PHILOSOPHY FOR PUBLIC SECTOR REFORM

Government’s policy for public sector reform is driven by a philosophy that makes the interest of the people of paramount concern. The human resource is the most valuable of all national resources. People, whether there are the employers, employees or customers of the public sector, transcend structures, systems, procedures and technology. They are the key elements to the overall success of government’s initiative in public sector reform.

The philosophy for Public Sector Reform embraces the view that new values, a sense of mission and purpose and a strong spirit of professionalism, are required to accomplish fundamental changes and improvements in the public sector.

Moreover, the government firmly believes that the high reputation which the Barbados public sector has built up over the years, both at home and abroad, for standards of impartiality, loyalty to the government of the day, and integrity, has to be maintained. The belief also reinforces the Government’s commitment to a programme of Public Sector Reform which will sustain those excellent principles governing public sector behaviour whilst changing what is necessary to improve effectiveness, quality of service and generally heighten the level of performance of the public service.

The government perceives public sector reform as a compelling mandate for advancing the process of creating a better society in Barbados. It holds the view that public sector reform must be home-grown, participatory and tailored to meet local needs. It sees reform as part of the change process through which the
country will be enabled to compete in the global political economy to increase its economic and social development and better position itself to meet the rising expectations of a modernising people.

At another level, the philosophy for public sector reform takes into account the changing role of government in the process of national development. Government believes its new role in a market-driven economy is to provide relevant and better government, promote activities which are clearly developmental, as well as to facilitate and monitor private sector activities in the national interest. It affirms that, quite unlike the private sector, it has a mandate to deal with social demands in a democratic manner, make correct policy decisions and put social and economic institutions in motion. The Government expects to achieve this through partnership and collaboration with the social partners on the understanding that the national interest is given first priority consideration by all parties.

The climate in which to achieve public sector reform seems most propitious. It comes at the dawn of the new century, and at a time when economic survival rests on applying the best institutional management practices. Government believes that its role must embrace the careful selection of options in the areas of policy making and facilitating development initiatives. It also recognises that reform will not be substantial without enhancing standards of public accountability and creating opportunities for citizens to participate more effectively in the system of government.

The Government has no illusions that the task of public sector reform will be easy.
White Paper on Public Sector Reform

It intends to accord the task the highest priority, pursue the VISION for public sector reform resolutely, and hopefully accomplish the several objectives it has set itself in a timely manner.

The Government is confident that through the combined perspectives, efforts, willingness and determination of all the stakeholders working as a team, it will secure the success of the Public Sector Reform Programme.
PHILOSOPHY FOR PUBLIC SECTOR REFORM

EXECUTIVE SUMMARY

TABLE OF CONTENTS

SECTION I: CASE FOR PUBLIC SECTOR REFORM

Chapter 1 INTRODUCTION
1.1 The Need for Public Sector Reform 1
1.2 The Meaning of Reform 2
1.3 Purpose of the White Paper 3
1.4 Scope of the White Paper 4
1.5 Consensus and Consultation Process 5

SECTION II: CHALLENGES AND OPPORTUNITIES FOR CHANGE

Chapter 2 SPECIFIC PROBLEM AREAS
2.1 Historical Context 7
2.2 Strengths in the Public Sector 9
2.3 Specific Areas of Challenge 9
2.3.1 Hierarchical Structure 10
2.3.2 Operating Mechanisms 11
2.3.3 Standards of Performance and Accountability 12
2.3.4 Human Resource Management 13
2.3.5 Financial Management 17
2.3.6 Planning 18
2.3.7 Management Information Systems 20
2.4 Opportunities for Performance Improvement and Productivity Strategies 21
2.4.1 Improvement Initiatives 1971 21
2.4.2 Improvement Initiatives 1974 21
2.4.3 Improvement Initiatives 1986 22
2.4.4 Improvement Through Training Initiatives 23
2.5 Productivity Improvement 25

Chapter 3 PRESSURES FOR REFORM AND EXPERIENCES OF OTHER COUNTRIES
3.1 Local and Global Pressures 27
3.2 Growth in the Public Service 28
3.3 Experiences of Reform in Commonwealth Countries 31

SECTION III: KEY ELEMENTS AND ACTION STRATEGY IN REFORM
Chapter 4  THE FIRST STEPS TAKEN
  4.1 National Consultation on Refocusing Government  35
  4.2 Actions Taken After Consultation  40

Chapter 5  VISION, OBJECTIVES AND MISSION FOR THE PUBLIC SECTOR
  5.1 Vision  42
  5.2 Objectives  43
  5.3 Benefits Deriving From the Vision and Objectives  45
  5.4 Developing and Focusing on a Mission  46
  5.4.1 Team Approach to Mission  47

Chapter 6  CURRENT ORGANISATIONAL STRUCTURE AND OPERATING MECHANISMS
  6.1 Organisational Structure  49
  6.1.1 Actions in the Restructuring Process  49
  6.2 Decentralisation  53
  6.3 Operating Mechanisms  53

Chapter 7  HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT
  7.1 The Prime Position of Human Resource Management  55
    7.1.1 Areas for Improvement in Human Resource Management  55
  7.2 Other Human Resource Management Considerations  60
    7.2.1 Temporary Appointments  61
    7.2.2 Acting Appointments  62
    7.2.3 Recruitment, Selection and Placement  62
    7.2.4 Conditions of Service  64
    7.2.5 General Orders  64
    7.2.6 Employee Comfort  65
  7.3 Human Resource Management Information Systems  66
  7.4 Training and Development  67
  7.5 Performance Appraisal  70
    7.5.1 Benefits to the Employee  71
    7.5.2 Benefits to the Agency  72
  7.6 Recognition/Rewards Incentives  74

Chapter 8  FINANCIAL MANAGEMENT
  8.1 Need for Fundamental Change  75
  8.2 Training in Programme Performance Budgeting  78
## Chapter 9: IMPROVEMENT IN THE DELIVERY OF SERVICES

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1</td>
<td>Public Relations</td>
<td>80</td>
</tr>
<tr>
<td>9.2</td>
<td>Customer Charters for Government Agencies</td>
<td>81</td>
</tr>
<tr>
<td>9.2.1</td>
<td>Standards</td>
<td>83</td>
</tr>
<tr>
<td>9.2.2</td>
<td>Openness</td>
<td>83</td>
</tr>
<tr>
<td>9.2.3</td>
<td>Information</td>
<td>83</td>
</tr>
<tr>
<td>9.2.4</td>
<td>Choice</td>
<td>84</td>
</tr>
<tr>
<td>9.2.5</td>
<td>Non-Discrimination</td>
<td>84</td>
</tr>
<tr>
<td>9.2.6</td>
<td>Accessibility</td>
<td>84</td>
</tr>
<tr>
<td>9.2.7</td>
<td>Better Redress</td>
<td>84</td>
</tr>
<tr>
<td>9.3</td>
<td>Implementation of Customer Charter</td>
<td>85</td>
</tr>
<tr>
<td>9.3.2</td>
<td>Commitment to Charter Implementation</td>
<td>85</td>
</tr>
<tr>
<td>9.4</td>
<td>The Public as Customer</td>
<td>86</td>
</tr>
<tr>
<td>9.5</td>
<td>Preparation of Guidelines</td>
<td>87</td>
</tr>
</tbody>
</table>

## Chapter 10: Organisational Structure for Reform Process

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1</td>
<td>Roles and Responsibilities Attaching to the Structure</td>
<td>89</td>
</tr>
<tr>
<td>10.1.1</td>
<td>Prime Minister</td>
<td>89</td>
</tr>
<tr>
<td>10.1.2</td>
<td>Steering Committee</td>
<td>90</td>
</tr>
<tr>
<td>10.1.3</td>
<td>Ministers</td>
<td>90</td>
</tr>
<tr>
<td>10.1.4</td>
<td>Ministry of the Civil Service: Office of Public Sector Reform</td>
<td>91</td>
</tr>
<tr>
<td>10.1.5</td>
<td>Committee of Permanent Secretaries</td>
<td>92</td>
</tr>
<tr>
<td>10.1.6</td>
<td>Sub-Committee on Information Technology</td>
<td>92</td>
</tr>
<tr>
<td>10.1.7</td>
<td>Permanent Secretaries and Head of Departments and Statutory Boards</td>
<td>93</td>
</tr>
<tr>
<td>10.1.8</td>
<td>Internal Reform Committee (IRC)</td>
<td>93</td>
</tr>
<tr>
<td>10.1.9</td>
<td>Task Force / Advisory Body</td>
<td>94</td>
</tr>
<tr>
<td>10.1.10</td>
<td>Citizens Council</td>
<td>94</td>
</tr>
</tbody>
</table>

## Chapter 11: ROLE AND FUNCTION OF CABINET

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.1</td>
<td>Constitutional Source</td>
<td>95</td>
</tr>
<tr>
<td>11.2</td>
<td>Principal Functions of Cabinet</td>
<td>95</td>
</tr>
</tbody>
</table>
11.3 Functional Role between Minister and Permanent Secretary 96

Chapter 12 ROLE OF GOVERNMENT AND SOCIAL PARTNERS
12.1 The Changing Role of Government 98
12.2 Role and Functioning of Statutory Boards 99
12.2.1 Composition of Boards 100
12.2.2 Management Improvement in Boards 100
12.2.3 Mechanisms of Accountability 100
12.3 Role of Government and Social Partners 101
12.4 Role of the Private Sector 103
12.5 Role of Trade Unions and Staff Associations 104
12.6 Legal Reform 105

SECTION V: FRAMEWORK FOR THE TRANSFORMATION PROCESS AND ACTIONS TO BE TAKEN

Chapter 13 OVERALL FRAMEWORK FOR THE PROCESS OF TRANSFORMATION & COST IMPLICATIONS
13.1 Framework for the Transformation Process 107
13.2 Key Elements in the Transformation Process 110
13.3 Cost Implications 112
13.3.1 Benefits 113

SECTION VI

Chapter 14 CONCLUSION 115
## APPENDICES

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix I</td>
<td>Number of posts in the public service 1995 -1986</td>
</tr>
<tr>
<td>Appendix II</td>
<td>Increase in number of temporary posts 1986 - 1995</td>
</tr>
<tr>
<td>Appendix III</td>
<td>Number of top management vacancies up to year 2000</td>
</tr>
<tr>
<td>Appendix IV</td>
<td>Number of Statutory Boards 1986 - 1995</td>
</tr>
<tr>
<td>Appendix V</td>
<td>Staff employed by Statutory Boards 1985 - 1995</td>
</tr>
<tr>
<td>Appendix VI</td>
<td>Salaries as a percentage of Government’s total expenditure 1988 - 1995</td>
</tr>
<tr>
<td>Appendix VII</td>
<td>Salaries and Total Expenditure 1988 - 1995</td>
</tr>
<tr>
<td>Appendix VIII</td>
<td>Staff classification, Central Government by number of posts.</td>
</tr>
<tr>
<td>Appendix IX</td>
<td>Staff classification, Central Government, by salary expenditure</td>
</tr>
<tr>
<td>Appendix X</td>
<td>Summary of training activities by categories of 1984 - 1995</td>
</tr>
<tr>
<td>Appendix XI</td>
<td>Numbers trained 1984 - 1995</td>
</tr>
<tr>
<td>Appendix XII</td>
<td>Training expenditure 1984 - 1993</td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY

The White Paper on Public Sector Reform prepared by the Ministry of the Civil Service at the mandate of the Prime Minister outlines the policy of government on Public Sector Reform.

The case for Public Sector Reform rests on the view that the public sector, as an integral part of the executive arm of the government, must be responsive to the changing demands of both the national and global marketplace. To accomplish this, it must move away from the traditional way of doing things. Public servants therefore have to adopt positive approaches to achieve results which are consistent with the policy intentions of the government. Public Sector Reform being undertaken in Ministries and the regular administrative and service agencies of government, is part of a deliberate policy and strategy to alter organisational process and behaviour in order to improve management capacity and enhance service performance.

The challenges and opportunities for change are discussed in a historical context in Section II of the White Paper. The change from a colonial administration, to independence, bringing with it, stronger linkages with the International Financial Institutions, and the need for new ministries, departments and other administrative arrangements to implement social and economic policies, are outlined. Specific problem areas such as hierarchy and red tape, human resource and financial management and lack of effective standards of accountability, are highlighted; likewise are some opportunities taken over the past two decades to improve service performance through training programmes and the creation of special focus units and Ministries. This section also addresses the pressures for reform arising from
White Paper on Public Sector Reform

the impact of international economic recessions

and the responses made by Barbados and some other commonwealth countries in rationalising the role of government and the operations of the public sector.

Section III sets out the key elements and actions in the reform process. The Vision, Mission and Objectives needed to inspire commitment and action from all involved, are discussed. The Vision calls for the transformation of the public sector into a dynamic entity, an efficient provider of quality service, and a competitive and results-oriented body of workers. Each government agency will be mission-driven in order to guide staff, customers and stakeholders towards its essential purpose and to what it wishes to accomplish. The Objectives for Public Sector Reform relate to the need to make Barbados more competitive nationally and globally in areas such as enhanced productivity, optimisation of resources, improved systems and procedures and improvements in the quality and standards of performance.

Organisational restructuring is another key element in the reform process to bring about improved efficiency in government operations. It will involve analysis, changes in structures and management processes, human behavioural changes, communications upgrading and the like.

The wide scope of Human Resource Management and Development is discussed in the context of its prime importance in creating and directing other national resources to produce the desired results for Barbados. The proposed actions, including the use of a positive human resource management policy, the strengthening of training efforts, the use of incentives, institutional strengthening and streamlining of human resource agencies to bring about fundamental
Improvement in Financial Management is similarly accepted as a key element in the reform process. It is needed to provide agency managers with appropriate facilitation to enable them to meet their programme targets and produce results. The actions of the Ministry of Finance and Economic Affairs, together with external consultants in examining institutional strengthening for public expenditure and revenue management agencies in government, are highlighted. One of the recommendations made and already accepted, is the implementation of performance programme budgeting in government agencies from the next financial year.

Customer Charters for improving the delivery of services, raising standards of performance, and for providing customers with courteous, fair and prompt service, is a key element for implementation in the reform process. The White Paper sets out the range of Charter principles such as standards, quality performance, openness, and value for money; it indicates some initial actions already taken in this area and identifies some pilot projects for which plans have been made. Furthermore, customer public relations to build support for the reform are being addressed through the distribution of a Public Sector Reform Logo, the use of both print and electronic media to disseminate information, and in the training of front-line staff in customer relations.

Section IV of the Paper discusses the organisational structures, roles and responsibilities to support the public sector reform effort. The role of the Cabinet, operational relationships between the Minister and the Permanent Secretary, the respective roles of the government and other social partners, the role and functioning of Statutory Boards and legal reform are discussed. All major
participants in the structure are assigned leadership roles and have full involvement in the reform process.

The organisational structure for Public Sector Reform process, comprises among others, a Steering Committee under the Chairmanship of the Prime Minister. The Steering Committee’s special responsibility includes executive oversight and accountability for the reform exercise. The Ministry of the Civil Service as the coordinating agency, has responsibility for leading and collaborating with Ministries in key reform areas. The Internal Reform Committees have to perform the very important function of driving the reform process forward in Ministries. They will be given technical support from the Ministry of the Civil Service, Office of Public Sector Reform.

The Paper discusses the role and functions of the Cabinet and the working relationships between the Minister and the Permanent Secretary. It observes that a blurring of policy and management issues leads to ineffective administration. To help resolve this issue, the Ministry will draw up guidelines or principles to clarify the respective roles of the Minister and the bureaucrat. Similar action will be taken in respect of Statutory Boards where blurring of roles, functions and relationships also occur.

The changing role of Government lies at the base of Public Sector Reform. The role of government in a market-driven economy is discussed. Government is expected to act as a catalyst for change, be a facilitator, a regulator, and a promoter of social partnerships through building of consensus, to ensure that the society and economy function efficiently.
Legal reform is another critical element of the reform process. The development of a new Public Service Act to streamline and consolidate legislation on the public service is indicated.

Costs implications of the transformation programme are discussed in Section V. It is known that costs will be incurred over the range of activities identified, specifically in areas such as training, technology improvements, consultancies, office accommodation and other infra-structural requirements. The costs will be met from on-going allocations and from new provision where necessary. International agencies are also expected to contribute towards the training. A summary of actions planned for public sector reform is also provided in this Section.

Section VI of the White Paper presents a conclusion that Public Sector Reform is an on-going activity and not a finite goal. It recognises and highlights the need for urgent transformation in the present way of doing business so that the policies, attitudes and inherited habits in organisational culture, which now prove unhelpful, will be replaced with the requisite flexibility and capacity to make the Barbados public sector more dynamic and competitive into the twenty-first century and beyond.

Chapter 1

INTRODUCTION

1.1 THE NEED FOR PUBLIC SECTOR REFORM

This White Paper on Public Sector Reform emerges from the need for the
Government to take serious reform initiatives and action to achieve its development objectives. Rapid changes in global socio-economic, political and technological environments dictate that the public sector must be transformed into a more active and responsive agency if it is to assist the Government in its quests for sustained economic growth and development. Over the last decade, there has been a shift in global economic relations towards the establishment of mega trading blocs and economic unions. This, coupled with developments in information technology, has resulted in the formation of a “global village”. Some noticeable features of this phenomenon are increased competition and the creation of successful private/public sector alliance.

It is now widely recognised that government must invent a radically different way of doing business in the public sector. The public sector can no longer function in the traditional mode. The new millennium will require a more flexible institution and the emphasis must be on strategic approaches to planning. A reformed public sector therefore must be infused with new values, a higher sense of mission and purpose and be totally infused with a “spirit of new professionalism”.

Public Sector Reform must be characterised by genuine and persistent efforts which support the attainment of the government’s macro-economic objectives as stated by the Prime Minister the Right Honourable Owen Arthur at the National Consultation on Refocusing Government in January 1995 as follows:

“For Barbados to move from its commendable position of being the number one developing country in the world, to the clique of developed nations, which is my government’s ultimate goal, it must strive for maximum efficiency in the economy. This cannot be achieved if the
Barbados therefore needs to reform and re-engineer its governmental machinery in order to meet the challenges of a constantly changing global environment, as well as those of its own dynamic internal pressures. With this perspective, the White Paper advances the view that Public Sector Reform is ultimately about making Barbados work better.

1:2 THE MEANING OF REFORM

The Government sees public sector reform as an integral part of the changing role of government. It is a response to problems arising from domestic and external pressures for change. It is an important part of a solution which governments have embarked upon to achieve improvements in public sector management. Public sector reform is conceived too, as a deliberate policy and action to alter organisational structures, processes and behaviour in order to improve administrative capacity for efficient and effective performance. It requires the public service to focus less on the procedures used traditionally by the bureaucracy and more on outcomes or outputs consistent with the policy intentions of government. A management style of getting results rather than consistency in following traditional procedures is what public sector reform advocates. Essentially then, reform involves inducing and managing change and is seen and used as a strategy for achieving improved performance within the public sector.
THE PURPOSE OF THE WHITE PAPER

The main purpose of the White Paper is to set out a policy framework to guide the adoption and implementation of policies and strategies aimed at transforming the public sector of Barbados. Given the wide and diverse nature of public service activities, the White Paper cannot elaborate for each government agency detailed strategies for implementing the policies set out. The development and implementation of specific strategies within the policy framework provided, will be the responsibility of individual Ministries and agencies.

The White Paper calls attention to the critical areas for change, including;

- human resource management practices and financial management
- accountability and management flexibility
- the use of information technology in modern management practices, and
- functional relationships at the senior executive levels.

The White Paper also directs the public’s attention to the fact that in a changing world economic and social environment, it must share greater responsibility for the future performance of the country, by pressuring the government to be more responsive to changing demands, and be more open and willing to share information about national development issues and changes. This will let citizens themselves contribute in some way to the decision making process on these issues.

SCOPE OF THE WHITE PAPER
In the White Paper, the term Public Sector is used to represent the agencies comprising the executive arm of government. The White Paper however will not deal with constitutional reform matters, as these will fall to the consideration of a Constitutional Review Commission. Likewise, matters connected with the reform of Parliament will not be within its scope.

The Public Sector directly refers to civil service ministries and departments together with statutory agencies whose functions and responsibilities are akin to those of civil service departments, especially in the delivery of services at the national level or individual customer level. Examples of such agencies would be the National Conservation Commission, the National Assistance Board or the Child Care Board.

Other Public Sector agencies categorised as State Enterprises and Regulatory Boards while paying due regard to the national reform efforts, are in a position to access reform expertise services, appropriate to the nature and scope of their operations. Examples of such state enterprises would be the Barbados National Bank, the Barbados Tourism Authority, the Barbados Investment and Development Corporation, and the Public Utilities Board. Indeed, most of these agencies are already undertaking programmes of restructuring and re-engineering to transform them into effective and viable operations.

The important and critical factor is that the functioning of all agencies in the public sector will be reviewed and changed appropriately to achieve the transformation of the total public sector.

**CONSENSUS AND CONSULTATION PROCESS**
The Government’s policy calls for a deepening of participation in the governance of the country through the active involvement of citizens. Accordingly, the Ministry of the Civil Service, distributed the Draft White Paper on Public Sector Reform to provide both the public sector and the national community with an opportunity to comment on the proposals. The Draft White Paper was formally presented to wide cross-sections of the public service, trade union representatives, the Public Service Commission, and the Private Sector Organisation, to build consensus for reform. A pull-out edition of the draft was published in the two daily newspapers along with a questionnaire to be completed inviting comments from the public for return to the Ministry.

This process of national consultation was considered an essential prerequisite for the further development of an informed policy document. The outputs of the several consultations have been taken into account in this White Paper. The comments received, in the majority of instances, were very positive and highly supportive of the proposals for public sector reform. The special concerns raised by some interest groups will be addressed within the context of the transformation process and in the national interest.

The Government expresses its appreciation to the ministries and departments, the Congress of Trade Unions and Staff Associations of Barbados, Public Service Commissions, Private Sector Organisation, through the Barbados Chamber of Commerce and Industry, and all the individuals and groups from both the public and private sectors, who have made valuable contributions towards the production of this White Paper and the reform process.
Chapter 2

SPECIFIC PROBLEM AREAS

2.1 HISTORICAL CONTEXT

The Barbados bureaucracy is a product and legacy of British colonial rule where the traditional role of government was that of maintaining law and order and providing certain minimum social services. The administrative structure and the level of skills required to carry out these functions were quite modest, as the policy decision-making and control functions were centralised in the Colonial Office in London. The attainment first of internal self-government followed by Cabinet Government and then independence has, of necessity greatly expanded the role of Government and the public sector.

The decades of the 1970s and 1980s witnessed the rapid development of the economic and social infrastructure of Barbados, and with the advent and assistance of some multilateral lending agencies, the management arrangements in the public sector were modified to carry out the projects being supported by these agencies.

As such, Project (Implementation) Units were created in some Ministries viz Agriculture, Health, Education, to take full responsibility for the management of capital projects, which would otherwise have been in implemented directly by the Ministries’ regular staff. This modification has become entrenched in the public sector management arrangements.
The public sector during this period also witnessed the constant growth of Statutory (Parastatal) Agencies, set up by legislation, to manage selected developmental areas of public service activities, formerly implemented directly by the regular staff of the Ministries. This development is linked to public sector reform, it being a response by government to the demand to put new mechanisms in place to make a positive difference in the way the public sector did business with the private sector and other investors. The Barbados Tourist Board and the Investment Development Corporation are examples of such agencies.

Historically too, public sector reform occurred with the abolition of the local government system and the integration of its responsibilities into the apparatus of central government. Integration also occurred between Departments and Ministries such as the Department of Public Works into the Ministry of Communication and Works, the Department of Education into the Ministry of Education, the Department of Medical Services into the Ministry of Health, etc.

Within the past decades, succeeding governments have made public sector reform a matter of political policy. Hence, a Ministry of the Public Service/Ministry of the Civil Service has been inaugurated, with a Minister being given specific responsibility for Civil Service matters.

In a historical context therefore, government has been challenged to carry out reforms appropriate for the discharge of its responsibility for planning and directing national development. The integration of local government into central government, the integration of Departments and Ministries, the creation
of Project Units, and the inauguration of Statutory Agencies, are recorded as some of the major highlights in the quest for public sector reform through post-independence years.

2:2 STRENGTHS IN THE PUBLIC SECTOR

The public sector exhibits an array of strengths developed over the years. These trends have resulted in the achievement of political social and economic success within Barbados. A cluster of strengths is seen in the professional and non-political approach, a culture of integrity, a habit of prudent fiscal management and a reasonably well trained public sector. The foundation for these strengths is a sound education system, good socialisation, acceptance of a values system, and also general orientation towards service. These strengths are adequate to begin to meet the challenges which confront the public sector.

2:3 SPECIFIC AREAS OF CHALLENGE

Diagnosis of some specific problem areas, or indeed, areas of challenge will identify about seven critical areas which public sector managers need to address. The areas are:-

(1) hierarchy and structure,
(2) operating mechanisms,
(3) performance standards and accountability,
(4) human resource management,
(5) financial management,
(6) planning and control and
(7) management information systems.
Hierarchical arrangements are indispensable. They determine the authority, responsibility and accountability relationships within government agencies. They formalize and facilitate the reporting and communication processes, as well as distinguish the role relationships of staff.

In addition, they provide and facilitate greater organisational coherence and overall performance.

However, the problems inherent in the hierarchy in government agencies relate to difficulties of -

- red-tape and excessive delays
- centralisation tendencies and rigidities,
- stifling of initiative and a disinclination to delegate.

The hierarchical structure in the public service has progressively become rigid and over-emphasised. It restricts the flow of management action, and results in problems of excessive bureaucratic delays and a concentration of decision-making at or near the top of the hierarchy.

It also creates bottlenecks in the workflow at critical levels, and a breakdown in channels of communication. Moreover, difficulties arise in the over-lapping and duplication of functions. This situation blurs functional roles, responsibilities, and generally misdirects the public as to which agency or individual deals with a particular subject area or matter.
The experience in the public service is that over-emphasis on hierarchy leads to

- the inefficient use of the skills and capabilities of subordinates and to insufficient opportunity being provided for the early development of their management potential;
- the stifling of initiative, the loss of morale and motivation; and more importantly,
- the erosion of subordinates’ capacity to manage with self-confidence and efficiency when promoted.

The difficulties and experiences mentioned invariably affect organisational performance and lead to poor results.

2:3:2 Operating Mechanisms

The traditional way in which the public sector operates limits good organisational performance. The processes contain unfavourable characteristics such as the inflexible adherence to and dependence upon rules and procedures which are out-moded, and a general inability of public servants to innovate which prevent government organisations from adapting readily to changing demands.

The rigid adherence to outdated rules and procedures raises costs to government. It is time consuming and frustrating to the persons who need services promptly. Moreover, it nurtures a public service culture which is anti-innovative, in-active and promotes routine operations as major activities in the process.

Undoubtedly, rules are necessary to ensure uniformity and conformity in the
delivery of services; but they permit the entrenchment of patterns of management which make systems modification or innovation difficult. The public sector must now see rules as dynamic and not as an ‘end’ in themselves, but as a ‘means’ in the total context of "ends-means" relationships. Indeed, rules and procedures for the efficient operation of the public service in a competitive context, must be flexible enough to respond to the needs of the changing environment.

2:3:3 Standards of Performance and Accountability

The difficulty in this area stems from the situation that few or no set standards of performance exist as a general rule in the public service or that those standards previously observed, have generally fallen into disuse.

The Government recognises that the deficiencies which help to undermine the attainment of organisational goals must be addressed. In this regard, experience has shown that -

- the roles of many agencies are not clearly defined, occurring through ad hoc growth and mix in the mandates of agencies;
- the objectives are not specific, and the planning and control mechanisms are generally weak; and
- training is not undertaken or is inadequate for the circumstances.

The impact and persistence of these deficiencies directly contribute to poor performance and accountability, negatively affect the proper functioning of the public service and erode public confidence in the operations and performance
of public sector organisations and overall development.

Standards of performance and other compliance mechanisms are imperative and will need to be put in place to ensure that scarce resources are deployed effectively within the organisation, so that its purpose, direction and goals may be attained.

2:3:4 Human Resource Management

The management of human resources in the public sector is constrained by a mix of circumstances and conditions relating to recruitment, selection and training policies, operating procedures, discipline, structure, finance and the psychological and physical environments, among others.

But what emerges as a norm, is that the public sector, like other competitive multifaceted organisations, requires personnel who are dedicated, appropriately oriented for the specific tasks, and fully committed towards serving the interests of the organisation and the public at large.

Indeed, the Government fully recognizes that the public service already contains personnel of such calibre. But qualitative improvements in the management of the human resource are urgently required. A high premium and priority attention and not mere lip service, will be placed on human resource management in the public service in order to attain improvements in the system.

The reform of Human Resource Management system will see fundamental changes being made in areas such as:
(i) the rationalization and proper coordination of the activities of the agencies which deal with the human resources management functions, viz

(a) **The Ministry of the Civil Service**

This Ministry has the responsibility and functions for the creation of posts and their classification, the determination of conditions of service, remuneration policy, industrial relations and the coordinating of the public sector reform programme, through the Office of Public Sector Reform.

(b) **Personnel Administration Division**

This Division functions as the secretariat for the three Services Commissions viz the Public Service Commission, the Judicial and Legal Services Commission and the Police Service Commission, with regard to appointments, promotions, the award of training and study leave and discipline, as well as the award of pensions and gratuities. The Division is responsible for the recruitment of temporary and unestablished staff and the grant of leave and leave passages to public officers. It also has responsibility for career and succession planning, counseling and performance management.

(c) **The Public Service Commission**

The Public Service Commission, at the administrative level, has overall responsibility for human resource management. The Commission has a
constitutional role to perform. Its functions are set out in the Service Commission Act Cap. 34 and the Service Commission (Public Service) Regulations, 1978. Functions and duties of the Public Service Commission include

- the processes of selection and appointment
- promotion
- transfers of officers
- disciplinary matters.

(d) Training Administration Division

This Division is the training agency for the public service, focusing on service-wide training for middle and lower level positions. It also manages government’s overseas training programmes. The Division exercises no independent responsibility for training policy. Public servants seeking study leave or fellowships, must secure clearance from the relevant service commission through the Personnel Administration Division.

Action has already been taken to effect improvements in the coordination of the agencies responsible for human resources. The government has secured the services of a United Nations Advisor in public management and governance to examine the working of the entities. The recommendations of the report, speak to the streamlining of the three agencies and providing a separate secretariat for the Service Commission.

(ii) the determination of a clear policy on human resource management and
development which will focus inter alia on:

- human resource planning, job analysis and evaluation;
- recruitment, selection, appointments and placement of personnel;
- performance appraisal, promotion, discipline, training, competency building, career and succession planning;
- salary and pay administration - including incentives; and
- human resource management information systems.

(iii) the role of the Public Service Commission: This role must be re-evaluated in the context of the growth and complexity of the public service and the need to decentralize some personnel functions to attain better management and accountability in line ministries.

The government’s policy for achieving improved human resource management within the public sector embraces the building of leadership capability for change. A leadership that is genuine and committed will assist in developing the quality of human resource management needed to transform Barbados into a productive and competitive nation.

2:3:5 Financial Management

Continuing demands for funds and services, and the expressed need for financial restraint in the light of the overall competition for financial resources, make it critical for the government to take serious action to achieve the prudent financial management within the public sector.

The above comment is made against the backdrop of concerns expressed by the
Auditor General in various reports and other findings which speak among other things, to the following:

- the lack of proper systems of internal control;
- the poor keeping of financial records and the obtaining of timely and accurate financial information to inform planning and decision-making;
- weak management and supervision of the accounting function manifesting in:
  (i) tardy, if any, reconciliation of bank accounts;
  (ii) lack of supporting documents accompanying payments as well as unauthorised expenditures; and
  (iii) payments made without contracts and procedures relating to the award of contracts.

Associated problem areas highlighted in financial management relate to:

- the continuing reliance on outdated financial procedures, rules and regulations;
- the prevalence of weak financial planning; poor materials management;
- the presence of idle plant and equipment;
- the abuse of plant and equipment and the overall management of property;
- the system of allocating financial resources to ministries and departments as a consequence of the centralized nature of the process;
- the lack of value for money audits; and fundamentally,
- the rigidity of the financial system itself.

The government has already engaged the services of Consultants to advise on
these issues. It will take the required action to improve the financial management mechanisms in the public service, and modernize operations and transactions so that agencies can discharge their financial responsibilities effectively and be accountable for them.

2:3:6 Planning

Barbados has consistently used the model of the five-year macro-economic national development plan as the centre-piece of the government’s planning process. But this process though useful, has its short-comings, and must be buttressed by the greater use of the strategic planning process in governmental organisations.

Government agencies undertake functions which are necessarily interdependent and complementary to each other. At the planning level however, this interdependence needs to be more evident. The experience is that weak coordination of activities occurs too frequently; policy analysis and policy development skills are in short supply; research capability within planning sections of ministries needs to be strengthened; and proper inter-linkages must be maintained to facilitate a better holistic approach to the planning and control sub-processes.

The current centralisation of the government’s socio-economic planning process also poses its own difficulties. Centralisation has its advantages for managing and controlling scarce resources, but it runs the risk of omitting inputs from the wider cross-section of society - particularly those without easy access to the decision-making apparatus.
Within government’s development programme objectives, specifically rural development, it is clear that the current planning process will need to be strengthened and mechanisms put in place to incorporate the views of rural communities, thereby enhancing policy planning. These mechanisms would also include arrangements for upgraded monitoring and control functions.

The Ministry of Finance and Economic Affairs has retained the services of a Consulting firm to address some of these planning issues and to make recommendations on improving the planning and control processes of project cycle management.

2:3:7 **Management Information Systems**

The public service as a whole, is quite poorly served in the area of modern information technology. Its Management Information Systems, in many respects, are haphazard, if not archaic.

The overwhelming use of and reliance on files within uncertain filing systems, and the inadequate physical storage space for files and papers, tend to create nightmares for persons who have to retrieve and use information with accuracy and timeliness. Such situations affect adversely both the capacity to make decisions and the quality of the decisions.

The general lack of modern information technology in the Public Sector makes
the dissemination of information and response to the public on a timely basis a frustrating experience. So too, the flow of information within and between government agencies needs to be greatly improved by the use of technology.

The Government accepts that a consistent policy of equipping all government agencies with computers and other modern information technology tools to do the required job must be implemented urgently. Mechanisms will also be made available to ensure proper maintenance and upgrading of computers over a period of time. Funds will be provided for such purposes and for the requisite training of staff in order to enable the public sector to do its business in an enhanced way and be competitive nationally and globally.

2.4. OPPORTUNITIES FOR PERFORMANCE IMPROVEMENT AND PRODUCTIVITY STRATEGIES

Successive governments have used opportunities arising from the problems and challenges already mentioned to attempt to improve performance and productivity in the public sector.

2:4:1 Improvement Initiatives, 1971

Indeed, in 1971, initiatives were taken to obtain technical assistance for the re-organisation of the entire administrative machinery of the public service consistent with the needs of an independent nation working towards economic development and regional economic co-operation. A United Nations Adviser
in Public Administration was assigned in mid 1971 and a number of recommendations arising from that consultancy was adopted by government.

2:4:2 Improvement Initiatives, 1974

Opportunity was again taken in 1974 when a significant step was made to institutionalize performance improvement in the public service, through the establishment of an Organisation and Management Unit in the Prime Minister’s Office. The Unit was subsequently discontinued, but was reestablished in 1986 in the Ministry of the Public Service. Its functions included:

- developing a programme of organisation and reform at the national level;
- undertaking management surveys and making recommendations for improvement of the operation of Government agencies;
- staff inspections to determine the adequacy of numbers and the levels; and
- conducting efficiency studies.

In many respects, the Unit functioned in an advisory role, and was generally regarded as supportive of the functions of the Establishments Division.

The Unit did not achieve major improvements and productivity, because it lacked adequate profile and authority to have its recommendations implemented in ministries and departments.
2:4:3 Improvement Initiatives, 1986

In 1986, the government created the Ministry of the Public Service with a mandate to harmonize and coordinate the several personnel functions. Its purpose was to achieve improved effectiveness in the human resource management function. The responsibility for this function was divided among three agencies - the Establishments Division dealing with matters relating to staffing, classification and grading of posts, industrial relations, salaries and conditions of service; the Personnel Administration Division dealing with matters relating to recruitment, promotion, discipline, and the Training Division dealing with training policy, training courses and placements for training.

Each division had its own resources, which reinforced its independent operations, and created problems of coherence, consistency and coordination in the totality of human resource management. The inter-relationship necessary to harmonise and integrate the work of the three agencies did not develop as was intended. These issues will be resolved in this reform effort, taking into account, the recommendations of a United Nations Consultant who recently examined and reported on the problem to the Ministry of the Civil Service.

2:4:4 Improvements Through Training Initiatives

Performance improvement strategies have also been undertaken through the Government Training Division, now the Training Administration Division. This Division, over the years has sponsored courses designed for senior and middle-management, supervisory, clerical and ancillary staff throughout the public service, to enhance and update their skills and capabilities.
The impact of the training delivered has not been consistently evaluated. But the continuing experiences with under-performance in some sectors of the public service, underscore the need for the Government to make training a substantial component of the reform proposals to be implemented.

Training opportunities to boost performance improvement have also been provided by International and Regional Organisations for top and middle management staff. Those providing such training included: the Commonwealth Fund for Technical Cooperation of the Commonwealth Secretariat, the United Nations Development Programme, the United States Agency for International Development, the British Council, the World Bank, the British High Commission, the Canadian International Development Agency and the Caribbean Centre for Development Administration. The impact of this training is also difficult to gauge since experience suggests that on occasions the persons so trained have been placed into positions where the training has hardly been utilized.

Performance improvement has also been addressed through in-house training. Senior Managers have introduced new management tools and techniques for example - Total Quality Management, Action Learning, Project Cycle Management, into the organisation and have used other means of communication such as memoranda and circulars with subordinates, to stress the importance of continuous performance improvement, including self-development strategies for their own advancement and that of the organisation. Staff have likewise taken the initiative to further their own education and
enhance their skills wherever opportunities have arisen.

2:5 **Productivity Improvement**

"Barbados needs to become more competitive if we are to earn our way in the emerging global order. To do so successfully, the productivity concept has to take on greater significance, and ways must be found to devise appropriate productivity measurement schemes for the public sector."

The above statement by Prime Minister Owen Arthur at the National Consultation on Public Sector Reform in January, 1995, emphasises the government’s commitment to the promotion of productivity as an important aspect of the strategy for improving efficiency to enable Barbados to become more competitive in the global market place.

Government supports the work of the National Productivity Board, now National Productivity Council, in measuring, facilitating and monitoring productivity in the public and private sectors. This work has a direct and significant bearing on the functioning of the Prices and Incomes Policy, which moves towards the requirement that increases in wages and salaries be made only in terms of profit-sharing arrangements or productivity bonuses, based on an assessment of profitability or improvement in productivity.

Since its inception, the National Productivity Council has -
conducted seminars/workshops for selected private and public sector organisations;

organised in collaboration with the World Bank, the first National Tripartite Conference on Strategies for Productivity Improvements in Barbados; and

undertaken educational and promotional activities to sensitize target groups about the importance of productivity, and productivity sharing approaches and formulae.

Public sector reform will benefit from the work of the National Productivity Council through -

(i) an increase in awareness of the public sector of the need for and importance of productivity measurement and improvement at all times;

(ii) acceptance of the concept of productivity as an important component of a new set of values and a new culture to be pursued by the public service for improvement in its efficiency; and

(iii) greater focus being placed on quality outputs, market competitiveness, and customer satisfaction in the delivery of services.
3:1 LOCAL AND GLOBAL PRESSURES

In addition to the problems highlighted earlier, pressures on the Government to undertake reform have arisen from many sources during the 1980s and early 1990s. Some of these are:

(I) unbearable fiscal deficits and the imperative of maintaining a stable currency;

(ii) external economic factors, specifically, the pressures of global economic liberalization and the need for encouraging growth and productivity in the private sector;

(iii) unfavourable trade conditions heightened by global trade groupings;

(iv) debt burdens, high interest rates and global economic recession;
(v) the increase in the growth of the state bureaucracy and the need to define the changing role of government in the political economy;

(vi) a strong demand by the public for improved public sector performance and productivity; and

(vii) constant demand of citizens for greater accountability by government and more transparency in its operations.

Moreover, experience with the International Financial Institutions has shown how the application of harsh conditionalities attached to loans to governments for development and debt rescheduling purposes, have made the reduction of public sector expenditure the overwhelming priority, dwarfing all other important policy considerations.

The Government also takes the view that it is expedient to engage in a constant programme of self-examination and reform, so that it can respond to changing and new demands of its clientele, to rapidly changing technology and the dynamics of modern management.

3:2 GROWTH IN PUBLIC SERVICE

A significant pressure for reform has been witnessed as a consequence of the growth of the public service over the past two and a half decades. Existing agencies have been expanded and new units, sub-departments, departments and statutory bodies have been created to implement government’s expanded
programme of social and economic development. Indeed, since 1966, and up to 1995, the number of persons employed in the public service has risen from 10,500 to 13,601 and in Statutory Bodies from 1700 to 6169. These persons are distributed among 14 ministries, 50 departments, 54 statutory bodies and 13 public enterprises in the following manner:

<table>
<thead>
<tr>
<th>TYPE OF POST</th>
<th>NUMBERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Posts</td>
<td>11,094</td>
</tr>
<tr>
<td>Temporary Posts</td>
<td>1,223</td>
</tr>
<tr>
<td>Public Employees</td>
<td>1284</td>
</tr>
<tr>
<td>Statutory Boards</td>
<td>6169</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>19,770</strong></td>
</tr>
</tbody>
</table>

Note: These figures do not include casual or contract posts.

While it is true that the government has been called upon to provide a broader range and wider variety of services to citizens, the staff required to deliver these services has grown inordinately large. The consequence is that the recurrent costs of staff, together with the increases in the costs of the various services, have raised government expenditures progressively. In a modern competitive era, the government must rationalise its activities with the emphasis on operational efficiency, cost containment and securing value for the money it spends.
In responding therefore to such pressures, government’s role in managing the economy, must undergo fundamental transformation from being an organisation consuming labour, to an organisation which is appropriately staffed, streamlined and effective in delivering services.

Public Sector managers will therefore be required to focus on and give greater priority to actions which will avoid wastage, will enhance the efficiency of operating the public service, and in so doing reduce the pressures and eliminate the difficulties which challenge the government in achieving its development goals.

3:3 EXPERIENCES IN REFORM IN COMMONWEALTH COUNTRIES

In the recent decade, some developed and developing countries in the Commonwealth have undertaken a full reassessment and restructuring of the role of the state and the public service. Among these countries are the United Kingdom, Canada, New Zealand, Australia, Malta, Trinidad & Tobago, Malaysia and Jamaica. Their experiences provide interesting lessons for the Barbados effort.

United Kingdom and New Zealand Experience

The United Kingdom has embarked on a policy of providing quality service with efficiency and cost effectiveness through the promotion of the Citizen’s Charter programmes. New Zealand has revamped the functional relationship
between the political directorate and the senior executives by providing contractual arrangements, defining respective responsibilities, performance standards and goals, management autonomy to get the job done, accountability and opportunities to innovate and respond directly to the needs of customers.

**Malaysia Experience**

Malaysia has emphasised the change in organisational culture and attitudes towards the delivery of quality service, ethical behaviour at all levels, performance and incentive awards, customer service and training to build human resource development and management.

These countries have also reformed their financial planning and control systems with emphasis on value for money and performance budgeting approaches and have invested heavily in information technology and computers for management information systems.

**Canada Experience**

In Canada the role of the Public Service Commission has been re-aligned to give it greater autonomy from the political directorate and to enhance the Commission’s capacity to stimulate and monitor quality performance in the Civil Service.

These developments on the international scene demonstrate that having regard to each country’s peculiarity, the public sector operations must be evaluated constantly in a changing global environment, to ensure that its management and
organisation structures are appropriate to deliver services at the optimum level to citizens.

The pressures impelling these countries to reform include, the impact of globalisation of markets, competition and financial mobility, trade liberalisation and the broadening of the democratic process; the rapid growth and power of communications and information technology; lingering economic recessions and structural adjustment constraints.

**Lessons for Barbados**

One lesson to be learnt from the international experiences, is the urgent necessity for Barbados to stay in touch with developments at both regional and international levels. It will do this by continuing its regular participation in bilateral and multilateral conferences, seminars and training opportunities. Barbados will strive to avoid failures such as induced unemployment through massive public sector staff cut backs, declining standards in some social services, poor employment conditions and the deepening of the degree of poverty among disadvantaged groups.

In pursuing its transformation goals, the government affirms that a policy of intervention in the market and in any area of social and economic life is perfectly acceptable, requiring no more than one basic test - which is - does it work? And does it deliver the social and economic goods and services. The Government will therefore utilise systems which are compatible with the ethos of its people. Indeed it will take an eclectic and pragmatic approach to its task.
It is not persuaded that the practice of less government and widespread privatisation should be followed unwittingly. Less government does not necessarily mean better government. Barbados is persuaded that reforms could be designed to achieve significant improvement in the quality of government services. Public sector activities will be re-oriented to make users of the service feel they are active customers rather than passive recipients. This approach will foster collaborative partnership between government, the private sector, labour, and the community.
Chapter 4

THE FIRST STEPS TAKEN

4:1 NATIONAL CONSULTATION ON REFORMING GOVERNMENT

The Government implemented a major policy initiative in its manifesto relating to Public Administration with the convening of a National Consultation on Refocusing Government for Cabinet and Senior Managers of the Public Sector in January 1995. The stated objectives of the Consultation were to:

(i) bring together the political directorate, the public sector’s senior managers, representatives of the social partners, to discuss the role of Government in the nineties; to sensitize the partners to the challenges facing the sector;

(ii) provide guidelines for a public sector reform programme;

(iii) build consensus on the role and direction of Government;

(iv) build commitment for a public sector reform programme; and

(v) give direction for the reforming of Government.

Cabinet Ministers and Parliamentary Secretaries, Permanent Secretaries, Heads
of Statutory Boards, and representatives of the private sector organisations and Trade Unions numbering over 200 persons participated in the two day consultation which addressed eight themes as follows:

(i) The role and scope of the state and that of the private sector;
(ii) Productivity and public sector reform;
(iii) Human Resource management and the Role of Public Service Commissions;
(iv) Financial Management, Estimates of Expenditure, Development Plan;
(v) The role of public sector managers
(vi) The role of Boards in the context of public sector management
(vii) The priorities for Government in the next three years
(viii) Organisational review in the public sector.

The Consultation considered ways of refocusing government to allow for a more productive public sector, characterised inter alia by improvements in areas such as:

- decentralised management and greater accountability;
- being more results-oriented and greater transparency in operations;
- improved human resource management and information systems;
- improved budgeting and financial management; and
- improved quality of service to the public.

The Consultation discussed governance in the context of contemporary Barbados. Common policy concerns and strategies emerged to form the basis
White Paper on Public Sector Reform

for political and administrative decision-making and follow-up action. The priority policy areas identified for national attention were:-

- Consensus on the Role of the State
- Entrepreneurship in Management
- Governance and Institution Building
- Financial Management
- Management by Priorities

The Reform programme has to take into account the view that:

(i) substantial resource allocation is required;
(ii) a change in people and systems will not take place overnight;
(iii) organisations as open systems are affected by changes in the environment and as such they will each have to be targeted for change.

The Consultation agreed that the implementation of the reform programme required individuals and groups in the public sector to dedicate “management and staff time” to take charge of specific improvement projects. External resources to provide advice and guidance and intensive training would also be required.

In pursuing the concept of total change, through reform, the government will emphasize the integrated and holistic nature of the programme, which must be underscored by -

(i) cultural change - i.e. changes in knowledge, attitudes, values and
behaviour of public servants;

(ii) a balance of the process and content - i.e. appropriate emphasis on organisational systems as well as human resource development to build skills, competencies and good attitudes in the public service;

(iii) ownership and commitment i.e. extensive collaboration and consultation among all public servants to engender a feeling that they ‘own’ the programme and are committed to making it succeed;

(iv) the locus of responsibility - i.e. accepting that the majority of reform efforts will be the responsibility of line managers and staff in the agencies where the activities take place. This will be supported by reform activities of a central and general management nature.

(v) a paradigm shift - i.e. deliberate action to change the way of thinking and doing things; to heighten the process of broader consultation with the social partners and Non-Government Organisations; to change what is considered the ‘norm’ and improve the ‘mind-sets’ of the political and the managerial directorate and staff of the public sector; and to make the public sector a better customer focused organisation.
4:2 ACTIONS TAKEN AFTER THE CONSULTATION

Following the Consultation, the Ministry of the Civil Service has among other actions:

(i) circulated to the participants, the publication ‘The First Step’ containing the statements delivered at the opening ceremony and the Report of the Retreat for Cabinet and Senior Managers in the Public Sector;

(ii) undertaken consensus building presentations on the reform process to staff in the public service and to the Trade Unions representatives and the private sector;

(iii) convened a seminar in October 1995 on strategic management and the management of change, for Permanent Secretaries and officials of similar rank. Resource persons from the region and the Commonwealth Secretariat participated in the seminar;

(iv) convened a briefing for the Cabinet and Parliamentary Secretaries by the Commonwealth Secretariat resource persons on experiences of Commonwealth countries with Public Sector Reform and lessons learnt which may be of interest to Barbados in its reform efforts; and

(v) convened other briefing sessions and a seminar on leadership for the Cabinet and Permanent Secretaries.
Chapter 5

VISION, OBJECTIVES AND MISSION FOR THE PUBLIC SECTOR

5.1 VISION

A key element required to drive the reform process is a clear, succinct and generally accepted VISION to be pursued by the public sector of Barbados. The VISION sets the long term aspirations, endeavours and direction for the reform programme. The following VISION for Public Sector Reform has been accepted to guide the public sector for the future:

“TO TRANSFORM THE PUBLIC SECTOR INTO A DYNAMIC ORGANISATION, PROVIDING HIGH QUALITY SERVICE AT MINIMUM COSTS, BUILDING THE CAPABILITY OF PUBLIC SERVANTS, PROMOTING THE COMPETITIVE DEVELOPMENT OF BARBADOS AND IMPROVING THE LIVING STANDARDS OF ITS PEOPLE.”

The public sector will pursue this Vision resolutely, and in so doing, bring about fundamental changes to benefit itself and to the many publics with which it does business.

For the future the public sector will be expected to -
utilise a more active approach to serving and satisfying its customers;
• improve its capacity and capability to become more directly responsive to the demands of a modern export-oriented competitive economy;
• identify with the delivery of quality service as its normal standard of performance; and
• constantly promote improvement in productivity at all levels of the endeavour in order to achieve personal and national objectives.

The VISION for Public Sector Reform also emphasises, that in the global market, Barbados must be a producer of goods and services of the highest quality and standard to remain competitive both locally and internationally and that the public sector must play an integral role in this respect.

The Vision for Public Sector Reform will be communicated to all stakeholders and be made a ‘household word’ for action in all government agencies.

5:2 OBJECTIVES

A number of broad objectives will flow directly out of the VISION, and will be accomplished in the short, medium and long term, at both the agency level and ultimately the national level. Nine specific Objectives are identified for Public Sector Reform as follows:

(i) Promote human resource development and capacity building to make the reform effective and to strengthen institutions.

(ii) Refocus Government towards redefining the respective roles of the public and private sectors in the emerging social and economic order, thereby enabling government to respond creatively and timely to
changing national and global conditions.

(iii) Optimise the use of resources through improvement in the attitudes and behaviour of the public sector in areas of productivity, cost effectiveness, and choosing efficiency over waste in the national interest.

(iv) Attain improved levels of accountability and transparency in managing public sector affairs.

(v) Create standards of performance which promote job satisfaction and which heighten levels of competitiveness in carrying out assigned tasks.

(vi) Transform the public sector into an effective and flexible entity showing substantial improvements in the quality of service delivery.

(vii) Improve systems and procedures to make them more relevant to the demands made on modern public sector management, and to accelerate economic and social growth and stability in the country.

(viii) Value for money spent, through combining such factors as cost, time lines and the use of alternative approaches in delivering quality services to the public and in meeting goals.

(ix) Establish requisite training programmes to build commitment to Barbados first, and to enhance management and performance skills at all levels of the public sector.

The public sector must now change its conventional reactive manner of doing its business and embark on a pro-active approach to the reform process and do whatever is necessary to attain the objectives of the programme. The government on its part, will provide the means for the necessary facilitation to enable the stated practical objectives to be attained.
5:3 **BENEFITS DERIVING FROM THE VISION AND OBJECTIVES**

A steadfast pursuit of the VISION and the accomplishment of the Objectives will work to the benefit of the public sector in several specific ways. The evidence will be seen in -

- a highly motivated public sector, demonstrating its efficiency through continuous performance improvements;
- courteous and helpful relationships between the general public and the public sector officials as a consequence of effective and quality delivery of goods and services;
- improved management of the human resource capabilities within the public sector and the overall human resource management and development function;
- new and improved tools for financial management within public sector agencies and relatedly, greater accountability, transparency, flexibility and efficiency in the use of public funds;
- a more innovative, response-oriented, willing, representative and responsible public sector; and, overall
- a more focused government.

5:4 **DEVELOPING AND FOCUSING ON A MISSION**
The reform in government agencies will be mission-driven. Each agency will be required to develop a mission which is appropriate to the tasks it will have to undertake. This is vital since the nature, character and composition of government agencies have changed over time, and their missions must always reflect the current status of the agency.

The Mission Statement, among other things will -

- serve as a source to inform staff, customers and stakeholders of the agency’s goals and intended accomplishments;
- be a point of reference and help the agency to make consistent decisions, build unity, enhance communication, and generally integrate short term objectives and long term goals;
- form part of any framework for the transformation and success of each agency.

In developing mission statements, public sector managers will pose relevant questions to elicit information regarding the operational and strategic management concerns of the agency focusing on the functions and rationale for its continuance, its corporate objectives and on the strengths, weaknesses, opportunities and challenges it has to meet.

This diagnostic exercise will help to re-define the purpose, direction and the mission for the agency. It will also take into account its dynamic relationship with other institutions such as Non-governmental Organisations (NGO) and Private Voluntary Organisations (PVO) which may be competitors for the
allocation of scarce resources.

The prevalence of the NGO and PVO communities, together with overt pressures on government to privatise or commercialise some public sector functions, should energise agencies into utilising a mission-driven approach, to better meet their stated goals.

5:4.1  TEAM APPROACH TO MISSION

The Mission Statement of each agency will be developed and tested through the use of a team approach to the task. Top management will be responsible for the final product, but staff at all levels are expected to play a part in its formulation. A team approach will help the agency to:-

• stimulate a feeling of ownership of the mission and sustain commitment and loyalty to the agency’s direction;
• encourage concerted action towards the accomplishment of goals and build staff morale by virtue of its involvement in shaping of the agency’s future;
• open better channels of communication and de-emphasize the artificial distinctions in the hierarchical structure, as total staff efforts will be combined to ensure success in the agency’s purpose.

The mission, however, will not stand alone as a guarantee for success. It will be supported by agency objectives which all staff find clear and well defined. More specifically, staff must know

(i) what targets are set;
(ii) what results are to be achieved, and
(iii) what time-frame is required to achieve the targets.

It is well recognised in public sector activities, that shifts in policy positions arise unexpectedly and alter the outcome of the best articulated objectives. But managers are required to focus on realistic and attainable objectives for those key tasks on which much time is spent and for which key results are expected. The result will be measured quantitatively and qualitatively as appropriate and this will help to enhance the efficient provision of public goods and services and underscore the imperative of getting "value for money” in fulfilling objectives.
Chapter 6

CURRENT ORGANISATIONAL STRUCTURE
AND OPERATING MECHANISMS

6:1 ORGANISATIONAL STRUCTURE

The structure of the organisation in government agencies must be designed to facilitate effective decision-making and implementation, feedback, monitoring and follow-through on actions taken. The structure must relate to the delivery of stated objectives and the tasks to be accomplished.

6:1:1 Actions in the Restructuring Process

The reform programme will undertake a careful analysis and restructuring of existing organisational structures in order to enhance efficiency and performance improvement. The restructuring process will involve -

- taking measures to alter or strengthen structures of agencies thereby improving their capacity in areas of effective coordination and clarifying the respective roles and relationships;
- determining the suitability of existing structures to cope effectively with the constant demands placed upon them for goods and services, and, where necessary, modify or determine the need for other arrangements to deliver such goods and services;
- eliminating the duplication of activities, overlapping functions and
bottlenecking in the process of the flow of work;

- decentralisation, through devolution of authority to executive agencies or creating a corporate entity to carry out the work; and
- reducing the emphasis on tall structures, especially those which unduly reinforce practices of centralised planning and decision-making, create management problems of communication, entrench excessive delays and weak implementation of programmes, and which discourage the teamwork approach needed for resolving difficult issues.

The following actions will be taken in the organisational restructuring in ministries and agencies.

(i) tall organisational structures will be reviewed with emphasis being placed on blocks of carefully defined areas of activities (or projects) under the direction and control of managers;

(ii) managers will be held responsible and accountable for the setting of objectives and targets within the agreed ministry’s and department’s national development plan and strategic plan;

(iii) line managers in ministries and departments will be empowered to make decisions and take appropriate action on specific operations falling within their scope and responsibility.

(iv) The central control Ministries of Finance, Personnel Administration and Ministry of the Civil Service will give more direct responsibility and accountability to line ministries and agencies for their financial and
human resources.

Regarding (iv) above, the figure I reveals the heavy dependence of ministries and departments on the two central ministries in charge of financial and human resources. This situation is no longer feasible in modern management practice.

With this in view, ministries, departments and agencies will be given greater responsibility and accountability for their budgetary allocations.

Regarding the responsibility and accountability for human resource management;

(i) there will be wider participation of ministries, departments and agencies in selecting and recruiting personnel at certain levels within the framework of specific guidelines and criteria established by the Public Service Commission and administered by the Personnel Administration Division.

(ii) the Ministry of the Civil Service, the Personnel Administration Division in consultation with the Public Service Commission will provide guidelines to facilitate the participation of agencies in the selection and recruitment process;

(iii) ministries and departments will be responsible for ensuring that adequate funds are available for the payment of personnel.
The actions outlined above will help to:

- remove the congestion in decision-making and handling of routine matters at the top;
- provide the top managers scope and space to strengthen their policy development capacity;
- engage top managers in more meaningful policy formulation, monitoring and implementation of policy;
- promote the use of a team approach to facilitate the line managers in accomplishing the agency’s tasks;
- remove the existing rigidities in the centralized system of management through the process of more effective delegation of responsibilities and accountabilities to line ministries;
- allow ministries and departments with delegated authority to pursue with greater vitality their defined roles and responsibilities; and
- develop innovative management approaches in the conduct of public sector business.

The reform strategies highlight the need for ministries and departments to focus on responsibility and accountability as vital components for achieving improved performance in the management of the public sector.

6:2 DECENTRALISATION

The Government acknowledges that it is necessary to decentralize and delegate authority and responsibility to lower levels of management staff who are
directly involved in task implementation. Decentralization and delegation will enable such officials to make appropriate decisions in a work situation and apply solutions which will set the problem right. A clear determination will be made of what functions can be performed at the centre and what can best be decentralized to agencies. The decentralization of organisational structures will be incremental. Agencies will be given support to enable them to assume greater responsibility, and improved accountability.

The process of decentralization will make the public sector more open to quick decision-making, reduce overload at the top, facilitate policy formulation and implementation, and, above all, create a more representative, responsive and responsible public sector.

6:3 OPERATING MECHANISMS

The government affirms that procedures and rules exist to enable action to be taken promptly and not to slow down the process of government. Accordingly, the reform will review processes, rules and procedures, and institute measures to improve them to achieve a speedier output of work and a better quality service.

The reviews will highlight opportunities for creativity, innovation and the management of change. They will incorporate a management ethos, which places a high value on receptivity to new ideas, and systems of management and flexibility to meet the challenges of a rapidly changing environment. An important product of the review will be organisational manuals to guide all employees towards the improved ways of doing things.
Chapter 7

HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

7:1 THE PRIME POSITION OF HUMAN RESOURCE MANAGEMENT

It is accepted that the human resource of Barbados is its principal asset. It creates and directs other national assets in producing expected and desired results for the society. Improvements in human resource management within the public sector will be achieved through implementation of a positive human resource policy, the strengthening of training and development, the institution of appreciation and incentive programmes and promoting flexible employment practices, among others.

7:1:1 Areas for Improvement in Human Resource Management

The following seven areas for improvement will be considered:

(i) Develop and institute an effective Human Resource Management policy.

This will be based on a strategy which seeks to optimise the skills, energies and aptitudes of public servants, and change the culture and principles which inform and guide management practices in the public sector. It is a fundamental task, which will spur all other changes in the system. To assist in achieving this change, a policy statement on what
Human Resource Management in the public service means, will be issued. It will be a practical set of principles to be observed by public servants in the delivery of goods and service in an efficient manner. This approach will help to attract to the public sector, talented persons with various qualifications who are eager to get the job done.

The job, however will not be done well or at all, unless

- public servants are properly motivated
- organisational justice (equity and fairness within the system) prevails
- there is due recognition for work done, and
- the nature of the work is in accordance with their training, aptitudes and capabilities.

(ii) **Correct deficiencies in Human Resource Management policies and practices.** It is accepted that deficiencies are inherent in the traditional approach taken towards Human Resource Management. These deficiencies include

- the absence of clear job descriptions,
- continued use of long-term temporary posts and acting appointments,
- uncertainty and dissatisfaction with the performance review system and the overwhelming weight placed on seniority per se for promotional purposes.

These deficiencies result in a lack of motivation, low morale and frustration which could undermine commitment to self-improvement and
improvement in the public service.

In addressing these issues, the government will put a merit system in place which is transparent and has the confidence of all involved. This action will help to secure a motivated public service as well as create the necessary environment in which public servants will -

(i) want to work to the best of their abilities;
(ii) take pride in their achievements;
(iii) identify with organisational goals;
(iv) act as their own source of discipline;
(v) respond to opportunities to learn;
(vi) take responsibility for improving service; and
(vii) be willing to be held responsible.

To achieve this, the reform programme will -

• promote a policy of delegation of personnel management through changes in the legal instruments covering personnel administration;

• provide and encourage leadership from within ministries and departments through the institution of Internal Reform Committees which will be representative of all categories of employees of the agency;

• highlight the importance of employee discipline for achieving progress and improve discipline by making employees conversant with good practice and standards of conduct, rules, conventions and corrective measures for departure from such standards. The aim will be to move
employees towards better self-discipline and to their assumption of responsibility for any counter-agency behaviour displayed;

- institute ways to recognise excellent performance by means of appreciation and incentive awards; and

- improve systems for acknowledging merit and achievements, promotion and opportunities for career development.

(iii) *Create a new organisational structure for the management of Human Resources functions*

This agency may be called the Ministry of Human Resource Management. It will provide the necessary integration and co-ordination of human resource functions not assigned to the Public Service Commission.

(iv) *Treat Human Resource Management as an area of specialisation for staff.*

A new specialist or professional stream of human resource management officers will be identified within the classification of public service posts. This approach will correct the limitations now associated with the post of Personnel Officer and generate officers both well-trained in all aspects of human resource management and attuned to new thinking on the subject.

(v) *Upgrade and change the current technology for management*
Accelerate computerisation of all the information on human resource management at the central level to provide online capability, storage and retrieval of all information for timely dissemination within the Ministry of Human Resource Management and to other Ministries. With over 20,000 employees in the public service, it is vital to access information on relevant personal data, salary, wages, benefits, leave, attendance, absenteeism, health and other government statistics.

(vi) **Decentralise Human Resource Management Functions.**
Ministries and Departments will be structured where appropriate, with Human Resource Management Units to implement the new policy for better management of human resources. This approach will provide the public service with Human Resource specialists speaking the same language and thinking along common lines on the subject. It will facilitate a policy of rotating these officers among agencies without loss of efficiency. Support for this action, will come from manuals and guidelines on human resource management policies and good practices.

(vii) **Assess the future role of the Public Service Commission.**
The role of the Public Service Commission must be re-evaluated in the context of the growth and complexity of the human resource management function and the need to decentralise some personnel functions to attain better management and accountability in line ministries. It is now considered that the part-time appointment of a Chairman cannot effectively cover all requirements. A full-time
Chairman will be appointed to improve the functioning of the Commission and provide better and timely service to the public sector.

The government sees these components of the reform as highly important because they will -

(i) help public sector agencies to establish and manage harmonious working relationships both internally and externally;
(ii) encourage staff of the agency to maintain compliance with the relevant legislation directing their performance;
(iii) help public sector agencies to create opportunities and the right environment to foster self development practices and the utilisation of the skills of employees;
(iv) stimulate employees to choose to remain with the agency and function in highly satisfactory and productive manner; and
(v) enable the agency to attract and retain quality employees when it has meaningful and progressive human resource policies in place.

7:2 Other Human Resource Management Considerations

Some areas of concerns which surface regularly include temporary and acting appointments, recruitment and placement, conditions of service, General Orders, Employee comfort, Management Information Systems, Training and Development and Performance Appraisals.

7:2:1 Temporary Appointments
A special Unit has already been set up at the Personnel Administration Division to review the status of persons holding temporary appointments on a long term basis. So far, over four hundred of these temporary employees have been given permanent appointments. The Unit is continuing its review and it is expected that additional permanent appointments of temporary officers will be made in the near future subject to the availability of vacancies.

This action will bring job security to these officers and will enable them to plan and organise their personal arrangements with greater confidence. However, the ongoing practice of creating and filling temporary posts is being carefully monitored by the Ministry of the Civil Service. It is anticipated that in the medium term, less reliance will be placed on this procedure, when organisational reviews are undertaken in agencies to assess conditions of over staffing and under staffing. Temporary appointments, wherever feasible, will only be continued specifically on a time and task basis.

7:2:2 **Acting Appointments**

The need for acting appointments especially of a prolonged nature will also be reviewed. Such appointments provide direct benefits to staff in terms of an opportunity to perform at a higher level and to gain experience. Whilst there is utility in this aspect, acting appointments can lead to frustration and unrealised expectations, especially when acting
arrangements go deep into the structure of the agency, and when appointments cannot be made because the positions are still held by substantive holders who are elsewhere engaged in the service.

In the circumstances, the public sector reform programme will examine such alternatives to the system of prolonged acting appointments which will address the problem.

7:2:3 Recruitment, Selection and Placement

Concerns have been expressed over recruitment and placement policies. This situation will be dealt within the context of a reforming public sector which is placing increased importance on performance improvement, delivery of quality service, enhanced productivity and overall efficiency and effectiveness from each employee.

Accordingly, the current recruitment, selection and placement practices and policies will be re-assessed with a view towards ensuring that:

- procedures are aimed at recruiting persons of the highest calibre and are applied fairly and with consistency to all;
- the right person is selected and recruited for the job;
- placement is in accordance with the nature of work, skills and aptitudes required for its performance;
- profiling of selected positions and staff for such positions is undertaken; and
- performance appraisals are done systematically.
Current recruitment practice tends to emphasize certification for securing the job. While this is an indispensable feature, it does not necessarily mean that the person presenting certificates is the ‘right’ fit for the job. Other modern assessment tools to be utilised so that more focus and the appropriate weighting will be placed on attitudes and aptitudes of prospective employees. Testing in some areas will be considered to ensure that the best person is recruited for the job. A new Qualification Order will be developed which reflects the new levels of competencies and skills required in a modern organisation.

The length of time it takes the central agency to recruit temporary personnel is one of the concerns of Ministries and Departments. Ministries, departments and agencies, requesting replacement and temporary staff, have experienced seemingly interminable delays in securing approval from the appropriate authorities. Experience shows too, that prospective recruits, in the face of slow responses, have had to seek and accept employment elsewhere.

In the reform process, Ministries and agencies will be given some responsibility to participate directly in the recruitment of personnel at specified levels. The Ministry of the Civil Service and Personnel Administration Division will develop guidelines to regulate the process of the recruitment.

7:2:4 **Conditions of Service**

Government will place additional emphasis on maintaining improved
conditions of service for employees in order to encourage them to perform at an optimum level. Conditions of service must permit employees to enjoy their work, within the context of conventions, rules and guidelines regulating public service behavior. Organisations will also be encouraged to provide an organisational climate conducive to cooperative behaviour, and harmonious interpersonal relationships, which inspire a sense of confidence, security and trust in people and the system.

7:2:5 General Orders

The General Orders are central administrative directions which address the working arrangements of public sector employees. These Orders deal with issues such as -

- appointments, recruitment, transfer and secondment;
- conduct of officers and employees;
- leave of absence and leave passages;
- training in the Public Service;
- pensions, gratuities and other retiring allowances;
- loans and allowances;
- staff relations and trade union activities; and
- miscellaneous matters.

The General Orders will eventually become integrated into appropriate Regulations in the form of a Public Service Act.
7:2:6 **Employee Comfort**

The office accommodation and other physical working conditions of some government departments need substantial upgrading, including the provision of new accommodations. Employees have drawn strong attention to this chronic problem at times in decisive ways. Many productive hours are lost to sickness as a direct consequence of bad office accommodation. A satisfactory standard of accommodation in which both the public and the employees can do their business in comfort is urgently required.

The government will give this matter priority. The Accommodations Committee will survey the full requirements for government’s office accommodation and short term and long term solutions will be undertaken in the context of a policy for improving and managing government’s physical assets.

7:3 **HUMAN RESOURCE MANAGEMENT INFORMATION SYSTEM**

A computerised data bank of all staff within the public sector will be created. At present, the Civil List provides information on persons occupying various established positions within the Civil Service. However, there is no corresponding list regarding the personnel in unestablished, temporary or casual posts. Casual employees and staff of statutory agencies are not listed in the data bank. The Management Information System will account also for such personnel.
The Government views the establishment of the data bank as necessary and urgent to inform and improve processes of staff placement, manpower planning, career and succession planning and promotion. Transfers of staff and the payment of government pensions will also be facilitated by such information. Each ministry, department and agency of government will therefore be required to maintain an updated record of all its personnel. This information will be interlinked to the data bank within the Ministry responsible for human resource management and development.

The Ministry of the Civil Service has already received technical assistance from the United Nations Department of Management Services in the form of an expert in computerised data base systems, to prepare a plan and to advise on the hardware and software requirements and installation.

The expert has submitted a preliminary report and the Ministry of the Civil Service has started to collect basic personal data in collaboration with Personnel Administration Division and the Data Processing Department for a database system. The Ministry has also acquired computers to facilitate the task. It is expected that the data base should be completed within one year.

**7:4 TRAINING AND DEVELOPMENT**

Training and development programmes will be organised specifically to re-orient attitudes, values and behaviour, develop business culture within government agencies, and equip employees with the skills and capabilities to manage the change process and to perform the job competently. It will be
Prescribed training at each level in the ministry, department and agency will be undertaken.

The proposals for training and development will ensure that -

(i) agencies undertake training needs assessments to determine what needs exist and the type of training required. The assessments will cover staff at all levels of management from executive and supervisory, to clerical and related grades;

(ii) appropriate training programmes are designed for implementation following the assessments;

(iii) programmes of training for various levels of staff are established;

(iv) resources are identified from local or overseas sources to execute the training programmes;

(v) officers are identified and selected to manage the training function. Ministries and Departments will be responsible for mounting training programmes specific to their needs within an agreed time-frame. This approach will support the Training Administration Division which operates with a small staff of
trainers. In the circumstances, it will be necessary to increase the training of trainers;

(vi) training evaluations are conducted annually in order to assess the impact of the training which has been delivered; and

(vii) a comprehensive training policy is put in place.

Public Sector Reform will be achieved through the training of public servants who will be encouraged to think differently about the public service and their own role in it. The training programmes will therefore emphasize knowledge-building skills, and the formation of values, such as quality, productivity, innovation, discipline, integrity, accountability and professionalism, which will support the development of excellence in the Public Service.

Programmes will be organised in areas including:-

- Training for top management;
- Special focus seminars in areas of behavioral modification;
- Orientation and induction training;
- Training in financial management;
- Training in human resource management;
- Special training relevant to departmental needs;
- Training in total quality management;
- Action learning;
- Project planning; and
• Training for trainers.

Training is viewed as both a developmental activity and an investment in the human resource. Government has committed itself to organise its expenditure priorities, to ensure that a critical minimum amount of finance is available to be allocated for training.

The training proposals will utilise a total training concept, which assures the Government that the public sector will have the opportunity to be staffed continuously with highly skilled, knowledgeable and professional personnel, willing to provide excellent service to the public.

7:5 PERFORMANCE APPRAISAL

Performance appraisal will play a significant role in the government’s human resource strategy. A meaningful and equitable system of performance review will:-

• provide an important opportunity for dialogue;
• relate individual performance to organisational goals and
• test competence.

The performance appraisal system, or format used in the public service provides an opportunity for appraisers to be highly subjective in their assessment of the employee. This creates problems and incurs resentment from employees who adjudge themselves to be unfairly treated. The image of the system is tarnished and public officers have grown to have little faith in or regard for the system. It
White Paper on Public Sector Reform

is perceived, at times, as a chore to be disposed of quickly or as a threat to be carried out at the opportune time against the employee. The subjective orientation of the system, permits it to be used likewise, to grant a favour to an employee deservedly or otherwise.

The system is again considered ineffective because it resolves itself simply into the appraiser completing the form and the employee signing or refusing to sign it. There is little or no communication between the appraiser and the employee. In addition, reliance mainly on the Annual Confidential Report as a means of assessing individual performance, does not serve the best interest of the employee, the ministry or department. The system can be flawed by using judgements which are based solely on a specific incident over a time period. Moreover, the time period of a year is too long for meaningful assessment to be made, especially when appraisers and staff are changed during that time.

Given the problems associated with the present system of performance appraisal, a more effective system- will be instituted. This system will be objective and transparent and will take into account the needs of both the employee and agency.

The performance appraisal system will be tied to stated and agreed upon objectives between the employee and the Head of the Ministry and Department, within the context of the overall objectives of the Ministry and Department. Employees will be appraised on the basis of task accomplishment. Appraisals will be done twice yearly.

A vital component of the overall system will be to make it mandatory for the
appraiser to conduct a pre-arranged communication between the appraiser and the employee. The appraiser and the employee will receive training in the appraisal process to build confidence that the system being used is fair and objective.

7:5:1 Benefits to the Employee

Standard benefits to the employee through a revamped appraisal system are:

(i) opportunities to discuss career development and to clarify the tasks in hand or anticipated;
(ii) opportunities to discuss areas of dissatisfaction and the action to be taken to remedy them.
(iii) ways of bringing the employee’s potential to the notice of management to see how that potential may be realised;
(iv) ways of expressing personal wishes and needs to see how the agency may help in providing them;

7:5:2 Benefits to the Agency

The agency will benefit through being able to:

(i) determine individual objectives and how well they are being attained;
(ii) clarify who should be promoted or transferred and assess who should be considered for advancement;
A well designed participative appraisal system serves as an effective motivator for employees; and when institutionalised, understood and used with continuity, benefits the employee and agency alike.

A revamped appraisal system will set out:

- How appraisals will be done;
- Why appraisals will be conducted;
- What information is to be collected and used for the appraisal;
- What time period is required for studying the data;
- Where the appraisal will be conducted and what procedures will be used.

Since the nature of the work in ministries and departments varies, the use of one standard appraisal system for all staff may be considered inadequate. Consideration will be given to developing systems of appraisal appropriate for categories of staff working in different agencies.

The Government proposes to implement an effective performance appraisal system during this year as a priority measure. A committee of senior public sector executives is currently working with a specialist on Performance Management from the Commonwealth Secretariat, designing a performance appraisal instrument for early testing. The training of appraisers will be started in the short term. Essential elements of such training will include
communicating, coaching, counseling, negotiating and developing techniques which will improve productivity and performance.
White Paper on Public Sector Reform

No system is in place to appraise the performance of top managers in the public sector. A system of appraisal will also be considered for this category of staff in the review exercise, using the overall objectives of the organization and reports of accomplishment during the year as one of the tools of assessment. Other tools will be devised in consultation with the Public Service Commission and the committee of Permanent Secretaries, with other persons co-opted as appropriate.

7:6 RECOGNITION/REWARDS/INCENTIVES

The Government will place greater emphasis on recognition, rewards and incentives programmes, because they contribute to improving the performance of public officers. Government agencies will be encouraged to institute incentive programmes to reward outstanding performance and excellence by staff. The awards will be of a non-monetary and monetary nature, at the individual, section or team levels. Information on incentive awards will be included among the guidelines being prepared by the Ministry of the Civil Service.

Chapter 8

FINANCIAL MANAGEMENT

8:1 NEED FOR FUNDAMENTAL CHANGE

The upkeep of the Public Sector represents a considerable cost to government.
The annual Estimates of Expenditure reveal the large sums of money appropriated for the payment of salaries, wages and other administrative costs to keep the state apparatus functioning. Indeed, for the financial year 1995-96, the sum of $518,000,000 has been allocated, representing 43% of government's current expenditure. Funds for this purpose come from taxation or domestic and foreign borrowing. The government of Barbados must therefore manage its finances efficiently to provide value in terms of service for the revenue it has raised from the public.

Public Sector Reform will seek to bring about fundamental change in the traditional system of Financial Management in the public sector. The changes will -

- provide improved facilitation in the use of financial resources by agency managers to enable them to meet their programme targets and produce results, and
- ensure that the cannons of financial propriety are not abused or disregarded to invite opportunities for corruption in public sector financial dealings.

A special committee, set up in the Ministry of Finance has made recommendations for improvement in the system. In addition, a team of consultants is working on institutional strengthening of public expenditure management, in close collaboration with the committee and government financial and revenue agencies, to ensure that needed improvements are realised.

The following actions are proposed -
(i) An immediate review of the rules and procedures which now govern financial administration;

Indeed, the committee has recommended specific amendments to the Financial Rules dealing with ceilings for the awards of contracts, the supply of goods without tenders being invited, and the use of computerised vote book and accounting systems in ministries and departments.

(ii) Putting the mechanisms in place for -

(a) greater flexibility within the financial management system including the use of virement which is the transfer of funds from one allocation to another;
(b) the introduction of systems which would make for:
   • greater accountability regarding the use of public funds;
   • the presentation of timely and accurate financial information;
   • a higher degree of transparency in financial transactions, particularly in relation to contracts for goods and services;
   • better management of supplies and materials; and
   • improved property management;
(c) the strengthening of the capabilities within the accounting sections of ministries, departments and agencies;
(d) the introduction of a strategy which will include:
   • the production of a multi-year financial plan;
the implementation of a programme budgeting system in the Ministry of Finance and Economic Affairs, the line Ministries and other institutions of government;

the implementation of a value-for-money auditing system within the office of the Auditor General;

the introduction of changes to improve the operational efficiency in the office of the Accountant General;

the implementation of a management information system to link the Ministry of Finance with the accounting divisions of line Ministries, to effect greater control over expenditure management within the public service; and

provision of training programmes for government officers in financial management.

8:2 TRAINING IN PROGRAMME PERFORMANCE BUDGETING

Training has already been carried out for staff of the Budget Office of the Ministry of Finance in the area of methodology and mechanisms of programme performance budgeting and the changes required to make it effective. A pilot project in this area has been completed and the format developed is being used as a practical tool for orientation training in Ministries and departments to prepare them for full implementation of the new system in the next budget formulation cycle.

The project has shown that for programme performance budgeting to work effectively -
White Paper on Public Sector Reform

• more authority and discretionary power is needed at the operational level of the programme managers. To hold them accountable, they need certain flexibility;

• the current rules and policies under which expenditures are absolutely restricted to the individual object of expense line item in the Approved Estimate, needs to be reviewed;

• performance cannot be absolutely budgeted for; things change and often unpredictably. Programme Managers need to make adjustments in expenditure patterns to meet these changed conditions;

• if virement authority is not granted to Permanent Secretaries, a substitute method of quickly reviewing and deciding on budget allocations needs to be instituted; and

• the half year review is not nearly responsive enough.

The foregoing issues are being addressed by the Ministry of Finance with the implementation of the new programme performance budgeting system.

8:3 REFORMS IN REVENUE DEPARTMENTS

Action is in progress to enhance capability in revenue collection in -
(a) the Inland Revenue Department, where institutional strengthening is taking place to better enable it to do assessments and collection of taxes in an efficient manner.
(b) the Customs and Excise Department, through developing enforcement programmes for audit and collection functions related to customs duties and VAT. The existing information technology systems in the department are also being enhanced.

(c) the Land Tax Department, through the use of upgraded management information systems to provide accurate and better quality information in order to improve service to the public.

Chapter 9

IMPROVEMENT IN THE DELIVERY OF SERVICES TO THE PUBLIC

9:1 PUBLIC RELATIONS

The marketing of the Public Sector Reform is an important activity in the building of public and employee support for the programme. A communications strategy has been developed. It calls for the use of both the print and electronic media to carry news features, informercials, discussions and other special focus programmes. Communication on a regular and timely basis will be sustained at all levels. Communication involving monthly, quarterly or annual reviews at work team levels in Ministries, will be facilitated with the assistance of the Ministry of the Civil Service.
The Ministry of the Civil Service has distributed a Logo and slogan ‘Making Barbados Work Better’ to help give an identity to public sector reform. In addition, other print material such as brochures, posters, stickers and book markers, have been distributed to all Ministries and Departments for use by employees. A Newsletter entitled ‘A Challenge to Change’ has been distributed in January 1997 to all government agencies. The purpose of the Newsletter is to share information on events throughout the public sector.

Public information and education programmes on the functioning of the public sector will be strengthened and expanded to keep citizens abreast of the services available through government agencies. Specifically, the information will include:

- the reason the organisation exists and its objectives;
- the structure in place to deliver the services or variety of services it provides;
- where and how services can be obtained and if applicable, the cost of obtaining such services;
- the persons whom the public may wish to contact in cases of grievances regarding the quality and delivery of such services; and
- measures of redress.

Government agencies will be required to prepare brochures/pamphlets of such information for public information, within specific time frames. The marketing of these services will be facilitated through the Government Information Services or other private sector marketing agencies as circumstances permit.
Citizens are entitled to expect and receive high quality services befitting their needs and provided in an efficient and cost-effective manner. They also expect courteous, fair and prompt service and should demand high standards of service and performance from the public sector. One way to accomplish this, is through the use of a Customer’s Charter.

The operation of a Citizen’s Charter (Customer’s Charter) as instituted in the United Kingdom in 1990, can have direct application to the Barbados situation.

What is a Citizen’s/ Customer’s Charter? It is a comprehensive programme designed to raise quality, increase choice, secure better value and extend accountability. Elements on which the Charter operates are:

- Quality - this must be a sustained programme of improvement in the public service;
- Choice - choice wherever possible between competing providers to vie for quality improvement;
- Standards - the citizen must be told what service standards are; and must be able to act where service is unacceptable;
- Value - the citizen is also a taxpayer. Public servants must give value for money within the financial means of the country.

The Charter programme will vary according to the service being offered. It calls for a mix of approaches and strategies to raise quality of service and
standards in the way most appropriate to each agency.

The Charter is not a legislative instrument. It is a pledge of the agency’s intention and action to use its best efforts to honour the standards and quality of performance it has set for itself to meet the expectations of the public. In a Charter programme every customer is entitled to expect standards, openness, information, choice, non-discrimination, accessibility and better redress.

9:2:1 Standards

Explicit standards, published and prominently displayed at the point of delivery. These standards should embrace practical aspects of courtesy, and helpfulness from staff, accuracy in accordance with statutory entitlement, and a commitment to prompt action which might be expressed in terms of a target response or waiting time. Standards set will not be static but will be progressively improved as services become more efficient.

9:2:2 Openness

Customers should not be denied information on how the public services are run, how much they cost, who is in charge and responsible, and whether or not the standards set are being met or observed. Public servants need not be anonymous in normal circumstances. Those dealing directly with the public should wear identification badges and give their names on the telephone and in letters.

9:2:3 Information
Information given to customers should be full, accurate and be readily available on services which are being provided. Targets should be published, together with information on results achieved. Wherever possible, information should be in comparable form, so that there is a pressure to emulate the best.

9:2:4  **Choice**

The public sector should provide choice wherever practicable. The people affected by services should be consulted. Their views about the services they use should be sought regularly and systematically to inform decisions about what services should be provided.

9:2:5  **Non-discrimination**

Services should be available to all regardless of race or sex or disability.

9:2:6  **Accessibility**

Services should be run to suit the convenience of the customers, not staff. Flexible opening and closing hours and telephone enquiry points that direct callers to someone who can help them should be available.

9:2:7  **Better Redress**

Each customer is entitled to a proper explanation and apology when the service goes wrong. The complaints procedure should be well publicized and be readily available. Problems should be corrected and mistakes not repeated. Where feasible, redress should take into account alternative forms of compensation for very poor quality service delivered.
to the detriment of the client.

9:3  IMPLEMENTATION OF CUSTOMER CHARTERS

In the public sector reform programme, government agencies will develop and implement Customer Charters which will give guidance to users of their services.

The Ministry of the Civil Service has already mounted a series of workshops on implementing customer charters for personnel in leadership positions from 21 government agencies, with some assistance from the Commonwealth Secretariat. Further seminars will be held to develop national charters for revenue collection, tourism and health sectors. Departmental charters will also be developed. These charters will result from an analysis of the activities of the department and the identification and institution of requisite training to support a Charter programme.

The Ministry of the Civil Service will put appropriate arrangements in place to coordinate the action being taken by agencies applying the charter principles to their own organisation. It will also increase training in this activity both locally and abroad to secure the implementation success.

9:3:2  Commitment to Charter Implementation

The Government is committed to implementing the Customer Charter
principles in public sector agencies as a priority matter, because it believes that Charters will improve the performance and quality of service of the public sector. As soon as the Customers Charter is instituted and publicized, customers will expect the commitment to raising standards to be achieved, and the raised expectations of the customers should impel the respective agency to respond positively.

The Government recognises and cautions however, that the mere existence of a customer charter cannot by itself guarantee the delivery of quality services in certain activities, specifically where personal service is a function of availability and use of resources, at any given point in time. But the over-riding principle which remains, is that the best service must be provided within the context of the agency’s commitment to deliver quality service to the customer.

9:4 THE PUBLIC AS CUSTOMER

The use of the Charter principles is consistent with the Government’s policy of offering citizens greater involvement and empowerment in the business of governance.

The emphasis on individual rights to choice and quality, however, must not ignore the fact that citizens have corresponding duties. Having acquired rights to services through the payment of taxes, the public has to exercise corresponding duties as members of a community as well. Even in a market-driven economy, the burden of accountability should not rest exclusively on the public service.
At another level in customer relations, special attention will be given to front-line employees who interface constantly with the public at large. Guidelines will be drawn up for these persons in areas of counter-services, the better use of the telephone and redress for public complaints. Training sessions have been held on the use of the telephone for groups of telephonists and receptionists. Guidelines entitled ‘The Service of Your Voice - How to Make the Telephone Work for You’ have been completed and have been circulated to all agencies. Further training in appropriate disciplines and skills will undoubtably improve government customer-relations.

9.5 PREPARATION OF GUIDELINES

The Ministry of the Civil Service will prepare and issue Guidelines to set direction and ensure consistency of action at all levels of the public sector. The areas in which guidelines will be prepared are as follows:-

- relationship between Ministers and Permanent Secretaries;
- guidelines on the use of the telephone (The Service Of Your Voice - already completed and issued);

- guidelines to enhance relationships between Public Sector Boards and Ministers;
- guidelines on the role and responsibilities of Secretaries;
- guidelines on the work of the Internal Reform Committees;
White Paper on Public Sector Reform

- guidelines on undertaking organisational reviews;
- guidelines on the preparation of customer charters.
Chapter 10

ORGANISATIONAL STRUCTURE FOR REFORM PROCESS

An organisational structure to support and lead the Public Sector Reform effort has been agreed on at meetings of the Cabinet, Permanent Secretaries and Senior Government Officials. It is shown in the figure II.

The structure consists of a Steering Committee headed by the Prime Minister, the Ministry of the Civil Service and Office of Public Sector Reform as coordinating agency, the Committee of Permanent Secretaries, Ministers and Permanent Secretaries, Internal Reform Committees in Ministries, Head of Departments, a Task Force/Advisory Body and a Citizens Council.

10:1 ROLES AND RESPONSIBILITIES ASSIGNED TO ORGANISATIONAL STRUCTURE

Participants in the structure will share a leadership role and be fully involved in the process. The major roles are as follows:

10:1:1 Prime Minister

The Prime Minister provides the highest level of guidance, leadership and advocacy for PSR. The key responsibilities for the Prime Minister are to:
• provide top level leadership, direction and vision
• review results, encourage and recognise progress;
• provide resources and support;
• represent reform efforts nationally and internationally;

10:1:2 **Steering Committee**
The Steering Committee consists of the Prime Minister, two Cabinet Ministers and the Head of the Civil Service. At policy level, it will provide executive oversight for the whole reform exercise. It is a decision-making body with a broad mandate to direct, monitor and evaluate the implementation of the programme in keeping with government’s policy objective and development programme. The Steering Committee will focus on the requirements, resources and strategy for Public Sector Reform, and be accountable for results.

10:1:3 **Ministers**
Ministers will provide leadership and support for the PSR initiatives at the Ministry level, and retain accountability for the performance of their ministries. The key responsibilities for the Ministers are to:
• provide leadership at the ministry level;
• set and reform policy as required;
• participate as needed on Steering Committee;
• review results, encourage and recognise progress;
• secure resources;
The locus of responsibility for coordinating the reform effort rests with the Ministry of the Civil Service. The Office of Public Sector reform headed by a Director, has been set up in the Ministry. It will be staffed with persons trained in reform and restructuring and be supported with consultancy services. Some of the key responsibilities of the Ministry of the Civil Service, Office of Public Sector Reform are to -

- provide leadership and guidance and assist Ministries/Departments as needed in implementing their reform programmes;
- monitor and evaluate activities and programmes to ensure that reform objectives are being realized and keep the public abreast of progress in relation to the reform efforts;
- mount activities and execute programmes in collaboration with Ministries, Departments and Agencies, as well as with the social partners in the interest of achieving reform objectives;
- advise the Steering Committee on all matters pertaining to the reform programme and, in particular, those with policy implications;
- provide training and education, and required skills, support research and analysis on PSR;
• serve as a Clearinghouse and ensure compliance with guidelines for PSR; and

• respond, be fair and unbiased and be accountable for results.

10:1:5 Committee of Permanent Secretaries

This committee will serve as a forum for consultation on reform activities. It will advise and make recommendations through the Head of the Civil Service to the Steering Committee on matters requiring policy direction and initiation. The role of the committee of Permanent Secretaries will be enhanced generally and support will be provided for the Office of the Head of the Civil Service.

10:1:6 Sub-committee on Information Technology

This Committee will co-ordinate the Government’s information technology strategic plan which is being developed with the assistance of Consultants from the United Kingdom Central Computer and Telecommunications Agency. The Sub-Committee will provide leadership which will enable the public sector to provide better services through the use of information technology.

10:1:7 Permanent Secretaries & Heads of Departments/Statutory Boards
The key responsibilities of these senior government executives in support of Public Sector Reform will be to -

- lead, direct and guide the implementation effort;
- pursue national VISION and Mission for reform;
- review PSR results and measurement at their level;
- ensure resources and manpower for support; and
- communicate and motivate staff and reward and recognise performance

10:1:8 **Internal Reform Committees (IRC)**

Each ministry, department and agency will set up, an internal change management team called, the Internal Reform Committee. This committee will be broad-based with representation from all sections and staff categories. The committee will assist in the public sector reform programme through planning, research, analysis, process improvement, measurement, implementation of outcomes and evaluation of efforts. The Ministry of the Civil Service will assign a Management Development Officer to each Ministry to assist in the implementation of the reform programme.

10:1:9 **Task Force/Advisory Body**

A Task Force/Advisory Body comprised mainly of representatives of the private and public sectors has been set up. It will provide expertise, independent thinking, technical and business advice to the Steering
Committee through the Minister of State in the Prime Minister’s Office, on relevant components of the reform programme.

10:1:10  **Citizens Council**

The Citizens Council will be a volunteer council made up of citizens who represent individuals, action groups, organisations and various elements of the community (school systems, legal systems, etc.).
Chapter 11

ROLE AND FUNCTION OF CABINET

11:1 CONSTITUTIONAL SOURCE

Section 64 of the Constitution of Barbados provides that there shall be a Cabinet for Barbados which shall consist of the Prime Minister and not less than five other Ministers appointed in accordance with the provisions of Section 65 by the Governor General.

The Cabinet is the principal instrument of policy. It is charged with the general direction and control of the government and is collectively responsible to Parliament.

11:2 PRINCIPAL FUNCTIONS OF CABINET

The Cabinet deals with all matters of policy including draft legislation which requires the approval of Parliament; all matters involving expenditures and financial arrangements requiring the sanction of Parliament; and matters connected with the prudent and efficient functioning and general direction of the administration of Government.

The Cabinet's principal functions are usually articulated as follows:
(i) making the final determination of all policy matters submitted to
Parliament;

(ii) exercising the supreme control of the executive arm of government in accordance with the policy measures passed through Parliament;

(iii) providing the continuous coordination and delimitation of the interests and functions of the several Ministries, government departments and agencies.

(iv) the giving of collective advice to the Head of State through the Prime Minister.

The functioning of the Cabinet will be reviewed in the Public Sector Reform exercise to address any problems of a management and development character. In this regard, consideration will be given to strengthening the monitoring systems and feed-back capacity of the Cabinet Office, to ensure that the decisions taken by the Cabinet are implemented in a timely manner by the appropriate government agencies.

11:3 FUNCTIONAL RELATIONSHIP BETWEEN MINISTER AND PERMANENT SECRETARY

Ministers and Permanent Secretaries work in a dynamic relationship, but ultimately, the Minister determines policy and the Permanent Secretary functions in the context of legal accountability, for instance, under the Financial Administration and Audit Act.
The Permanent Secretary’s principal role is chief policy adviser to the Minister. This role is acted out within the context of relationships between the Minister, Heads of Departments, including Chief Technical Officers and where appropriate external consultants. In the reform process, the Permanent Secretary and the Minister will deal with their relationships in an open, confident, trustworthy and mutually respectful manner. They must employ a sound partnership arrangement in order to perform their roles and overcome difficulties. When respective roles become blurred, they create tensions and pressures for both parties. This blurring occurs in the areas of decision-making, policy formulation or regulatory application and tends to impede effective delivery of services to the public.

The blurring of such basic policy issues and management functions will be addressed through the provision of guidelines to clarify the functional relationship between Ministers and Permanent Secretaries. The guidelines will emphasise partnership as a critical success factor, which must be created, cultivated and sustained through mutual sharing of information and other consensus-building initiatives.
Chapter 12

12:1 THE CHANGING ROLE OF GOVERNMENT

The Government, within the context of its stated VISION for Public Sector Reform will pursue programmes consistent with its macro-economic policies, and oriented towards a market-driven economy. This approach will not necessarily imply less government, but different and more effective government, working to achieve greater economic growth, stability and capacity for continuous development. Government’s changing role will involve:

- being a catalyst for change and development;
- disengaging itself from those areas where the market works efficiently;
- promoting and continuing activities where the market alone cannot be relied upon;
- facilitating, regulating and monitoring activities in the public interest;
- more inter-action with the private sector, non-governmental organisations and private voluntary organisations through the work of the Economic Commission and the Social Commission which have already been set up as advisory bodies to assist in the furtherance of government’s macro-economic and social policies and objectives.

The public sector reform programme will strongly support the government’s changing role through increased focus and action on policy formulation, leadership and planning.
12:2 ROLE AND FUNCTIONING OF STATUTORY BOARDS

The Government will continue to use Statutory Boards and State Enterprises in crucial areas of the economy and society to promote and facilitate its social and economic development policies. Some Boards have drawn severe public criticism and scrutiny regarding their roles and functioning, specifically pertaining to:-

- the level of inefficiency in their operations and their involvement in operations perceived to be better suited to be undertaken by the private sector;
- being a financial burden on the public purse; and
- perceived political interference in the day to day management of the Boards.

Government’s reform programme for Statutory Boards will thus seek to:

- rationalize and streamline the structures, processes and systems within Statutory Boards to make them more viable;
- commercialise by contracting out those operations which could better be undertaken by the Private Sector; and
- support Boards whose activities are transparently developmental.

Government will enhance overall performance improvement in Statutory Boards in the following manner:
12:2:1. **Compositions of Boards**

Government will ensure that appropriate experience and expertise are the main criteria for selection of Board members.

12:2:2. **Management Improvement in Boards**

(i) Boards of a commercial nature will be required to set performance standards; and deliver results to match those standards.

(ii) Selection and remuneration of top managerial positions will be based on agreed criteria which will attract and retain high quality staff.

(iii) Roles of the Board and Management and Ministries will be clarified.

12:2:3. **Mechanism of Accountability**

(i) Boards will remain accountable to the Minister.

(ii) A code of conduct will be established to ensure propriety and accountability.

(iii) Performance appraisal will be based on stated corporate objectives and performance targets as articulated in business plans.

The Government will develop guidelines to improve the management of
public sector boards. The guidelines will focus on strategic and operational issues, policy formulation and implementation, accountability, as well as clarify the respective roles and responsibilities of Ministers, Chief Executive Officers, Chairmen and Permanent Secretaries in management of Statutory Boards.

12:3 ROLE OF GOVERNMENT AND SOCIAL PARTNERS

Government, the private sector and Trade Unions have forged a relationship as social partners, to stimulate and ensure facilitation of the development process in Barbados. One tangible aspect of the relationship was seen in the signing of the Prices and Incomes Protocol as a mechanism for building partnerships among the partners. The Protocol aims at -

- providing notification and consultation in the event of structural changes, as well as to termination and changes to the existing terms and conditions of service;

- facilitating the establishment of an environment of greater dialogue among the Social Partners within which fundamental issues of economic and social policy may be discussed;

- improving the stability and sustainability of the industrial relations climate in Barbados;
White Paper on Public Sector Reform

- providing opportunities for improved access to employment, thereby reducing the risk of social dislocation, particularly among young people;

- initiating a national commitment to improve productivity, increase efficiency, reduce wastage and enhance performance in the economy;

- continuing to position Barbados strategically to take advantage of improvements in the global economy, and facilitating sustained economic expansion based on the export of goods and services; and

- providing an essential element of labour market reform which can assist in the continuing improvement of Barbados’ competitiveness.

In all this, the role of government is being redefined towards stimulating greater cooperation between the social partners and other non-governmental agencies which impact on the effective functioning of the Barbados economy and society. Government also has to carry out its new role by striving for improved performance in the public sector and by putting mechanisms in place to deliver efficient and improved services to the public and the business sector.

ROLE OF THE PRIVATE SECTOR
The private sector, as a social partner, is interested in securing the efficient functioning of the public sector, on which it must depend for regulatory facilitation for the conduct of its business. Also, it has to ensure, that existing socio-economic policies and the political environment are amenable to private sector activities and growth. The Private Sector takes the view that the main objective of Public Sector Reform is to position the government to work closely with the private sector in a healthy partnership/relationship based upon mutual respect, with the aim of enabling the private sector to compete effectively not only in the local and regional markets, but increasingly in the global market place. To assist it in fulfilling its role, the private sector will look to the public sector to identify the scope of its activities closely and in particular pay greater attention to issues such as -

- what mix of services the Government should be providing to the community;
- the timeliness and quality of such services;
- appropriate staffing to facilitate the needs of the economy;
- efficiency and fairness of tax collection.

In this regard, the government sees the private sector as performing a major role as the engine of economic growth and contributing to the overall development and success of the Barbados economy.
THE ROLE OF TRADE UNIONS AND STAFF ASSOCIATIONS

The Government recognises the role of Trade Unions and Staff Associations in promoting and safeguarding the rights and conditions of employment of their members. The government will continue its policy of dialogue and collaboration with these bodies in the interest of enhancing labour-management relations and maintaining overall socio-economic, political and organisational stability.

Indeed, the government acknowledges the important role which the Trade Unions play in the tripartite approach to industrial relations, which works towards the success of Barbados macro-economic programme.

The government will:

• respect the established norms of the collective bargaining process;
• protect the rights of employees against discriminatory tendencies and unfair practices;
• maintain conditions of employment which will support a properly motivated workforce.

The Government is committed to continuing its relations with the Trade Unions and Staff Associations in the most agreeable manner and in the interest of national development.

LEGAL REFORM

Government will update legislation relating to the Public Service to meet
the changing needs and circumstances of national governance. The legislation will also provide for regulating employment of public employees who are not covered by the Civil Establishment Legislation and whose terms and conditions of employment are governed under other legislation.

Specifically, consideration will be given to the development of a Public Service Act which will provide for:

- a clear definition of the public service and the creation and allocation of public offices;
- the rights of public officers including their trade union rights;
- the making of Regulations by the Minister to govern the conditions of employment of the various categories of public officer.
- the making of Regulations by the Service Commissions to govern their procedure in respect of engagement, discipline and termination of public officers.

This legislation will reflect the existence of a partnership philosophy between the Executive, the Service Commission, and the Trade Unions, in the context of efficient delivery of service to the public.

The legislation will -

- emphasize speed and efficiency in decision-making;
- provide for the employment of a Chairman of the Public Service Commission on a full-time basis;
provide for the engagement by the Commission, of the services of independent legal counsel as the need arises; and

consider what legal framework will be provided to deal with industrial relations and the collective bargaining process.

Overall, the legal reform will provide both public sector employees and the public with an appropriate modern legal regime, in which the duties, rights, responsibilities and culture of the public sector will be set out, together with arrangements for the resolution of disputes or grievances in a manner known and acceptable to all parties.

Chapter 13

OVERALL FRAMEWORK FOR THE PROCESS OF TRANSFORMATION AND COST IMPLICATIONS
FRAMEWORK FOR THE TRANSFORMATION PROCESS

The framework for the transformation of the Public Sector has already identified certain key elements (See Section III). This framework is represented as on the page following and serves an overall plan of action:
White Paper on Public Sector Reform

Refocusing Government

Clarifying the role of the State
Clarifying the role of the Political/Administrative directorate

Vision for the Public Sector

Providing a Vision which seeks to propel the Public Sector forward

Development of Organisational Missions

Providing a sense of mission, purpose and direction for organisations

Clarifying and re-defining organisational objectives

Ensuring that organisations are clear about key results to be achieved and in what time frames, etc.

Reviewing and re-designing organisational structures

Including and clarifying roles, responsibilities, authority and accountability relationships

Operating Mechanisms and Technology

Ensuring 'best practices' and focusing on process re-engineering. The use of information technology will also be emphasised.
Development of a Human Resource Management and Development policy is guided by informal management practices, training and development and organisational behaviour, etc.

Promoting greater flexibility, transparency and accountability within the financial management system.

Placing greater emphasis on recognition, rewards and incentives programmes which will contribute to improving the performance of public officers.

Providing a comprehensive programme designed to raise quality of service, secure better value, extend accountability and set standards for the public sector in dealing with the public.

Building support through an effective communications strategy for public sector reform, preparation and issue of guidelines and involvement of the public as appropriate in the process.
13:2  KEY ELEMENTS IN THE TRANSFORMATION PROCESS

Basically, the Reform Programme will focus on short term, medium term and long term change.

13:2:1  Short term actions will focus on -

- Strengthening the professional infrastructure and resources of the Office of Public Sector Reform and the Ministry of the Civil Service to provide assistance to Ministries and agencies in the implementation of the reform.
- Starting organisational assessments in Ministries and departments and the development of strategic plans.
- Special focus training for Management Development Officers and leaders of Internal Reform Committees in Ministries.
- Training at all levels in leadership and strategic planning and change management.
- Agreement of the level of financial resources to be provided for public sector reform activities by Steering Committee.
- Developing and implementing pilot customer charters in selected agencies.
- Communicating the Vision, Mission and objectives of Public Sector Reform service-wide to build awareness and affirm support for implementation of the reform process.
- Upgrading computerisation and management information systems.
White Paper on Public Sector Reform

- Preparation and issue of Guidelines to Ministries.
- Introducing a reformed Performance Appraisal System.

13:2:2 Medium and long-term actions will include -
- Continued training service-wide with emphasis on quality performance and team building.
- Reform of legislation controlling financial and human resource management.
- Promote public sector reform communications strategy through media and news bulletins.
- Institution of measurement and standard setting at all levels.
- Implementing reward/recognition and incentive programmes.

13:2:3 Action at the Ministry and Department levels, will be taken in line with the national action plan. Ministries and Departments will conduct action on the reform process with:
- Setting up of Internal Reform Committees.
- Organisational review and assessment.
- Development of Mission Statements.
- Production of and implementation of a Strategic Plan.
- Initiation of training in performance improvement and Customer Charters
- Development of awards and recognition programmes.
- Upgrading of computer technology and information systems.
- Establishment of measurement and standards of performance and evaluation criteria.
The Government affirms its commitment to the public sector reform process because it is a *sine qua non* for making Barbados work better at being more competitive global and being more responsive to the needs of the public. Government is pledged to provide a critical minimum amount of resources on a priority basis in the action areas where the Reform will produce the most beneficial results.

### 13:3 COST IMPLICATIONS

The transformation of the public sector envisaged in this White Paper will require adequate financial resources to ensure its successful implementation. However, without detailed analysis, it is not feasible to quantify these costs in any precise way at this stage. It is known, that costs will be incurred over the range of activities already outlined. The priority areas requiring financial resources are -

(i) Training and retraining in
   - human resource management
   - financial strategic management
   - policy development and analysis
   - management information systems

(ii) The provision of computers and other modern office technology with recurrent costs for operations and maintenance.

(iii) The provision of external consultancies to organise and conduct specialised training.
(iv) Office accommodation renewal, maintenance and upgrading of office furniture and equipment.

(v) Upgrading of the physical plant and technology at the Training Division, together with personnel, to enable it to undertake specified training service-wide.

The costs will not be exclusively new costs, but will be absorbed as part of the allocations to the various agencies for on-going activities. New costs will occur in the areas of infrastructure upgrading and acquisition and installation of new information systems throughout the public sector.

It is expected that some of the training and retraining elements of the reform programme, will attract support from international agencies and will be undertaken in collaboration with private sector training agencies. In addition, current resources will be redirected where possible, to give support and momentum to the process. It is expected that the costs associated with the foregoing five areas could be in excess of one million dollars per year over a three year period.

13:3:1 **BENEFITS**

Benefits will accrue at both national and organisational levels in the public sector reform programme. Some benefits are -

*National Level*

- faster delivery of public services;
- increased customer satisfaction;
- more attractive investment environment;
White Paper on Public Sector Reform

- higher national output of goods and services; and

- more people participation in the process of governance.

Organisational Level

- increased efficiency;
- opportunities for greater employee satisfaction in quality of work;
- higher morale;
- reduced operating costs; and
- continuous improvements;
Public Sector Reform is not a finite goal, but rather is an activity that must be ongoing in order that management in this area stays abreast with the dynamic changes taking place in the local society and in the global market.

The reform focuses on people, organisational processes and structures. It highlights the need for transformation and change in the existing ways of doing things. Its purpose is to change in a fundamental way, policies, systems, structures, attitudes and habits in the organisational culture we have inherited, thereby providing both staff and the organisation with the ability to serve the public more effectively.

The White Paper provides us with the important policy direction that the public sector in the twenty-first century must function at elevated levels of efficiency, productivity, openness and accountability. The public sector must likewise adopt and use a new set of values and a changed mind-set to become more customer-oriented in the delivery of services to the public.

This new management culture will best be facilitated through adherence to the stated Vision for the public sector, which speaks to the purpose, goals and significance of the reform effort, and through the pursuit of clearly defined missions and objectives for agencies engaged in the change process.
The White Paper sets out the key areas of challenge which have to be met and overcome and corresponding opportunities which must be embraced through innovation and creative action.

Adherence to teamwork, from the level of Cabinet to the level of ancillary staff is of prime importance for success. So also is partnership and cooperation at all levels within and outside the government. The observance and practice of the principles of mutual regard and respect are essential ingredients in the reform process.

The elaboration of the roles, responsibilities and relationships in the area of policy and management will promote understanding and facilitate the transformation process.

The White Paper contains the framework and elements arising out of a consultative process, on which agencies can chart specific measures for change within the constraints of their resources.

It also serves as a testimony of the Government’s intent and commitment to exercising the necessary political will, policy leadership and readiness to make effective decisions to move the reform process forward and achieve fundamental change in the projected time period of three to five years.

It is accepted that any change process will foster resistance, since change affects the “Comfort Zone” which would have been established in organisations over a period of time. It disrupts the status quo. Yet, reform is necessary to enable organisations to keep abreast with and respond to the changes which impact upon
their functioning.

The White Paper provides a broad approach to Public Sector Reform in Barbados. A number of activities will be pursued in the short term and will provide quick results. All the activities in the programme will require the serious and continued commitment of the public sector itself, the social partners and the political directorate, to carry the momentum and prevent slippage. The government confidently expects that public servants at all levels will respond to the challenges of the reform programme.
SECTION I

CASE FOR PUBLIC SECTOR REFORM
SECTION II

CHALLENGES AND OPPORTUNITIES FOR CHANGE
SECTION III

KEY ELEMENTS AND ACTION

STRATEGY IN REFORM
SECTION IV

STRUCTURE, ROLES, RESPONSIBILITIES
SECTION V

FRAMEWORK FOR THE TRANSFORMATION PROCESS AND ACTIONS TO BE TAKEN
SECTION VI

CONCLUSION
APPENDICES

Appendix I  -  Number of Posts in the public service 1986 - 1995.
Appendix II -  Increase in number of temporary posts 1986 - 1995.
Appendix III - Number of top management vacancies up to the year 2000.
Appendix IV - Number of Statutory Boards 1986 - 1995
Appendix V  -  Staff employed by Statutory Boards 1985 - 1996.
Appendix VIII - Staff Classification, Central Government by number of posts.
Appendix IX  -  Staff Classification, Central Government by salary expenditure
Appendix X  -  Summary of training activities by categories 1984 - 1995.
Appendix XII - Training expenditure 1984 - 1993