

# Annual Report 2019



## Public Service Commission

January – December 2019

## **A STATEMENT BY THE COMMISSION**

### **FIRST 40 YEARS**

The year 2019 marked the 40th year of Republic of the Marshall Islands (RMI) independence. Over the past 40 years, RMI has progressively emerging through its ever-evolving national developing state. Compared to the early years, Marshallese today enjoy a relatively more convenient standard of living in a developing environment with what appears to be an increasingly diversified economy. This would not have been possible without able, honest and dedicated officers serving in and leading the Public Service. Indeed, we are deeply indebted to our most beloved founding father of all, the Late Iroj Laplap and His Excellency President Amata Kabua.

### **THE NEXT 40 YEARS**

The next 40 years will bring challenges no less complex but certainly different. The Public Service will continue to play a key role in building our future Republic alongside citizens. In order to do so, it must develop deep competencies in areas such as law, health, engineering and data analytics, to meet the ever-evolving local challenges.

The Public Service must also continually improve its ability to understand and appreciate citizens' needs at ground-level: to connect with them and formulate policies together, effectively communicate the policies and then implement the policies in the best interest of the nation. To achieve this goal, we must continue to attract, develop and retain good people in the Service.

### **SEEKING GREATER DIVERSITY**

Over the next 40 years, RMI's population will become even more diverse, even as the world becomes increasingly complex. Against this backdrop, the Public Service needs officers, both generalists and specialists, from different backgrounds, with different experiences, skills and perspectives, to better understand the multifaceted issues involved, and empathize with the needs of our increasingly diverse population.

With this aim in mind, the PSC has and will continue to carefully selects and promotes public officers on the basis of proven performance, scrutinizing their personal qualities such as leadership, character and values, as well as interpersonal and communications skills. This conceptual framework must equally be applied to the many Marshallese citizens living abroad, who are possessed with the same qualities and values readily available to render the required public services, the pool of which has already been established and continues to be monitored for proper employment placement utilization.

While the PSC changes over time, its core values do not change. The PSC has continued to uphold the principles of integrity, impartiality and meritocracy – the highly pursuit hallmarks of the Public Service. These values have withstood the test of time, and will continue to take the RMI Public Service into the future.

## LOOKING AHEAD

The RMI PSC is going through a transformative phase in our history, as the global environment becomes increasingly volatile. Even as the Public Service continues to embrace positive change to better serve the RMI and the people, the key values which have underpinned good governance should not be compromised. Incorruptibility is one such value, and must remain of utmost importance.

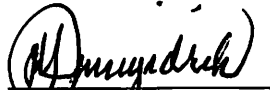
The PSC continues to ensure the integrity of the Public Service by exercising disciplinary control over public officers, appropriately and fairly, regardless of rank or seniority, and without fear or favor. It is vital that in an increasingly diverse and multiracial society like RMI, impartiality must continue to be an important value in the public service ethos.

Meritocracy is another core value, but our understanding of what it looks like in practice should not remain static. The concept of what constitutes merit must be continually redefined as the needs of the RMI Public Service evolve, in tandem with the changes in our society.

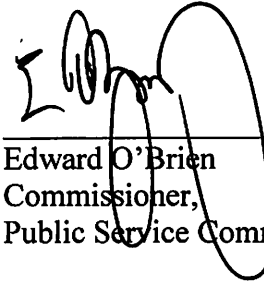
The Commission wants to take this opportunity to thank my current and the predecessors, the most able Commissioners, for their invaluable counsel during the last 40 years and the support of the hardworking and dedicated staff. We are confident that our founding values, together with our ability to improve and adapt, will continue to serve as public service lighthouse guiding us well into the future.



Kenneth Anitok  
Chairman,  
Public Service Commission



Justina R. Langidrik  
Commissioner  
Public Service Commission



Edward O'Brien  
Commissioner,  
Public Service Commission

*“—jebelbel in ke eju keen, jet ro ak jet kij—”*

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## **I. INTRODUCTION**

Public Service Commission (PSC), upon acceptance and approval of the Constitution of the Republic of the Marshall Islands (RMI) by plebiscite in 1979, came into existence for two distinct purposes:

- (1) to organize the workforce of the government that is adequately trained and equipped to execute public policy for the benefit of the people of the Marshall Islands, and;
- (2) to assist the Government in the overall assessment of its efficiency in operations.

All of this responsibility is spelled out in Article VII of the Constitution and by the Public Service Commission Act of 1979. And by virtue of this authority so prescribed for the PSC, its principles of operation and the terms of reference as to its responsibility to the Cabinet, include among other regulations and instructions for the workforce and the workplace, standard operating procedures, and evaluation of work performance by public servants. All of this reflects the mandate of the Public Service Commission, extending to and connecting the Office of the Chief Secretary and all offices of Ministerial Secretaries and Agency Heads.

This report contains information on government employees, under the purview of the Public Service Commission, and budget costs of all ministries, including housing, information related to employees' performance, and the government group life insurance program as well.

In accordance with the Constitution of the Republic of the Marshall Islands (RMI), Article VII, Sections 1, 9, 101 & 11, and the Public Service Commission (PSC) Act of 1979, and its Regulation, 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, the PSC is required to conduct efficiency and economy reviews of all the ministries, agencies, and offices of the government. It is also required to report to the Cabinet at the end of each calendar year on the state of the public service, and on the works and activities carried out during each calendar year.

The Office of the PSC is generally made up of two main divisions: (1) The Division of Administration and Housing; and (2) The division of the Personnel and Training. In addition to the general administrative functions of the PSC Administration, the Division of Admin has the responsibility to oversee the RMI Government Group Term Life Insurance and the Housing programs. The Division of the Personnel has the responsibility to oversee the management of personnel management, recruitment, and training needs of the Government.

On the basis of this review, a set of broad and specific recommendations are outlined in this report for the purpose of improvement on policies formulation, especially for the delivery of quality public services and programs for the benefit of the Marshall Islands.

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*1 “In all matters relating to decisions about individual employees (whether they relate to the appointment, promotion, demotion, transfer, disciplining or cessation of employment of any employee or any other matter) the Public Service Commission shall not receive any direction from the Cabinet or from any other authority or person, but shall act independently and in accord with criteria relating only to the individual’s ability to perform his/her duties.”*

## II. THE PUBLIC SERVICE

A. Size and Composition as depicted in Table 1, reveals that the total number of employees for the CY 2019 was 1,118, with a total cost of \$19,250,729. Of this, there was a total of about 478 or forty-three percent (43%) of the workforce consisted of Female workers, while 640 or fifty-eight (57%) comprised of Male workers; While there were fewer number of female workers in the workforce, over the years their average annual salaries (\$17,472) continued to be slightly higher than their male counter-parts (\$17,030).

**TABLE 1: PROFILE OF THE RMI PUBLIC SERVICE FOR 2019**

TABLE 1. Profile of the RMI Public Service for 2019					
Category	Number	Percentage	Cost in Millions	Percentage	Ave. Cost Per
<b>All Employees</b>	<b>1118</b>	<b>100%</b>	<b>\$19,250,729</b>	<b>100%</b>	<b>\$17,219</b>
Female	478	43%	\$8,351,474	43%	\$17,472
Male	640	57%	\$10,899,255	57%	\$17,030
Retirees	109	10%	\$2,161,987	11%	\$19,835
Marshallese	979	88%	\$15,493,969	80%	\$15,826
Expatriates	139	12%	\$3,756,760	20%	\$27,027

During the period, there was a total of 109 or (10%) of retired employees within the workforce, with an average annual salary of \$19,835. There were 139 or (12%) expatriate employees in the workforce with an average annual salary of \$27,027. The total number of Marshallese in the workforce during the reported period was 979 (88%) with an average annual salary of \$15,826. During the CY 2019, the size of the workforce has decreased by about 40 members.

The biggest or the top 5 Ministries with the highest number of employees were: Ministry of Health (MoHHS) with 596, followed by the Ministry of Works, Infrastructure & Utilities (WIU) with 142, the Ministry of Finance, Banking & Postal Services (FBPS), with 103, the Ministry of Culture and Internal Affairs (CIA), with 55, and finally the Ministry of Justice with only 29. Most of the recruitment occurred at the MoHHS due primarily to the Dengue outbreak and was further gaining due to COVID-19 as per RMI Response Readiness & Contingency Plan.

**TABLE 2: National Government Employees under the Purview of Public Service Commission  
By Gender: 2019**

Ministry/Agency	2019				Ttl Emps	Ttl Amount
	Male		Female			
	# of Emps	Ttl Amt	# of Emps	Ttl Amt		
Auditor General	11	260,000	10	252,000	21	512,000
Cabinet	8	191,325	7	114,085	15	305,410
V7AB					-	-
NNC	1	20,000	4	95,492	5	115,492
RMI Scholarship					-	-
Land Registration Office					-	-
Customary Law Commission					-	-
Office of Chief Secretary	5	113,045	8	220,895	13	333,940
EPPSO	6	143,045	5	98,895	11	241,940
OEPPC	4	109,000	3	50,785	7	159,785
NEO	5	95,895	1	34,000	6	129,895
WEATHER	9	288,000			9	288,000
Council of Iroij	3	54,050	2	51,025	5	105,075
Education					-	-
Finance (FBPS)	63	1,132,175	40	780,875	103	1,913,050
Banking Commission					-	-
Foreign Affairs (MOFAT)	6	123,025	13	273,140	19	396,165
Health Services (MoHHS)	298	4,968,030	298	4,884,417	596	9,852,447
Internal Affairs (CIA)	25	410,855	30	491,700	55	902,555
Justice					-	-
Justice - Attorney General	22	503,985	7	171,925	29	675,910
Justice - Public Defender	2	81,000	4	86,025	6	167,025
Nitijela	6	131,050	19	272,460	25	403,510
Public Service Commission	6	126,830	7	150,970	13	277,800
Public Works (WIU)	135	1,767,745	7	79,945	142	1,847,690
Resources & Development (NRC)	16	207,145	11	204,815	27	411,960
Transportation & Comm. (T&C & IT)	9	173,055	2	38,025	11	211,080
<b>Total</b>	<b>640</b>	<b>10,899,255</b>	<b>478</b>	<b>8,351,474</b>	<b>1,118</b>	<b>19,250,729</b>

**B. Personnel Cost and Sources**

The table below (#3), lists the source of funds utilized to compensate employees during the year by ministries and agencies. As may be noted, the Public Service personnel cost for CY 2019 (\$19,858,079) was increased by a sum of \$559,125 or (3%). The increase was a direct result of the establishment of new positions, employees' salary increments, reclassifications, and promotion to higher positions within the public service just to name a few. Such actions will be further elaborated in the section of the report covering Personnel Activities.

The sources of funding for employees derived from the General Fund, Compact, Federal Fund, European, Union Funds, (cont.) Special funds, and others. The exact of amount from such funding sources are detailed in the Table. The three leading funding sources were the General Fund



(funding 684 employees), Compact (funding 447 employees) and Federal Fund (funding 117 employees).

One grave observation that should be seriously taken into consideration, and one that also needs appropriate actions, is the rising of personnel cost which has been increasingly carried by the General Funds, more so that the other funding sources. As stated in the 2018 report, the rising personnel cost shouldered by the nationally generated funding sources need serious attention and action. Furthermore, it is important to match national economic growth with Personnel costs otherwise there would be serious impacts on the future sustainability of the Government essential services and the delivery system required of the such services.

Table 4: The total cost and its implication are better gauged when grouping the employees. The employees are grouped as follows: (1) Marshallese and (2) Expatriates.

**TABLE 3: Ethnic Group: 2019**

Citizenship	2019	
	# of Emp	Ttl Amount
Marshall Islands	979	\$15,493,969
Philippines	70	\$2,006,425
Fiji	31	\$798,925
FSM	11	\$249,900
Kiribati	12	\$237,510
United States	3	\$166,000
Tuvalu	4	\$98,000
Nauru	1	\$45,000
Germany	1	\$40,000
India	2	\$37,000
Papua New Guinea	1	\$21,000
Solomon Islands	1	\$21,000
Ethiopia	1	\$18,000
Nigeria	1	\$18,000
<b>Total</b>	<b>1118</b>	<b>19,250,729</b>

The implication needing attention is the fact the size of the Marshallese employees continued to dominate the workforce, their contributions to the national wellbeing continues to remains quite static. This is further exasperated through a number of means most especially in terms of rightful work compensation and the proper remuneration of the posts/positions being held as compared to the counter expatriates. This appears to be a policy issue and needs to be reviewed accordingly.

**TABLE 4: National Government Employees under the Purview of Public Service Commission by Nationality: 2019**

Ministry/Agency	2019					
	Marshallese		Expatriates		Ttl Emps	Ttl Amount
	# of Emps	Ttl Amount	# of Emps	Ttl Amount		
Auditor General	21	512,000			21	512,000
Cabinet	15	305,410			15	305,410
V7AB					-	-
NNC	5	115,492			5	115,492
RMI Scholarship					-	-
Land Registration Office					-	-
Customary Law Commission					-	-
Office of Chief Secretary	12	309,940	1	24,000	13	333,940
EPPSO	11	241,940			11	241,940
OEPPC	7	159,785			7	159,785
NEO	6	129,895				
WEATHER	9	288,000			9	288,000
Council of Iroij	5	105,075			5	105,075
Education					-	-
Finance (FBPS)	99	1,809,050	4	104,000	103	1,913,050
Banking Commission					-	-
Foreign Affairs (MOFAT)	17	362,140	2	34,025	19	396,165
Health Services (MOHHS)	475	6,719,712	121	3,132,735	596	9,852,447
Internal Affairs (CIA)	54	842,555	1	60,000	55	902,555
Justice					-	-
Justice - Attorney General	27	545,910	2	130,000	29	675,910
Justice - Public Defender	3	53,025	3	114,000	6	167,025
Nitijela	25	403,510			25	403,510
Public Service Commission	13	277,800			13	277,800
Public Works (WIU)	137	1,689,690	5	158,000	142	1,847,690
Resources & Development (NRC)	27	411,960			27	411,960
Transportation & Comm. (T&C&IT)	11	211,080			11	211,080
<b>Total</b>	<b>979</b>	<b>15,493,969</b>	<b>139</b>	<b>3,756,760</b>	<b>1,118</b>	<b>19,250,729</b>

The figures in the table above portrays the number of employees within the Public Service by Nationalities. (Marshallese and expatriates, and costs). Due to the lack of expertise in the areas of health, engineering, accounting and legal professionals, the RMI continued to rely heavily on expatriate employees to fill in the specialized areas of needs. The policy to train capable Marshallese to fill in the posts continues to be observed most especially with the aim to ensure the local capacity continues to be self-sustained perpetually.

The expatriates' total based salary cost in 2018 was amounted to \$3,469,075. In comparison to this year, 2019, there is a total cost of about \$3,756,760, which is an increase of about \$287,685 dollars. The overall cost for the expatriate employees this year was equivalent to about 20% of the entire

(public service) wage bill this year. This is representative of all the public servants under the preview of PSC. It should be noted that the slight jump in cost this year came about mostly by the number of salary increments granted during the reported period. This is coupled with the fact that there were a few more medical specialists hired this year as compared to the previous year, 2018. In the wake of the Dengue Fever outbreak, the rise in the number of the expatriates also added to the total number as well.

During the year, a total of 139 expatriate employees occupying various positions within Public Service, with a very majority being placed at the technical and specialized posts, mostly at MoHHS. While the trend continues, there is, however, an emerging trend where well-trained Marshallese are steadily gaining momentum of securing specialized posts, mostly in health, in the legal and also in the structural engineering sectors.

Of the total number of expatriate employees in the GRMI, the large majority of them, 101, continued to occupy the various medical professional positions within the Ministry of Health and Human Services. The other remaining expatriate employees occupied other positions within the other offices, including the Ministries of Justice, Immigration and Labor, Works, Infrastructure and Utilities and Finance, and also the Banking and Postal Services.

The Table above (#4) lists the number of expatriate employees by nationality. In CY 2019 the number of expatriates working within the Public Service has increased by ten (10) bringing the total to 139. The four biggest expatriate ethnic groups were Filipinos with 70, followed by Fijian with 31, Kiribati with 12, and finally the Federated States of Micronesia with 11 employees.

Although the RMI still lack qualified professionals such as doctors and engineers, during the year however, two Marshallese medical students successfully completed their medical degrees from the ROC-Taiwan and are presently undergoing their residencies at the Majuro Hospital. Other medical students are presently pursuing their Medical degrees and will soon be completing in the coming years. Such arrangement will surely increase the number of qualified Marshallese medical professionals, such as doctors. Fruition of such will help alleviate the heavy reliance on expatriate doctors. This will undoubtedly enable the RMI government to eventually reduce the employment

costs associated with expatriates, such as based salary, payment of repatriation, freight, housing, and entitlement and other employment privileges and entitlements.

During the year, a total of twenty-five (25) Marshallese professionals successfully completed and graduated from the Fiji National University to serve as Nurse Practitioners. All of the graduates are now presently undergoing their practical internship as required under the Nurse Practitioners' Program. The participants who will be successfully completed the program will be joining the Marshallese medical professionals in the Republic, adding a few more to what appears to be an emerging trend on the size of the local well-trained medical workforce steadily on the rise.

### **C. Gender in the Public Service**

As depicted in Table 1, males continue to dominate the workforce by 57%, while this trend, gender gap, continues to hold, however, as had been the case over the course of the years, the female counterparts have equally shown notable gain as well, a development which continues to manifest itself through the increase in the number of employment placement, and also the frequency rate of secured recruitment as compared to their male counterparts. Despite the notable male domination, the occupational representation of women particularly in the managerial position have, however, slightly increased this year gaining an impressive notch as opposed to their male counterparts whose size had proportionately remained practically the same.

A more focused analytical review into the gender differences in occupational distributions among workers had strongly suggested that occupational differences between men and women are persistent presence in the PSC workforce. Traditional the so called "blue-color" occupations such as operatives and craft continue to be male dominated, while women remain concentrated in the service and clerical occupations. For the female public servants, the most common occupations are clerical (traditionally female-dominated occupation) and professional and technical; for men, the most popular occupations are production and craft, professional and technical, and managerial. Further gauging into the disparities in occupational distribution revealed also that female employment/occupational choices are advancing in occupation selection as opposed to their male counterparts whose occupational choices remain as traditionally stagnant.

Furthermore, it is important to note some gender distribution trend (certain job classifications) might warrant the Commission’s and the wider Government attention, particularly the blue-collar jobs where there is an obvious gender imbalance that is not intentional but rather based on cultural values and norms. One great example of imbalance can be seen at the Ministry of Works, Infrastructures and Utilities which employed 120 more men than women, IC&T, NRC, and other are reflective of the same observation as well.

Traditionally the more physically intensive a job is, the more it tends to employed men. However, this could be an area where women could be trained and encouraged to pursue. Conversely, in other job placements, such as the Nitijela, PSC, and others there are traditionally more females employed as opposed to men, which further asserts the notion of the gender occupational selection preferences and its societal implications and impacts.

The above table lists the number of employees, by age, across the Public Service. As may be noted and as reported in the previous reports, employees between the ages of 19 – 44 consisted of the bulk (667 or 57%) of the total workforce. The

**TABLE 5: Age Group 2019**

Age	# of Emp	% of Ttl	Ttl Salary
19-24	34	3%	\$521,450
25-34	284	25%	\$4,396,312
35-44	328	29%	\$5,597,075
45-54	265	24%	\$4,650,845
55-59	98	9%	\$1,923,060
60plus	109	10%	\$2,161,987
<b>Total</b>	<b>1118</b>	<b>100%</b>	<b>\$19,250,729</b>

data further showed that the workforce is fairly young, and in many respects is inexperienced and the lack the institutional knowledge and capacity. The Public Service Commission and responsible ministries/agencies, however, continued to provide the necessary in-house and other well-tailored trainings opportunities to further capacitated the employees in their respective fields of occupations and expertise.

During the reported period, 109 employees of the workforce have reached the retirement age, thus prompted the need for the PSC to continue developing, alongside ministries /agencies, strategies to address the need for robust recruitment, mentoring, talent management, and workforce development planning. The required public service developmental programs to start addressing these various workforce deficiencies are being looked into jointly with the Pacific Islands Center for Public Administration (PICPA-Fiji USP) with the aim at formulating frameworks necessary to

best commence imparting and capturing the necessary knowledge, skills and institutional knowledge from the seniors to the younger members of the workforce.

#### D. Personnel Activities

The table #6 lists the number of approved Commission action during the course of the year. As shown, there was a total of 149 approved actions while in 2018 the total was 127. Table 6 shown below further illustrates the kinds of personnel actions taken place during the year and the numbers of action take place for each of the individual action.

**TABLE 6: Personnel Activities 2019**

Activities	2019
Appointment	10
Appointment,Transfer	2
Change Of Account	2
Change Of Account,Change Of Status-Probation to Permanent	2
Change Of Account,Transfer	1
Change Of Position Title	5
Change Of Position Title,Change Of Status-Premanent to Contract,Salary Increment	1
Change Of Position Title,Salary Adjustment	1
Change Of Position Title,Salary Reclassification	2
Change Of Status-Contract to Permanent	1
Change Of Status-Contract to Permanent,Salary Reclassification	1
Change Of Status-Premanent to Contract	1
Change Of Status-Premanent to Contract,Salary Reclassification	7
Change Of Status-Premanent to Contract,Step Increment	1
Change Of Status-Probation to Permanent	26
Change Of Status-Probation to Permanent,Job Promotion	1
Change Of Status-Probation to Permanent,Salary Increment	1
Change Of Status-Probation to Permanent,Salary Reclassification,Transfer	1
Change Of Status-Probation to Permanent,Transfer Within Ministry	2
Contract Extension,Salary Increment	1
Conversion/Change of Status	1
Conversion/Change of Status,Salary Increment	1
Job Promotion	9
Job Promotion,Transfer	1
Reclassification,Salary Adjustment	5
Salary Adjustment	11
Salary Increment	28
Salary Reclassification	9
Step Increment	4
Transfer	11
<b>Total</b>	<b>149</b>

**E. Training and Development Across the Public Service**

From December 2018 to September 2019, nine (9) Induction Sessions had been conducted to the new employees and employees who had not been in the induction programs since employed from 18 respective ministries and agencies. A total of 146 had completed the induction program.



*Group 1. Induction Sessions for New Public Service Employees 2019*

The purpose of the induction session is for the employee especially the newly hire(s) to the workforce to be fully oriented on PSC Rules & Regulations, Code of Conduct/Ethics and Values for personal safety and guidance.

The Tables and Charts below will briefly provide more details and information of the PSC Inductions programs. The large majority of

this group was hired to fill in vacant existed posts throughout the public service with the majority been hired to fill mostly the mid-level and other related administrative posts.

Table 7: Induction Sessions: December 2018 – September 2019

<b>TABLE 7: Induction Sessions 2019</b>		
No	Date	Total
1	December 13th, 2018	22
2	December 21st, 2018	14
3	February 7th, 2019	14
4	February 8th, 2019	17
5	February 22nd, 2019	20
6	April 17th, 2019	12
7	April 22nd, 2019	16
8	July 25th, 2019	19
9	September 5th, 2019	12
<b>Total</b>		<b>146</b>

Aside from the Orientation programs, Public Service Commission (PSC) in collaboration with the College of the Marshall Islands conducted a 2-day workshop (11/7 & 8/19) on Crisis Management. There were about 15 employees were able to participated and completed the training/workshop with Certificate of Achievement. PSC shouldered the cost of the training package \$3,600 for 15 participants however, CMI was able to accept additional of 5 participants with no extra costs.



Over the course of the last few years, including this year, 2019, the mandated core functions of the Public Service Commission, providing training to the public service workforce, has not been as actively attended to as compared to previous years. This is due primarily to the lack of funding. With only a meager allocation, \$20,000 thousand dollar this year,



*Group 2. Induction Sessions for New Public Service Employees 2019*

the required delivery of training aiming at providing the skill sets necessary to strategically responding to the expected level of performance throughout the service wide has been kept below par. Against this backdrop however, the Training Unit at PSC, was able to engage in a number of orientations training where policies and standard operation procedures (SOPs) were given due consideration respective of their objectives.

This gut crunching effort while had resulted in holding a much-anticipated training engagement, representing a wide range of participants with the training dynamics have been delivered addressing the various strategic components necessary to take a deep dive into the current training capacity, and the contextualized training framework of the RMI Public Service.

Currently, training and education for public servants are governed by provisions in the Public Service Commission Act, as prescribed in the PSC Regulations, 2008 (as amended). These provisions need to be comprehensively reviewed if the



*Group 3. Induction Sessions for New Public Service Employees 2019*



demands of transformation are to be met. The main aim of this report on Public Service Training and Education (PSTE) is to encourage a new national strategic policy framework on training and



*Group 4. Induction Sessions for New Public Service Employees 2019*

education for public servants which should be contributing positively to the goals of public service transformation. It also seeks to bring public service training and education in line with international best practices, current global trends in human resource development, and be aligned further with the national strategic policy context.

### **E-1. International Meeting and Conference**

At the 25-27 September, 2019 Pacific Public Service Commissioners Conference in New Zealand, Foreign Minister Winston Peters told Commissioners to ‘be bold in your vision and know New Zealand is with you.’



*Pacific Public Service Commissioners' Conference 2019  
25-27 September 2019, Wellington, NZ*

Minister Peters has just announced New Zealand’s support for a Pacific-led hub that will strengthen public services across the region. The strategic goal is to make sure more attention is placed on the Pacific Islands countries and Territories more so that as previously administered by other powerhouse in the region, as Australia.

The new Pacific Public Service Fale was designed in partnership with Pacific Public Service Commissions, and will be based in the State Services Commission in Wellington. It will offer technical assistance, advisory support, training, and knowledge exchange opportunities for public servants from the Pacific.

The Pacific Island Countries and Territories that will benefit from the resources of the Pacific Public Service Fale are the Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, French Polynesia, Nauru, New Caledonia, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, and Vanuatu

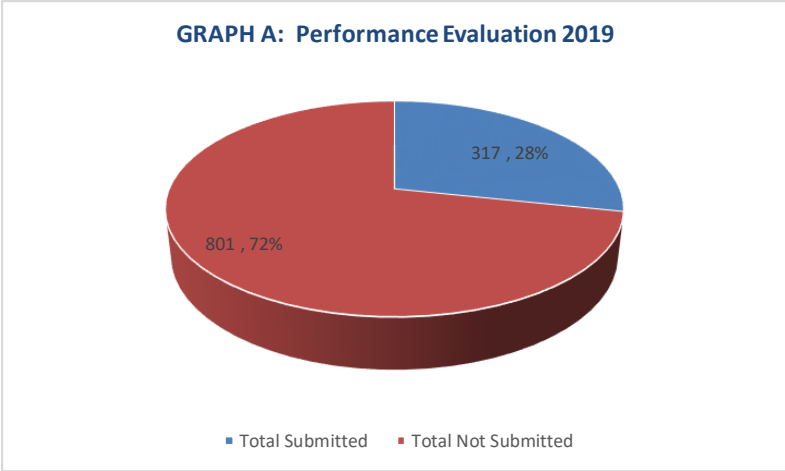
Representing the RMI Public Service Commission to the 2019-PPSCC were Kenneth Anitok, Chairman, staffed by Terry Hazzard, Assistant Commissioner.

**F. Performance Management and Workforce Development performance Evaluation Submission**

During the 2018-2019 year, there were twenty (20) line Ministries and various other Agencies under the purview of the Public Service Commission, with a total number of 1,118 of public service employees, all of whom were required to submit performance evaluations and self-appraisals to PSC as they were received prior to the prescribed deadline, November 30, 2019. As of 16th January 2020, of the 1118 total number of PSC workforce, only 295 of performance evaluations were submitted, leaving a total of 823 active public service employees failed to be formally administered and submitted. This form of insubordination has, in fact, resulted in a number of adverse actions

<b>TABLE 8: Performance Evaluation 2019</b>	
<b>Evaluation</b>	<b># of Employees</b>
Total Submitted	317
Total Not Submitted	801
<b>Total Workforce</b>	<b>1,118</b>

taken against a number of controlling officers who have demonstrated inability to affirmatively responded to directions and policy strategic.



Of the 20 Ministries and Agencies, eight (8) Ministries/Agencies did not submit their employee performance evaluations on or prior to the deadline. Below are the names of the Ministries and Agencies who are non-compliant with zero submission:

**TABLE 9: Non-Compliant Ministries/Agencies 2019**

No	Ministry/Agency	PE Submitted
1	Attorney General	None
2	Chief Secretary	None
3	Council of Iroj	None
4	Culture & Internal Affairs	None
5	National Nuclear Commission	None
6	Natural Resources & Commerce	None
7	Nitijela	None
8	OEPPC	None
<b>Total 8 Non-compliant Ministries/Agencies</b>		

Under the PSC Regulations, 2008, as amended, (30): (1) (2) (3), all ministries and agencies of government are required to administer and submit to the Commission the outcomes of their annual performance evaluation on an annual basis. While only a few did submit their annual performance evaluations, the large majority of the offices of the government, under the purview of PSC, failed to comply to this requirement. Although the Commission had repeatedly reminded all the offices of the government of this vitally important performance assessment, to be administered and submitted on a timely basis, sadly very few did comply. Commission has taken steps necessary to ensure corrective measures be enforced accordingly to combat non-compliance in the future.

<b>Ministry/Agency</b>	<b># of PE Submitted</b>	<b># of PE NOT submitted</b>	<b>Total # of Employees</b>	<b>Status</b>	<b>Received</b>
Attorney General	0	29	29	No Submission	-
Auditor General	21	0	21	complete	29-Nov-19
Cabinet	12	3	15	Incomplete	10-Jan-20
NNC	0	5	5	No Submission	-
Chief Secretary	0	13	13	No Submission	-
EPPSO	7	4	11	Incomplete	Late Submission (12/02/19)
OEPPC	0	7	7	No Submission	-
NEO	3	3	6	Incomplete	29-Nov-19
WEATHER	9	0	9		
Council of Iroj	0	5	5	No Submission	-
MOCIA	0	55	55	No Submission	-
MOFAT	11	8	19	Incomplete	-
MOFBPS	13	90	103	Incomplete	Late Submission (12/11/19)
MOHHS	122	474	596	Incomplete	Late Submission (12/10/19)
MONRC	0	27	27	No Submission	-
MOTC&IT	10	1	11	Incomplete	29-Nov-19
Nitijela	0	25	25	No Submission	-
PSC	13	0	13	Complete	29-Nov-19
Public Defender	2	4	6	Incomplete	22-Nov-19
WIU	94	48	142	Incomplete	29-Nov-19
<b>Total</b>	<b>317</b>	<b>801</b>	<b>1118</b>		

The above Table 10 illustrates the totality and submission status of each line Ministries/ Agencies of the government:

**Public Service Performance:**

The graph below represents the performance of the public service workforce (that submitted their evaluations), which demonstrates the following:

- No one received an “unsatisfactory” rating
- No one received an “Below Average” ratings
- 30% are “Average” performers (exceed performance standards)
- 63% received “Above Average” performance ratings which suggests “satisfactory” and often exceed performance standards
- 7% received “Outstanding” ratings

## H. Government Lease Housing

During the year, the government spent a total of a little over \$1.3 million dollars to provide housing accommodations for a combined total of 151 employees all across the workforce (including University of the South Pacific contracted employees, consultants hired thru bilateral agreement, etc.). This is obviously an area that should be closely monitored, particularly in the overall combined efforts of the government (PSC) to keep constant watch necessary to maintaining economic conscientious across the public service.

<b>Ministry/Agency</b>	<b>Location</b>	<b># of Housing</b>
MOHHS Housing	Majuro	86
	Ebeye	41
Other Ministries/Agencies	Majuro	23
	Ebeye	1
	Sub Total Majuro	109
	Sub Total Ebeye	42
<b>Total</b>		<b>151</b>

By comparison to last year's total, this year's cost took a climb by a little over \$108,000 thousand dollars which translated to about twelve (12) more rental units this year as opposed to last year, 2018.

Contributing factors to this notable gain, in the number of rental units, was the rise in the number of professional employees being hired to man a number of technical posts requiring specialized skills and professional competencies. Although the Ministry of Health had led in such category (rise in the number of expatriates) this occurred specifically as a response to the pandemic's (Dengue Fever and COVID-19) readiness and for other responsive contingency measures.

While there is a government Housing Policy serving as authority in guiding the works respective of any government housing affairs, there is a number of housing procedural guidelines to be carefully designed in ways that best responding to the needs of both the tenant and the landlords. This particular challenge of trying to shave the implementation of the housing services to best reflect the existing policies while at the same time be of service to cater to the specific expressed need, by either the landlord and/or the tenant, continues to be an area needing attention as well. This particularly impending challenge has been looked into by the Commission with remedial response to be ensued most likely through policy review aim to increase inter-agency collaboration.

## I. Group Life Insurance Program

The Public Service Commission has a contract with the IAC that is up for renewal at the end of Oct. 2020. Total number of Contribution for 2019 is: \$965,367.24. In contrast, the total number of claims awarded, from January to December 2018, showed a combined total of about \$804,092.00 thousand dollars. The awards for 2019 was much less as compared to claims awarded in 2018 by \$465,957. Major contributing factor to this substantial reduction has to do with the number of awarded claims under the basic benefits, which this year has been notably decreased as compared to last year.

**TABLE 12: Benefit Claims Processed and Received 2019**

2019 CLAIMS						
Type of Claim	No. of Claims	Total Submitted	Total Received	Total Pending	Premium Contribution	
Basic Benefit	3	\$187,135	\$187,135	\$0		
Spouse Benefit	8	\$76,000	\$76,000	\$0		
Child Benefit	1	\$6,000	\$6,000	\$0		
Parent Benefit	14	\$42,000	\$42,000	\$0		
Parent-in-Law	8	\$27,000	\$27,000	\$0		
<b>Total Premium Contribution</b>					<b>\$965,367</b>	
<b>Total</b>	<b>34</b>	<b>\$338,135</b>	<b>\$338,135</b>	<b>\$0</b>	<b>\$965,367</b>	

## III. PRODUCTIVITY AND EFFICIENCY

What do we mean by productivity and efficiency in the public service?

First, by productivity it means to, “optimizing the delivery of services through the efficient use of public funds,” which should be resulted in increasing the citizen satisfaction, public trust, accountability, cost effectiveness, competitiveness, and to improve the quality of life. Against this backdrop therefore, exactly what steps have been taken during the reported period in terms of optimizing the delivery of services to the general public? As the centralized response unit for all the personnel needs for the line ministries and agencies of the government in facilitating the delivery of the respective services, the following decisions, actions and initiatives were taken aiming at improving service delivery, in responding to the constructive challenges of productivity and efficiency:

A. As part of its effort to streamline in order to boost the productivity level of delivering to the public the required essential public services, the Commission, in collaboration with the office of the Chief Secretary, and the Cabinet through a joint undertaking to endorse an enabling amendment to the PSC Act of 2017, has resulted in placing the permanent Secretaries of the line ministries, Deputy and Assistant Secretaries; and agency Directors, and the equivalent on a four years performance-based employment Contract scheme. This year, the process of changing the employment status of the first patch group has completed.

B. The goal is to shift the focus more on outcomes rather than inputs, with particular reference to the competences and the key performance indicators required at different levels to build individual and organizational capacity. This is further reflected and as delineated in the employment contracts of all the position holders indicated above, designed specifically to increase the delivery of service productivity and efficiency. More importantly, reform of such nature is critical in order to best facilitate and to help each department better understand the efficiency of their services, activities and programs and to assist in recognizing where/how they might be improved.

C. Efficiency refers to the entire process of turning public money into positive outcomes for individuals and society. It goes beyond back-office savings, and means thinking about how government funds, designs and delivers frontline services. Improving efficiency does not just mean reducing spend. It also means delivering better outcomes and more effective government, while using public money in the smartest way possible

#### **IV. CHALLENGES & LIMITATIONS**

Most particularly during the course of the last two years, 2018 and 2019, the same challenges and trials outlined below have continued to bring the Public Service Commission to its heels in trying to take a deep dive into constitutional mandates and obligations. In doing so, the following:

- A. Limited resources (financial and manpower) for the Public Service Commission to:
1. effectively carry out its mandates; and
  2. realign and position itself to serve as the leading GRMI agency in the areas of human resource management and training across the public service;



3. need technical assistance from international donors.

B. Capacity Building: There continued the paramount need to capacitate, not only the senior level managers, but the rank and file across the Public Service to:

1. fully understand their roles and responsibilities;
2. fully understanding of existing mandates, regulations, policies and standard operating procedures; and
3. instill the right attitude, pride and the ownership to take on the responsibilities of works in order for the employees to provide quality services to the citizenry;
4. an emerging challenge with the rise in the much younger workforce with different sets of values, principles, and expectations as well.

C. Though the necessary leg works have begun, there still exists the eminent need to update and revise the current PSC remuneration and classification scheme; a draft salary scale study was presented to the Commission during the year, however, was not fully endorsed pending further studies to be conducted by the EPPSO (Household Income Expenditure Survey), the Ministry of Finance, and the Office of the Chief Secretary. With the already consented further consultation and Technical Assistance by the World Bank, it is hoped that affirmative responsive works will be forth coming as expected.

1. Lack of workforce development plans, talent and succession management plans to capture and pass on the necessary knowledge, skills and institution knowledge from the senior employees to the younger workforce members;
2. The lack of the required skills, knowledge, experiences among Marshallese in the key areas of Health, accounting & economics, engineering, basic customers services, human resource management, information and communication technology, etc., to maintain and sustain an efficient and effective Public Service;
3. The continued lack of serious attention and actions by the responsible Heads of Ministries/ Agencies and supervisors to promptly evaluate employees on an annual basis as prescribed by the PSC Regulations. This has resulted in a number of adverse impacts primarily in



causing major setback for the Commission to achieve a dependable, and a crystal-clear picture of how well and/ or how poor the public service workforce is performing; and,

4. The continued inefficient and ineffective timely processing of recruitment and placement of employees in the workforce (slow processing of employment personnel actions/contracts) - a systematic problem that needs to be a concerned to all the stakeholders, and one that deserves immediate and urgent corrective actions.

## **V. WAY FORWARD & RECOMMENDATIONS**

1. Continue to review and revise the recruitment strategies to address the number of retired and expatriate employees within the system;
2. Continue with the development and execution of internship, workforce development, mentoring and talent management programs and plans across the public service;
3. Continue building on the existing draft study and prioritize the formal adoption and execution of a new PSC remuneration and classification system;
4. Continue to review, re-evaluate and revise the performance management system. Such review should entail looking at how other regional countries are using it and continue to seek technical assistance most importantly in this area of performance management; and,
5. With just three (3) more years until the financial assistance under the Compact of Free Association, as amended, it has become ever more increasingly imperative that a Nation, as a whole, must continue to develop strategies to identify and secure the necessary funds to accommodate salaries for the 512 employees currently being paid under the Compact and Federal Grant, both of which combined a net worth value of about \$7.7 million dollars annually.

## **VI. CONCLUSION**

1. During the year, there continued to be progresses made in terms of the Commission's delivery of its core mandates to its customers. Such included the updating and revisions to the PSC Regulation, Housing Policy, remuneration and classification system, restructuring itself to address its mandates, the official signing of the four years performance-based employment contracts by the core Heads of Departments that will soon roll out to including others with equivalent ranks, and the Assistant Secretaries, among others.

2. While there had been positive developments that had occurred during the year, simultaneously, the PSC had its own set of challenges that continued to plague the delivery of quality services as listed above. However difficult it has been, the Commission had responded positively to continue its delivery of services.

3. Perhaps one of the more pressing needs that the Nation as a whole should begin focusing on is the need to develop plans for the end of the financial assistance through the Compact and Federal Grants. As alluded earlier, a total of 512 employees, mostly in the Health sector, with a total annual cost of \$7.7 million, will eventually be affected once the funds are ceased at the end of the Compact of Free Association in 2023. Such will also have an immense impact on the delivery of health care services in the Republic.

4. Continuous development of recruitment, internship, mentoring/talent management, and workforce development plans are essential to ensure that the people with the right skills and attitudes, are placed at the right place, at the right time. The RMI continued to rely heavily on expatriate and retirees to man key positions within the Public Service as a direct result of lack of capable human capital. Such practice cannot be sustained in the longer run as it is costly and unstable if we're to maintain and sustain a vibrant workforce – translating to effective and efficient delivery of public services to the citizenry.

In conclusion, though latent with multitude of challenges, the Commission been focusing and build on the strengths and positive outcomes to ensure that it continues to provide the necessary services and programs as mandated under the RMI Constitution, its own Act, Regulations and other key National initiatives (i.e. Agenda 2020, National Strategic Plan-2020, and the National Human Resource Development Plan, etc.).