



**PUBLIC FINANCE DEVELOPMENT
SERVICE PERFORMANCE REPORT
2019**

Ministry of Finance
Public Finance Management Unit

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



MINISTRY OF FINANCE
MALE'

PUBLIC FINANCE DEVELOPMENT SERVICE PERFORMANCE REPORT

Establishment of “Public Finance Development Service (PFDS)”. The Minister of Finance of Maldives has officially issued a memo on 7th February 2018 ((MEMO)13-HR/13/2018/190) addressing the Permanent Secretary of the Ministry, stating the establishment of the PFDS Unit, under the Corporate Affairs Department (CAD) to carry out development activities to strengthen the services provided by the Ministry to key beneficiaries¹.

The objectives of establishing “Scheme of PFDS Unit”. By achieving the objectives listed below, the Ministry is expecting to attract and retain critical staff with marketable skills to mitigate the very high turnover of critical staff, which is one of the objectives in establishing the PFDS Unit.

1. Provide a framework that attracts competent and effective candidates based on competence, merit, and ability,
2. Motivate candidates with potential to acquire necessary professional training and on the job staff development,
3. Provide for clearly defined job descriptions with clearly outlined the duties within a career structure that will ensure proper placement and utilization of human resources,
4. Ensure an attractive salary structure on a long-term basis for the purpose of retaining skilled candidates and preventing turnover, and
5. Ensure the transfer of skills and knowledge within the organization for long term sustainability.

Hiring process of PFDS staff: Based on the data collected the Independent Verification Agent (IVA) missing during the mission in March 2019, it was noted that, 88% of the cadre requirement have been filled as of 31 January 2020. According to the Scheme of PFDS Unit, the recruitment process of these officers was carried out in compliance with “WB Procurement Guidelines for Consultants” issued in the month of January 2011 and subsequently revised in the month of July 2014. 71% and 21% of the PFDS recruitments were based on “Competitive Selection Process” and “Limited Bidding Selection Process” respectively, where only one recruitment was carried out based on “Single Source Selection Process”. The selection methods were determined by considering the availability of the required expertise in local market and obtaining approvals from the Permanent Secretary of the Ministry. 57% of PFDS positions were filled by recruiting internal staff from TPAD and Information and Communication Technologies (ICT) divisions of MoF. SAP specific and technical trainings were provided to all Technical Consultants representing 71% of recruited PFDS positions

Performance monitoring. There are multiple reporting lines available within PFDS Unit, where overall monitoring and main supervision along with administration management are being carried out by the Project Director and the Permanent Secretary. The progress on the monthly target achievements is monitored on a weekly basis by updating an excel sheet developed for each

¹ 16 PFDS positions: 5 SAP functional experts under the authority of the Finance Controller and 4 IT technical experts, under the authority of a Chief Information Officer (CIO). Other experts will support SOE governance, ICT, internal audit, economic and fiscal, debt and asset management.

individual consultant. These performance records are submitted to PMU of MoF at the end of each month, to process monthly salaries of the PFDS officers.

PFDS performance. The PFDS team has introduced several portals and mechanisms aimed at automating and reforming processes within the Ministry of Finance and the government, including the development of the Public Accounting System (PAS) and enhancing budget credibility, transparency, and financial reporting of the government.

Key highlights:

1. The team has implemented a **Short Message System (SMS)** service for vendors, which notifies them when the Ministry of Finance processes their payment. Additionally, when a payment is processed, the vendors receive an email with the payment details. This has reduced the complaints received to MoF from the vendors as immediate notifications keep vendors updated and informed.
2. The team developed a module in **Bandeyri portal** through which government agencies could request access to the PAS. The Ministry has been able to eliminate paperwork by digitizing the entire process and allowing easy and smooth processing of the requests from Government agencies. Additionally, members of the PFDS functional team contributed to the implementation of the **Viya Module** for local councils, which enables local councils to record their revenue and expenses.
3. Significant changes in configuration and **enhancements to the PAS**, including the implementation of the Business, Planning and Consolidation (BPC) module were carried out and the necessary configuration of the Funds Management (FM), Human Capital Management (HCM), Financial Accounting (FI), and Material Management (MM) Modules to support the implementation of the virement and budget planning processes were carried out. During 2019, the team began the process of implementing Business Objects. Policymakers will be able to produce real-time reports, and top management will be able to make quick decisions as the relevant agency's revenue and expenditure will be readily available in the form of a **Dashboard**. This Dashboard can be accessed from tablets as well as from desktop. The implementation is expected to be completed by May 2022.
4. The PFDS Economic Consultant prepared the concept paper outlining the allocation of **council grants** and submitted it to parliament for approval. The Economic Fiscal Consultant oversaw the bond restructuring process in the Ministry and has contributed significantly to the enhancement of the medium-term fiscal framework and evidence-based budgeting.
5. The PFDS Functional and Technical key staff developed a **central payroll register** to strengthen control of the wage bill and staffing of core financial functions. Moreover, gender-disaggregated personnel and wage statistics are included in the payroll register.
6. The PFDS SOEs Financial Management Consultant prepared the quarterly and annual reviews of the SOEs. In addition to this, the consultant was involved in the MACL financing arrangement and the Initial Public Offering (IPO) of Maldives Islamic Bank (MIB). During 2019, the consultant implemented SOEs' bonus policies and was involved in the development of the cooperative governance code (CG) for SOEs. Furthermore, the consultant developed an incentive-based performance system for the SOEs.
7. The PFDS team's technical consultants performed SAP ECC Production System user cleanup activities, which included administratively locking inactive users in the PAS. Additionally, the team drafted the ICT Master Plan's technical requirements and with the assistance of the VSIS engineer, the team configured the SAP Server backup system on the new virtual machines (VMs).

Table 1 provides a summary of evaluation of the various PFDS positions. The evaluation is based on beneficiary/client provided by the departments. The average score for the PFDS staff overall performance is 93%. There have been positive feedbacks received for the consultant's outputs, and stakeholders remain confident that overall targets and deliverables will be achieved with their expertise.

Table 1: Summary evaluation of PFDS positions

Designation	Supervisor	Contract Start Date	Evaluation Scores
1. Chief Information Officer (CIO)	Project Director	21 st August 2018	90.46
2. BI Associate (Local)	Chief Information Officer	01 st June 2019	92.5
3. Technical Associate - Business Intelligence (BI)	Chief Information Officer	21 st August 2018	86.31
4. Technical Associate - Advanced Business Application Programming (ABAP)	Chief Information Officer	21 st August 2018	97.50
5. Technical Associate - Business Application Systems Integrated Solutions (BASIS)	Chief Information Officer	21 st August 2018	93.81
6. ICT Consultant	Chief Information Officer	1 st March 2018	93.00
7. Asset Management Consultant (Local)	Financial Controller	09 th June 2019	93.44
8. FICO Associate (Local)	Financial Controller	09 th July 2019	92.30
9. Functional Associate - Material Management (MM)	Financial Controller	21 st August 2018	98.00
10. Functional Associate - Human Capital Management (HCM)	Financial Controller	21 st August 2018	95.00
11. Project Systems Associates	Financial Controller	1 st July 2017	91.00
12. BPC Associate (Local)	Chief Financial Budget Executive, FAD	21 st August 2019	91.69
13. Economic and Fiscal Consultant (Local)	Chief Financial Budget Executive, FAD	10 th December 2018	91.67
14. SOE Financial Consultant (Local)	Secretary General, PCB	15 th January 2019	98.08
		Average	93.20

Challenges: Twinning arrangements were to be prepared with the staff from MoF, where each PFDS staff will work with two MoF staff to ensure sustainability through adequate knowledge transfer. The consultants had trained the backup staff identified by the departments. However, backup staff are not identified for some of the functions such as BPC and BASIS. The Independent Verification Agent (IVA) has observed that these twinning arrangements are yet to be prepared and dispensed to respective employees.

Recommendations: A key requirement of PFDS is the provision of training and transfer of knowledge to counterpart government staff as part of the twinning arrangement. Therefore, this should be explicitly specified in the terms of reference, monitored closely, and linked to payment based on confirmation by the counterpart staff. Other expected technical deliverables should also be clearly stated as it makes the PFDS staff and supervisor clear on what needs to be submitted for monitoring, reporting, and decision-making purposes. Additionally, it was recommended by the World Bank to have a sustainability plan for the PFDS staff by implementing the Finance Cadre, which will help the transition arrangements to retain the PFDS skill set within the Government of Maldives.

30th January 2020



Ministry of Finance

Male'

Republic of Maldives

Performance Evaluation Form

Consultants/Contract Employees

Section 1: Employee Information

Name:		
Job Title:		
Contract Duration:		
Review Period:	From:	To:
Direct Supervisor:		

Section 2: Progress towards the assigned tasks (Total Weightage 75%)

Note: The following section will be marked based on the main tasks assigned. If a subtask is included, an average shall be calculated from the marks received for the subtasks included under the main task.

Unacceptable: 0 Needs improvement: 1 Meets expectation: 2 Exceeds expectation: 3

$$\text{Total Marks Received} = \frac{\text{Total Marks Received from the Section:2}}{\text{Total Marks which can be received}} \times 75\%$$

Main Task	Rating	Marks	Comments
1. Prepare an assessment of the MM module of the SAP, in order to identify the development requirements for the proper rolling-out and use of the system	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
2. Prepare a Go-live plan for atoll based agencies and implement MM module according to the plan.	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		

3. Ensure the initial inventory stock is updated prior to usage of MM module.	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
4. Implement all the configuration issues which arise due to the policy changes within a month	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
5. Preparation of standard operating procedures (SOP) and update as necessary	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
6. Arrange and conduct MM training to one additional staff to allow for transfer of skills and knowledge suitably over the first year.	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
7. Arrange and conduct MM training to end-users (both new user training and refresher training) on a regular basis, determined by the Financial Controller	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
8. Ensure reconciliation of data in the SAP software on an annual basis	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
9. Correct any errors/problems related to MM and prepare a log on a monthly basis	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
10. Review system for usage of MM by AGAs' and take necessary actions on a regular basis as determined by the Financial Controller.	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		

Section 3: Core Values and Objectives (Total Weightage 25%)

Note: The marks for this section will be given as below

Unacceptable: 0

Needs improvement: 1

Meets expectation: 2

Exceeds expectation: 3

$$\text{Total Marks Received} = \frac{\text{Total Marks Received from the Section:3}}{\text{Total Marks which can be received}} \times 25\%$$

Performance Category	Rating	Marks	Comments
Quality of Work: Work is completed accurately (few or no errors), efficiently and within deadlines with minimal supervision	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
Attendance & Punctuality: Reports for work on time, provides advance notice of need for absence	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
Reliability/Dependability: Consistently performs at a high level; manages time and workload effectively to meet responsibilities	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
Communication Skills: Written and oral communications are clear, organized and effective; listens and comprehends well	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
Initiative and Flexibility: Demonstrates initiative, often seeking out additional responsibility	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
Cooperation and Teamwork: Respectful of colleagues when working with others and make valuable contributions to help the group achieve its goals	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		
Decision Making: Make thoughtful, well-reasoned decisions; resourcefulness and creativity in problem solving	<input type="checkbox"/> Exceeds expectation <input type="checkbox"/> Meets expectations <input type="checkbox"/> Needs improvement <input type="checkbox"/> Unacceptable		

Section 4: Total Marks of Key Performance Indicators

Sections	Calculation	Total Marks from the Sections
Section 2	$\frac{\quad}{30} \times 75$	
Section 3	$\frac{\quad}{21} \times 25$	
Total Marks Received:		

Section 5: Comments from Supervisor and Employee

Supervisor Comments	Employee Comments

Employee	Supervisor
Name: Sign: Date:	Name: Designation Sign: Date:

_____ *End of Evaluation* _____