

Revisiting govt jobs

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“Permanent jobs with absolute job security have made the government officers complacent. It has brought great inefficiencies in the system, while also limited the dreams of the youth to just becoming a grade 17 officer. The pension system has become a massive fiscal burden on the exchequer, and the government will soon be unable to finance the pension bill.”

These are the opening remarks of the Vice Chancellor of PIDE in a session of the 3rd Econ-Fest. The title of the session was “Revisiting Government Jobs”. The session is based on the PIDE study, “Lifetime Cost of Public Servants”.

The study explores the salary burden of public sector employees (from BPS 1-22), specifically how much money will be needed to carry the load of an employee for a period of thirty years. The study has also calculated the present value of the accumulative sum that the government will pay that employee over a period of 35 years.

Nargis Sethi and Moinul Haque were also part of the discussion and emphasized the adoption of modern management practices and cutting short the size of the government. Almost 40 various commissions have been constituted in the shape of the Pay and Pension Commission and Civil Service reforms, but the productivity and competency of public sector employees is deteriorating. Initially, the decline was slow and gradual, but in the last 10 to 20 years, the decline has been exponential, and the productivity and public service quality are poor.

The 1972 National and 1983 Basic Pay Scale systems were the beginning of the decline in the productivity of organizations and the capacity and competencies of public servants.

National Pay Scales were introduced with effect from 01.03.1972 and revised with effect from 01.05.1977. The salient features were a) a uniform set of 22 National Pay Scales, introduced for all the Government servants. Selection grades, special pays, and technical pays were abolished altogether; b) the concept of the Efficiency Bar was eliminated in the scales for Gazetted Officers and retained up to N.P.S-15; c) government servants were divided into twenty-two grades and classes of Government servants were abolished; d) the benefit of one premature increment on promotion was allowed.

Thus began the era of socialism in public sector management, where everyone was put in one National Pay Scale—in short, one relativity.

Basic Pay Scales were introduced with effect from 1st July 1983, and revised on 1st July 1987, 1st June

1994, 1st December 2001, 1st July 2005, 1st July 2007, 1st July 2008, 1st July 2011, 1st July 2015, 1st July 2016, and 1st July 2017. The nomenclature of the scales was changed without disturbing the basic structure of N.P.S. a) Selection grades were introduced for certain categories of employees. b) Various Special/Technical Pays and Allowances were allowed as incentives for higher qualifications, etc. c) The concept of advance increments on possessing/acquiring higher qualifications was introduced to encourage government servants to improve their qualifications/skills, and they were discontinued in BPS 2001, with effect from 01-12-2001. d) Efficiency Bars were totally removed from the Pay Scales.

One of the main reasons for declining public sector productivity is that all commissions and public service reforms are person- or political agendas-specific. Most of the commissions and reform committees did not follow public management and compensation basic principles.

Almost all advanced countries like Canada, the UK, New Zealand, Scandinavian countries, Singapore, and many others adopted the New Public Management system in the late 1970s and early 1980s and after twenty years of its implementation, post-NPM was introduced in a better form and according to the latest demands of people management and service delivery in the public sector.

Unfortunately, most of the commissions and civil service reforms failed to introduce strategic, result-based, and goal-oriented management systems. They were firefighting with the existing issues and problems or serving the political will. Although Dr. Ishrat Husain's latest civil service reforms tried to adopt the latest public management system, due to poor implementation mechanisms, there were no positive results.

In PIDE Econ-Fest, Moinul Haque highlighted the political and economic pressures and the stress level badly harming the performance of public sector employees. He was right; the majority of public servants are politicized or under tremendous political pressure.

Actually, the employees are divided into three categories: 1) politicized or under the influence of various stakeholders, 2) do not have the capacity and competencies to perform, joining the public sector for permanent job and pension benefits, and 3) those who have capacity but cannot work due to the complexity of the system, outdated rules and regulations, and most importantly, legal cases and delays in decisions.

Another reason for the failure of public sector reforms is that the commissions and reforms agenda were developed in silos. The system should be reformed holistically; the public sector is a part of the government and without the reforms in the politically elected government, it is not possible for the sector to perform. The key document, Rules of Business 1973, does not provide the latest public management systems and practices.

The Rules of Business, established in 1973, exhibit shortcomings in adapting to contemporary

governance requirements, particularly concerning decentralization, inclusiveness, and technological advancements. Similarly, the Secretariat Instructions, last published in 2004, face issues of outdated information, slow amendment processes, and a lack of emphasis on modern management techniques.

These two documents need comprehensive reforms, advocating for a strategic overhaul in the management tools, decision-making structures, and accountability mechanisms within the federal government to ensure a more efficient, transparent, and responsive governance system in Pakistan.

The following steps can improve the system: 1) Both the Rules of Business and Secretariat Instructions need to be updated to incorporate contemporary governance requirements, including recent amendments and technological advancements.

Regular and timely revisions should be a priority to ensure that these documents stay relevant and aligned with the evolving needs of effective governance in the 21st century. 2) The Rules of Business should be more inclusive, explicitly outlining procedures and penalties for noncompliance related to public interest matters.

The documents should incorporate provisions that safeguard the interests of the common people and enforce accountability in case of delays. 3) Consider shifting from a centralized approval mechanism to a more decentralized approach, empowering ministers and secretaries with substantial decision-making powers.

The Rules of Business should be revised to distribute decision-making authority, fostering a more agile and responsive governance framework. 4) The governance structure needs to strike a balance between departmental autonomy and accountability. Streamlining mechanisms for accountability and oversight is essential to ensure decisions are made judiciously and in the best interest of the entire government apparatus.

Today, we are still in a firefighting mode and trying to fix problems immediately with short-sightedness. All emphasize the shortage of funds and size of the government. The requirement of future public sector productivity is more demanding. The current systems for recruitment, training and development, performance, and compensation are outdated.

No similar reforms can improve the systems. We adopt change management processes without strategic planning and do not develop the mechanisms for successful implementation of the change process. A true organizational development mechanism is required under a qualified and professional change agent who has the ability to develop the public sector organization according to modern management practices and results orientation instead of routine reformer and bureaucracy.

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