



RMI Public Service Commission

Calendar Year 2013 Report Summary

By the end of CY2013, the total number of the members of the RMI Public Service (RMIPS) was around 2,189 with a total cost of around \$27.9 million and an annual average cost \$12,740 per employee. The CY2012 total was 2176 with the cost of \$26.7 million with an average cost of \$12,263 per employee. The rise in cost was mostly due to more employees, particularly the teachers, earning higher wages after completing their postsecondary educational requirements.

PSC Mandate:
RMI Constitution, Article VII, Section 1 & 9 and the Public Service Act of 1979 charge the Public Service Commission (PSC) to be the employing authority for the Public Service of the RMI Government. PSC is to conduct a general review on the efficiency and effectiveness of the Public Service. The Act extends the PSC responsibility to include government leased housing and optional group life insurance program

Profile of the RMI Public Service for 2013					
Category	Number	Percentage	Cost in Millions	Percentage	Ave. Cost Per
All Employees	2189	100%	\$27,887,258	100%	\$12,740
Female	944	43%	\$12,014,100	43%	\$12,727
Male	1245	57%	\$15,873,158	57%	\$12,750
Retirees	170	8%	\$2,849,916	10%	\$16,764
Marshallse	1981	90%	\$23,654,098	85%	\$11,940
Expatriates	208	10%	\$4,233,160	15%	\$20,352

The Public Service employee data for the two calendar years in the table below is listed by Ministries and Agencies, numbers, costs, and gender. The Auditor General's Office, the Ministry of Education, and to an extent the Ministry of Health, show major increases in personnel costs. The data show increasing number of women, while still lower than men.

National Government Employees under the Purview of the RMIPSC 2012 - 2013

Ministry/Agency	2012				2013			
	Male		Female		Male		Female	
	# of Emps	Ttl Amt	# of Emps	Ttl Amt	# of Emps	Ttl Amt	# of Emps	Ttl Amt
Auditor General	3	30,075	5	83,235	8	113,310	5	112,875
Cabinet	6	111,485	7	115,975	13	227,460	7	148,265
Land Registration Office	-	-	1	14,230	1	14,230	-	-
Customary Law Commission	1	13,935	1	20,000	2	33,935	-	-
Office of Chief Secretary	4	104,000	3	43,735	7	147,735	11	158,960
EPPSO	2	53,000	3	51,850	5	104,850	3	68,000
OEPPC	5	94,845	2	46,500	7	141,345	6	127,570
WEATHER	12	204,550	-	-	12	204,550	-	-
Council of Iroij	3	51,275	1	15,925	4	67,200	3	52,305
Education	685	7,253,490	472	4,936,420	1,157	12,189,910	657	7,329,051
Finance	54	917,705	27	463,665	81	1,381,370	59	1,012,860
Banking Commission	-	-	3	69,435	3	69,435	-	-
Foreign Affairs	14	306,015	15	317,340	29	623,355	16	361,215
Health Services	276	3,297,745	302	3,897,425	578	7,195,170	289	3,668,340
Internal Affairs	32	436,980	21	346,360	53	783,340	37	532,680
Justice	-	-	-	-	-	-	-	-
Justice - Attorney General	21	387,405	6	118,095	27	505,500	18	310,075
Justice - Public Defender	5	141,000	2	31,440	7	172,440	4	121,000
Nitijela	7	128,585	16	190,270	23	318,855	6	109,785
Public Service Commission	7	159,285	5	108,000	12	267,285	7	148,665
Public Works	95	1,183,876	6	55,385	101	1,239,261	70	878,707
Resources & Development	27	323,090	5	100,525	32	423,615	25	291,890
Transportation & Comm.	11	186,820	3	41,070	14	227,890	10	150,695
Total	1,270	15,385,161	906	11,066,880	2,176	26,452,041	1,245	15,873,158

CY2013 Accomplishments.

Through partnership, technical assistance and training funds provided by Australia Public Service Commission (APSC), Pacific Islands' Centre for Public Administration (PICPA), and ADB - and soon to be executed key PSC's initiatives (i.e. Three-Years Strategic Plan, Workforce Development Plan, Human Resource Management Information System (HRMIS), New Employees' Induction Program, Revised Organizational Chart, Revised and Clearly Delineated Employees' Job Descriptions, Professional Development opportunities) that are envisioned to complement and support other national plans (such as the GRMI's National Development Plan, the National Human Resource Development Plan).

Age Analysis 2013

Age	# of Emp	Ttl Salary
25-34	627	6,788,115
35-44	611	7,839,534
45-54	552	7,209,978
55plus	399	6,049,631
Total	2,189	27,887,258

The two younger age groups are higher in number and costs, compared to the older groups. The rise in personnel cost needs to be monitored, especially against the data below on the sources of funds for personnel costs

National Government Employees by Fund 2012 - 2013

Fund	2012			2013		
	# of Emps	Ttl Cost	% of Total	# of Emps	Ttl Cost	% of Total
Compact Fund	1,251	\$13,760,280	52.0%	1,179	\$13,959,426	50.1%
General Fund	598	\$9,120,691	34.5%	680	\$9,979,082	35.8%
Federal Fund	260	\$2,756,990	10.4%	259	\$2,992,300	10.7%
Local Fund	33	\$457,780	1.7%	42	\$666,385	2.4%
ROC Fund	29	\$316,000	1.2%	22	\$231,420	0.8%
Other Fund	2	\$22,245	0.1%	7	\$58,645	0.2%
UN Fund	3	\$18,055	0.1%	-	\$0	0.0%
Total	2,176	\$26,452,041	100.0%	2,189	\$27,887,258	100.0%

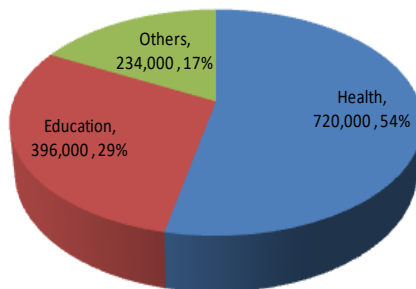
On the Group Life Insurance program, the data on the number and values of claims paid out by the International Assurance Company (IAC) against the coverage of the Public Service enrollees with an average claim of \$5,800 per claimant.

Benefit Claims Processed and Received 2013

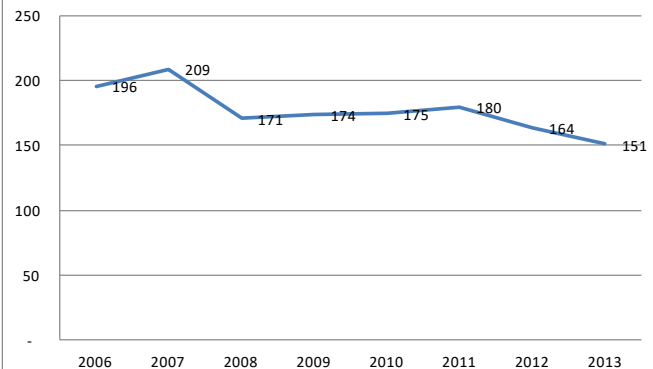
Type of Claim	2013	
	No. of Claims	Total
Basic Benefit Claims	4	\$121,000
Spouse Benefit Claims	4	\$59,500
Child Benefit Claims	19	\$105,200
Parent Benefit Claims	30	\$90,000
Parent-in-Law Claims	17	\$51,000
Total	74	\$426,700

A new housing policy was approved by the Cabinet toward the end of the year since the budget for the program keeps on receiving budget cuts. The new policy allows the use of housing allowance to be included in the compensation package of contracted expatriate employees. As can be seen in the chart below, the majority of housing tents are from the Ministry of Health and the Ministry of Education.

GRMI Leased Housing by Cost CY2013

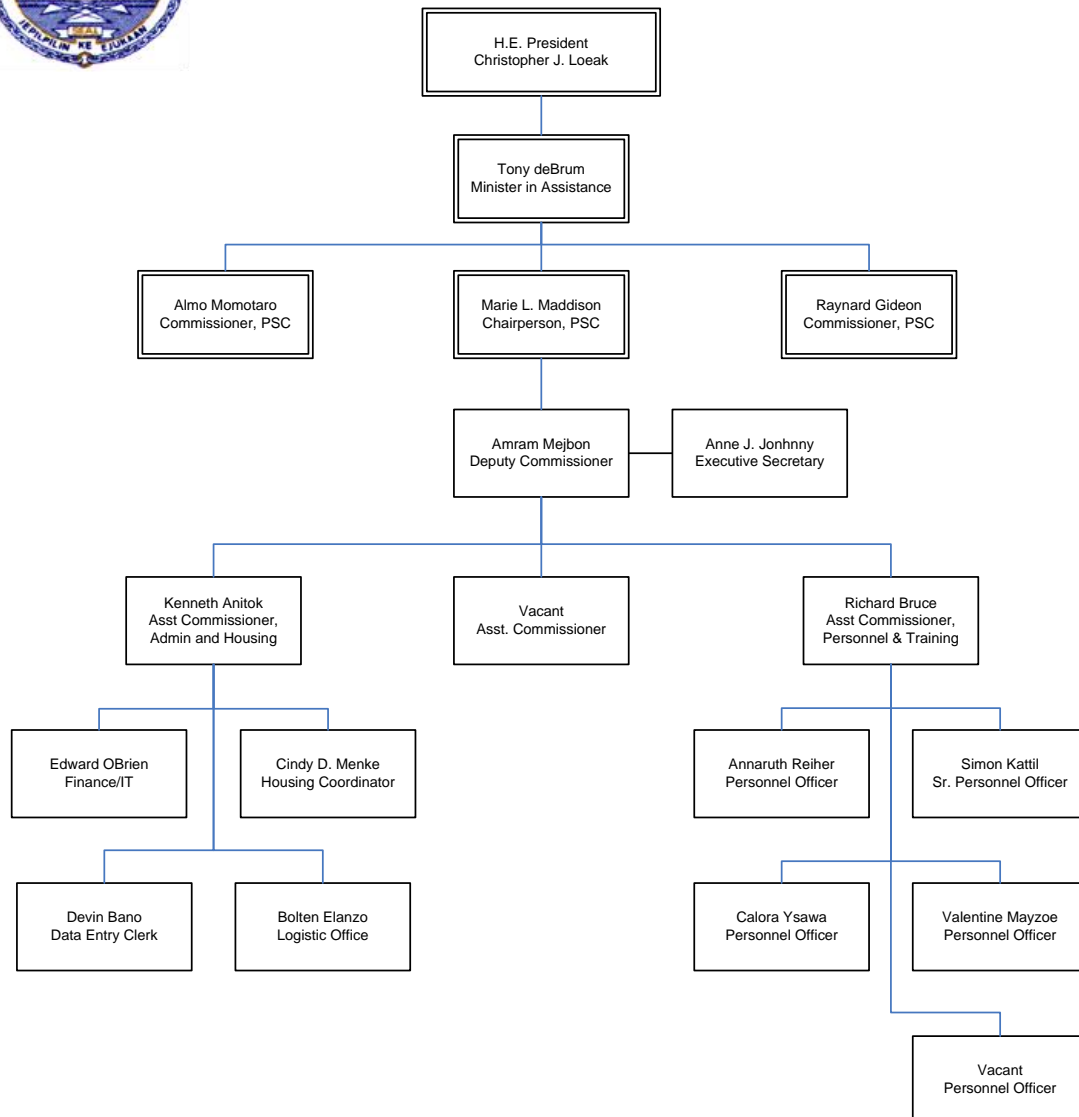


GRMI Leased Housing CY2006 - 2013





PUBLIC SERVICE COMMISSION Organizational Chart



Christopher J. Loeak
President
Republic of the Marshall Islands

Raynard Gideon
Commissioner, PSC

Marie Maddison
Chairperson, PSC

Almo Momotaro
Commissioner, PSC

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The RMI PSC Annual Report

Calendar Year 2013

I. GENERAL OVERVIEW

1. INTRODUCTION

1.1 ***PSC Expansion.*** Ever since the establishment of the Government of the Republic of the Marshall Islands and therefore the installation of its Public Service in 1979, there has been an expansion of the responsibility and the complexity of the Public Service as the Government became affiliated with more nations and international organizations and agencies. Since 2001, the number of employees jumped from 1365 to 2189 twelve years later, a 60% increase. The increase continued regardless of reduction-in-force (RIF) or right-sizing efforts. From CY 2012 to CY 2013 the number increase was slight while personnel costs increase was more significant due to the installation of a new pay scale for teachers and the fact that more members of the Public Servants have achieved their higher learning degrees. The Government still tries to control the rise in personnel costs, and the challenge to PSC has been to put in place highly competent, committed, innovative, agile, honest, and loyal employees. The system to guide, support and enhance the engagement of these employees is just as important.

1.2 ***Competing Priorities.*** Furthermore, the Public Service System has had to assess and re-focus its attention on pressing issues resulting from fraud cases, the rising trend of changing the national leadership through National Vote of No Confidence at the Nitijela; the increase in number of Climate Change related disasters; continuous migration of people and thus workers to urban centers and increasing number migrating to the United States for longer-term settlement; and, high capital demands from the operation and the improvement needs and plans of RMI State-Owned Enterprises (SOEs). Demanding for more advanced level of care due to the rising incidence of non-communicable diseases (NCDs), and demand for professionalism and occupational professionalism are added pressing challenges.

1.3 ***CY 2013 Work.*** This State of the Service report provides a general assessment of the current status of the RMI Public Service (RMIPS) against the mandates set by the RMI Constitution and related legal and policy instruments. Generally, the mandates call for an efficient and an effective Public Service, an ethical government that practices the principles of good governance. Strategic plans to conduct functional assessments and performance evaluations for the improvement of the system, its units and their staffing were drawn in 2013 at both the PSC and the Government levels. Strengthening of the PSC Office, the Chief Secretary Office, and the Auditor General's Office with the required personnel needs commenced in 2013. Harmonizing the efforts of PSC with the Cabinet and with the respective Ministries and Agencies has been an ongoing effort. Gauging progress through the review of data and statistics present in this report examines the following: numbers, costs, gender, age, place of work, local/expatriates, work benefits with respect to housing and life insurance coverage. The Public Service Commission also examined more closely the performance evaluation of employees as requests were submitted for changes, or lack thereof, in their respective personnel status. Spot checks, consultations,

and training were also used during the year, as they are used every year, to better articulate and resolve issues and challenges.

1.4 **Transitions.** During the recently concluded 34th Constitutional Regular Session of the Nitijela (November 2013), the Nitijela passed into Public Law the Ministry of Education's Public School System Act¹. MOE was given a one-year transitional period to do its preparation work, which means that by 01 October 2014, the personal and financial management for MOE will be under the purview of the Ministry's National Board. In October 2013, Cabinet approved the turnover of the management of personnel and financial of the Customary & Language Commission staff members to the College of the Marshall Islands. Both acts would reduce the Public Service by about 55%.

2. THE PUBLIC SERVICE COMMISSION

2.1 **Mandate.** In accordance with the Constitution of the Republic of the Marshall Islands, Article VII, Sections 1 and 9, and the Public Service Commission (PSC) Act of 1979, the PSC is the employing authority of the government charged with the responsibility for developing, coordinating, regulating and administering all personnel matters relating to and affecting the Public Service. In this regard and in collaboration with the Auditor General, the PSC is required to conduct efficiency and effectiveness reviews of all the ministries, agencies, and offices of the government. It is also required to submit an annual State of the Public Service report to the Cabinet at the end of each calendar year. While the PSC is responsible to the Cabinet for carrying out its duties and exercising its functions and powers, as well as in informing and advising the Cabinet in matters affecting the Public Service, it has autonomous power and responsibility in all matters relating to individual employees.

2.2 **Commissioners.** The three Commissioners make joint decisions in dispensing its mandated functions, as stipulated in the Constitution and the PSC Act. Aside from its consultations with the Cabinet, the PSC works consultatively with the heads of the Public Service (PS) departments and agencies in collaboration with the Chief Secretary, who is the Head of the Public Service. To address individual Public Servant personnel actions, the PSC follows established legislations, regulations and procedures that promote the principles of Good Governance including proper ethical practices. Basically, the three major Public Service functions are: Human Resource Management, Human Resource Development, and Housing/Insurance Benefits.

2.3 **Work Organization.** Aside from its role in the overall management of the PS human resources, the PSC has been organized into two functional sections – 1) Personnel and Training, and 2) Administration and Housing. Its offices are located in Majuro, with assistance being provided by the Office of the Deputy Chief Secretary on Ebeye, and, through four (4) designated HR managers (personnel officers), a leased housing manager, and an administrative officer/management information specialist. The PS management is linked to the human resource (HR) and appropriate units that exist in

¹ Bill's objectives includes the following: (1) *To repeal and reenact Chapter 3, Title 14 of the MIRC, the Education Act of 1992, in order to establish an autonomous public school system;* (2) *To provide for a National Education Board and Commissioner of Education;* (3) *To provide for independent personnel and financial management, budgeting, etc.;* (4) *and For other purposes.*

PS departments and agencies. Directly responsible to the PSC is a Deputy Commissioner who supervises three Assistant Commissioners who individually head the PSC functional sections or divisions.

2.4 ***Committees.*** For the PSC to avoid *conflict-of-interest* situations in dispensing its duties and finalizing personnel decisions, it had established two Committees to deal with the selection of Public Servants and the settlement of appeals. While responsible for the establishment of administrative regulations and guidelines for the Public Service Human Resource Management System, the PSC needs to perform ethically in the process before making final decisions on individual personnel actions whether they are appointments, terminations, retirements, resignations, extensions/renewals, training/certification, delegations, transfers, disciplinary actions, reclassifications adjustments, reallocations, promotions, step increments, and authorized leaves.

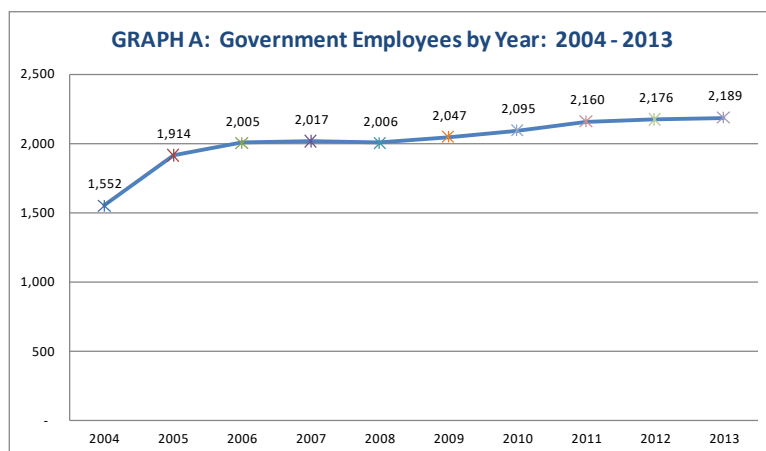
3. THE PUBLIC SERVICE IN THE LAST 10 YEAR PERIOD

3.1 Expansion of the Public Service. Since 2004, the size of the Public Service workforce increased by a total of **637** workers, a 41% growth over the last 10 years, per *Graph-A*. Compared to the CY 2012 numbers, the increase in number of employees was by **13** while the increase in personnel cost was by \$1,405,217. *Table-1* below tracks the increase or the decrease in number of workers per agency. The increases are more significant both in the Ministry of Education and the Ministry of Health, and the decrease in the Ministry of Public Works.

TABLE 1: National Government Employees under the Purview of Public Service Commission of RMI by Ministry & Agency: 2004 - 2013

Ministry/Agency	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Auditor General	8	9	9	9	6	8	8	8	8	11
Cabinet	10	11	14	14	14	10	10	11	13	15
Land Registration Office	3	4	3	3	2	2	2	2	1	1
Customary Law Commisison	-	-	-	1	1	1	1	1	2	-
Office of Chief Secretary	17	18	7	8	11	10	9	12	7	14
EPPSO	7	7	7	6	6	20	18	23	5	8
OEPPC	-	-	2	3	2	3	4	3	7	8
WEATHER	-	-	10	12	10	9	9	12	12	12
Council of Iroij	3	3	3	3	3	4	4	4	4	4
Education	693	957	1,015	1,038	1,053	1,065	1,066	1,140	1,157	1,159
Finance	63	74	77	76	76	79	87	83	81	87
Banking Commission	3	3	3	3	3	3	3	3	3	2
Foreign Affairs	23	26	28	27	26	30	30	28	29	32
Health Services	479	528	553	550	535	520	563	542	578	588
Internal Affairs	55	65	63	66	60	68	67	69	53	60
Justice	29	34								-
Justice - Attorney General			25	25	24	25	26	25	27	25
Justice - Public Defender			8	7	8	7	6	7	7	7
Nitijela	21	24	29	28	28	28	29	29	23	24
Public Service Commission	10	10	12	11	12	12	12	12	12	12
Public Works	99	108	101	91	91	103	103	101	101	76
Resources & Development	21	24	26	26	25	29	27	31	32	31
Transportation & Comm.	8	9	10	10	10	11	11	14	14	13
Total	1,552	1,914	2,005	2,017	2,006	2,047	2,095	2,160	2,176	2,189

3.1.1 In the PSC Report of 2012, the impact of the population growth rate, as a result of high outmigration rate, was reported at 4%. While the population growth has decreased from the previous years, the need for government services² has continued to rise, as evidenced in the growth of the Public Service in the last 10 years, from 2004 to 2013 by 41%. The Ministry of Education exemplified such challenges where population movement (outmigration & urban



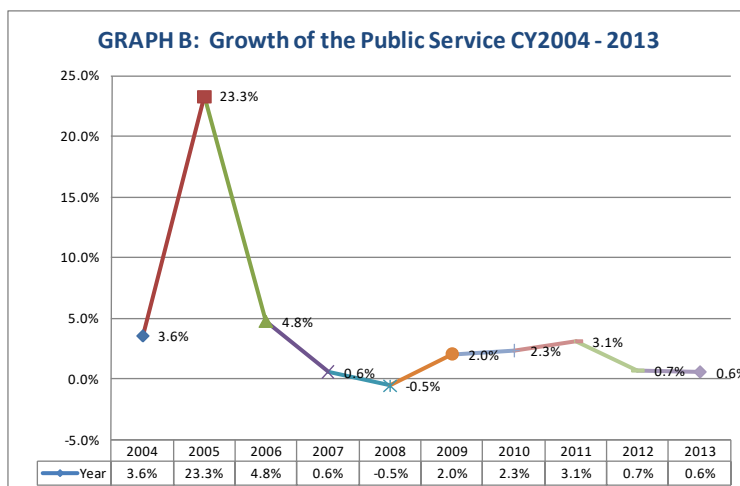
² The ADB personnel audit of 2011-2012 showed job redundancies which PSC began addressing in its one-on-one consultancies with the individual Ministries and Agencies.

migration) impacted the personnel and financial performance of the Ministry. With outmigration, retention of teacher-retirees as well as the provision for both pre-service and in-service teacher education and training had continued to be high priority. The unequal teacher-student ratio (urban 1:30, while outer islands 1:15) and the continued need for multi-grade teaching expertise for the outer island schools and learning realities have been ongoing challenges. Effective on 1 October 2014, the implementation of the new teacher pay scale, to raise the standards of teaching and meet these teaching challenges, has added to the MOE personnel costs by around \$1 million, thus far. Furthermore, the rise in number of employees taking medical leave, requesting “special leave”, or deceased while on the job added to the challenges, of not just the Ministry of Education but the rest of the Public Service, negated their efficiency and effectiveness. Through related directives, the Government has had to deal with the growing cost of personnel while improving performance and addressing the public service efficiency and economic needs.

3.2 Decrease of PS Growth Rate. While the growth rate of the Public Service workforce spiked in 2005 by 23.3% due to changes in Compact II, since then the growth rate, as shown in *Graph B*, has gone down to 0.6% in 2013.

3.2.1 The efforts of the Government to reduce the number and the cost of personnel have relied more on project/fund duration, and availability and/or allocation of resources. These increases/decreases were presented in previous PSC annual reports. A request was also made for the technical support of the ADB to conduct a personnel audit for the Public Service as an ongoing effort to improve the Public Service. In 2011, a request was also presented to the Australia PSC to assist the RMI PSC to help reform the Public Service so that related Constitutional and legal mandates are met.

3.2.2 Following the PS personnel audit conducted by ADB in 2011 and the report released and discussed in 2012, one-on-one consultations with the PS Ministries and Agencies commenced and continued in 2013. In the PSC deliberations and its consultations, there were concerns raised about organizational charts, job titles, job descriptions, qualifications and competencies of respective job holders, their job classifications and corresponding wages, and even the need to continue the existence of posts and functions. Thus, the focus of the one-on-one consultations was two-pronged – to discuss the foregoing items on both more immediate and longer term agendas. The PSC itself reviewed its own needs and developed its Workforce Plan alongside its Strategic Plan. Discussions with the Auditor General to plan joint functional audits within the Public Service commenced but took second place to more pressing issues as prioritized by the Auditor General.



3.2.2.1 Of all the one-on-one consultations conducted in 2013, the PSC concentrated its efforts on the Ministry of Health to address the following: the appointment of a new Ministry head, the management structure of the Ministry and Majuro Hospital, the hiring and licensing of doctors, proper use of work benefits and work scheduling, alleviating workplace absence, monitoring employment and housing contracts, correcting job alignments and classifications throughout the Ministry, and proper preparation, administration and submission of individual annual job performance evaluation and self-appraisal.

3.2.2.2 PSC also took more time in reviewing the organizational structure of the Ministry of Internal Affairs (MOIA). In an effort to restructure the Government in the very early 2000's, the Cabinet combined two sets of Ministries – the Ministry of Resources & Development with the Ministry of Public Works, and the Ministry of Social Services with the Ministry of Interior and Outer Islands Affairs. After the change in Government few years later, the Ministry of Resources & Development was separated from the Ministry of Public Works. Studies conducted to address ongoing and emerging socio-economic issues have been recommending additional or renewed actions against rising poverty with poor family planning, substance abuse, domestic violence, need for child care/safety, and natural disasters and their negative impact including outmigration. Non-governmental organizations formed to help address these issues. Additional aid monies from outside the government have been received in response to the expressed needs. A rolling national development strategy was being worked on to address these needs.

3.2.2.3. An ADB technical support to improve the RMI financial management system, the public service system and the state-owned enterprises would assist in the improvement efforts to an extent. However, an in-depth and honest assessment of the Government structure and employment in relation to its Constitutional mandates, its existing legislations, and its various sectors including the Public Service will need to happen.

3.2.3 Three Cabinet directives in the last three years were reaffirmed or issued to cease financial expenditures related to the hiring for new postings, the filling of vacated posts, and the upgrading of staff salaries. The directives allowed exemptions to be granted by the Cabinet at the request of respective Ministries and Agencies. The policy on right-sizing the Public Service was two-pronged: to not increase personnel but work within the existing number, and to reduce the existing number by eliminating redundancies or not-needed vacancies. As seen in the Graph B, the growth rate started going down since 2011.

4. THE PUBLIC SERVICE IN CY 2013

4.1 *Reform in the Public Service.* Several issues and thereby strategic actions were articulated in the RMI PSC CY 2012 Report for inclusion in the to-be-formulated RMI PSC Strategic Plan in CY 2013. Ongoing consultations and workshops on performance issues and recommended strategies continued in CY 2013, and have been included in the PSC Strategic Plan Draft for 2014-2017 and its three year rolling Workforce Plan as well. As stated earlier, ongoing consultations were included in the Chief Secretary and respective agency meetings with the objective to better the delivery of public service by adjusting organizational structures against their mandates and objectives, building the capacities of the employees (including those in PSC), and improving staff attendance and performance.

4.1.1 Technical assistance to build strategic, workforce planning, and training capacities produced the following:

4.1.2 The PSC Strategic Plan which is a rolling three year plan that has three main themes: 1) Adding Value to the RMI Public Service; 2) Adding Value to the Public Service Commission; and 3) Adding Value to the Public Service Commission Programs and Processes. This Plan is still in its final draft form since it awaited the finalization of the National Strategic Plan and the National Human Resource Development Plan.

4.1.2.1 Theme #1 includes a Strategic Workforce Plan, a review of job classification and remuneration in the Public Service that will align jobs to clear roles and responsibilities and ensure that remuneration is aligned with regional standards for similar roles and responsibilities. PSC will contribute by aligning its efforts with those of the National Strategic Plan and the National Human Resource Development Plan.

4.1.2.2 Within Theme #2, PSC would support the lead in public sector human resource management reform and help develop the capacity to be a source of guidance and support in all functions. This direction might change after the finalization of the National HRD Plan.

4.1.2.3 Theme #3 has three main components: 1) a review of personnel administration processes with the aim to achieve dramatic improvements in performance and services to stakeholders; 2) a review of public service regulations to improve the clarity, appropriateness and detail of rules regulating conditions of employment in the Public Service; and 3) assisting SOEs and other public sector agencies in all personnel administration and human resource management.

4.1.3 The Workforce Plan 2014-2016, a corresponding rolling plan with objectives aimed to implement the Strategic Plan, and it addresses demands and gaps from the following two perspectives or scenarios.

4.1.3.1 Scenario one is based on additional funding which would fill all posts needed by PSC to effectively and fully address its mandate. Additional capacities and capabilities in the areas of

Recruitment, Performance Management, Training and Development, Workforce Planning and IT Coordination are the focus of development or improvement in the Workforce Plan. The new fiscal year budget, effective in October 2013, did not provide for the needed staffing under this Scenario.

4.1.3.2 Under Scenario Two, PSC was challenged to provide the needed additional functions without additional funding since October 2013. A special appropriation was made to supplement the HRM (human resource management) training for PSC staff and the HR unit officials within the PS Ministries and Agencies. The strengthening of the Chief Secretary Office on Majuro and on Ebeye, and expanding the responsibilities of existing PSC staff accompanied by appropriate training were improvement steps taken by PSC with the assistance of the Australia PSC and the University of South Pacific.

4.2 Capacity Building Efforts. Building the capacities of the Public Service Commission continued in 2013 not only in the development of its Strategic Plan and the Workforce Plan, but also through other developmental initiatives.

4.2.1 The development of the Induction Program booklet was a capacity building activity that produced a product that targets incoming Public Servants, and its overall aim is to have individual Public Servant clearly understand the purpose and the objectives of the Government and its Public Service and their respective roles and responsibilities in providing for not just an efficient and effective Public Service but also a principled workforce. A program booklet has been developed and it addresses the following areas: 1) Overview of the Public Service, 2) Structure of Government in RMI, 3) Governance and Ethical Conduct in the Public Service, 4) Accountability in the RMI Public Service, Financial Management and Accountability in the Public Service, and 5) Staff Performance and Development in the Public Service. Training activities will be conducted starting in CY 2014 to guide the implementation of this Induction Program. Since this is a new program, all interested Public Servants would be included in the program.

4.2.2 The PSC also addressed the need, with the assistance of PICPA (Pacific Islands Centre for Public Administration) and USP, to build capacities in the area of human resource management and development within not just PSC but also within the various Public Service units. The recent change in the AusAid grant management portfolio by the Australian Government commencing with its FY2014 in July 2013, however, limited the assistance offered by PICPA, a heavily AusAid funded and newly established institute housed at the USP/Fiji (as tasked by the Pacific Public Service Commissioners Conference to provide such assistance to its members). Nonetheless, PSC proceeded to work with the USP/Majuro to proceed with the needed coursework with an MBA cohort commencing their 2-year program in November 2013.

4.2.3 Continued assistance through the ADB Public Service Reform technical assistance grant and the Australia/PSC Aus-Aid funded technical assistance assisted PSC in not only the development of its strategic plan, workforce plan, and induction booklet, but also in furthering the reform activities such as the development of its RMI Public Service Human Resource Management Information System (HRMIS), the development of workforce plans for other agencies, the drafting of standard operating procedures.

4.3 The Public Service Summary Data. The statistical data in Table 2 below show the size, the cost, and the average wage across the Public Service by gender, retirees, Marshallese/expatriates.

4.3.1 With the total number of 2189 employees in the Public Service, as of 31 December 2013, the Government expended around \$27.9 million. Looking at the average cost at \$12,740, the only group that earned an average salary below that general averages was the Marshallese employees who earned \$11,940 per annum. Women made up 43% of the workforce with an earning that was below that of their male counterpart by \$23. The two groups that cost the government more were the expatriates who made up 10% of the workforce with an annual average earning of \$20,352,

and the retirees who made up the other 8% with an average wage of \$16,764. These two groups made up 18% of the total workforce number with a total cost of \$7,083,076, which was 25% of the total personnel cost. The Marshallese workers who made up 90% of the total workforce were valued at 85% of total personnel cost.

TABLE 2: Profile of the RMI Public Service for 2013

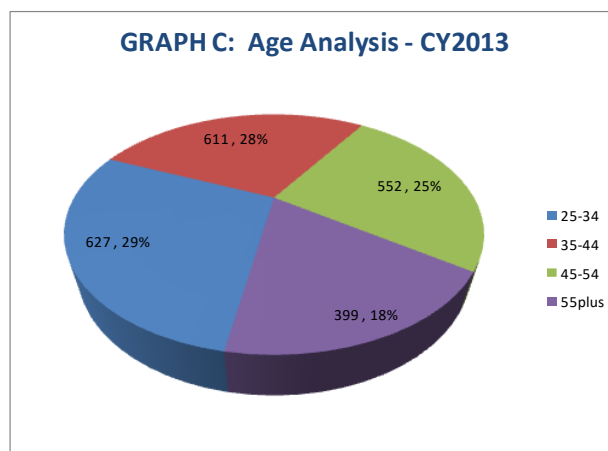
Profile of the RMI Public Service for 2013					
Category	Number	Percentage	Cost in Millions	Percentage	Ave. Cost Per
All Employees	2189	100%	\$27,887,258	100%	\$12,740
Female	944	43%	\$12,014,100	43%	\$12,727
Male	1245	57%	\$15,873,158	57%	\$12,750
Retirees	170	8%	\$2,849,916	10%	\$16,764
Marshallese	1981	90%	\$23,654,098	85%	\$11,940
Expatriates	208	10%	\$4,233,160	15%	\$20,352

4.3.2 Generally, in CY 2013, MOE (53% of workers) and MOH (26%) again constituted

a seventy-nine percent (79%) of the total Public Service employees. The Ministries of Finance (4%), Public Works (3%) and Internal Affairs (2.7%) are the next size in that order. The hiring of new college graduates, with higher job classifications and remunerations, and the mass salary increments of over 200 classroom teachers appear to have been the chief contributing factors to the increase in personnel costs. The loss in number of employees was attributed mostly to the retirees and relocation of personnel.

4.3.3 With the recent passage of the Public School System Act, a total of 1147 or fifty-three (53%) percent of the employees are expected to leave en masse from under the purview of the Public Service Commission. The same can be said for the two (2) support staff formerly under the Customary and Language Commission.

4.4 Age of Employees. For CY 2013, the median age of regular employees was 35 for men and 33 for women. The age range of these members of the Public Service was from twenty-one (21) years old to seventy-four (74) years. Graph C shows the following breakdown by age groups: 29% between 21-34; 28% between 35-44; 25% between 45-54; and 18% between 55 and older.



4.4.1 While the youngest group shows growth in number, due to the recent influx of hiring AS/AA and BS degree employees, and the number of retirees has proportionally been going down, concerns have been raised by the Marshall Islands Social Security Authority (MISSA) about the fundability of benefits for retirees in the near future. Early retirees at 55 years are eligible for partial collection of benefits while full benefits are available for most 62 year-old retirees whether they are under employment or not. Employed retirees still contribute toward the MISSA tax. The PSC retirement age at present has been at 60 years for a long while. PSC retirees are usually put under 2-years contract following retirement if

they are still needed by the Government. As shown in the Profile, the retirees cost the Government \$2.85 million in 2013, 10% of total cost when they made up for 8% of the total workforce. Should MISSA raise its age for full retirement benefits to 65 years, as presently being considered, the retirement age policy for members of the Public Service would most likely be revised. The result would most probably be an increased number of retirees in the workforce and decreased new intakes as replacements.

4.5 Educational Background of Employees. As reported earlier, a major contributing factor in the increase in personnel costs was due to the increase in the numbers of employees who have achieved not only two-year and four-year college degrees but also master level degrees. The PSC database indicated the following breakdown by educational achievement levels.

4.5.1 The PSC database, while incomplete, showed that 9% of the RMIPS workforce had not completed high school nor held any high school diplomas.

4.5.2 High school completers, most of them aged 35-44, accounted for 32% of the workforce, and a majority of this group commenced their employment by over a decade.

4.5.3 The two-year college degree holders made up 51% of the workforce, holding mid-level management positions, and tending to change jobs more frequently than others, particularly in the area of Information Technology.

4.5.4 The smallest group, with a notable gain especially during the course of the last three (3) year, are bachelor's and master's degree holders that made up 8% of the workforce, holding managerial and directorship posts, and they were from the two age groups of 33-44 and 55 and older.

4.6 Employment Status Categories. As depicted in Table-3, the employment status of all public service employees fell under the categories as follows: Permanent, Local Contract, Prime Contract and Probation, Casual, and Temporary employees.

4.6.1 In 2013, the total number of permanent employees was 1041 (48%) at the cost of \$14 million, or 50% of total personnel cost. Together with those employees on probationary status, the total would be 1386 (63%) at the cost of \$17,603,631 or 63% of total cost. Public Service employees with probationary status total were 345 costing about \$3.6 million, or representing 14% of the total cost, each averaging about \$10,265.

TABLE3: GRMI Workforce Employment Status - CY2013

Employment Status	2013	
	# of Emps	Ttl Amount
Casual Worker	24	\$178,900
Local Contract	601	\$6,517,402
Permanent	1,041	\$14,003,086
Prime Contract	169	\$3,528,630
Probation	345	\$3,600,545
Temporary	9	\$58,695
Total	2,189	\$27,887,258

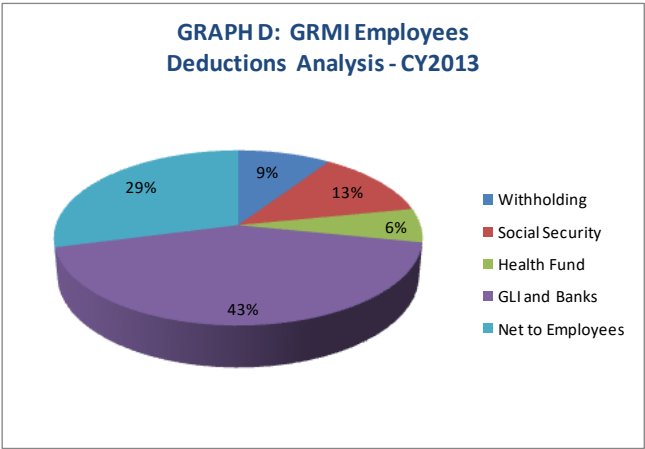
4.6.2 Local contract status remained the same to that in 2012, but with a slight increase in total

cost by around 8.4%. The factor chiefly responsible for this increase was the gain in the number retained (older) employees, particularly teachers, at higher classifications levels at MOE, and at MOH for doctors and nurses.

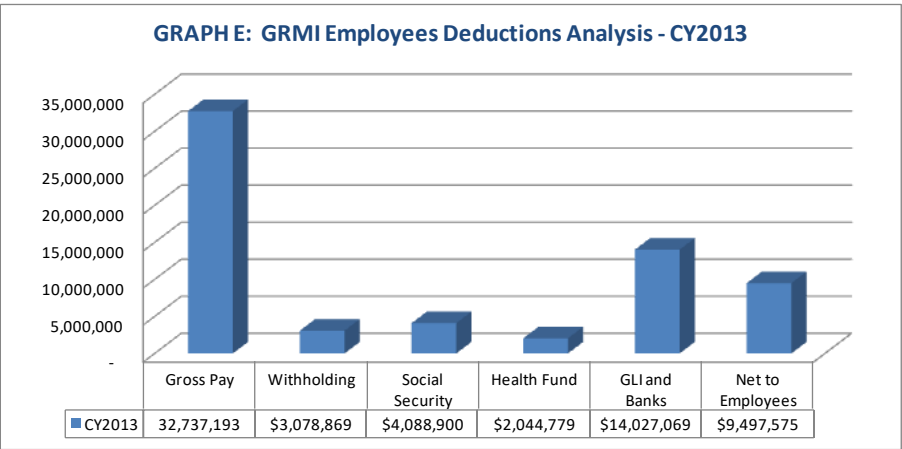
4.6.3 Prime contract status applies to those employees hired from outside the Republic to render specialized/technical services. For 2013, there were 169 employees in this category with the worth around \$3.5 million, and the per annum average wage was \$21,305. Reported in the Profile table was that there were 208 expatriates with an average wage of \$20,352. Most likely, around 39 employees counted under expatriates were under local or temporary contracts.

4.6.4 The other groups with Casual and Temporary status, and their combined total were 33 employees, costing about \$375,595 at an average annual cost of \$11,381 per employee. Both casual and temporary employees are required to render services at prescribed timeframe, or as needed.

4.7 Public Servants Recorded Deductions. In its attempts to assess the impact of possible reduction-in-force, the PSC began by gauging RIF impact on the salaries for both the Government and the employee. PSC records showed the personnel cost in 2013 to be \$27,887,258 while the Ministry of Finance payroll total for all government employees at the end of 2013 was \$32,737,192. Pending further reconciliation between the PSC data and Ministry of Finance/Payroll data, the cost for Public Service employees makes up 85% of overall Government payroll costs. Streamlining for redundancies in the Public Service is required while ascertaining efficiency and effectiveness as well as linking cost recovery measures to poverty alleviation policies and productivity initiatives.



4.7.1 From the total payroll cost, the amount from the tax reductions for income tax, social security tax, and the health fund was \$9,212,548 or 38% of overall amount. As shown in the bar chart, the income tax paid by the employees was around \$3.1 million. Of particular interest as well is the health revenue paid which was around \$2 million. The Government received this \$5.1 million as revenues.



4.7.2 As for the MISSA payment, the Government made matching contributions toward the Social Security pay at a fixed rate of 10.5% per employee with the same rate to be matched by the employers; and to the Group Life Insurance pay at the percentage of 52%. Also recorded here are optional payments, around \$14 million or 43% of overall amount, made by the employees to pay for group life insurance and bank allotments.

4.7.3 The net or remaining payment carried home by the employees was \$9,497,575 or 29% of total payroll cost. For the 2189 employees, the individual take-home pay was about \$4,339 out of an overall annual gross pay of \$14,955. ³Based on the foregoing numbers, out of the daily annual average gross pay of \$41 per employee, the daily net pay was \$12.

³ According to the PSC records, this was \$2,849 more than the annual average personnel cost per employee of \$12,106 as reported earlier in this report.

5. OCCUPATIONAL CLASSIFICATIONS

5.1 **Introduction.** The reaction from the higher mobility in the local labor market mixed with the shortage of available competent and suitable workers had a direct bearing on the adjustment of the job and pay classification. Pay level adjustments have been used by the requesting agency as a way to attract or retain skills in short supply (ie, accounting and IT posts, for example) which has had the tendency to undermine the integrity of the common classification system across the RMIPS. This emerging job classification disparity may have been allowed for a number of years, and this misalignment of posts was noted in the ADB Personnel Audit.

5.1.1 The Commissioners have become vigilant in scrutinizing all requests for reclassifications in order to ascertain that the posts are properly described, qualified, certified, placed in respective organizational structures of agencies. Elevating job classifications in order to attract good employees or match the qualifications of the individual applicants had resulted in the rise of personnel costs across the Public Service and the Government as a whole. Currently, the highest pay level, \$60,000 maximum for the post of the Attorney General, has exceeded that of the government approved Salary Scale (\$45,000 or PL 16) resulting in an apparent huge remuneration gaps. The higher compensation for degree holders doing similar work is allowable under the present Public Service Regulations of 2008.

5.1.2 Correcting the misalignment of job classifications and wage levels within the Ministries/Agencies and across the Public Service became a challenge in many aspects. The expected rise in the Pay Level of the heads of Ministries from PL13 to PL14, allowable in these Regulations, would assist in the proper alignment of lower job classifications even though it would add some cost to the Government.

5.2 The classification structure of the RMIPS is outlined and thus prescribed in the existing PSC Regulations under Schedule One. There is a total of eight (8) different Classifications broken down into thirteen (13) different Occupational Classifications. These 13 groupings are further classified into sixteen (16) Pay Levels, and up to Level 9 are 5 incremental Steps. From Level 10 upward, the number of incremental steps were reduced from 5 to 3. Employees are eligible to advance in these incremental steps every 3 years of Public Service employment, depending both on availability of funds and quality of job performance. Job promotion or demotion would move employee between Pay Levels.

5.2.1 **The Education, Social and Related Occupational Group** (Group #8) remains the largest occupational category in RMIPS as it grew by 48 (see Table 4), or about 5%, costing the highest of all occupational groups at \$12.2 million this year, an increase of over \$1.1 million, as shown in Table 5 below. While the three costliest occupational groups [*Education, Social and Related Occupational Group* (8), the *Medical, Public Health and Related Occupational Group* (6), and *General Administration, Management and Related Occupational Group* (1.1)] totalled around \$22 million or 79% of total personnel costs for 2013, average cost wise, the highest average paid occupational group was the *Legal and Related Occupational Group* (2), which in 2013 was \$27,433. Furthermore, although the growth in cost for Group#8 was steady from \$10.1 million to \$11.1 to \$12.2 in 2013, the number (1042) remained

constant for 2011 and 2013, indicating the budgeted rise in wages only. If Group #2 received the highest wage average, the lowest wage average of \$11,168 was for Group #4, and Group 7 was around \$13,520.

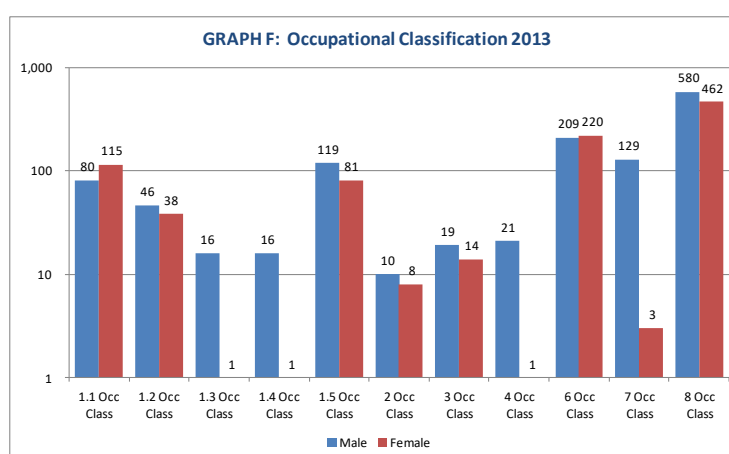
**TABLE4: National Government Employees under the Purview of Public Service Commission of RMI
by Occupational Classification 2011 - 2013**

Occupational Classification	2011			2012			2013		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1.1. General Administration, Management and related occupational group	81	98	179	76	105	181	80	115	195
1.2. Accounting, Auditing, Taxation and related occupational group	41	35	76	39	36	75	46	38	84
1.3. Immigration, Labour and related occupational group	13	2	15	14	2	16	16	1	17
1.4. Supply related occupational group	18	1	19	19	1	20	16	1	17
1.5. Service, Support and related occupational group	105	75	180	110	77	187	119	81	200
2. Legal and related occupational group	13	8	21	15	7	22	10	8	18
3. Data, Information and related occupational group	22	11	33	13	9	22	19	14	33
4. Agriculture and related occupational group	20	1	21	22	1	23	21	1	22
6. Medical, Public Health and related occupational group	195	222	417	212	228	440	209	220	429
7. Technical, Mechanical, Engineering, Trades and related occupational group	154	3	157	153	3	156	129	3	132
8. Education, Social and related occupational group	597	445	1,042	597	437	1,034	580	462	1,042
TOTAL	1,259	901	2,160	1,270	906	2,176	1,245	944	2,189

**TABLE4.1: National Government Employees under the Purview of Public Service Commission of RMI
by Occupational Classification 2011 - 2013**

Occupational Classification	2011			2012			2013		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1.1. General Administration, Management and related occupational group	1,704,885	1,667,970	3,372,855	1,655,760	1,858,090	3,513,850	1,775,760	1,992,200	3,767,960
1.2. Accounting, Auditing, Taxation and related occupational group	640,535	556,960	1,197,495	629,905	612,295	1,242,200	731,775	667,495	1,399,270
1.3. Immigration, Labour and related occupational group	141,360	31,045	172,405	168,260	31,045	199,305	207,545	13,045	220,590
1.4. Supply related occupational group	264,885	8,240	273,125	285,165	10,025	295,190	229,845	10,025	239,870
1.5. Service, Support and related occupational group	706,715	564,365	1,271,080	728,960	555,125	1,284,085	788,735	581,390	1,370,125
2. Legal and related occupational group	417,285	140,425	557,710	455,285	142,425	597,710	301,000	192,785	493,785
3. Data, Information and related occupational group	261,130	144,222	405,352	186,110	144,955	331,065	269,550	162,080	431,630
4. Agriculture and related occupational group	229,245	10,025	239,270	244,825	10,025	254,850	235,670	10,025	245,695
6. Medical, Public Health and related occupational group	2,505,135	2,830,000	5,335,135	2,650,755	3,119,085	5,769,840	2,785,915	3,014,265	5,800,180
7. Technical, Mechanical, Engineering, Trades and related occupational group	1,835,316	55,380	1,890,696	1,845,286	55,380	1,900,666	1,654,127	55,380	1,709,507
8. Education, Social and related occupational group	6,331,168	4,564,559	10,895,727	6,534,850	4,558,430	11,093,280	6,893,236	5,315,410	12,208,646
TOTAL	15,037,659	10,573,191	25,610,850	15,385,161	11,096,880	26,482,041	15,873,158	12,014,100	27,887,258

5.3 Occupations & Gender. Detailed in *Table 4* is the allocation of employee numbers in the last three years by occupational classifications and by gender. The largest increase in classification size during the period was for Group #1.1 (up by 34, or up 21%), with female outnumbering their male counterparts by 32%, and held higher numbers in Group #8. Negative growth for women was experienced with Group #2 less by 18% ; Group #1.4 by 15%, and for Group #7 shows a decrease of a little over 15%.

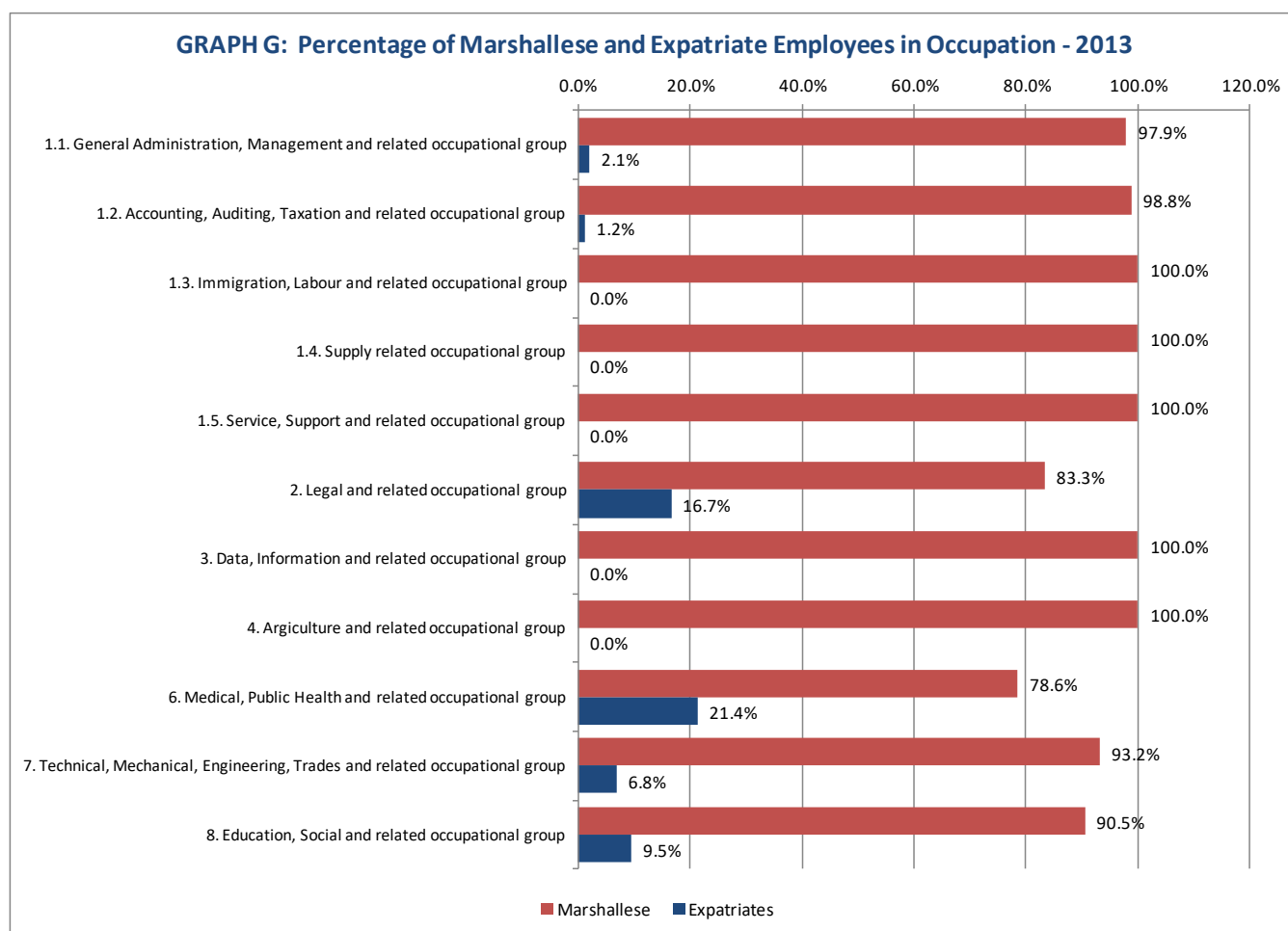


5.3.1 The bar graph F indicates the types of interest or ease of access to the various occupational groups by gender. Of stark differences are the following occupational groups where women are under-

represented: *Immigration, Labor & Related Occupational Group, Supply Related Occupational Group, and, Agricultural & Related Occupational Group, and Technical, Mechanical, Engineering, Trades & Related Occupational Group*. The data also indicate that there were two occupational groups where women had increased representation, and these were the ones on Management and Medical related occupations.

5.3.2 In 2013, under-employment of female Public Servants has continued to be in non-traditional occupations. Internships, apprenticeships, and fellowships for cohorts are to target the advancement of women in these areas of shortages and challenges.

5.4 **Occupations & Marshallese/Expatriates.** The bar graph below indicates the occupational grouping where Marshallese citizens could not meet the labor market demand. Foremost of these were the fields in the category of *Medical, Public Health and Related Occupations*; and, following this category was that for *Legal and Related Occupations*. For the following occupational groups, the percentages for expatriates were 9.5% and 6.8% respectively: *Education, Social and Related Occupations*, and *Technical, Mechanical, Engineering, Trades & Related Occupations*.



5.4.1 The need to improve knowledge, skills and experience are not only in these referenced areas, but also in the other occupational groups, as in human resource management/development, accounting/auditing/taxation, and in information/communication technology (ICT).

5.4.2 Overall, improving the quality of service covers all areas of occupation. As the Government has established numerous alliances, ratified numerous treaties and conventions, and been facing the global environmental/energy issues associated with Climate Change, the advancement of the knowledge, skills and experience of the members of RMI Public Service and the RMI labor force continues to be imperative.

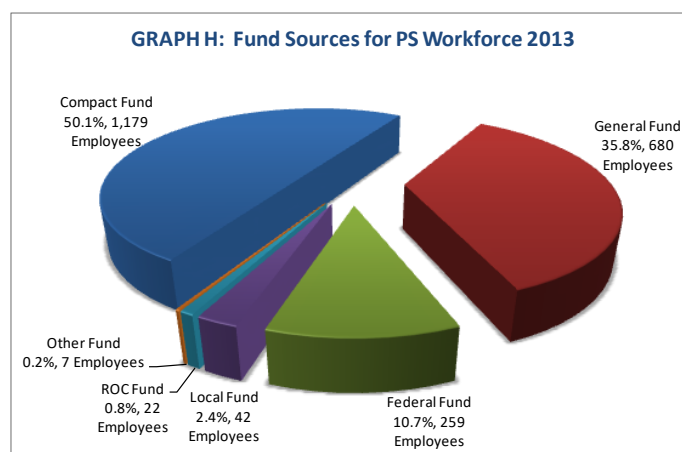
6. 2012-2013 Costing by Ministry & Agency.

6.1 Comparing year 2013 with year 2012, *Table-5* further details as it prioritizes the worth of the Ministries and Agencies commencing with the most expensive to the least. As had been during the last 5 year period, the Ministry of Education had continued to grow in size, this year increase only by two (2), but with a cost increase of over \$800,000 dollars. of a little oversaw a workforce reduction by 10 less (retired) employees, or a saving of a little over \$172,000 thousand dollars.

TABLE 5: National Government Employees under the Purview of Public Service Commission of RMI
Ranking by Cost: 2012 - 2013

Ministry/Agency	2012		2013		Diff (+/-) 2013 over 2012		Average Wage Per Ministry/Agency		
	Emps	Ttl Cost	Emps	Ttl Cost	Emps (+/-)	Cost (+/-)	2012	2013	Diff (+/-)
Education	1,157	\$12,189,910	1,159	\$13,019,696	2	\$829,786	\$10,536	\$11,234	\$698
Health Services	578	\$7,195,170	588	\$7,504,830	10	\$309,660	\$12,448	\$12,763	\$315
Finance	81	\$1,381,370	87	\$1,487,405	6	\$106,035	\$17,054	\$17,097	\$43
Public Works	101	\$1,239,261	76	\$931,157	-25	-\$308,104	\$12,270	\$12,252	-\$18
Internal Affairs	53	\$783,340	60	\$913,185	7	\$129,845	\$14,780	\$15,220	\$440
Foreign Affairs	29	\$623,355	32	\$699,530	3	\$76,175	\$21,495	\$21,860	\$365
Justice - Attorney General	27	\$505,500	25	\$466,070	-2	-\$39,430	\$18,722	\$18,643	-\$79
Resources & Development	32	\$423,615	31	\$406,960	-1	-\$16,655	\$13,238	\$13,128	-\$110
Nitijela	23	\$318,855	24	\$336,075	1	\$17,220	\$13,863	\$14,003	\$140
Cabinet	13	\$227,460	15	\$295,985	2	\$68,525	\$17,497	\$19,732	\$2,235
Chief Secretary-WEATHER	12	\$204,550	12	\$290,220	0	\$85,670	\$17,046	\$24,185	\$7,139
Public Service Commission	12	\$267,285	12	\$259,665	0	-\$7,620	\$22,274	\$21,639	-\$635
Auditor General	8	\$113,310	11	\$249,845	3	\$136,535	\$14,164	\$22,713	\$8,549
Chief Secretary	7	\$147,735	14	\$229,960	7	\$82,225	\$21,105	\$16,426	-\$4,679
Transportation & Comm.	14	\$227,890	13	\$191,765	-1	-\$36,125	\$16,278	\$14,751	-\$1,527
Justice - Public Defender	7	\$172,440	7	\$164,960	0	-\$7,480	\$24,634	\$23,566	-\$1,069
Chief Secretary-OEPPC	7	\$141,345	8	\$161,615	1	\$20,270	\$20,192	\$20,202	\$10
Chief Secretary-EPPSO	5	\$104,850	8	\$147,875	3	\$43,025	\$20,970	\$18,484	-\$2,486
Council of Iroij	4	\$67,200	4	\$68,230	0	\$1,030	\$16,800	\$17,058	\$258
Finance-Banking Commission	3	\$69,435	2	\$48,000	-1	-\$21,435	\$23,145	\$24,000	\$855
Land Registration Office	1	\$14,230	1	\$14,230	0	\$0	\$14,230	\$14,230	\$0
Customary Law & Language Comm.	2	\$33,935	-	\$0	-2	-\$33,935	\$0	\$0	\$0
Total	2,176	\$26,452,041	2,189	\$27,887,258	13	\$1,435,217	\$0	\$12,740	\$12,740

6.2 The annual total roster dropped to 1147, with an annual total wage bill of a little over \$12.0 million dollars. Although almost doubled the figures for the Health Ministry the average annual earning, by comparison, were \$10,477 for MOE to \$12, 718 for MOH in CY 2013, a decrease of -\$59 for MOE and an increase for MOH of +\$270. With the implementation of the MOE/PSC Credentialing on Teacher Certification Program, the personnel actions with salary ramifications thereof would have amounted to a much higher wage average for MOE. That cost representation however, will be reflected in the next Annual report, 2014.



6.3 Except for the R&D Ministry, the Public Works, the Ministry of Transportation and Communication (MTC), Nitijela, EPPSO, Education and PSC, all other average wages were on the rise. The most losses in annual total wages were in the Ministry of T&C (-\$1,527) and EPSSO (-\$1,277). The highest reduction of workforce was in the Ministry of Public Works, a loss of 27 employees, but a (saving) cost of about \$334,414 thousand dollars; and the MOE, a loss of 10 employees, a sum of a little over \$172,000 thousand dollars. The higher increases were in the following agencies: Attorney General, Auditor General, Cabinet, Weather, Public Defender and Banking Commission. The ministries and agencies with averaged increases were for Finance (\$211) Council of Iroj (\$258) Internal Affairs (\$440), and Health Service (270). The other increases were in the Ministry of Finance and the Public Defender, the annual averages for both 2012 and 2013 were \$17,054 and \$17,265 for MOF – a difference of \$211, and for the Public Defender's \$24,634 and \$25,828, a difference of \$1,188. The average earnings for all other ministries and agencies are detailed above *Table-5*.

6.4 The annual total cost associated with the current size of the public service is amounted to \$26.7 million dollars. The RMIPS Personnel Wage bill continued to be an item of daily discussion over the years with recommendations mostly to reduce its size. This is necessary in order to reduce cost, and for better utilization for national interest.

6.4.1 The question is whether or not the workforce reduction is really the solution. Based on a cost analysis review, *Graph-J*, there may be reasons to think twice in trying to reduce the size of the workforce hoping that it will be well. For example, in terms of deduction value or contributing back to RMI, the workforce had graciously contributed a sum total of \$32.2 million dollars last year, 2013, as specified in the deductions break-downs, *Graph-J*. In view thereof, an argument can be raised as to whether such group as the (170) retirees or the (208) expatriates public service employees, whose deductions do make up a great deal of the contributions to the annual total. The implication seems to suggest quite clearly that workforce reduction, which also means cutting down on the amount of deductions and contributions to, for example, the Revenue tax, Social Security, Health Fund, Group Life Insurance, and even to the local financial institutions--banks, may not be the best solution as it might inadvertently be resulted in other unexpected adverse financial consequences as well.

7. **2013 Personnel Activities Review.** Review of personnel activities include the review of data as well as on-stop inspections.

7.1 Reviewing the 1,115 types of actions conducted in 2013 in *Table-11*, the numbers that would lend to the higher number of personnel in 2013 were in new contract extension (540), Appointment of existing posts (94), special and short-term contracts (8), and reinstated/rehired (4), but minus the number of resignations (28), retirements (22), and terminations, with other types (74).

7.1.1 The following are actions that added to the personnel costs: step increments (232), promotions (13), and salary adjustments (61). These actions, together with the new personnel,

resulted in the additional personnel cost of \$1.4 million to make the 2013 total of \$27.9 million. In 2013, the 540 extensions and 94 appointment of existing posts (or replacement) were two actions held by the expatriates (10% of workforce, \$4.2 million) and the retirees (8% of workforce, \$2.8 million). Most retirees and expatriates have had their employment contracts renewed every year with a high probability of extension, as was the case all throughout the year, 2013.

7.1.2 Base of the current trend on hiring for employment trend, and has been demonstrated in the course of the last two years, the cost of personnel is expected to rise, considering the increasing number of Marshallese degree holders whether they are associate degrees, bachelors, or masters' level. The PS Regulations (2008, as amended) recognized the need to promote particularly masters' degree holders and other professional areas including doctors, lawyers and engineers, and this initiative was promoted by the raising of their salary grades. Additionally, the mandated certification for credentialing teachers to teach in RMI by the Ministry of Education is expected to add to the personnel cost.

7.2 The Public Service staff members conducted an announced spot check to the various GRMI Ministries/Agencies on Wednesday, 24th April 2013. During the event, the following information was able to be ascertained and was eventually shared with Chief Secretary and Ministry/Agency Heads. While some Ministries and Agencies have been using advances in technologies and are currently using finger print time machines, others continued to use regular time clocks, others do not have any type of time-clock machines within their respective offices – a grave concern for monitoring and accountability of actual hours worked and earned by employees.

7.2.1 At one of the Ministries inspected, an issue confronted by the Time-Keeper was that hours recorded by the finger print machine are often altered by the immediate supervisor.

7.2.2 Another issue of concern was that some employees do not normally report to work on time or at times missed working days, do not get approved or authorized leaves (annual, sick, etc) yet continued to receive full 80 regular hours on a bi-weekly basis.

TABLE 6: Personnel Activities of the Public Service Commission - 2013

Activities	2013			Total
	MOH	MOE	Others	
Amendments		2		2
Appeal				-
Appointment, New Post	-		3	
Appointment, Existing Post	34	52	8	94
Change of Account				-
Change of Last/First Name			2	
Change of Status	4		11	15
Change of Title	4			
Contract Extension	213	298	29	540
Contract, Special/Short Term	4		4	8
Conversion, Post/Title	1			1
Correction				-
Education Leave	5		3	
Employment Announcement	36		17	
Increments/Step Increase	25	203	4	232
In-service/Educational Leaves				-
Night/Standby differential	15			
Pay/Salary Adjustment	5	56		61
Promotion		7	6	13
Reclassification	2			2
Reinstated/Rehired	4			4
Relocation/Reassignment				-
Renewals				-
Replacement				-
Resignation	12	14	2	28
Retirement	4	16	2	22
Special Leave			1	
Suspension	5	-		5
Termination, End of Contract/Employment	3	46	3	52
Termination, With or Without Cause	16		1	17
Termination, Medical Reasons			1	
Termination, Deceased	2			
Transfer, Relocation	9	8	2	19
TOTAL PERSONNEL ACTIONS	403	702	99	1,115

7.2.3 At one particular Office, there was no time-clock machine for the staff members to punch in or punch out on a daily basis. What is being used is a printed timesheet, which do not necessarily match hours reported to MOF's Payroll department for actual payment of employees' bi-weekly payments.

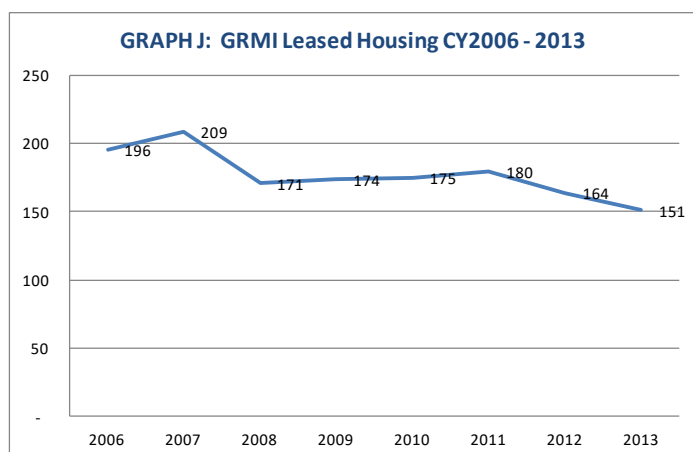
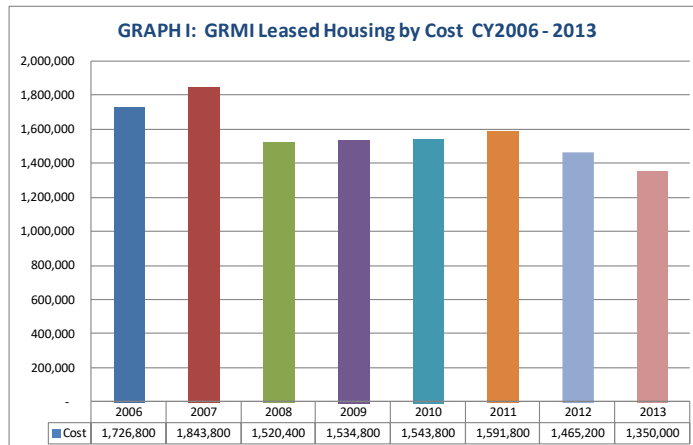
7.2.4 In some instances, PSC employees discovered that it was after 8:30 am, yet there were no employees present in some of these Offices. In other cases, there were as few as only four employees in an office normally have ten or more staff members.

7.2.5 In other instances, there existed a time-clock, but there were no time-cards to use by the employees to punch in and punch out.

7.2.6 Based on the preliminary information listed above, there is a huge need for PSC and appropriate Ministry/Agency Heads and especially immediate supervisors to take a pro-active role in ensuring that actual hours worked by employees are paid as the current trends, reporting of full 80 hours per week but not earned, is draining the already limited budget.

8. *Leased Housing in 2013*

8.1 In the last eight years, attempts have been made to control the cost of leased housing by maintaining the Government rate of \$9000 per unit per annum, and by reducing the number of contracted employees needing housing. The trend would continue for reduction in housing costs, and PSC has been working on initiatives to maintain or reduce the number and thus the cost. As portrayed in *Graph-I*, the trend on the housing cost is slowly simmering down, perhaps as a direct result of a number of PSC cost reduction schemes and programs commenced implementation a couple of years ago for cost saving purposes. One such scheme has been to allowing more flexibility rendered for the tenants to exercise personal choices of domicile selections

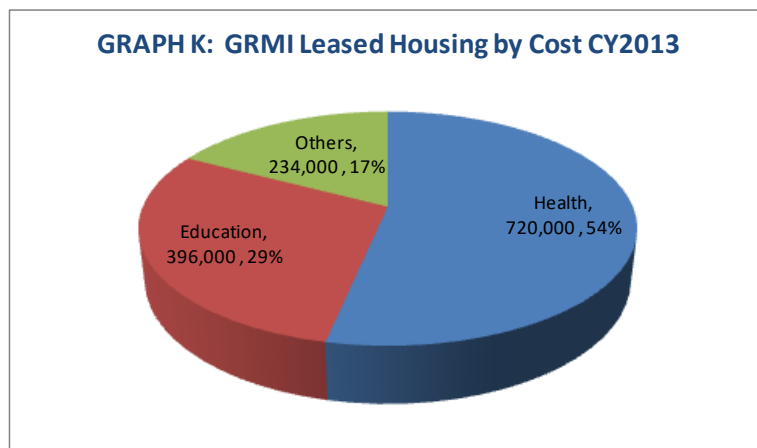


and house-sharing arrangements. This has had, in fact, resulted in the ability to establishing closer ties with the landlords and other land owners in the creation and implementation of leased housing policies and procedures serving mutual interests.

8.2 One of the landmark achievement in 2013 was the endorsement of the new Housing Policy. The new Housing Policy incorporated the remuneration/housing cost package which would enable eligible

employees options of personal choice, with direct of rental payment by the employee. It is envisioned that this particular arrangement will not only be enticing for recruitment purposes, but will serve as an accessible mean to facilitate a much easier and less time consuming process, which will be considerably beneficial for all parties concerned.

8.2.1 The endorsement of this newly Housing Policy had also resulted in the reviewing and approving of the Housing Contract to best addressing the needs of parties concerned of equal footing. This has allowed more user-friendly measures



to ensure of housing service efficiency with a much less cumbersome on processing.

8.3 Although the government leased housing program has continued to accommodate a considerably high number of eligible Public Service employees requiring housing units, with the Fiji recruits sharing housing units, there were fewer leased housing units by 13 with the total 151 total for 2013, which was a saving for the Government of \$115,200. However, the overall cost to date is still very high with a total of \$1.4 million, excluding the repatriations and utility costs. The locations, with the respective numbers, of the leased housing units are as follows: Majuro - 109; Ebeye - 41; others: Mili -1. This year's breakdown on total housing cost was: MOH total housing cost \$720,000 dollars, or 54% ; MOE housing cost of \$3967,000 dollars, or 29%; and, a 17% combined total sum by others ministries and agencies of the government.

9. *Group Life Insurance in 2013*

9.1 At present, of the 2,189 total Public Service employees, about 1,273 Public Service employees (58%) have enrolled and are fully covered under basic Government Group Life Insurance Policy that is carried by the Individual Assurance Company (IAC). The voluntary government group life insurance program continued to actively provide insured monetary benefit to a very large majority of the Public Service employees.

9.2 While the Government matched 59% of the Basic Coverage, the enrolled employee paid the remaining 41%.

9.3 The following are the Options with Coverage of Supplemental Benefits:

9.3.1 Dependent's Term Life Insurance – for active individuals (full-time employees) only:

Plan 1 – Spouse Coverage of \$6,000 and Children Coverage of \$2,000 = \$3.30 premium biweekly

Plan 2 – Spouse Coverage of \$10,000 and Children Coverage of \$2,000 = \$5.45 premium biweekly

Plan 3 – Spouse Coverage of \$10,000 and Children Coverage of \$6,000 = \$8.55 premium biweekly

Plan 4 – Spouse Coverage of \$10,000; Children coverage of \$6,000; and Parents/Parent In-Law Coverage of \$3,000 = \$24.50 premium biweekly

9.4 *Insurance Claims.* During the reported period, 2013, a total of 74 benefits insurance claims were awarded with a combined sum of about \$424,700.00, an average of \$5,739.00 per claim. The following was the breakdown of information on details about the existing group life insurance program with insurance transactions thereof:

TABLE7: Benefits Claims Processed and Received 2013

Type of Claim	2013	
	No. of Claims	Total
Basic Benefit Claims	4	\$121,000
Spouse Benefit Claims	4	\$59,500
Child Benefit Claims	19	\$105,200
Parent Benefit Claims	30	\$90,000
Parent-in-Law Claims	17	\$51,000
Total	74	\$426,700

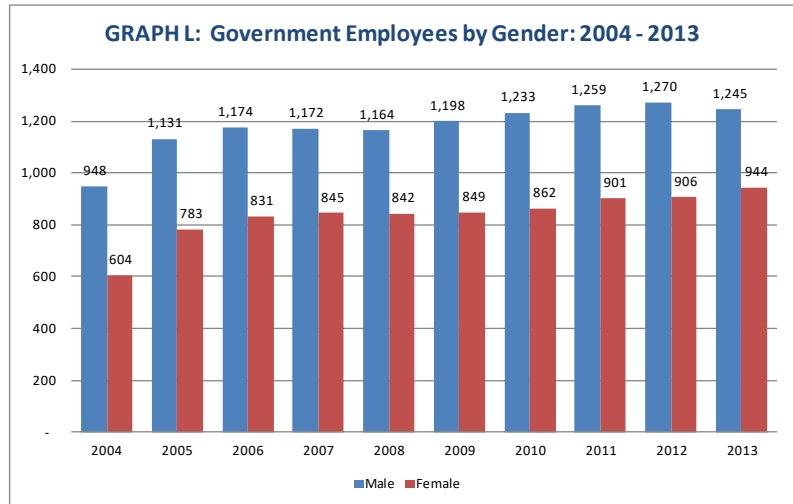
- Number of enrollees: 1,273, less of 172 from last year due primarily to retirement and termination of enrollment.
- Total amount of contribution: \$711,637.00 (January-December, 2013). This does not include the individual (premium) contributions made by the other public and/or private enterprises (Sea Patrol, NTA, EPA), and the local groups.
- Value of total claims amounted to \$424,700.00 (January-December, 2013), about 60% less as compared to last year's total claim awarded, *Table-12*.
- Total number of claims awarded this year was 74 (January-December, 2013). This figure is substantially reduced as of last year's due to a much fewer number of claims processed and awarded, less of 40 to last year's 114 total.

9.5 Exactly what might have caused such substantial reduction of claims being processed during the year may not be as clear. However, based on the reactionary responses informally obtained from a number of enrollees the newly endorsed enrollment requirements may have had some direct bearings. Moreover, those enrollees who no longer are eligible to remain at Option # 4 have opted to terminate their enrollments altogether. The very large majority of the IAC enrollees were those employees enrolled under Option #4. This was the largest group (*Option #4 or Plan 4*) of the four different coverage options to date.

II. DIVERSITY IN THE PUBLIC SERVICE

10. GENDER

10.1 **Ten-Year Trend.** Increase in female employment, as tracked for ten (10) years now, has been slight, never reaching the 1000 threshold, as has been the case with male employment. In the ten-year span, the total number of female Public Servants rose from 604 to 944, or 340 more, an increase rate of about 36%, while their male counterparts rose from 948 to 1245, 277 more, or by 22%.



10.1.1 It was reported under the section on occupational groups that women were better represented in the area of management. More challenging and higher paid jobs were aggressively sought by women as they tended to remain in the same posts until they were transferred to other jobs. Based on current trend, however, women are likely to reach equal representation in other areas, as their numbers outnumber their male counterpart in the Management & Related Occupational Group by 30%. for example, in a much shorter time span as now being reinforced by a much higher representaton in the younger age groups, 25-34 years old group – with females representing the majority.

10.2 **2012 & 2013 Gender Data.** The tracking of employment characteristics by gender, as shown in *Table 5* below, indicates that women comprised of 43% of total PS employment, a 1% increase from the previous year. Nonetheless, as shown in the occupational group data, there remains a stark difference in balancing gender participation in the Public Service, with a considerable variation between the larger agencies and the smaller agencies or among the various occupational groupings.

10.2.1 The decrease in the overall number of male employees by 25 employees was due to a number of factors, chief of which were those reaching retirement age (particularly at the Ministry of Public Works), in contrast to the rising number of female intake, by 38, across the Public Service. The cost for male employees in 2013 was at \$15.9 million with the female employees at \$12.1 million, an increase worth \$487,997 for men and \$947,220 for women in with a very slight lower average cost by \$23 compared to that of the male employees. Considering there were less men by 25, their total cost for the male employees still went up. For the female number increase, the rise in number with an average of \$24,927 showed an increase in the higher pay categories.

TABLE8: National Government Employees under the Purview of PSC RMI
by Gender: 2012 - 2013

Ministry/Agency	2012						2013					
	Male		Female		Ttl Emps	Ttl Amount	Male		Female		Ttl Emps	Ttl Amount
	# of Emps	Ttl Amt	# of Emps	Ttl Amt			# of Emps	Ttl Amt	# of Emps	Ttl Amt		
Auditor General	3	30,075	5	83,235	8	113,310	5	112,875	6	136,970	11	249,845
Cabinet	6	111,485	7	115,975	13	227,460	7	148,265	8	147,720	15	295,985
Land Registration Office	-	-	1	14,230	1	14,230	-	-	1	14,230	1	14,230
Customary Law Commission	1	13,935	1	20,000	2	33,935	-	-	-	-	-	-
Office of Chief Secretary	4	104,000	3	43,735	7	147,735	11	158,960	3	71,000	14	229,960
EPPSO	2	53,000	3	51,850	5	104,850	3	68,000	5	79,875	8	147,875
OEPPC	5	94,845	2	46,500	7	141,345	6	127,570	2	34,045	8	161,615
WEATHER	12	204,550	-	-	12	204,550	12	290,220	-	-	12	290,220
Council of Iroij	3	51,275	1	15,925	4	67,200	3	52,305	1	15,925	4	68,230
Education	685	7,253,490	472	4,936,420	1,157	12,189,910	657	7,329,051	502	5,690,645	1,159	13,019,696
Finance	54	917,705	27	463,665	81	1,381,370	59	1,012,860	28	474,545	87	1,487,405
Banking Commission	-	-	3	69,435	3	69,435	-	-	2	48,000	2	48,000
Foreign Affairs	14	306,015	15	317,340	29	623,355	16	361,215	16	338,315	32	699,530
Health Services	276	3,297,745	302	3,897,425	578	7,195,170	289	3,668,340	299	3,836,490	588	7,504,830
Internal Affairs	32	436,980	21	346,360	53	783,340	37	532,680	23	380,505	60	913,185
Justice	-	-	-	-	-	-	-	-	-	-	-	-
Justice - Attorney General	21	387,405	6	118,095	27	505,500	18	310,075	7	155,995	25	466,070
Justice - Public Defender	5	141,000	2	31,440	7	172,440	4	121,000	3	43,960	7	164,960
Nitijela	7	128,585	16	190,270	23	318,855	6	109,785	18	226,290	24	336,075
Public Service Commission	7	159,285	5	108,000	12	267,285	7	148,665	5	111,000	12	259,665
Public Works	95	1,183,876	6	55,385	101	1,239,261	70	878,707	6	52,450	76	931,157
Resources & Development	27	323,090	5	100,525	32	423,615	25	291,890	6	115,070	31	406,960
Transportation & Comm.	11	186,820	3	41,070	14	227,890	10	150,695	3	41,070	13	191,765
Total	1,270	15,385,161	906	11,066,880	2,176	26,452,041	1,245	15,873,158	944	12,014,100	2,189	27,887,258

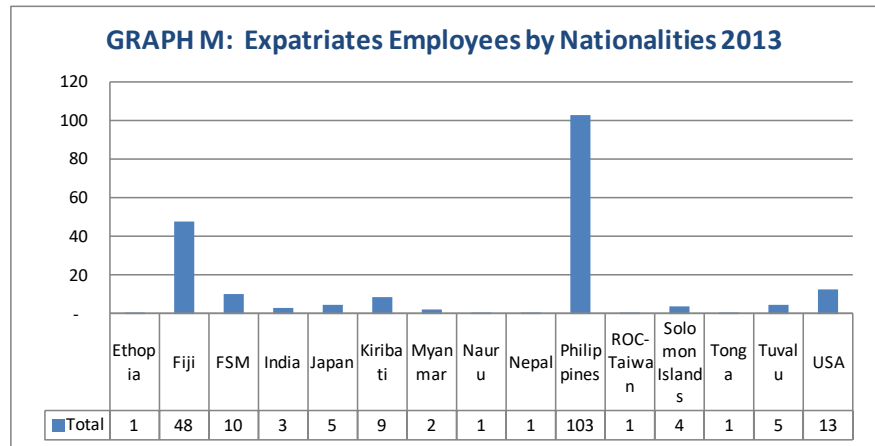
11. EXPATRIATES

11.1 Recruitment Efforts. Aggressive recruitment efforts are carefully designed to best address the shortages of Marshallese occupying key posts within the GRMI and especially its key Ministries, such as the Ministry of Health, particularly in such professions as nurses, medical doctors, specialists for the lab, pharmacy, x-ray/imagery, and physical therapy. While there exists at PSC a pool of other equally qualified and skilled Marshallese within the Public Service and soon to graduate RMI Scholarship recipients ready to return home, there remains a number of expatriate employees holding jobs in the management and support staff level, an area to which current staff development programs are articulated and delivered by local and regional higher learning institutions.

11.2 Areas for Development. The jobs occupied by non-Marshallese workers are mostly in the areas of education, engineering, law, archeology, financing, and health (mostly in medicine, nurses, and dentists). As can be seen in Table 6, in 2012, the Ministry of Health had the highest number of expatriates with a total of 104 with a loss of 8 this year, 2013. Ministry of Education had the next high number of 96, a gain of 2 from last year. The overall total of 208 is comprised of a scattering of number at Public Works, Finance, Internal Affairs, Justice, Auditor General, OEPPC, and Transportation & Communication. The annual total cost of the entire 208 expatriates is amounted to \$4.2 million dollars, or a saving of a little over \$134,000 dollars, at a loss of three (3) expatriates from last year, 2012. The two largest ministries (MOE-\$1.7 million, MOH-\$2.1 million) alone together combined a total sum of over \$3.8 million dollars, or representing about 89% of the annual total cost.

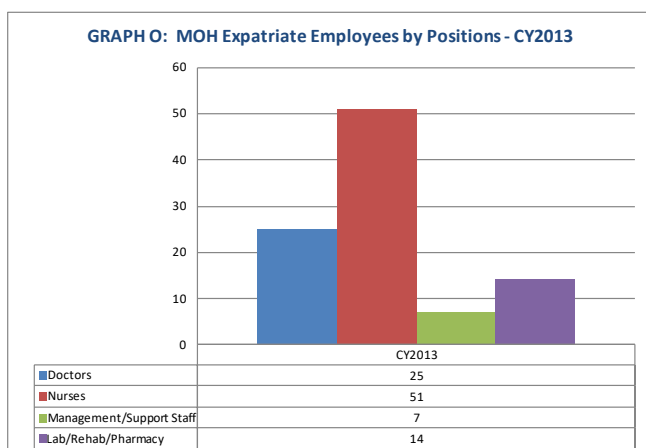
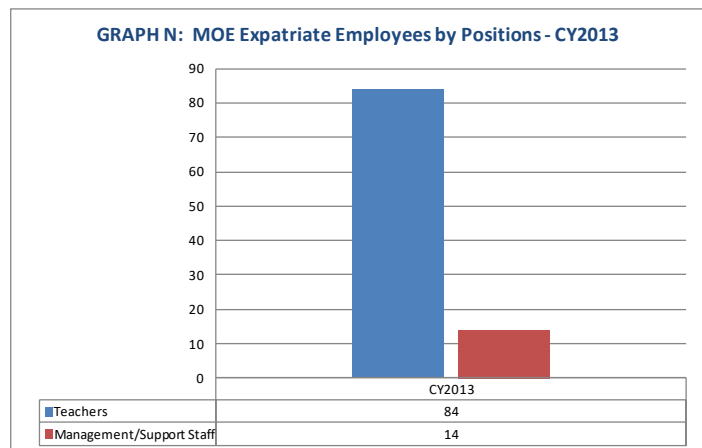
11.3 Nationalities in

Workforce. A demographic analysis on the nationalities of the employees who are members of the RMI Public Service disclosed that the Filipino employees were of the highest total of **103** active employees, Fijians (**48**), and US Americans (**13**). The remaining **10** employees were from others nationalities. *Graph-M* outlines



the number of each nationality employed by the Public Service during the year, 2013. Nationals from the Philippines accounted for fifty (50%) of all expatriate employees within the Public Service. Fiji nationals came next accounting for twenty-three (23%) percent. Nationals from the US (6%), FSM (5%) and I-Kiribati (4%) comprised of the three other larger groups with a combined total of fifteen (15%) percent respectively. The other remaining twelve (12%) percent comprised of the other nationalities.

11.3.1 The Filipino Public Service employees working in MOH work as health professionals and skilled technicians and in MOE as secondary classroom teachers. Though the Fijians have increased dramatically in the last two years, due a direct bearing on the recently binding agreement entered into between the RMI Government and that of Fiji on the so called the ***Fiji Volunteer Service Program***, this year showing a notable drop by 21, due largely to the terminations of employment at MOH in particular.



11.3.2 *Graph-N* lists the number of expatriate employees occupying various jobs within the Ministry of Education. As noted, seventy-nine (84) occupied teaching posts; fourteen (14) occupied management level posts.

11.3.3 *Graph-O* outlines the number of expatriate employees occupying various posts within the Ministry of Health. As may be noted, a total of fifty-one (51) occupied various nursing posts; while

twenty-eight (25) occupied various specialized medical doctor posts; seven (7) held positions within the management and support staff level; and finally twelve (14) occupied posts within the Laboratory, Rehabilitation and Pharmacy Departments respectively.

12. EMPLOYEE WITH DISABILITIES

(Source: Special Education Program, MOE)

12.1 *Disabilities in RMI.* In the RMI-NPDID (National Policy on Disability Inclusive Development) the “disability” is defined as “Persons with disabilities include those who have long-term physical, mental, intellectual or sensory impairments which is interacting with various barriers may hinder their full and effective participation in society on an equal basis with others.” Based on an review conducted at the MOE, employees with disability, here in RMI, are somewhat less likely to have graduate qualifications than other employees. In the RMIPS workforce where having graduate qualification is becoming the norm, the relatively less qualified employees with disability may be less able to compete for appointment must less for promotion. This is very important to note given the long-term decline in the number of people with disability who have not been able to find job as opposed to people without disability.

12.2 *Long-Term Participation.* The long-term decline in the employment of people with disability in the RMIPS has continued this year, with the proportion now down to 34%. In absolute term, the number of employees with disability fell for the fourth year in a row, after it was increasing in 2005. The decrease in the absolute term (11) was the largest since 2006.

12.3 While the number of employees with disability fell overall, the following agencies increased their intake by 4 at MOE, by 2 at MOH, and 1 by MOF. The types of disabilities of these employees are mostly grouped as follows:

- >Pervasive developmental disorders (disabilities that cause social, communication and behavioral challenges);
- >Cerebral palsy (motor disabilities); and
- >Mental retardation (limitation in adaptive functioning).

12.4 The overall impression obtained appears to suggest that people with disabilities have not actively participated in the job market competition for reasons as alluded to above. There is also an impression that more friendly institutional measures might be best look into so as to better serve the interest of people with disability across the public service wide. In fact, the same provision for accessibility is now being explicitly addressed through the NPDID as one of the chief developmental priorit areas, ensuring such accessibility in the RMI Building codes; and charging the Ministry of IA to taking the lead role in working with other ministries and stakeholders to advocate for disability inclusive development plan to ensure disability, here in the RMI, is well integrated into their policies and program (***RMI Disabilities National Policy***).

Note: In view of insufficient data, a more objective reporting will be forthcoming in the next State of the Service report, 2014.

13. AGE DIVERSITY

13.1 A growing issue in workplace diversity is the importance of creating a workplace environment that attracts as it draws on the skills of employees of all age groups. Intergenerational issues that arise in the workplace are to be reviewed for effective use and placement of capable and healthy Marshallese citizens as well as the retention or recruitment of skilled employees with expertise not available in country. This is particularly important given the impact of the aging segment of the RMIPS Workforce and the mounting leadership expectation required thereof. This section looks at the age diversity of PS employees, particularly the young employees (age 21 up, middle aged group (45-54), and older workers (age 55 years and older). The age profile of PS obviously differs to that of the smaller workforce, with lower representation of both young and older workers. In the case of RMIPS however, it is increasingly becoming reliant on the mature-aged and the older workers, with a cohort of college graduates aptly joining the workforce.

13.2 **Retirees in the Public Service.** The long standing issue over the severe shortage of qualified Marshallese citizens to fill a number of more skilled posts in the Public Service, had prompted the Commission to seriously take into consideration a number of retirement eligibility employment schemes through which employees would be in a better position at providing quality public services across the Public Service. As had been the case during the previous three years, the numbers of granted employment contract extensions, and the frequency rate of contract renewal activities have been the highest of recorded Public Service employment of retirees.

TABLE9: Employees Reaching Retirement Age 60 and Above
Summary by Ministry/Agency 2012 - 2013

Ministry/Agency	2012			2013			
	# of Emps	Ttl Amount	% of Total	# of Emps	Ttl Amount	% of Total	Diff (+/-)
Office of Chief Secretary	1	\$23,000	0.7%	2	\$62,000	2.2%	\$39,000
Council of Iroij	1	\$9,380	0.3%	1	\$9,380	0.3%	\$0
Education	118	\$1,594,210	49.3%	85	\$1,307,681	45.9%	-\$286,529
Finance	3	\$41,680	1.3%	6	\$116,605	4.1%	\$74,925
Foreign Affairs	2	\$40,025	1.2%	3	\$73,420	2.6%	\$33,395
Health Services	53	\$902,610	27.9%	49	\$835,785	29.3%	-\$66,825
Internal Affairs	3	\$70,070	2.2%	2	\$53,045	1.9%	-\$17,025
Justice - Attorney General	2	\$56,000	1.7%	2	\$71,000	2.5%	\$15,000
Justice - Public Defender			0.0%	1	\$20,000	0.7%	\$20,000
Nitijela	3	\$73,000	2.3%	3	\$62,000	2.2%	-\$11,000
Public Service Commission	3	\$78,000	2.4%	3	\$60,380	2.1%	-\$17,620
Public Works	20	\$300,910	9.3%	9	\$116,255	4.1%	-\$184,655
Resources & Development	3	\$44,365	1.4%	3	\$44,365	1.6%	\$0
Transportation & Comm.	-	\$0	0.0%	1	\$18,000	0.6%	\$18,000
Total	212	\$3,233,250	100%	170	\$2,849,916	100%	-\$383,334

13.2.1 In 2013, there were **170** Public Service employees who have already reached the retirement age of 60 years old and beyond, less by 42 since the previous year. The cost associated therewith was amounted to \$2.85 million, or 10% of total annual personnel cost of the entire RMI Public Service workforce, with a saving of a little over \$383,000. 45% or **85** of these employees, costing about \$1.3 million, were from the Ministry of Education. The Ministry of Health retained the services of **49** retirees, saving of a little over \$66,000 dollars. The Ministry of Public Works kept **9**, eleven less from previous year and with a saving of a little over \$184,000 dollars. Between MOH and MOE, a total of 134 aging public servants were retained, representing about 78% of the entire aging workforce of the RMI Public Service and costing about \$2.8 million dollars, a saving of a little over \$353,000 dollars from the previous year.

13.3 Of the **170** of such retired public service employees, 36.5% or **62** were female at the value of **\$1,026,021**, 63.5% or **108** were male with the value of **\$1,813,935**. The average ratio in the last five years had been 1 man to 2 women (1:2); and, their corresponding costs were \$16.8 to \$33.1.

13.4 **Funding Sources of Retired Employees (Age 60 and up).** In the last 5 years, the trend has been to increase the retention of retirees in the Public Service to perform ongoing needed services. As indicated earlier, the cost of the retirees in 2013 represented a 10.2% of the total workforce cost, which is a .2% increase from 2012.

13.4.1 As shown in **TABLE 10: Employees Reaching Retirement Age 60 and Above**
Table-10, over **54%** of
Summary by Fund 2012 - 2013

Fund	2012			2013			
	# of Emps	Ttl Amount	% of Total	# of Emps	Ttl Amount	% of Total	Diff (+/-)
COMPACT FUND	129	\$1,785,385	55.2%	100	\$1,542,871	54.1%	-\$242,514
GENERAL FUND	60	\$1,068,030	33.0%	52	\$995,825	34.9%	-\$72,205
FEDERAL FUND	17	\$267,370	8.3%	14	\$230,195	8.1%	-\$37,175
ROC FUND	4	\$68,465	2.1%	2	\$37,025	1.3%	-\$31,440
LOCAL FUND	2	\$44,000	1.4%	2	\$44,000	1.5%	\$0
Total	212	\$3,233,250	100%	170	\$2,849,916	100%	-\$383,334

employees of MOE, classroom teachers, and MOH, nurses and health assistants. Although still maintaining a high cost figure, there is a total annual saving of around \$314.000 thousand dollars.

13.4.2 Although the availability and preparation of skilled and knowledgeable replacement workers have been lagging behind, which also posed a high risk of not having young skilled workers readily available to replace the aging workforce, there are encouraging indications showing evidents that the required skills needed in the sectoral wide labor force are beginning to take root.

III. ATTRACTING AND RETAINING THE RMIPS WORKFORCE

14. WORKFORCE PLANNING

14.1 An ADB personnel audit of the Public Service in a more recent study (2011-2012) conducted to direct reformation and improvement of the Public Service. One of the recommendations of this personnel review was to conduct a Workforce Review of the public service wide. The key recommendations arising from this workforce audit are as follows, and the steps already taken by the PSC, in leading the RMIPS reform agenda:

14.2 *The government/PSC to consider a job evaluation and pay and grading review.* Currently the RMI has a grade structure with sixteen grades and with 66 different pay points. The study also recommends the RMI consider a new pay and grading system that has: 1), a single pay structure, comprising 40 pay points, which will apply to all public servants; and 2), a single grade structure, comprising eight grades with clear differences between the main responsibilities of each grade, and which will apply to all public service jobs.

14.2.1 The key outcome of reviewing the pay and grading system is to ensure salaries available in the public service remuneration structure are linked to: 1), a better understanding by management and staff of the purpose of each job in a ministry and agency; 2), structures that align with processes for delivering services; 3), clear definition of roles and responsibilities; and 4), recruitment and promotion practices based on merit rather than patronage, seniority, or length of service.

14.3 *The government/PSC to develop strategies to improve the capacity of human resource management within the public service.* Establishing modern human resource management functions in ministries and agencies is essential to the success of public service reform. This is because the human resource management function in the RMI is ineffective. This report recommends a program of capacity development for the PSC, or the establishment of a special unit responsible for promoting human resource management based in the Office of the Chief Secretary. The responsibilities of the PSC or a Public Service Human Resource Management Unit would be to ensure ministries and agencies have capabilities in the human resource management functions of: 1), workforce planning; 2), staffing practices; 3), remuneration and conditions; 4), human resource development and capacity building; and 5), work relationships.

14.3.1 In adding value to the role of the Public Service Commission, one of the strategic goals is to have PSC become the lead Agency in public sector human resource management reform and to develop the capacity to be a source of guidance and support in all HRM functions. For this reason, the Commission has expanded the functional capacity of PSC office by bringing in another Assistant Commissioner to developing a strong focus on service delivery. This new set of core functions will no doubt enable the PSC to be in better position to deliver its mandates.

14.4 *Development of Human Resource Management:* Lack of general human resource management capacity within the RMI public service. Management of the workforce is largely concerned with administration. Functions such as training and development, performance management, and human resource management practices are not being adequately addressed. For immediate effects, PSC needs to develop its own capacity to be a public service expert organization on human resource management and a leader in RMI public sector reform.

14.4.1 In respond to this national initiative, the ILO, in collaboration with PSC, MOE and NTC, has already put in place concrete steps with which to addressing the need. For example, through various official consultations, the ILO has already agreed to providing assistance in support of the development of a National Human Resource Development Plan (NHRMDP). If goes as planned, the following preliminaries will soon be taking place by ILO (*PSC Strategic Plan, 2014-2016*):

- Assess current supply and demands of the labor force, now and in future in the RMI
- Identify trends with RMI workforce (private and public)
- Analyze employment data from 2011 Census to determine jobs held by foreign workers – Majuro and Kwajalein;
- Assess MISSA data help with public vs. private sector wages and compare also for foreign workers
- Review strategic plans for agencies to determine HRD needs
- Review labor force survey by SPC (supposed to be done already) conducted recently;
- Identify and collect feedback from the private sector on HRD needs;
- Review labor studies (e.g. study by Taggard);
- Coordinate HRD work with Economic Development Plan; and
- Others as may be required.

14.4.2 As envisioned, the development of the RMI-NHRMDP, which the Commission prioritizes so highly, will greatly contribute to the coordination and achievement of the National Strategic Development Plan (NSDP) goals and therefore will significantly assist RMI to becoming more socially and economically self-sufficient nation.

14.5 *Creation of HRMIS (Human Resource Management Information System):* There is a need for the establishment of a HRMIS that manages human resource management functions and payroll. Replacing slow and ineffective manual processes with automated solutions will produce efficiencies. Improvements in record keeping and access to information will assist managers to make better workforce management decisions.

14.5.1 A ministry-wide HRMIS will create efficiencies for the RMI Government. Any consideration of establishing a HRMIS will need to consider a review of processes used in workforce management to ensure the right processes are automated. A HRMIS should support an accurate and compliant payroll solution that has functions including payments, deductions, entitlements, pay rates, and pay cycles. It

should be robust to meet all RMI requirements while flexible enough to adapt to changes in the RMI workforce.

14.5.2 With a HRMIS, human resource modules will make it easier to enter and view information about staff. A human resource module is a decision-making system that gives managers the analytical, planning, and operational tools needed to monitor the activities and performance of staff. Workforce analysis and planning will be more effective if supported by a human resource module in the HRMIS. Being able to report over a human resource and payroll database in a meaningful, accurate way will contribute to better business decision-making.

14.5.3 Failure to establish a HRMIS will mean that initiatives like strategic workforce planning will be difficult if not impossible to implement. The lack of a central database will mean that it would be difficult to collect, collate and use data to make workforce planning decisions. Central personnel records will continue to be largely paper based and difficult to maintain and access. Managers will not have easy access to information that would help them manage their staff more effectively. Personnel administration processes will continue to be inefficient.

14.5.4 With the continuing technical assistance of the ADB, PSC is nearing the formal creation of the RMIHRMIS with two modules already been reviewed for compatibility, and a regional overview for operational specifications is being scheduled to take place at the earlier part of next year, 2014, for finalization. As a major component of the PSC Critical Factors for success, the formal creation of the HRMIS is greatly anticipated as it is one of the major reforming priorities of the RMI-PSC.

14.5.5 It is worth noting that central to workforce improvement is the need to establish ministry strategic plans to guide the alignment of divisional objectives, structures, roles, and responsibilities. Clear divisional and section objectives, roles, responsibilities, and operational plans are necessary for effective workforce planning and performance management.

14.5.6 While being confronted of the strategic need to develop its own capacity to become the lead agency in public sector reform in the RMI and assist ministries with workforce planning and development, PSC has, in fact, actively engaged in a number of reforming works required under its reform agenda. For example, with the endorsement of the PSC Workforce Plan by the Cabinet, which the PSC has already developed through ADB assistance, that role in carrying out ministerial workforce planning will be carried out at the earliest possible, 2014.

14.5.7 During the year, 2013, the Public Service Commission has taken every step necessary to equipped itself to carry out workforce planning, including the designation of its own staff to taking the leading role in the undertaking. It is envisioned that this particular capacity building activity will take off early next year, 2014.

15. ATTRACTION & RECRUITMENT

15.1 Effective strategies to attract and recruit employees are an important component of an agency's response to the impact of a tight labor market, and an integral part of workforce planning generally. As stressed by the ADB'PSMA audit study, "...recruitment can no longer be regarded as a "soft" issues", as the PSC position itself to compete for talent. The survey identified three distinct challenges for RMIPS:

15.1.1 Implementing more strategic approaches to recruitment. Two years ago, under its reforming efforts, PSC had begun to entertaining a number of strategic approaches to better achieve recruitment outcomes. One such approach has been to intensifying the collaborative efforts with other agencies and ministries to ensure needed expertise are well matched with the applicants with outcomes serving institutional capacity building and sustainability purposes. This recruiting partnership has, in fact, resulted in obtaining and securing the capabilities and skills required in a more efficient and timely manner.

15.1.2 Improving the quality of recruitment processes. Improvement of the quality recruitment processes plays a significant role in achieving efficiency and effectiveness of delivering the required public services. Last year, 2013, a serious set of improvement strategies have tested out with findings strongly supported innovative measures to help shape a more sound recruitment system. Some of the implemented strategies are as follows:

- The multi-purpose use of job description has already served a great deal in producing information required for staff administrative and management purposes.
- The make use of the job description as the staff/employee performance agreement- providing an evidenced based agreement to evaluate performance of staff outcomes at the annual performance assessment.
- The use of flowchart to provide all new and existing staff with a streamlined layout of the recruitment process. The flowchart has been developed and in used.
- For enhancement purposes, a Recruitment and Personnel action checklist has been developed to assist ministries and agencies to providing the relevant information serving pre-Employment Announcement approval and to expedite the processing of personnel action.

15.1.3 Adopting other approaches to recruiting key occupations. To be successful, attraction strategies must be underpinned by efficient and fair recruitment processes of all forms. This included the adopting of other workable recruiting strategies and methodologies necessary to achieve the recruitment objectives. Up until the turn of the millennium, advanced technologies have not been as well integrated into the workplace as it is so today. With this advancement, we have successfully been able to expand far and beyond what we would have otherwise unable to achieve. For example, the use of internet access, electronic communication capabilities (Skype interview, etc) have contributed greatly in securing recruitment for key and professional posts. In spite of the fact, there are rooms for

improvement as there is a need for heightening the quest for innovations and creativities. As has been the case over the last three years, PSC has taken the position of making sure reviewing of the personnel process must be done systematically, fact focused and involve the key players who use and are benefited from the processes.

15.2 The adoption of new ways of working will need to be taken forward within a partnership approach. A number of strategy statements identified this approach in terms of: the maintenance of RMI partnership initiatives & innovations, Ministry of Finance, to support economic growth and competitiveness; the development of effective partnership structures to facilitate change; improved openness and transparency; improved communication; and change management.

15.3 It is clear that the public service will soon have to compete with the private sector for the best talent available. Moreover, based on recent observations the service may soon be losing pace also with its competitors because it very slow to respond in the same way to market demands. This phenomenon was apparent in the departments reviewed, ADB, particularly in the Information Technology (IT) area and in Finance and Accounting. In the health sector, inability to reflect previous experience abroad and post-basic qualifications in determining pay rates was an issue in attracting and motivating staff. Despite such problems within organizations, it seems that the need to target high caliber and committed staff is just beginning to be proactively stressed in strategy statements of the RMIPS reform agenda, RMI Workforce Strategy, PSC Workforce Plan, and the National Strategic Plan.

16. RETENTION

16.1 Strategies for retaining employees are as important to workforce planning as with those aimed at attracting and recruiting new employees. Although, at present, there is no formally established retention system and/or strategies being designed, the RMIPS, through the watchful eye of the PSC, has been actively engaging in retention activities using a variety of strategies of various designs and levels. For example, transition to retirement strategies and arrangements involving the re-engagement of older workers with valuable skills to facilitate the transfer of those skills to other employees. Others in the public service have been and continue to use retention bonuses or allowances for both older employees and those with specific skills; well-being initiatives; reward and recognition schemes; and career development opportunities, an area seriously needing policy guidelines.

16.2 Over the years, the group mostly targeted for retention by the highest percentage of agencies was people with specific skills sets, for example, accountants and/or other similar professional. In the course of the last five (5) years, more ministries and agencies have employed a generic retention strategy aimed at no particular group than was the case for attraction. In most incidences, the frequent use of strategies to attain rather than to attract older workers is not surprising given the aging profile of the workforce. Obviously, there is room for agencies and ministries to place more emphasis on the retention of valued employees in their workforce planning strategies.

16.3 It was reported during the field work, that retention of staff has only recently become an important issue for the public service. Even now, it is often felt that such difficulties are largely restricted to specialist/professional and Administrative personnel. Until recent years, valuing and retaining staff is not generally mentioned as a key issue in many strategy statements. However, at public service wide through a relentless push by the Commission, and as repeatedly pointed out through a various workforce reviews and surveys, efforts have already been made to see all staff as employees rather than servants and officers and to emphasize the positive impact motivated staff can have on improved service delivery. This perception has enabled the PSC, through strategic planning, to take measures required to achieve and realized full potential of all public service employees in their own field of works.

17. REMUNERATION

17.1 Although there has not been any one documented survey to gauge the satisfaction level of RMI public service employees on any employment satisfying factors, nonetheless, it is common belief that remuneration may well be the most highest ranked. Currently, the RMIPS has a grade structure with sixteen grades and with 66 different pay points. This Pay Scale System has been in place over the course of the last 17 years. It was last revised in 1997.

17.2 The framework within which RMIPS agencies and ministries negotiate remuneration with their employees has been based on the current Pay Scale system outlined in the Schedule Four, revised 1997, PSC Regulations, 2008, as amended.

17.3 In the Personnel Audit/Review conducted by the ADB-Public Service Public Advisor, 2012, one of the recommendations was to have RMI to consider a new pay and grading system that has: 1), a single pay structure, comprising 40 pay points, which will apply to all public servants; and 2), a single grade structure, comprising eight grades with clear differences between the main responsibilities of each grade, and which will apply to all public service jobs.

17.4 Remuneration developments in the RMIPS carries a major impact on agencies' budgets and are critical to the government's overall Budget Strategy as duly corresponds in the national annual global budget submissions and deliberations. As evident by the annual wage bill under the General Fund, for instance, there is a little over 90% (of the global budget) being earmarked just for personnel cost only. Furthermore, at present, the bi-weekly salary bill amounts to \$1.6 million dollars, and climbing.

17.5 On numerous occasions this year, the discussions on the raising of the public personnel cost and the viable controlling strategies and measures have already been transformed into a national strategic issue. In fact, later during the year, for instance, bold steps necessary have been jointly taken by two of the senators, Mili and Ronglap Atoll, have formally addressed the issue through legislative means, a **Nitijela Bill – Short Title: Minimum Wage**, scheduled to be introduced during the Nitijela's constitutional regular session, January, 2014, to which the Public Service Commission's view and recommendations will surely be sought.

Note: For our reporting purpose, the subsequent development of this proposed legislation will be reported in the next State of the Service report, 2014. However, further details on the movement of wages increase and/or decrease based on classifications may be viewed in the **Classification** section of the report.

IV. LEARNING & DEVELOPMENT IN RMIPS

18. LEARNING & DEVELOPMENT

18.1 As already been gauged through the ADB's Personnel Audit survey, learning and development is poor within the RMI public service. Although seen by most ministries as the responsibility of the PSC, it lacks the available resources to conduct development programs for public servants. As observed by ADB (TA: 7578 RMI) "Training is not demand driven and most development programs are conducted by donors or non-governmental organizations. Scholarships are available for individuals but scholarships are not targeted to priority need areas like medicine, education, or engineering. Ministries and agencies do not have a training and development strategy for their staff and are not proactive or strategic in developing workforce capacity. A key outcome of identifying skill gaps through workforce planning is the ability to decide what skills will be recruited for and what capabilities will be developed through training or other development activities. Coaching, mentoring, or on-the-job training occurs haphazardly and there are no formal career development pathways for staff in ministries."

18.2 During its numerous consultations with the line ministries and agencies of the government, the PSC has repeatedly stressed that Learning and development is a fundamental cornerstone in any strategy to strengthen agencies' organizational agility and to improve productivity. Through a various meetings and interagency exchanges, a very large majority of the workforce has indicated that increased knowledge or experience on the job and access to effective discussions learning and development were important in helping them increase their productivity.

18.3 Learning and development can also produce other benefits for ministries and agencies, for example, as part of an attraction strategy - most of the employees would express that developmental/or educational opportunities were especially important in attracting them to their current jobs, particularly to the younger employees. In the RMIPS, learning and development is a service-wide and agency/ministry issue. For this reason, the Commission – in partnership with local and regional higher learning institutions (CMI, USP, and PICPA- Fiji), has offered a range of programs focused on generic skills that can help public service employees to become more effective in their roles.

18.4 Already, learning and development initiatives and opportunities are increasingly available allowing staff to proactively engaging in developmental activities with the aim at enhancing skills and capabilities so as to confidentially carry out duties and responsibilities respectively. This is strategically designed in the renewed roles as set out in the public service reform agenda to best achieve quality public services delivery.

19. PROFESSIONAL DEVELOPMENT INITIATIVES

19.1 One of the major challenges confronting the Public Service today is its inability to identify, secure and provide relevant and meaning training programs/opportunities for public servants due to lack of fund. During past three years, 2011-2013, there was no training fund allocated for the Commission to carry out one of its main mandates.

19.2 Following last year's Pacific Islands Centre for Public Administration Conference on Forward Work Plan and Country Partnership Agreement that was agreed upon on November 2012 in Suva, Fiji, which RMI PSC and Ministry of Finance participated, several training initiatives have taken shaped within the RMIPS.

19.3 During the year, PSC met with Ministry/Agency Heads, USP and PICPA representatives to begin working out training opportunities for Public Service employees, focusing on areas of Master's in Public Administration, Certificate leading towards a Diploma level program in Office Management and Administration, and Diploma leading towards a Bachelor's level Management Studies. A cohort of 25 participants, for each program, was targeted.

19.4 The Master's Public Administration was organized to have enrolled Ministry Heads and High Level Staff members. Unfortunately, not all were able to enroll. There were three mid-level staff members that had enrolled the MPA Program. Other Ministry/Agency Heads were strongly advised to enroll in the USP Master's Business Administration Program but did not as expected.

19.5 The concept was tied in with PSC's Instruction to re-classify the annual salaries for Ministry/Agency Heads from the current level of Pay-Level 13 to Pay-Level 14. Such would have eventually bumped up others from current pay level to the next level (i.e. Assistant Secretaries from PL 12 to PL 13, Chiefs from PL 11 to PL 12, etc). An overall cost/benefit analysis has not yet been conducted to review the financial ramifications of such. It is envisioned to be conducted and be reported in the next State of the Service report, 2014.

19.6 Due to unavailability of PICPA funds, all three programs (MPA, Diploma and Certificate) had to be pushed back to the early parts of 2014. On a more positive note, certificate and diploma level programs for PSC employees will commence in early January 2014. A continuation of the Master's in Business Administration (MBA), funded by AusAid, commenced in November 2013 with a number of RMIPS employees enrolled.

19.7 Under the newly developed National Human Resource Development Plan (NHRDP), Public Service Commission had been charged to implement objective number 1, which is to "*provide institutional development and capacity building*"⁴ for the public servants within the RMIPS.

² Please see appendix 2 (Objective 1 of the National Human Resource Development Plan, which charges PSC to Provide Institutional Development and Capacity Building along with various outputs and activities).

20. TRAINING & CONFERENCES

20.1 Pacific Public Service Commissioners' Conference (PPSCC) This year's annual PPSCC was held and hosted by the Samoa's Public Service Commission, 24027, September, 2013, using the conference theme: **"Public Service Role in Social, Economic, Cultural and Institutional changes within the Pacific"** The sound planning and coordination of the 11th PPSCC is duly acknowledged at the reporting. With a host of relevant issues presented and discussed, including the Way forward and Targets and Actions as follows:

- The Conference Terms of Reference (TOR) working group will be continued with the close assistance of the Secretariat to further explore the preferred funding option including investigating alternative funding options for the Conference, in close consultation with PICPA.
- The Pacific State of Service (PSSR) working group to work together with PICPA and the Secretariat in revising and finalising the regional report regime and template agreed to at the conference with specific focus on the following:
 - Type of data to be collected – include suggested areas by the discussion groups;
 - Reporting timeframe – confirm a specific timeframe for this reporting regime noting there is also Country Midyear Reports to be submitted during the year;
 - Compiling Reports – liaise with PICPA on how to provide technical assistance to member countries;
 - Reporting Template – template should be concise and simple for country to complete.
- The Pacific Public Service Excellence Award (PPSEA) working group will continue to revise the proposed recommendations with regards to:
 - Eligibility; Type of Categories; Selection Criteria; Logistics.
- The Conference Protocol document, revised at the 11th PPSCC, will be updated by the Secretariat to reflect the decisions made at the 2013 conference as documented on the Record of Proceedings.
- The Conference Secretariat will liaise with the host country to confirm the conference dates and theme for 2014, 12th Pacific Public Service Commissioners' Conference.
- The Conference Secretariat to prepare a database of what is available regionally from the development partners and then post it on the PVO.
- The electronic networking system for the Human Resource Management Network will be strengthened through the assistance from the APSC and the Commissioners via the Conference Secretariat.
- The Conference Secretariat to investigate possible solutions to technological problems associated with teleconferencing.

20.1.1 The seven (7) resolutions outcomes of the XI PPSCC are as follows:

- Best Practice Principles, as adopted by the UN guidelines and principles;
- Good governance Principles, guidelines to underpinning practices of governance;
- Alignments to Regional Organizations, to share information data relevancy, better utilization of networking relationship thru assistance of APSC;
- Funding Arrangements, all funding arrangements to be further reviewed by both working groups for funding viability;
- Sharing of Information, better use of PVO with PICPA taking ownership and administrative roles;
- Pacific State of Service Report, using a new report format with PICPA monitoring taking the leading administration; and
- Pacific Public Service Excellence Awards, further review for regional best award system prior to fully launching it next year.



XI Pacific Public Service Commissioners' Conference, hosted by Samoa-PSC, with conference theme: "Public Service Role in Social, Economic, cultural and Institutional changes within the Pacific"

V. INCREASING RMIPS EFFICIENCY & EFFECTIVENESS

21. The RMIPS has continued to achieve significant improvements in productivity which compare favorably with those in the private sector. In achieving greater efficiency and effectiveness PSC, for example, have relied on a range of approaches, for example, enhancing ICT capacity by allowing learning and training opportunities, at local higher learning institutions, as a way of investing in employees' learning and development.



The Commission with Kate, APSC, and Karen Moses, PICPA, initial development of the PSC Workforce and the local staff development initiative with USP (MBA, MPA, HR Certificate)

21.1 *Managing a tighter fiscal environment.* The pressure is on for all managers across the public service wide to adopt and abide the approved approaches that realize efficiency and effectiveness gains for their ministries and agencies. With the enforcement of the 3% budget cut across the board, FY-14, every effort is made to ensure efficiency and economy is fully realized. The key issue is whether all PS ministries and agencies can continue to realize real productivity gains of the magnitude required under current funding arrangement, without this having an impact on the quantity and quality of services. Given the current economic circumstances, it is clear that the focus on these issues for RMIPS will intensify. One thing seems clear, productivity improvements are linked very much to each ministries and agencies circumstances and in particular, to the nature of their core functions.

21.1.1 Upon taking office, the new government announced that it would undertake a comprehensive review of government expenditure in two stages: 1), focus on realizing on cost savings by better targeting and cutting government ineffective programs; 2), focus on identifying areas of government where there is potential to increase the efficiency and effectiveness of programs and services. Resulting of these measures had prompted the Finance to seriously look into the whole of government procurement procedures with streamlined the cost saving measures. This has, in fact, led to the suspension of the so called "bonus" earmarked to all eligible employees during the last pay-period of each calendar year.

21.1.2 These moves represented a sensible recalibration within the ministry/agency-based developed environment towards new coordinated service arrangement that would have harnesses cost reduction for ministries/agencies and savings to the government. Other controlling measures were also being pursued specifically in sitting policies relevant to the ensured objectives. For example, the policy on "hiring

freeze" had to be re-introduced. At PSC, new housing policy with cost saving measures had to be given a new face-left to best attract and to best facilitate government's policy rational. In so doing, the Commission had engaged in a number of institutional capacity building initiatives necessary to ensure efficiency and effectiveness of service delivery most especially at the health sectors. At the same intensity level, the Commission has had to made efforts necessary in working with the line ministries and agencies on the practical applications of good governance concept and principles in and off the workplace. This is to ensure policies and programs designed to elevate the level of performance to satisfy "efficiency and economic" in providing the required quality public services.

VI. ETHICS & INTEGRITY

22. **EMBEDDING THE PSC VALUES AND CODE OF CONDUCT.** The Code of Ethic Act, together with the Code of Conduct, provides the ethical framework that underpins the operation of RMPS and its relationships with the government of RMI community, as well workplace relationships. Undoubtedly, they established a high benchmark for the professional and personal behavior of RMIPS employees; therefore, each agency and ministry must integrate the Code into its daily operation so that they are embodied in decision-making and behavior.

22.1 The PSC Code of Conduct was formally established in 2011, and is based on a set of 13

THE RMI-PUBLIC SERVICE CODE OF CONDUCT

The Republic of the Marshall Islands Public Service Employees are required, under the PSC Regulations, 2008, as amended, to behave in a way which upholds the RMI-PSC Regulations.

The PSC Regulations require that a RMI public service employee must:

1. Behave honestly and with integrity in the course of his/her RMI-Public Service employment;
2. Act with care and diligence in the course of his/her RMI-Public Service employment;
3. When acting in the course of RMI-Public Service employment, treat everyone with respect and courtesy and without harassment;
4. When acting in the course of RMI-Public Service employment, comply with all applicable RMI laws;
5. Comply with any lawful and reasonable direction given by PSC;
6. Maintain appropriate confidentiality about dealings that the employee has with the Ministerial and Agency heads;
7. Disclose, and take any reasonable steps to avoid any conflict of interest (real or apparent) in connection with RMI Public Service employment;
8. Use the government resources in a proper manner;
9. Do not provide false or misleading information in response to a request for information that is made for official purpose in connection with the employee's PSC employment.
10. Do not make improper use of:
 - a) inside information, or
 - b) the employee's duties, status, power or authority; in order to gain, or seek to gain, a benefit or advantage for the employee or for any other person;
11. Always behave in a way that upholds the RMI-Public Service principles and the integrity and good reputation of the RMI-Public Service;
12. While on duty overseas, at all times behave in a way that upholds the good reputation of the Republic; and;
13. Comply with any other conduct requirements that are prescribed by the PSC Regulations, 2008, as amended.

principles. Ministries and agencies, and all employees are required to uphold the Code and are bound by the Code. Since its inception, 2011, all incoming public service employees have been given the required in-service and orientation necessary to ensure everyone is fully aware and gained the

knowledge and the awareness necessary in order to best serve and demonstrate good behavior in and off the workplace.

22.2 EXECUTING THE CODE OF CONDUCT. Effective last year, the Commission has begun to require all agencies and ministries to be proactive in addressing suspected breaches of the Code. This has been done by providing and promoting mechanisms for the reporting of suspected misconduct especially by the employees of the RMIPS. Although promoting mechanisms of such has generally been provided in the PSC Regulations, 2008, as amended, others have developed and contained in the PSC Operational Manual, soon to be endorsed by the Cabinet for enforcement. Starting last year, 2013, internet reporting of suspected misconduct has given the general acceptance of being effective, as can be less confrontational, and it is envisioned that it will surely contribute to the overall integrity of the RMIPS.

22.2.1 Awareness-raising as part of induction and/or orientation, online training and/or information on the internet, and sessions on how the Code should operate in practice are the three most common methods of promoting awareness among employees. Promotional materials such as pamphlets or posters have been used by a number of ministries/agencies to promote awareness among employees about how they can report suspected misconduct. The standards of behavior required of all PS employees are set out in the Code of Conduct. An employee whose conduct does not meet the standard of one or more elements of the Code can be found to have breached the Code. As of this report, no such breach of the Code incident has been officially reported for investigation.

22.3 MERIT AND FAIRNESS OF PSC EMPLOYMENT. Within the framework of the RMIPS ethics and integrity framework, a key value is that the RMIPS is a public service in which employment decisions are based on merit, ours is a merit-based system. This means that employment decision should be based on a person's ability to do the job, and that decisions must be objective and fair and avoid patronage favoritism and unjustified discrimination. Everyone, regardless, must be given an opportunity to apply for jobs and there must be a competitive assessment of applicants' suitability to perform the duties of the job. Within these parameters, PSC does have the flexibility to design recruitment process that meet the ministries/agencies' specific business needs.

22.3.1 Recruitment to the RMIPS is guided by the minimum requirements and principles that are set out in the PSC Regulations, 2008, as amended. These requirements give PSC considerable flexibility and do not prescribe a lengthy or complex process, nor do they suggest that a recruitment process has to be slow to meet the requirement of merit. Since the installation of the

Note: Statistical data analysis necessary to gauge the effectiveness of the Code are not available at this reporting, however, data of such will be available, examined and presented in the next State of the Service report, 2014.

new Public Service Commission, the reviewing of the existing recruitment process has undergone a number of examination and evaluations to ensure the prescribed process, including the required timeframe, is well observed.

22.3.2 This has, in fact, led to a number of internal structural and organizational review carried out by the Commission with the line ministries and agencies to ensure line of works and responsibilities are well understood and being properly executed, not just to examine how well the process is implemented but to find out whether or not there are blockages in the system which may be causing bottlenecks, and there are a few identified, and to find out how best to remedy the problem for “efficiency and economy” purposes. This particular issue, in fact, is one of the reasons for which the MOE had opted to seek, through legislative means, management independence from being under the PSC [*Nitijela Bill No. 42; PL-13:32*].

22.4 **REVIEW OF EMPLOYMENT ACTIONS.** One of the central themes relevant to ensuring integrity and fairness in decision-making is that the RMIPS provides a fair system of review of actions taken in respect of RMIPS employees. The PSC Regulations, 2008, as amended, establishes a review of actions framework for all public service employees. The intent of this framework is to encourage the resolution of employee concerns in the workplace, including through the use of alternative dispute resolution methods where appropriate.

22.4.1 Under the Regulations, all public service employees, including the respective ministries/agencies where employees work, may seek review of certain actions or decisions that relate to their employments. Subject to some exceptions, where the Commission sees fit, the Regulations provide for a primary review by the relevant agency, and/or a group with prescribed roles/functions, for example, the PSC's own Appeal Committee.

22.4.2 The PSC Regulations, 2008, as amended [Part II: 10 (1-5; 11: 1-6); 17 (3): Schedule Three] set the required procedural and process necessary to entertaining employment actions with specifications as prescribed. Under the direction of the PSC Selection Committee, comprised of the two Asst. Commissioners, Personnel and Administration, and the permanent Secretary of a respective Ministry, the required review and processing of Employment Actions is first attended to by the Selection Committee with recommendation for appointment to be submitted to the Commission for action. The entire reviewing process is well governed under the PSC Regulations, 2008, as amended, at selected Sections as specified, in conjunction with the guiding principles of good governance.

22.4.3 One of the strategic goals of PSC is to review its personnel administration processes aiming at achieving improvement in performance and services to stakeholders. This would require the redesigning of operating procedures and map out process steps. In terms of review of employment actions, PSC has already developed procedures and mapping out the processing in order to better identify gaps, bottle necks, broken processes so as to best responding to the efficiency and economy in conducting the required public services. Training and workshop on the mapping out process has been provided to all line ministries and agencies for implementation.

VII. WAY FORWARD - AGENCY GOVERNANCE

23. KEY GOVERNANCE DEVELOPMENT IN 2012-2013

23.1 The need to embed good governance and to establish a process for continuous improvement of government arrangements has been highlighted through a numerous high level national symposiums and regional joined dialogues and conversations. The year 2012-2013 has seen a number of governance developments in the RMIPS. These developments have ranged from government initiatives on recruitment and performance of the workforce, especially the department and agency heads, to the reviewing of a number of Acts, including, but not limited to, the Taxation Act and the Procurement Act, and a reform measure on the financial reporting and procurement system of the RMIPS system wide. In addition, there have been specific reviews around governance in particular agencies, i.e., MOH, IA, and the Auditor office, among others.

23.2 The year has also seen some unprecedented ministerial/agency-based internal restructuring and reorganizing with the aim at making certain proactive measures to enforce governance principles and sound practices are being observed. This has, in fact, resulted in some major output efforts carefully designed to ensure of high production level in a number of positions approved by the Cabinet such as the MOH Quality Assurance officer, Performance (personnel and finance) Auditors at the Office of the Auditor General.

23.3 In June 2013, the PSC issued an Instruction pursuant to the RMI Procurement Code, the Ethics in Government Act, and the RMI Public Service Values and Code of Conduct, reiterating that all Ministry and Agency Heads and employees are, in particular, to:

- Refrain from any and all GRMI procurement processes from which they might have direct or indirect private gains;
- Refrain from using office for private gain;
- Give due disclosure of any conflict of interest an employee has or may have in the performance of their duties and excuse themselves from any involvement in the matter as an official employee.

24. GOVERNANCE POLICIES, PROCEDURES AND STRUCTURES

24.1 Effective governance policies, procedures and structures are very important to the operation of the RMIPS within agencies/ministries to achieve their goals and objectives. They can also affect the public confidence in the capability and integrity of RMIPS, the ability to attract high-quality staff, and overall level of employee satisfaction.

24.2 One of the highly recommended capacity building requirements of PSC [ADB: Public Sector Project, 2012] was to ensure that PSC Systems, Processes and Procedures are given the proper review and to are put in place to best achieve program goals and objectives. The development of manual of

operations (MOPs) or standard operation procedures (SOPs) per Ministry and Agency has been on the PSC development agenda.

24.3 These capacity building requirements are result driven with strategies designed to better achieve quality performance outcomes at public service wide. Already initiatives of the same nature are taking roots in a number of ministries and agencies producing measurable and desirable results. At the Ministry of Health, for instance, the refining of the entire ministry and the hospital systems, processes and procedures have been the major overhauling work needing immediate attention in order to produce the required production level so as to provide quality patient care through maintaining efficiency and economic control and accountability throughout the Public Service.

24.4 The reorganization and restructuring of the MOH, for example, is based on strategic planning with the aim at making sure the overall goals and objectives of the Ministry, including the hospital, are met and thus providing quality health services. While that had resulted in the prolonging of the appointment of a number of the key posts, including that of the permanent Secretary of Health, however, there is a fundamental need to first establish the necessary frameworks by which to guide and govern the development required of the MOH. For that, the PSC is taking the lead, as it strategically must, to achieve a lifelong management and performance capacity of the ministry for now and well into the future

VIII. CY 2013 ACCOMPLISHMENTS

25.1 Development - through partnership, technical assistance and training funds provided by *Australia Public Service Commission (APSC)*, *Pacific Islands' Centre for Public Administration (PICPA)*, and *ADB* - and soon to be executed key PSC's initiatives (i.e. Three-Years Strategic Plan, Workforce Development Plan, Human Resource Management Information System (HRMIS), New Employees' Induction Program, Revised Organizational Chart, Revised and Clearly Delineated Employees' Job Descriptions, Professional Development opportunities, etc) that are envisioned to complement and support other national plans (such as GRMI's National Development Plan, National Human Resource Development Plan, and the like).

25.2 Establishment of PSC's Appeals Committee to review and act upon grievances raised by Public Service employees.

25.3 Development and execution of four (4) PSC Instructions that will help improve delivery of programs and services within the Public Service (*Ethical Conduct in Government*, *Weather Service Bureau Pay Scale*, *Suspension of Excess Hour*, and *Re-Classification of Ministry's Heads Annual Salaries from PL 13 to PL 14*).

25.4 The New Housing Policy, which has already gone through the Administrative Procedures Act, will soon be implemented and enforce.

25.5 Renewal of the IAC Group Life Insurance Contract with policies strategically structured and carefully tailored in giving particularly special accounts to the uniqueness of the Marshallese culture values.

25.6 Development of a new organizational structure to help streamline and improve programs and services within the PSC. This includes the relocation of its former Assistant Commissioner's post at Kwajalein to Majuro for the establishment of a new Assistant Commissioner in charge of the Division of Human Resource Management and Development.

25.7 The PSC Strategic Plan, nearing completion for final review and to ensue initial implementation phase. The development of the strategic plan was in tangent with the development of two national plans – the National Strategic Plan (NSP) and the National Human Resource Development Plan (NHRDP). The National Human Resource Development Plan, working with the MOE Education Policy Advisory Group (EPAG) with NTC spearheading the effort which is supported by ILO financing and technical expertise

25.8 The PSC Workforce Plan, Completed, to be approved by the Cabinet prior to implementation early next year, 2014. This landmark achievement is a result of hard works in responding to a Personnel Audit by ADB, with recommendation to look into strengthening the internal capacity of the RMIPSC, processes and procedures, with a rollout plan to other ministries/agencies.

25.9 Development and implementation of an Orientation & Induction program for new employees, with soft copies dissemination to all line ministries/agencies. RMI Public Service Induction Program, in final stages for final approval. Joint PSC and Line Ministry/Agency's Selection Committee processes are more structured, streamlined, transparent and expeditious.

25.10 Establishment of a partnership with PICPA to fund training opportunities for GRMI employees to commence in early 2014.

IX. PUBLIC SERVICE CHALLENGES & WAY FORWARD

26. In the development of its strategic plan, the PSC, with ADB technical advice, took into consideration a number of issues raised from related studies and consultations as well as mandated by the Constitution and by law. A matrix of these issues with their recommended strategies as well as the PSC update on their implementation is attached as Appendix 1 to this report. The PSC Strategic Plan responded the following questions:

26.1 How will PSC develop the RMI Strategic Public Service Workforce Plan? Lack of proper human resource planning in most government organizations and agencies has been the main issue in this regard. As a result, 10% of the highest paid professions had to be imported due to the unavailability of needed qualified Marshallese to fill technical posts. As such, the challenge has been to strengthen the human resource planning in all government organizations and agencies. Failure to have a National Strategic Workforce Plan would mean the continuation of the following: 1) continuing chronic skills shortages across different occupational groupings; 2) weaknesses in Ministry and Agency capability and operational performance; 3) not having the right people in the right place when needed; 4) not having the right skills, knowledge and abilities to meet new initiatives or needs when required; and 5) losing skills and knowledge as staff retire or leave the organization.

26.1.1 *Finalize and implement the PSC Strategic Plan and Workforce Strategy.* The Strategic Plan calls for the following activities: 1) workforce supply analysis; 2) workforce demand analysis; 3) workforce gap analysis; 4) strategy and initiative options; and 5) workforce plan development. PSC is to assist in the implementation of the five objectives of the National Human Resource Development Plan, particularly the first objective that calls for the provision of institutional development in cooperation with the National Training Council (NTC). The NTC is responsible to a steering committee for the implementation of the National Technical Education & Training (TVET) Plan, and one of the activities under such Plan calls for the establishment of a labor market information system (LMIS).

26.1.2 *Assist the Public Service entities in developing their workforce plans as may be necessary.* Strategic activities include the following – review current job descriptions; consider changes to grade and pay levels; review organizational structure; identify capacity development requirements under Scenario 2. Furthermore, establish competent HRM focal point personnel within each Ministry and develop a program of regular PSC support.

26.2 What National initiatives does the PSC need to strategically link to and what role should the PSC play? The long-overdue national strategic plan particularly in response to the Population Census and emerging socio-economic realities, the poor collaboration or coordination of national policies in their implementation, the lack of a human resource management and development plan have been the major challenges that were addressed within the most recent years, particularly in 2013. While a sub-committee of the Micronesian Chief Executives' Summit (MCES) developed a Regional Workforce Development Framework, and the International Labour Organization (ILO) had helped RMI in the formulation of an ILO/RMI Decent Work Framework, no collaboration or integration of

workforce planning efforts did not occur in RMI. Yet to be fully addressed would be the review of labor laws and the development of an employment policy.

26.2.1 In the formulation of its own Strategic Plan and Workforce Plan, PSC participated in the formulation of the National Strategic Plan (NSP) and the National Human Resource Development (NHRD) Plan. UNDP assisted the RMI Economic Policy Planning and Statistics Office (EPPSO) with the NSP development while ILO assisted the Education Advisory Group with the HRD development. Good Governance, Public Administration and Human Resource Development are sections in such plan that would require PSC engagement.

26.3 How does the PSC need to change to be able to assist public service Ministries and Agencies in all areas of human resource management and development? Two major weaknesses have the weaknesses of the various Ministries and Agencies in human resource management (HRM) and the lack of HRM units in many of these Ministries and Agencies. The HRM activities have been limited to payroll, recruitment, and administering staff entitlements.

26.3.1 HRM capacity development in all HRM aspects including workforce planning, staffing practices, remuneration, performance management, and training and development are being addressed in two levels – one for the PSC staff and for the Public Service Ministries and Agencies. Certification of HRM staff through partnerships with the University of South Pacific (USP) and ongoing systemic workshops conducted through the assistance of Australia/PSC and the Pacific Islands Centre for Public Administration (PICPA).

26.4 How can the PSC establish a public service Human Resource Management Information System (HRMIS) that will improve HRM decision making and administration? There is a lack of a Human Resource Management Information System (HRMIS) to safely and accurately, efficiently and effectively record, track, monitor, reconcile, evaluate, analyze, and maintain personnel files.

26.4.1 The Human Resource Management Information System (HRMIS), two modules (4Gov & Technology One) is being reviewed with regional operational overview for system creation. The RMI Ministry of Finance uses the 4Gov software while Samoa Public Service uses the Technology One software.

26.5 How can the PSC improve current personnel administration processes to provide consistently efficient, effective and accurate services to all public servants? Lack of an accountable, transparent, efficient, effective, coordinated and systematic routing procedure/process for handling of key employment documents (Personnel Actions and Contracts) – a process that ultimately results in the unnecessary and protracted recruitment, placement, renewal/extension, and payment of employees. Lack of a Standard Operation Procedure Manual that would help guide both PSC and responsible employees across the Public Service to promptly and properly manage and handle personnel related documents. Develop effective participatory processes with Ministries and Agencies to assist public service managers in human resource management. The recruitment process encounters too many bottlenecks and risks from political interference.

26.5.1 *Implement the Public Service Induction Program and finalize work on the standard operating procedures in the enforcement of the Public Service Regulations.* Work the amendment of the Public Service Regulations and the Remuneration Plan. The PSC Regulations Modification, Clarification & Review, several instructions issued.

26.5.2 The PSC is reviewing the processing of the hiring documents to ascertain that they are timely and just. The various layers are being reviewed for the possible reduction of signatories being affixed to employment formalization. These various reviews have resulted in the formulation of a number of carefully crafted processing and routing systems currently under reviewed for implementation early next year, 2014.

26.5.3 The PSC Manual of Operation, draft being reviewed for finalization.

26.6 Can the regulations that govern the public service be improved? How can we increase understanding and commitment to public service rules and regulations? There are several challenges in this area which include the following: lack of understanding and proper use of the Public Service Regulations; proper role of the supervisors to ascertain that the employees are being productive, competent, efficient, and ethical.

26.6.1 With the assistance of the Australia PSC, an Induction Module was developed with a booklet that would educate and transform individual public servant in the recently completion of the PSC government wide pre-service and in-service training program.

26.6.2 The training program will include workshops on the rest of the Public Service Regulations and related procedures. Ongoing improvement procedures for the

26.7 How can the PSC assist SOEs and other public sector agencies in personnel administration and human resource management?

26.7.1 With the completion of the PSC Workforce Plan assistance shall be put forth where needed across the public service wide.

26.7.2 Developing operational-procedural guide for the Commissioners PSC personnel staff enrolled in the USP Certificate Program on HRM Increase in number of staff at PSC and expanding the role of the staff to meet the demand

X REPORT CONCLUSION & RECOMMENDATIONS

27.1 This year's annual State of the Service report reflects the activities and human resource management practices of RMIPS, ministries and agencies, during the reporting period, 2012-2013. It also outlines some of the key achievements and contributions the line ministries and agencies have made in assisting the government to meet its policy objectives and the intended outcomes of the public service reform agenda. While significant progress has been made in terms of institutional capacity building and streamlined HR developments (strategies and policies); there remain areas in the RMIPS that require attention and action if their reform potentials are to be realized.

27.2 Issues raised in this report were not dissimilar to those raised in the PSC Strategic Plan with its Workforce Plan. The report also attempts to identify RMIPS's strengths, weaknesses, and the ever mounting challenges and where it needs to strategically improve to ensure service delivery effectiveness. It is envisioned therefore, that the report paints a picture of RMIPS as is responding to significant HR challenges, while continues to self-positioning to make the most of the opportunities these challenges present. Against this background therefore, the report recommends as follows:

27.3 Harvesting and maximizing of technical support being provided by Australia PSC (Workforce personnel administration), the ADB {Strengthening Public Sector Management in the North Pacific, Project Number: 47264 (Regional Policy and Advisory Technical Assistance December 2013)}, and the University of South Pacific (HRM Diploma Program, Masters in Public Administration and Business Administration.

27.4 Exploring, expanding, and maximizing technical and/or financial support toward other training programs that would strategically advance the skills of the public servants not only in HRM and Public Administration but also in other occupations and professions, including the USDA Graduate School leadership development programs.

27.5 Work with respective Ministries and Agencies in the development, the certification, the remuneration, and the implementation of targeted training programs.

27.6 Conduct a survey of Ministerial management teams to determine how effective the PSC has been in meeting public service manager's expectations in terms of provision of useful services and products. Develop a monitoring and evaluation framework for the PSC.

27.7 Review the scope of the State of the Service Annual report to include information and data necessary to better cover the public service wide in terms of development activities carried out during the reporting period (calendar year reporting). This should take into account the use of data and information submitted by the whole public service.

Appendix 1

Challenges/Issues identified in the PSC Strategic Plan	Objectives of Strategic Plan & Workforce Plan	Accomplishments/Initiatives
1. Improving current personnel administration processes	Theme 3: Adding Value to the Public Service Commission Programs and Processes – review of personnel administration processes to achieve dramatic improvements in performance and services to stakeholders	Finishing 1 st draft of the Induction Booklet with the assistance of the Australia/PSC for review with Ministries/Agencies of Public Service Reviewing PSC Manual of Operation draft for finalization in early 2014
2. Improving Public Service Regulations & increasing adherence to them	Theme 3: Adding Value to the Public Service Commission Programs and Processes – review of public service regulations to improve clarity, appropriateness And detail of rules regulating conditions of employment in the public service of the RMI.	Reviewing the overall remuneration plan And the plan for the Ministry of Health starting with the medical staff. Reviewing the conditions of employment for MOH staff Improving understanding of respective Public Service regulations through consultations, raising of awareness via radio broadcasting and Facebook info site
3. Reforming PSC to be able to assist public service Ministries and Agencies in all areas of human resource management & development	Theme 2: Adding Value to the Role of the Public Service Commission – become the lead agency in public sector human resource management reform and develop the capacity to be a source of guidance and support in all Functions.	Developing operational-procedural guide for the Commissioners PSC personnel staff enrolled in the USP Certificate Program on HRM Increase in number of staff at PSC and expanding the role of the staff to meet the demand
4. Improving HRM decision making via the establishment and implementation of a Human Resource Management Information System	Theme 2: Adding Value to the Role of the Public Service Commission –establish a public service HRMIS that will improve HRM decision making and administration	This 2014 Project is ongoing with the technical and financial assistance of the ADB in collaboration with Australia PSC and the RMI Ministry of Finance. The first phase will be the review of at least two software programs – one that needs add-one and the other a new comprehensive installation.
5. PSC influencing to block the MOE becoming autonomous	Theme 3: Adding Value to the Public Service Commission Programs and Processes – Assist SOES and other public sector agencies in all personnel administration and human resource management.	The MOE Public School System Act was enacted in late 2013 with expected implementation as of October 3014. However, a second legal opinion has been circulated by the Office of the Attorney General questioning the Constitutionality of the Act.
6. Developing the RMI Workforce Strategic Plan	Theme 1: Adding Value to the RMI Public Service – identify workforce capacity Ministries and Agencies	With the completion of the PSC Workforce Plan, assistance will be provided for the development of other plans for the respective Ministries and Agencies.

Appendix 2

Outline/Plan of work for the National HRD Plan for the Marshall Islands

July 23, 2013

1. Overarching Goal

The overarching goal of the National Human Resources Development Plan is to articulate a plan that provides an incremental process for the development and maintenance of a pool of national talent capable of performing all the jobs in the private and public sector that are essential to the attainment of national strategic goals as articulated in the National Strategic Plan.

a. Corollary Goals (random order)

- i. Economic growth
- ii. Creation of productive and decent jobs/reduction in unemployment, especially youth unemployment
- iii. Reduction of poverty
- iv. Elimination of reliance on foreign workers
- v. Transformation/Majorization/Vocationalization of education philosophy and system
- vi. Opportunity for individual citizens to develop their full potential and participate in the wellbeing of the community
- vii. Development of a national labor market information system

2. Overarching Premise

The foundation for the development of national talent is literacy in Marshallese. Literacy for the purpose of the National Human Resources Development Plan shall mean the "ability to identify, understand, interpret, create, communicate and compute, using printed and written materials associated with varying contexts. Literacy involves a continuum of learning in enabling individuals to achieve their goals, to develop their knowledge and potential, and to participate fully in their community and wider society."¹ Research shows that basic education is key to a nation's ability to develop and achieve sustainability and literacy in the mother tongue language is the cornerstone of that education.² Literacy in the mother tongue therefore is an absolute essential for the attainment for the development of the added knowledge, skills and capacity that will be the goal of the National Human Resources Development Plan.

a. Corollary Premise.

Learning will be at the core of all national HRD efforts in order to increase the knowledge, skills and capacities of all citizens.

Appendix 3

3. FUTURE DEMAND ANALYSIS

3.1 Future Business Demand

In a continue effort to best fulfilling its constitutional mandates and obligations, the PSC is undergoing a major overhauling of its current ways of doing business. In doing so, the following central themes are to be considered:

- Placing citizenry service at the core of everything we do;
- Maximizing new and innovative services-delivery channels;
- Radically reducing our costs to drive better value for limited resources;
- Leading, organizing and working in new ways; and
- A strong focus on implementation and delivery.

In achieving the leadership roles it requires, PSC has to embark on a number of fundamentally sound strategic reforming initiatives, including the development of its Strategic Development Plan, Workforce Plan, HRMIS, HRM and HRD plans as well. In the redesigning of its machinery functions, PSC has also had to look at streamlining of its current operations and of how best to articulate that into its future business operations.

The following future business priorities have been identified in the PSC Strategic Workforce Plan:

- **The review of the current Personnel Administration Processes.**

There is a serious need to establish and implement Standard Operation Procedures so as to best identify gaps and risks and to develop mitigating strategies necessary, including the tracking and monitoring mechanism aiming at better serve the efficiency and economy of delivering public services.

- **The review of Public Service Rules and Regulations.**

An immediate review is essential to better establish practical linkages to the development and implementation of the PSC Strategic Plan and the Standard Operation Procedures. The beneficial outcome will ascertain adherence and conformity across government wide, and will serve as a controlling mechanism of all unwanted decision making influences.

- **The Changing Roles of PSC, leading the way in HRM and HRD across public sector.**

Thus far, the roles of PSC has been essentially geared toward and focused on the managing of Personnel affairs of Public Services without much regards to managing of the Human Resources and developing its Human Capabilities and capacities. This has had serious negative effects on the capability required and the capacity necessary to better providing the required public services.

- **The development and implementation of a Human Resource Management Information System (HRMIS).**

The vital and important data to serve the necessary information required for important decision making process has been a serious problem over the many long years. The implementation of the HRMIS will reverse the trend with long lasting positive effects of significant improvement to policy development and delivery efficiency.

- **MOE proposal to become autonomous.**

The proposal to have the MOE to become autonomous comes in the form of a Legislative Bill: No. 19-2013. This would remove all MOE staff from the responsibility of the PSC and the MOE would assume responsibility for all its own personnel administration, human resource management and development. The main argument given during consultations for this move is that the MOE would be more efficient and effective in handling its own personnel administration compared to past PSC levels of performance.

- **Development of a public sector-wide workforce plan.**

The RMI Government has tasked the PSC to develop a public sector-wide Strategic Workforce Plan. The APSC and PICPA are currently providing technical assistance to the PSC to develop a strategic workforce plan for the PSC. This will ensure the PSC is better positioned to progress workforce planning and provide advice and support to Ministries to assist them in workforce planning.

- **Review of job classification and remuneration.**

The 2012 ADB workforce audit report recommended the RMI consider reviewing its pay and grading system, due to discrepancies in remuneration and classification that were identified in all ministries and agencies participating in the audit process. Apart from aligning public services remuneration with domestic and regional standards another key outcome of reviewing the pay and grading system is to ensure salaries available in the public service remuneration structure are linked to:

- A better understanding by management and staff of the purpose of each job in a ministry and agency;
- Structures that align with processes for delivering services;
- Clear definition of roles and responsibilities; and
- Recruitment and promotion practices based on merit rather than patronage, seniority, or length of service.

- **PSC to assume personnel administration for public safety.**

The issue has been raised as to whether the PSC should assume the responsibility of the Police Force personnel functions. A key argument to do this is to ensure appropriate standards of recruiting and management of staff are maintained. At present, there is no recruitment procedure and/or hiring system to guide the recruitment process, which further raise ethical concerns of

significant disregard to good governance principles, transparency and accountability, for example.

- **Need to link and support national HRM activities.**

In the wake of the development of National Strategic Plan, and in the continuing effort to best coordinate and harmonize the development of the various HRM focused initiatives, the need to link and to rally support for the National HRM Initiative is highly crucial. This means to intensify the level of coordination and/or to establish the linkages necessary to the National Strategic Development Plan, National Human Resource Development Plan and National Employment Policy.

3.2 Future Workforce Demand

In strategically positioning itself with respect to its on-going reforming and restructuring process, and of how best to enhance itself in fulfilling its mandated obligations, the PSC has proactively taken bold steps by way of identifying and taking on board additional functions with the required roles in order to achieve the required level of performance. The functions with the roles are as follows:

- **Corporate Services Department.**

The creation of a new corporate services department and coordinator positions responsible for the functions of finance, information technology, and housing. This department will be the responsibility of the Deputy Commissioner.

>It has been identified that a new role of IT Coordinator is required within this function.

- **Organizational Development Department.**

This department would be responsible for: Workforce planning; Job analysis, Design and Description; Organizational Structure Design; Remuneration and Classification levels.

>It has been identified that two new roles are required within this function: Workforce Planning Coordinator and Planning Officer.

The creation of a new recruitment department.

This department would be responsible for: Recruitment and selection to fill new or vacant positions, Orientation to the RMI public service; Redeployment and retrenchments; Work experience programs.

>It has been identified that a new role of Recruitment Coordinator is required within this function.

The creation of new performance management department.

This department would be responsible for:

Performance appraisal and improvement;
Discipline;
Grievance and appeals; and
Change management.

>It has been identified that a new role of Performance Management Coordinator is required within this function.

The reestablishment of a training and development department.

This department would be responsible for: Identifying generic and ministry specific training and development needs; Developing training and development strategies to address competency gaps and improve workforce capacity to meet ministry objectives; Managing the design, conduct and evaluation of training activities in the public service; Manage a training and development facility and resources; Both the performance management department and the training and development department would be the responsibility of an Assistant Secretary.

>It has been identified that two new roles are required within this function:

- Training and Development Coordinator and
- Training Officer.

The table below provides a summary of the future workforce required by job family and Grade.

Summary of Future Workforce Demand: Matrix C

			Workforce required (headcount/number of staff)						
			Grade:						
Job family	Job function	Job role	6 - 8	9-13	Asst Comm	Dep Comm	Comm	Chair	Total
Data & Information	Information Technology	Database Management		1					1
General Administration & Management	Administration	Administration Support	1						1
		Coordinator		1					1
	Executive Support	Executive Assistance	2						2
	Management	Management		1	3	1	2		7
		Ministry Leader						1	1
Personnel	Human Resources	Performance Management Coordinator		1					1
		Personnel Officers		4					4
		Recruitment Coordinator		1					1
		Training Coordinator		1					1
Policy, Planning & Implementation	Planners	Planning Coordinator		1					1
Service & Support	Support	Janitor / Custodian	1						1
									22