

# **“RESULTS-BASED MANAGEMENT” in the Education sector**

**R. BATERDENE**

**DIRECTOR, EDUCATION DEPARTMENT,  
THE MINISTRY OF EDUCATION, CULTURE AND  
SCIENCE, MONGOLIA**

# Topics for discussion

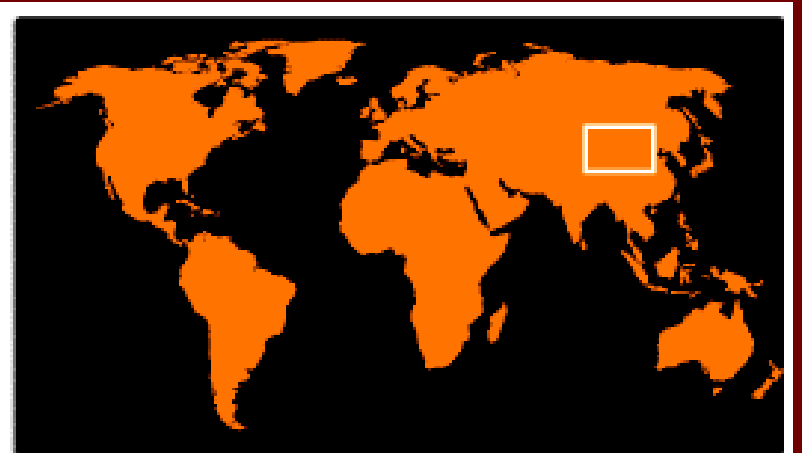
---

- The sector situation
- Public Sector Reform: Government initiatives
- Characteristics of the results-based approach in the sector
- Progress up to date
- Challenges and areas for improvement

# Mongolia at a glance

- **Population: 2,373,493**
  - **Males- 49.6%**
  - **Females- 50.4%**
    - **Urban- 57%**
    - **Rural- 43%**
- **Population density:**  
**1.5 per sq km**

**Population growth rate: 1.4%**  
**Literacy rate:**  
**Males- 98%**  
**Females- 97.5%**



# Current economic overview

Since 1990

Transition to a market-driven economy

Main goals of the agenda:

- Stabilize the economy
- Strengthen the role of private sector, encourage private investment
- Improve foreign investment environment

# Sector situation: **Mongolia's education sector**

---

## ■ Formal schooling:

- pre-school: 687 kindergartens, NER – 36%
  - secondary (4+4+2): over 710 schools, 557 thousand pupils. The gross enrollment rate (8-15 years olds in pr and mid schools) - 98.3% (52.2% of ed. spending).
  - vocational: 35 institutions, 22 thousand students. (about 3 % of ed expenditure).
  - higher education: over 170 institutions, 102,632 undergrad students
- 24% of government expenditures in 2005 (9% of GDP).

# Public sector reform: pre-conditions

---

- **Transition from centralized towards Market-oriented economy**
- **Strategic planning initiatives:**
  - 1994 Master Plan
  - Education Sector Mid-term strategy 2000-2005
- **Legal reforms**
- **Increased public concern of quality of services**

# Public Sector Reform: PSMFLaw

---

## Public Sector Management and Finance Law (PSMFL), 2002

**Purpose:** regulate authorities and responsibilities of public organisations pertaining

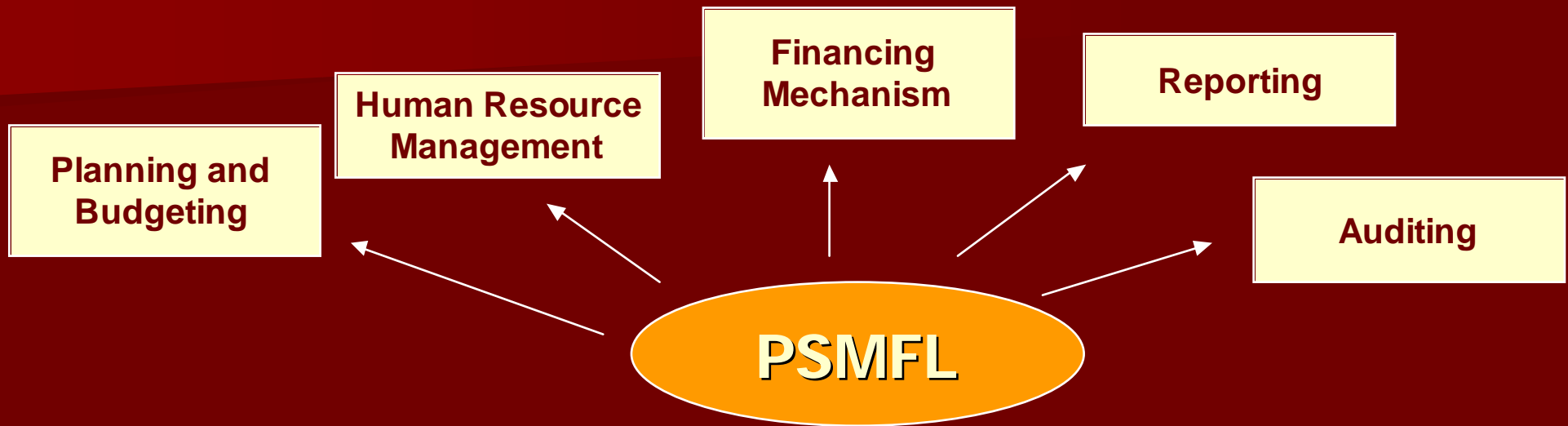
- Budget preparation, approval, spending and reporting,
- personnel policies and principles of operational management of budgetary bodies,
- budget control and accountability.

# **Basis for PSMFR:** *New Public Management approach*

---

- Thinking strategically
- Focus on Outputs and Outcomes
- Emphasis on Effectiveness and Efficiency
- Accountability and Transparency in Planning and Budgeting

# PSMFL: Key components



State Owned Enterprises

Local Government

Budgetary Bodies

## Performance management

- Performance agreement
- Performance monitoring
- Performance evaluation

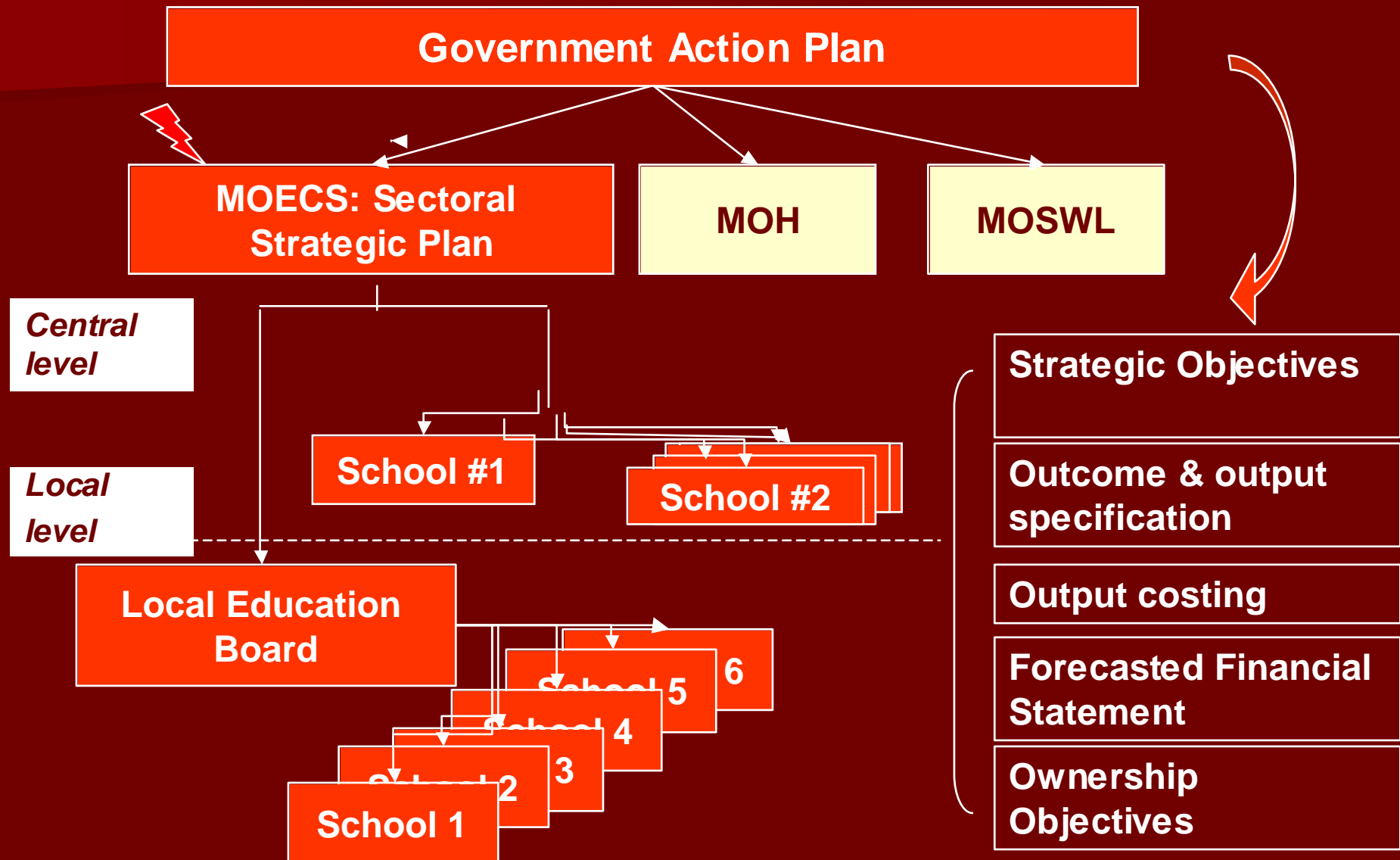
Portfolio Ministries

# PSMFL: Main management tools

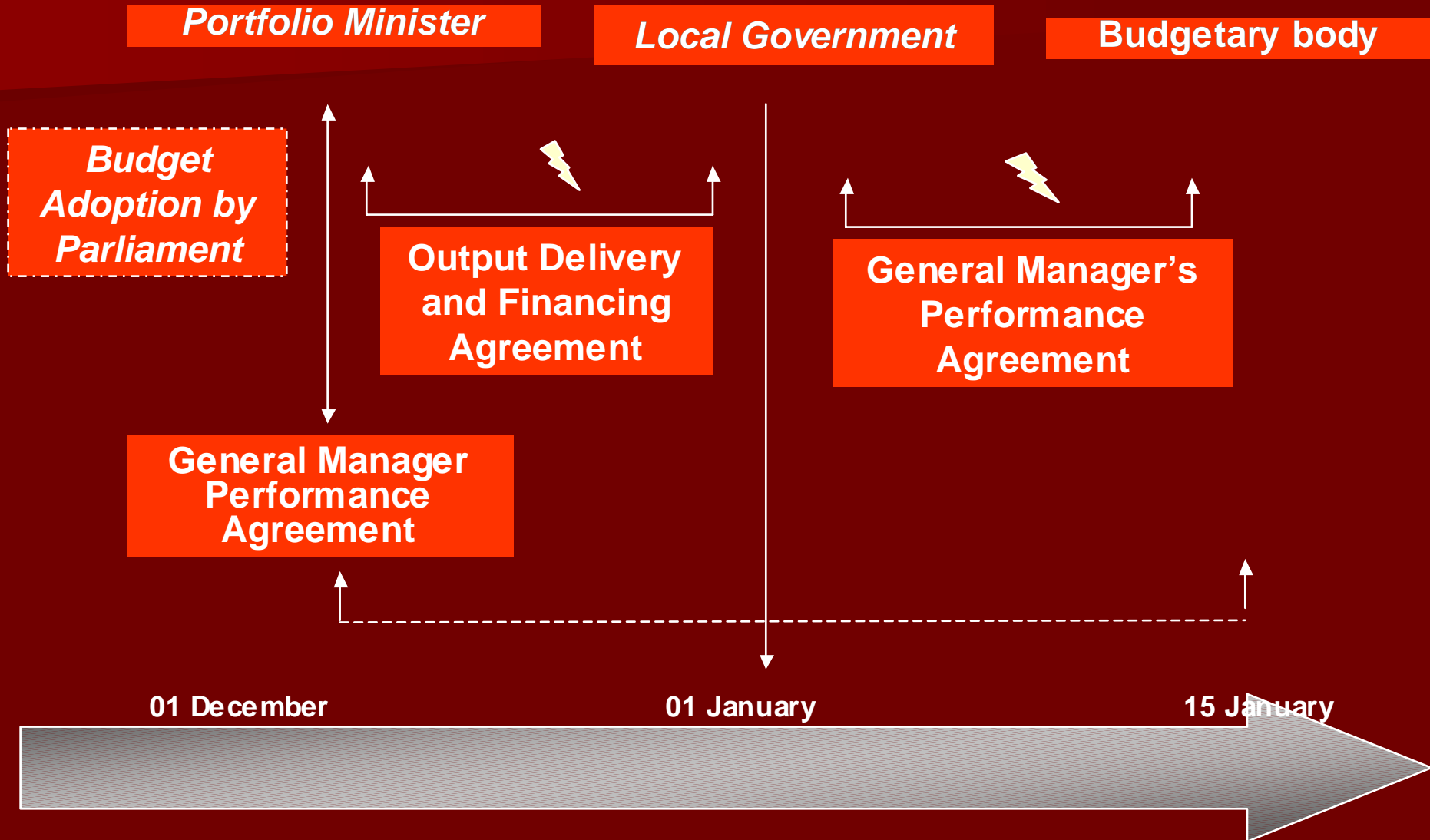
---

- Strategic Management
  - Mid-term strategic planning
- Performance Management
  - Contractual arrangements

# RESULTS: Medium term Strategic Plan



# PSMFL requirements: contracts



# OUTPUT CLASS BY SUB-SECTOR

---

- **Pre-school and secondary education services**
  - Primary education services
  - Basic education services
  - General Secondary education services
- **Post-secondary education services**
  - Vocational training services
  - Higher education services

# INDICATORS: EXAMPLES

---

## ■ **output indicators:**

### – **quantity**

- Number of pupils enrolled in a school
- Number of students enrolled in an adult

### – **efficiency:**

- Per student average expenditure

### – **quality:**

- Retention rate
- Accreditation of universities
- education course

## ■ **outcome indicators:**

### – graduation rate

- Number of persons able to read and write after completing an adult education course

# PSMFL: Budget Preparation

---

---

Portfolio Ministry

Budget  
Appropriation  
Estimate

The Government

Fiscal Framework  
Statement

Budgetary body

Budget  
proposal

# Progress up to date

---

- **Training of staff who deal with budgeting**
- **Externally funded technical assistance**
- **Increased awareness of importance of Strategic Planning**
- **Establishment of the state monitoring and review system**
- **Output specifications of educational services**

# Challenges and areas for improvement

---

- No widespread understanding; resistance
- Mindset Change
- Understaffing and frequent turnover
- Challenge to undertake new tasks – lack of capacity
- No clear delineation of roles and responsibilities
- planning and reporting sequence

# Challenges and areas for improvement

---

- ❑ **Role of Portfolio Ministries in delivery of educational services: Sectoral vs. Institutional**
- ❑ **Training specialists: Identification of Outputs and Output indicators**
- ❑ **Budget planning and costing processes at school- and local-level**
- ❑ **Quality improvement capacity building**
- ❑ **IT capacity building and networking**

**Thank you very much for your  
attention.**