

5. PUBLIC SECTOR MANAGEMENT REFORMS

- 5.1 Worldwide, Public Sector Management reforms are carried out with a view to strengthening institutional capacity and improving service delivery through results-based governance, evidence-informed policymaking, and stronger accountability systems. Core elements include streamlining bureaucracy, decentralising authority, enhancing public financial management, and leveraging technology for digital transformation and e-governance. Reforms also prioritise anti-corruption efforts, performance monitoring using data and KPIs, and continuous capacity-building for employees. In sum, they seek to create an agile and inclusive governance that effectively aligns public resources with development goals.
- 5.2 Further to emerging challenges across the world in various fields, Governments are preparing to be future-ready by adopting transformative trends that promote long-term resilience to future shocks. These efforts include building institutional resilience, overhauling and integrating structures, systems, and data-sharing mechanisms to create greater impact, and ensuring that programs and services are truly equitable and inclusive.
- 5.3 As regards the local context, Government envisions a Public Service that upholds the public interest and reinforces democratic values. To achieve this, it recognises the urgent need for adaptive leadership to address the erosion of ethics, values, and good governance in recent years as well as positioning the Civil Service as a dynamic force for national progress and long-term success, coupled with the need for appropriate training and capacity-building for public officers.

Current State of Affairs

- 5.4 Many Public Sector Management Reforms have been largely driven by the Ministry of Public Service and Administrative Reforms (MPSAR). Some of the reform initiatives adopted in the Public Service include, *inter alia*: financial performance-based budgeting; e-Procurement systems; the Performance Management System (PMS); flexible working hours (Flexi-time); implementation of ISO certification schemes for public sector organisations; adoption of Information Technology and Digital Government strategies aimed at providing online services and promoting a paperless working environment; strengthening accountability and transparency; adoption of a National Code of Corporate Governance; and office automation in selected public sector organisations.
- 5.5 The MPSAR apprised that in line with Government's vision, it is spearheading a comprehensive reform agenda to modernise the Public Service through a series of projects representing the key pillars of the Government's endeavor to build a responsive, agile, and future-ready public service capable of effectively supporting national development priorities while meeting the expectations of

citizens. These initiatives are designed to improve efficiency, strengthen institutional frameworks, embrace digital transformation, and embed a culture of innovation, accountability, and citizen-centric service delivery across the public service.

- 5.6 Moreover, in a bid to eliminate excessive bureaucracy, streamline administrative processes, and improve operational efficiency through clearer roles, responsibilities, and accountability mechanisms, the MPSAR is coming up with a Public Sector Reforms Bill, which will provide a statutory foundation for the reform process across the Public Service. The Ministry is also leading the establishment of Reforms and Innovation Units, as announced in the 2025-2026 Budget Speech, in Ministries and departments to serve as institutional focal points to, among other things, drive structured transformation initiatives, promote digital transformation, and ensure that reforms are monitored.
- 5.7 Furthermore, the scaling up of the Electronic Document Management System (e-DMS), review and digitalisation of the PMS, and rolling out of the Electronic Scheme of Service across the Public Service are on the MPSAR's agenda. The latter is also formulating a Strategic Framework to provide a coherent vision for a modern, responsive, and citizen-centric Public Service, which is structured around five pillars, namely Administrative Reforms and Innovation, Capacity Building, Digitalisation, Public Service Policies and Strategies, and the Public Service Delivery Index (PSDI).

Challenges

- 5.8 According to the MPSAR, many reform initiatives adopted so far have not yielded the expected results. The major impediments encountered during their implementation comprise cultural and organisational resistance, thereby encouraging traditional bureaucratic systems; inconsistent leadership and commitment, resulting in implementation delays; capacity constraints, such as skills and competency gaps due to inadequate training; performance and data limitations caused by poor-quality or unreliable data, leading to ineffective evaluation of projects and performance; and inadequate legal and regulatory frameworks, which hamper governance and reform progress.
- 5.9 Other challenges include financial constraints limiting the adoption of new systems, technologies, and staff training; lack of coordination due to institutional fragmentation, resulting in duplication, inefficiencies, and contradictory policies; accountability and oversight gaps, contributing to wastage, misuse of public funds, and insufficient corrective actions; and digital infrastructure limitations, such as poor connectivity, low digital literacy, cyber risks, and difficulties in adapting existing processes to new technologies. Furthermore, external shocks such as economic downturns, global crises, and environmental threats have also significantly impacted on the availability of resources needed to sustain reforms.

Submissions

- 5.10 For this Report, a few proposals were made by the Federations namely regarding: policies to enhance the welfare of officers through the conduct of welfare activities; greening of the Public Sector with the installation of solar panels in Public Sector organisations; provision of a specific passport with enhanced benefits to public sector employees; and the introduction of a Medical Insurance Scheme.
- 5.11 During consultations, Federations were apprised that most of the abovementioned proposals were not within the Bureau's purview. However, as regards the conduct of welfare activities, there is already a dedicated organisation, namely the Public Officers Welfare Council, which is responsible to mount and conduct welfare activities. Concerning the introduction of a Medical Insurance Scheme, same was recommended in previous PRB Reports, however it could not be implemented owing to various impediments and significant cost implications for Government.

Way Forward

- 5.12 It is observed that most of the reform initiatives spearheaded by the MPSAR are still at an embryonic stage, for instance the Public Sector Reforms Bill is still in preparation while the strategic Framework for Public Service and Administrative Reforms is at developmental stage. Under the present circumstance, greater emphasis should be on expediting matters currently at hand.
- 5.13 Additionally, to be able to cope with the myriad of challenges and keep pace with the fast-changing environment both at national and international levels, the Bureau considers that the shift from manual processes/digitalisation to Artificial Intelligence in conducting the affairs of the country; institutionalisation of a solid Governance Framework that responds to the needs and expectations of citizens; continual promotion of skill development through capacity building programmes, training, and knowledge sharing; provision of mental health support to help employees manage stress and build resilience; and adoption of a robust Monitoring and Evaluation Framework at organisational level to gauge the effectiveness of programmes and projects as well as learn lessons for further improvement, are essential. We are recommending accordingly.

Recommendation 1

- 5.14 **We recommend that the MPSAR should:**
- (a) **in collaboration with the Ministry of Information Technology, Communication and Innovation (MITCI), continue to invest in IT infrastructure and Digital Literacy training for officers to make the public service more efficient, data-driven and transparent;**

- (b) focus on transforming capacity building in the Public Service by making training more competency based and digitally enabled, while ensuring that ethics and public service values are embedded from the earliest stages of employees' training, thereby fostering a culture of integrity and public engagement;
- (c) provide the necessary institutional support for the psychological wellbeing of officers to ensure that they are mentally resilient and emotionally supported;
- (d) consider developing governance indicators that capture the demand and supply side of governance that can be used to strengthen public service administrative systems thereby enhancing decision-making, and efficiency and effectiveness in meeting citizens' needs; and
- (e) provide appropriate guidance to Parastatal Bodies, Local Authorities and the Rodrigues Regional Assembly on the setting up of Reforms and Innovation Units.

5.15 We further recommend that Responsible Officers of all Public Service Organisations should ensure that reform initiatives approved by Government and spearheaded by the MPSAR are effectively implemented in their respective organisations.

Accountability Framework

5.16 It has often been observed that certain reform initiatives have failed because of lack of ownership on the part of certain officers. The Bureau is of the view that accountability, being an important aspect, needs to be ingrained in the processes at all levels and should be reflected in the schemes of service. To address this issue, in its last Report, the Bureau recommended that an Accountability Framework should be designed for grades at all levels in the public sector and that organisations should follow up to ensure that reform initiatives are scrupulously implemented. **Since the reform process is an ongoing one, the Bureau considers that the foregoing is still valid.**

Discretionary Powers

5.17 The exercise of discretionary powers exists at all levels of public policy as well as law enforcement. To avoid misuse or arbitrary decisions thereby undermining integrity and leading to wrong practices, the Bureau considers that the "Guidelines – Exercise of Discretionary Powers", developed by the former Independent Commission Against Corruption in collaboration with the MPSAR, should continue to be adhered by public sector organisations.

Monitoring and Evaluation

- 5.18 Along with the judicious and optimal use of resources, proper monitoring and evaluation is essential for reforms initiatives or public sector transformation to succeed. To ensure that any reform measure is well geared and thriving towards attaining the expected outcome, it is imperative that it is properly calibrated, monitored and evaluated through appropriate indicators, practical targets and allocated responsibilities. As strong Monitoring and Evaluation Systems are considered to provide the means to compile and integrate valuable information into a policy cycle providing the basis for sound governance and accountable public policies, **the Bureau reiterates that such systems be adopted.**

