified included the initiative to introduce the concepts of customer service for the improvement of the service delivery function in departments. To highlight the functioning of the Government Reform

<table>
<thead>
<tr>
<th>Table 3</th>
<th>Statistics on customer service projects implemented in departments, 2000</th>
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<tbody>
<tr>
<td></td>
<td>Offices that submitted projects</td>
</tr>
<tr>
<td>No. of Offices</td>
<td>23</td>
</tr>
<tr>
<td>% of Offices</td>
<td>72</td>
</tr>
</tbody>
</table>

Network this note will explore this initiative to implement customer oriented service in public service organisations.

To introduce the customer service initiative in public organisations, a seminar was held in July 2000, for focal points in ministries and departments that represented the Government Reform Network. The objectives of the seminar were to familiarise participants with the concepts and practices of customer-oriented service, identify areas for improvement in developing customer-oriented service in the respective organisations of participants, and identify training and management requirements to provide customer-oriented service (Government of Maldives 2000b:1).

One of the most important recommendations of the seminar was to develop an action plan to improve the quality of services provided by departments. A meeting of the Government Reform Network was then convened where it was decided that each government ministry/department would undertake two projects during the year 2000, that would improve the services delivered to the public. In accordance with a request made by the

<table>
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<tr>
<th>No</th>
<th>Project</th>
<th>Department</th>
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<tbody>
<tr>
<td>1</td>
<td>a Official website of the President’s Office</td>
<td>The President’s Office</td>
</tr>
<tr>
<td></td>
<td>b Initiation of counter services</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>a Introduction of CD ROM services to the Islamic Library</td>
<td>Supreme Council of Islamic Affairs</td>
</tr>
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<td></td>
<td>b Fast-tracking the service of authorising religious books</td>
<td>Office of the Elections Commissioner</td>
</tr>
<tr>
<td>3</td>
<td>a Training employees on customer service</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>a Improving counter services</td>
<td>Anti-Corruption Board</td>
</tr>
<tr>
<td></td>
<td>a Improving telephone services</td>
<td>Narcotics Control Board</td>
</tr>
<tr>
<td></td>
<td>b Publicising the Rehabilitation Process Chart</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>a Maldives Customs Service website</td>
<td>Maldives Customs Service</td>
</tr>
<tr>
<td></td>
<td>b Formulation of a Public Relations Handbook and a Customs Code of Conduct</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>a Improving the efficiency of port services</td>
<td>Ministry of Construction and Public Works</td>
</tr>
<tr>
<td></td>
<td>b Improving counter services</td>
<td>Ministry of Fisheries and Agriculture</td>
</tr>
<tr>
<td>7</td>
<td>a Training of staff on customer service</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>a Monitoring the cleanliness of cafes and restaurants</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td></td>
<td>b Establishment of a wide-area network for sharing expatriate labour</td>
<td>Ministry of Human Resources, Employment and Labour</td>
</tr>
<tr>
<td>9</td>
<td>a Computerisation of driving license service</td>
<td>Ministry of Transport and Civil Aviation</td>
</tr>
<tr>
<td></td>
<td>b Computerisation of counter services</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>a Information handbook on youth and sports programs</td>
<td>Ministry of Youth and Sports</td>
</tr>
<tr>
<td></td>
<td>b Training program for middle-managerial staff on modern techniques of management</td>
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</table>

officials of the Reform Network, the PSD requested the Faculty of Management and Computing of the Maldives College of Higher Education, to conduct short training programs on improving counter services and customer relations for front line staff in departments. The PSD coordinated and guided the effort by ministries and departments in formulating the customer-oriented projects. Guidelines were issued by the PSD and a series of meetings were held with officials of ministries and departments to monitor implementation of the projects at the departmental level.

A total of 32 government departments were requested to formulate customer service projects. 23 projects were formulated, and by the end of the year, 2000, however, only 12 submitted review reports of the projects implemented. Table 3, provides detailed information on the number of projects submitted and completed by each department.

As shown in Table 3, even though a high percentage, 72 per cent, submitted customer service projects, only 31 per cent completed at least one project. Furthermore, almost 70 per cent of all the departments requested to submit customer service projects did not complete even a single project.

Table 4 gives a brief description of the projects submitted and implemented during the year 2000. It shows the type of activities and programs initiated at the departmental level.

A majority of the customer service projects focused on training of staff and on disseminating information on activities and services provided by the department to the public. Only 4 departments concentrated their projects on improving the existing system of service delivery. These include: the project by the Narcotics Control Board to publicise the rehabilitation process; the effort by the Ministry of Construction and Public Works to improve the delivery of port services; the introduction of an online job matching service by the Ministry of Human Resources, Employment and Labour; and the project to computerise the issuing of driving licenses by the Ministry of Transport and Civil Aviation.

Conclusion

This paper presented two specific strategies adopted in public sector reform in the Maldives. One was the framework for the adoption of an annual agenda of priority projects, and the other was the establishment of a government reform network.

The objective of the agenda-setting exercise was to earmark important projects to be implemented over the course of the year, and to mobilise all human and physical resources to achieve the targets set. The agenda-setting exercise is viewed as an approach that is focused on achieving results. By the end of the year, outcomes are expected from each department in the form of projects completed.

In the preceding discussions, however, it was pointed out that by the end of the year many projects remained incomplete. Although, the number of projects undertaken over the course of the year had increased, the number completed had decreased markedly (Table 2).

This shows that the mechanism for monitoring the implementation of activities and programs set in the annual agenda of
priority programs and projects need to be strengthened. Emphasis needs to be placed, not on how many activities are included in the annual agenda, but rather on results and outcomes. There is also an urgent need to make financial assessments of projects implemented to measure the results of the projects and subsequent outcomes. Another significant point to note is that the annual agenda-setting exercise was not conducted in 1999 (Table 2). The researcher was unable to identify the exact reason. In any case the research shows that appropriate end of the year assessments are not conducted adequately. The point to be made here is that strategic planning at both the departmental and central level is weak and further effort need to be exerted in strengthening the planning functions.

It must however be noted that planning departmental activities is relatively new to public service organisations in the Maldives. Hence, the fact that such a strategic planning exercise at both the departmental and national levels has been conducted may be regarded as a positive aspect. The exercise has encouraged departments to plan and budget activities, at the same time, it has oriented departments to achieve results rather than to carry out bureaucratic procedures that lack tangible outcomes.

The objective of the Government Reform Network has been to implement a strategy to carry out activities that focus on improving the functioning of public service departments. One program implemented through the Network, the customer service program, was discussed to highlight its effectiveness.

The Reform Network has created an institutional setup for carrying out such programs in the public service. Previous implementation relied only on Circulars issued from the President’s Office. The Network has provided on the one hand, an opportunity for senior officials across departments to meet together to discuss actual activities in their areas of responsibility, and on the other, a mechanism that the Public Service Division can utilise to coordinate and monitor public service reform programs.

The effectiveness of the Network is questionable. The initiative to implement customer service projects in departments has shown that the concept of the Reform Network had not been assimilated into certain departments. Individual meetings PSD officials have had with Network officials to monitor customer service projects, showed that the Network focal points in some instances worked by themselves with little or no involvement from heads of other sections in the same department. Although the PSD had highlighted and discussed the need to form separate networks within departments, this had not materialised. Consequently, in such departments, it was found that the customer service project had either not been initiated or the projects initiated were not completed. The cases of the Department of Immigration and Emigration, Ministry of Education, Ministry of Information, Arts and Culture, Ministry of Women’s Affairs are examples.

It appears unlikely that the Reform Network can be an effective tool in public service reform activities, unless separate
Networks are formed within departments, which would mobilise the whole department in implementing programs and projects initiated from the Reform Network. This may take the form of a strategic planning committee in each government department.

In conclusion, this paper has attempted to provide an overview of public sector reform in the Maldives, focusing specifically on two recent strategies adopted. The attempt has not been detailed. Further research needs to done taking into account the perceptions of key stakeholders, namely the officials of the Reform Network and other public service officials. Lessons learned over the past years need to be incorporated into improving and sustaining the present strategies.

References


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Abbreviations

Public sector reform in the Maldives
Case study 1: the National Agenda of Priority Programs and Projects
Case study 2: the Government Reform Network: improving the service delivery function

Conclusion

References

Box 1
Table 1
Table 2
Table 3
Table 4