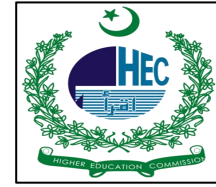




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Pension Processing: A Process Efficiency Analysis of AGPR Pension Settlement Cycle: Identifying Procedural Bottlenecks

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ABSTRACT

This research paper on 'A Process Efficiency Analysis of the AGPR Pension Settlement Cycle: Identifying Procedural Bottlenecks' aimed at investigating the procedural bottlenecks in AGPR pension settlement cycle, the underlying causes with reviews best practices internationally and suggests practical institutional reforms. The pension settlement cycle under the Accountant General Pakistan Revenues (AGPR) is responsible for ensuring timely, transparent, and accurate pension payments to federal government retirees. In this objective, the research approach undertaken includes in-depth study of various research reports, survey through questionnaires being filled by the retired Federal Government officers (Civil Servants) and the Officers of the AGPR working/worked in Pension wing. Furthermore, the research also critically analyzed the pension settlement still faces procedural inefficiencies. Retirees experience delays ranging from 4 to 12 months due to fragmented processes, inconsistent digital adoption, documentation weaknesses, and insufficient institutional coordination. At this juncture, policy interventions are urgently required to overcome these

challenges confronted. The massive digitalized system should be created and enforced for reducing the number of pending pension cases in the AGPR and enhance its efficiency in the pension settlement cycle.

Keywords: Pension Processing, Process Efficiency Analysis, AGPR Pension Settlement Cycle

INTRODUCTION

The Accountant General of Pakistan Revenues Department operates under the administrative oversight of the Auditor General of Pakistan, managing pay, allowances, pension cases, and the General Provident Fund (GPF) for Federal Government employees. The Accountant General offices of Punjab, Sindh, Balochistan, KPK, Azad Kashmir, and Gilgit Baltistan operate under the Controller General Accounts (CGA) office of the Auditor General of Pakistan. (Khan, A. B., & Beg, R. U. (n.d.).

There is significant concern regarding the challenges faced by retired federal government employees in the settlement of their pension and GPF cases. The officers have completed their service and are now retired, encountering difficulties in obtaining their Pension and Pay Orders (PPOs) and General Provident Fund (GPF) payments. (Khan, A. B., & Beg, R. U. (n.d.).

The AGPR cannot be solely held accountable for all issues; retired officers and officials also bear responsibility for failures such as incomplete service records and missing GPF credits. Additionally, they often do not adhere to the prescribed Rules and Regulations when engaging with the competent authorities of the AGPR and AG Office. (Khan, A. B., & Beg, R. U. (n.d.).

According to the Civil Servants Act of 1973, upon retirement, a civil servant is entitled to receive a pension and commutation as prescribed. Following the death of a civil servant, whether prior to or subsequent to retirement, the family shall be entitled to receive the prescribed family pension, commutation, or both. The current Pension Scheme was established in 1954 as a pension-cum-gratuity scheme, with subsequent amendments made over time. The Department shall prepare the pension papers for the retiring employee, and upon proper sanctioning, these documents will be forwarded to AGPR for pension payment in accordance with established Rules. (Khan, A. B., & Beg, R. U. (n.d.).

The AGPR is responsible for the payment of service dues, which encompass salaries, allowances, pensions, and other employee-related payments for federal government employees. The AGPR is responsible for maintaining the service history records of employees in BS-16 and above, managing GP Fund accounts, and overseeing other records related to non-gazetted employees. This study will examine the functions of AGPR in relation to pensions for retiring federal government employees. The pension is disbursed via treasuries and through bank accounts held by pensioners in various banks. (Khan, A. B., & Beg, R. U. (n.d.).

The persistent issues that have emerged as focal points of public complaints involve retired government servants and pensioners who encounter significant challenges,

particularly regarding pension cases. The delays in these cases are attributed to factors such as reliance on paper files, the necessity of physical signatures, and the need for correspondence with various departments. The variability in documentation quality across ministries results in incorrect or missing information, leading to repeated objections from AGPR. The delay in verification has been exacerbated by the lack of digital integration among AGPR, NADRA, and HRMIS. The absence of legally binding timelines, insufficient staffing capacity, and inconsistent interpretation of pension regulations complicate the pension process. The issues in the pension settlement process result in two significant consequences: they create procedural backlogs and erode trust in public institutions among retirees. (Khan, A. B., & Beg, R. U. (n.d.).

In contrast if we look at the best practices in different countries of the World for example Vietnam, UK, Canada & Australia they moved towards the automated integrated digital networks that help them in reduction of processing time with improvement in transparency (OECD, 2019; World Bank, 2020). The Pension system in Pakistan requires comprehensive reforms in order to adopt such international practices as it is far behind in term of digitalization processing in pension settlement cycle.

In general, the AGPR is not seen as efficient in pension settlement cycle due to its slow and complicated working in pension cases (World Bank, 2019). This policy paper investigates the procedural bottlenecks in AGPR pension settlement cycle, the underlying causes with reviews best practices internationally and suggests practical institutional/structural reforms.

Statement of the Problem

In the pension settlement process of AGPR, the consistent procedural bottlenecks are caused by varying documentation standards, manual workflows, lack of coordination between parent departments, inadequate digitalization together with repeated audit objections. All these factors contribute towards the substantial delays in authorization of pension & disbursement affects retired person's financial stability and undermines the trust in delivery of government service. It demands the institutional/structural reforms otherwise the AGPR system will continue to face increase in number of problematic pension cases, administrative challenges with rise in employee's dissatisfaction.

Scope of Study

This policy paper examines the pension settlement process controlled by the Accountant General Pakistan Revenues (AGPR). The core purpose of this study is to find or identify the procedural bottlenecks in the pension settlement cycle of AGPR. It focuses on how the pension settlement cycle works in real life. It follows the pension case from the initiation of retirement of a Federal Government Employee until the pension is sanctioned and paid. The study does not include pension laws or amount of pension.

The scope of the study encompasses such simple points: delayed preparation of pension papers by many departments, manual records and verification, AGPR's objections, lack of coordination between departments/offices, inadequate use of technology and problems faced by the retired people.

This paper aims to clearly find out/highlight delays occur in the pension settlement cycle of AGPR in order to suggest simple and practical improvements to make system faster/reliable.

Research Questions

- What are the best practices regarding pension settlement cycle at global level e.g. (Singapore, Australia, United Kingdom & Estonia)?
- What are the Stages of the Pension Settlement Workflow in AGPR?
- What are the procedural bottlenecks in the AGPR Pension Settlement Cycle?
- What are the systematic impacts of procedural bottlenecks in the AGPR Pension Settlement Cycle?
- What are the policy recommendations for handling the procedural bottlenecks in the AGPR Pension Settlement Cycle?

RESEARCH METHODOLOGY

To study the procedural bottlenecks in the AGPR pension settlement cycle, quantitative and descriptive research method was used. The respondents include AGPR officers work/worked in pension wing and retired Federal Government Officers (Civil Servants from various occupational groups) who have experienced the pension settlement process. A purposive sampling method was used to select the respondents having relevant knowledge and experience. In the Data Collection Methods, to gauge the severity of the procedural bottlenecks in the pension settlement cycle process; a survey with designed/structured questionnaire was distributed to the retired Federal Government Officers (Civil Servants) and officers of AGPR electronically intended to measure the direct responses of the concerned stakeholders for valid analysis. Participation was voluntary and respondents were assured of confidentiality regarding their identities. The collected data were analysed using simple descriptive statistics, such as percentages to identify common issues and delays in the pension settlement process. The research followed ethical standards and the data were used for academic & policy research purposes only.

Furthermore, Secondary data analysis was conducted through in-depth analysis of research papers and other relevant material available at different sources.

Research Objectives

- To explore the existing pension settlement cycle/process managed by the Accountant General Pakistan Revenues (AGPR).
- To examine the procedural bottlenecks in AGPR Pension Settlement Cycle.
- To appraise the impact of lack of adequate use of digitalization & manual procedures on pension settlement
- To equate pension settlement process of AGPR with world's best practices
- To recommend practical and actionable policy recommendations for improvement in efficiency and timeliness in the pension settlement cycle of the AGPR.

Such objectives goal is to support other reforms in reducing delays, enhance service delivery and reinstate trust in the public pension system.

COMPARISON WITH OTHER COUNTRIES

United Kingdom (UK) – Civil Service Pension Settlement Cycle

The United Kingdom's Civil Service Pension Settlement Cycle is an extremely automated, digitalized and pro-active system aimed to ensure pension processing timely, accurately and transparently. The UK reduces manual intervention, minimizes errors by integrating HR, payroll & pension management system. It also ensures retirees get their benefits quickly with little administrative burden.

Pre-retirement communication (12–18 months before retirement)

The settlement cycle process begins quite in advance of retirement and the automatic contact the employees 12-18 months before the retirement date by the pension authority in the UK civil service pension system. During this period, estimation of retirement benefits are made accessible via a digital pension portal, allows the employees for planning ahead and addressing discrepancies initially in the process (Civil Service Pensions Scheme, n.d.)

Digital submission of documents

In an integrated HR and payroll systems all service records, pay details & leave histories are maintained in it already. It removes the requirement for physical documentation and the retiring employees just require verifying their information online. It reduces record loss, administrative delays & processing irregularities (Civil Service Pensions Scheme, n.d.).

Automated Pension Calculation

A Pension Management System by predefined rules and validated service data calculated pension benefits automatically after verification. It removes manual calculations by ensuring large accuracy & greatly reducing the human error risk in determination of pension (Civil Service Pensions Scheme, n.d.)

Authorization & Cross-check

Pension calculations are validated by automated rule based compliance & cross check mechanism against applicable laws and regulations. Rather than manual checking, the authorization may be done by system based checks & approvals to be done in few days that in turn increases efficiency and transparency (Civil Service Pensions Scheme, n.d.)

Issuance of Pension Award Letter (Digital)

The Pension Award Letter is issued electronically to both the retiree & the payroll provider once authorization is completed. The digital issuance ensures procedural clarity, timely communication, & a smooth transition to pension payment without pointless administrative delays (Civil Service Pensions Scheme, n.d.)

Pension Payments

The pension process system starts immediately after the issuance of the digital Pension Award Letter ensures that the first pension payment released within 5-10 working days. It minimizes post retirement income gaps and provides financial security to retirees

during the transition from employment to retirement (Civil Service Pensions Scheme, n.d.)

Canada – Public Service Pension Centre Settlement Cycle

Canada's pension settlement cycle is programmed to ensure timely, accurate, and seamless transition from employment to retirement via a greatly digitized and centralized system.

Pre-retirement package (1 year before retirement)

A digital pre-retirement package is automatically received by the employees includes available retirement options and online pension projections. It enables financial planning & reduces last minute delays (Government of Canada, 2025).

e-Paperwork Submission

Through an integrated federal HR, all the required forms i.e. service verification and last pay certificate (LPC-equivalent) are submitted electronically. It eliminates manual file movement between pension authorities and departments (Government of Canada, 2025)

Case Routing & Verification

The case directly routes to the Pension Centre by the HR system, its automated validation checks confirm service history & eligibility without repetitive manual scrutiny (Government of Canada, 2025)

Automated Pension Computation

Pension entitlement based on years of service and average salary is calculated by the standardized algorithms (Government of Canada, 2025)

Quality Assurance Review

To maintain the overall efficiency a dedicated small team gets involved only in cases if flagged by the system, to allow risk based oversight (Government of Canada, 2025)

Payment Setup & Final Notification

Within the same month of the retirement, pension payments are activated and the retiree gets a final digital notification, ensures income continuity & minimizes post retirement hardship (Government of Canada, 2025).

Estonia – E-Governance Based Pension Settlement Cycle

Estonia's pension settlement cycle is internationally known for its fully digital, automated, and citizen-centric scheme. Estonia is one of the world's most digitally advanced public administrations — almost 99% public services are online

Automatic Pre-Retirement Notification

Citizens approaching retirement age in Estonia's pension system automatically detected via connection with the national population register. It removes dependence on individual initiative and eligible pensioners get SMS timely or email notification telling them of upcoming retirement milestones and next steps (Sotsiaalkindlustusamet, 2025).

No Application Needed

A formal pension application in most cases is not required by the Estonian citizen, pension eligibility is determined using lifetime digital employment and contribution automatically. It eliminates delay, lessen administrative burden & ensures near universal coverage (Sotsiaalkindlustusamet, 2025).

Fully Integrated Digital Records

The centralized e- Government databases stored all employment history, salary information, and tax contributions. This system replaces manual service books and physical verification. Due to this pension authority completely rely on authenticated digital records (Sotsiaalkindlustusamet, 2025).

Automated Calculation & Approval

Based on verified data the pension benefits are calculated quickly through standardized digital algorithms. Without human involvement approval occurs almost immediately. Manual review takes place only in exceptional or disputed cases (Sotsiaalkindlustusamet, 2025).

Digital Pension Decision & Payment

Within 1-3 days, the pension award letter is issued electronically and the payments are transferred to the retiree's registered bank account automatically. It ensures continuity of income from the first month of retirement (Sotsiaalkindlustusamet, 2025).

Australia: Pension Settlement Cycle

Identification & Notification of Pre-Retirement

The individuals near to the retirement age are identified with the help of integrated tax, employment, and social security databases. Such timely information leads to the informed retirement planning like provision on Age Pension and superannuation access. It reduces dependency on individual and enhances efficiency of the system (Services Australia, 2025).

Eligibility Assessment & Means Testing

The Age Pension's eligibility is calculated based on age, residency, and income/assets tests overseen by Services Australia. The cross-verification of income/asset data being done through Australian Taxation Office to ascertain the accuracy and fiscal sustainability. It allows proper allocation of public pension resources (Services Australia, 2025).

Digital Application & Verification

The pension claims in Australia submitted through online portal: MyGov portal that incorporates identity, tax, and residency verification systems. Reduction in documentation requirement and processing time is attained through automated data. In only complex or extra-ordinary cases manual review is taken place (Services Australia, 2025).

Superannuation Access & Coordination

Irrespective of the Age Pension, the retired people access superannuation savings subject to preservation and withdrawal rules. The total or income-stream options regulated by APRA provide by Superannuation funds. The harmony between public and private retirement income pillars ensures income adequacy in retirement (Services Australia, 2025).

Automated Pension Calculation & Approval

By using standardized legislative formulas, the calculation of pension entitlement is being done. Such automated system with rule basis tremendously reduces human discretion and error. Upfront cases are approved within weeks; it improves service delivery efficiency (Services Australia, 2025).

Pension Commencement & Payment Disbursement

After the approval the pension payment start quickly and directly shifted into retiree's nominated bank account. The payments are done on fortnightly basis and adjusted it according to the income changes. This action ensures predictable & continuous retirement income (Services Australia, 2025).

Post-Retirement Monitoring & Compliance

The regular data matching with tax, banking and income records and in this way ensures ongoing compliance. If case of any change or contradiction it starts reassessment of entitle levels. It reduces reporting stress on pensioners also preserves integrity of the program (Services Australia, 2025).

OVERVIEW OF THE AGPR PENSION SETTLEMENT CYCLE

Stages Associated with the Preparation and Disposal of a Standard Pension Case

Below is the stages given regarding preparation and disposal of the pension cases in AGPR (Establishment Division, Government of Pakistan, 2015, Government of Pakistan, 1999).

One year prior to the retirement date

STAGE I

- (i) The office tasked with case initiation begins the completion of the working copy of the Pension Application Form.
- (ii) Checks records to determine if any recoveries of government dues remain outstanding.
- (iii) Attach a progress sheet indicating the deadlines for specific actions required.

Six months prior to the retirement date

STAGE II

- (i) Acquire a formal application from the prospective pensioner.
- (ii) Requests the relevant parties to issue a "No Demand Certificate."
- (iii) It is advised that the Estate Office update the rent account promptly.

Six to three months prior to the retirement date

STAGE III

- (i) Finalizes the pension documentation for submission to the sanctioning authority.
- (ii) Sanctioning authority documents orders.
- (iii) Forwarding of documents to the Audit Office.

Three months and two weeks prior to the retirement date

STAGE IV

- (i) The audit office reviews the pension documentation.
- (ii) Audit office issues the P.P.O.
- (iii) It permits anticipatory pension in the event of a probable delay in finalization.

Following the P.P.O. issue,

STAGE V

- (i) Audit office returns the Progress Sheet
- (ii) DS/JS reviews the Progress Sheet.

The Vigilance Officers will monitor the pension operations within the Ministries, as well as the associated departments and subordinate offices.

Once PPO data is uploaded the banks and treasury offices start pension payments and the pensioner account is validated, align with Pakistan's public financial management (PFM) framework. Family pension transitions, annual life certificates & periodic rises are enforced as federal notifications and AGPR standing instructions.

IDENTIFICATION OF PROCEDURAL BOTTLENECKS IN AGPR PENSION SETTLEMENT CYCLE

Pre-Retirement Stage Bottlenecks

A major bottleneck caused by the late initiation of pre- retirement processes by ministries and departments. The numbers of offices begin the process only few weeks before retirement rather than following the recommended 12 to 18 months' time. It leads to the incomplete service records, unverified leave balances, non-availability of pay records and missing joining reports. This happens due to Pakistan's HR record is largely manual, missing or damaged service books are frequent issues leading to substantial verification. The frequent repeated follow-ups and administrative lag are caused by lack of awareness of required documents among pensioners (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Verification Bottlenecks

One of the most time-taking steps includes verification of service history because most of the departments still have paper based service book maintenance. It demands manual inspection of promotions, increments, pay changes, leave without pay, suspension periods, and disciplinary matters. Such manual checking together with non-digitized historical payroll data frequently results in discrepancies between departmental records and AGPR's financial data. The acquisition of No-Demand Certificates (NDCs) is another regular challenge from various sections/units in order to verify that no payables loan/advances exist. It takes weeks or months because of the non- non-availability of centralized obligation-tracking system (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Pension Case Compilation Bottlenecks

After the completion of verification process the departments form a complete pension dossier. But inconsistent documentation formats and frequent omissions results in bulk rate of file returns from AGPR for clarification. The common errors include Missing signatures or seals, missing evidence of qualifying service, Missing signatures or seals, Absence of LPC (Last Pay Certificate). It happens because most offices not have the digital systems, the files are physically transported enhances the chance of misplacement or incomplete submission (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Audit & Scrutiny Bottlenecks at AGPR

Due to high caseloads, limited automation, and staffing constraints AGPR faces a structural backlog. AGPR must certify every entry; cross-check service records against payroll data during audit scrutiny make sure compliance with pension rules. However, as the AGPR databases (PIFRA/iBAS++) are not fully integrated with departmental HR records, causes frequent discrepancies arousal leading to audit objections. It is one of the most significant source of delay because with objection the files must returned to the originating department caused multiple back-and-forth movement creating months of delay in pension finalization (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Authorization & PPO Issuance Bottlenecks

After the scrutiny completion, AGPR calculates pension and commutation and such calculations are mostly done manually or using non-standardized tools causing the process exposed to human error and wanting various supervisory checks. The Pension Payment Order (PPO) issuance is also paper-bound and the physical signatures, manual dispatch, and registry-based recordkeeping considerably slow down processing time. (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016)).

Transmission and Disbursement Bottlenecks

PPOs are once issued must be transferred to treasury offices or banks but Pakistan lacing a real-time digital interface between financial institutions & AGPR. The treasury staff uploads PPO details into bank systems manually increases the risk of data entry errors before the pensioner get the first. Repeated visits takes place to banks for account activation by pensioners in case of mismatching of documents happen (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Post-Authorization Life-Cycle Bottlenecks

After authorization of pension still multiple long – term bottlenecks persist:

Annual Life Certificates

Every year pensioners are required to physically submit life certificates causing administrative queues, often resulting in pension suspension due to non -submission. It happens not because pensioners are inactive but due to inefficiency of submission channels (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Family Pension Delays

After the death of the pensioner the family pension processing demands fresh verification, including CNICs, death certificates, heirs' documents and marriage proof. With no centralized digital pensioner database exists, it often delayed (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Lack of Grievance Redressal

The structured grievance mechanism absence reported by the pensioners but still complaints are taken up manually still with no definite timelines or tracking system (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Cross-Cutting Structural Causes behind Bottlenecks

Fragmented Responsibilities

No ownership of any single institution in end to end pension settlement cycle making coordination gaps (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Outdated Rules and SOPs

Numerous procedures still follow rules drafted decades ago and do not show digital governance principles. The rules followed in various procedures are still drafted a decade ago and lacks principles of digital governance (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Technology Gaps

Lack of a unified pension management information system inhibits real-time verification (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Human Resource Limitations

HR and accounts staff often short of training in pension rules and digital tools (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Paper-Based Workflow

In all steps, the dependence on manual files intensely increases processing time, error rates, and file return rate (Wafaqi Mohtasib's Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

SECTION – V

SYSTEMATIC IMPACTS OF PROCEDURAL BOTTLENECKS IN AGPR PENSION SETTLEMENT CYCLE

In AGPR pension settlement cycle process, the procedural bottlenecks create multi-layered, system-wide consequences affecting the retirees, government & the larger public administration ecosystem. All impact can be combined into 5 groups such as:

1. Administrative efficiency
2. Fiscal Governance
3. Human Welfare
4. Organizational Accountability
5. Public Trust

Administrative Impacts

Procedural delay such as verification, approvals and documentation caused processing backlogs along with longer settlement cycle, aligned with findings that transaction time enhance due to multi-tier bureaucracies. Restrict work-flow efficiency due to Manual processes, an issue mostly found in paper-based administrative environment (Kettunen & Kallio, 2020). Among the departments, the weak coordination results in duplicate checks and inconsistent records coincide with studies on public sector fragmented information flow (Wafaqi Mohtasib's Secretariat, 2016).

Fiscal and Governance Impacts

Bottlenecks promote administrative costs due to repetitive handling of files and rework (Pollitt & Bouckaert, 2017). Manual pension calculation raises audit susceptibilities

that literature marks as a major risk in non –digital financial system (Wafaqi Mohtasib’s Secretariat, 2016). A recognized challenge in public pension governance lies in delays in settlement leading towards the uncertainty in pension liability forecasting (Holzmann, 2013).

Human and Social Impacts

The studies on pension delivery in developing countries documented that retirees encounter income insecurity when there are delays in pension and gratuity. In elderly retirees the psychological stress primary reason are the repeated office visits and lack of clarity (HelpAge International, 2020). Such kind of experiences weakens public trust in government institutions (Wafaqi Mohtasib’s Secretariat, 2016, Federal Ombudsman of Pakistan, 2016, Bouckaert & Van de Walle, 2003).

Organizational Impacts

Internal accountability is being undermined by the absence of standardized timelines and KPIs which shows weak performance management in public bureaucracy as reflected in global findings (Moynihan, 2008). Persistent bottlenecks lead to institutional resistance to reform especially digitization (Dunleavy et al., 2006). The system reliability reduces as a result of fragmented workflows and siloed data as common issue in countries with less integration of HRMS and financial systems ((World Bank, 2018, Wafaqi Mohtasib’s Secretariat, 2016, Federal Ombudsman of Pakistan, 2016).

Strategic/Public Sector Impacts

The research established that the pension delays lower the motivation of serving employees as the benefit uncertainty reduces organizational commitment (Perry & Hondeghem, 2008).

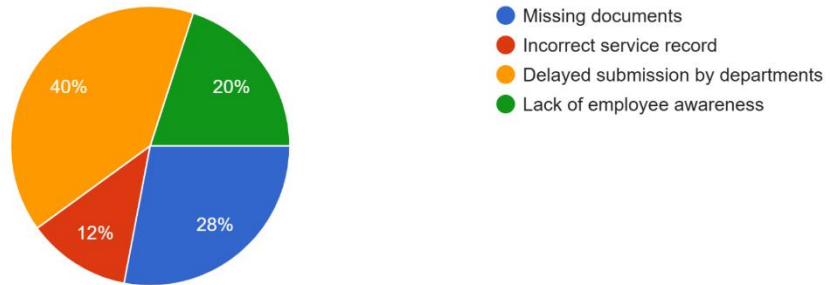
Incompetence slows down the transition to e-governance, a challenge acknowledged in Pakistan and other South Asian government institutions. Pensioners publicly highlight delays cause reputational damage and affects institutional legitimacy (Christensen & Laegreid, 2016).

Poll Results by Pensioners

For the poll, different types of questionnaires from Federal Government Retired Civil Servants were used to find out how retirees thought about the procedural bottlenecks in AGPR Pension Settlement Cycle 25 responses have been received.

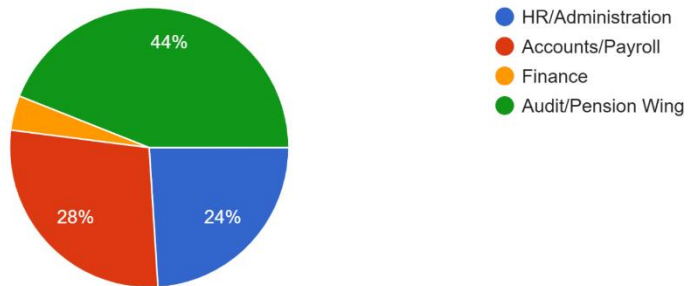
The incomplete pension cases are caused most commonly by:

25 responses



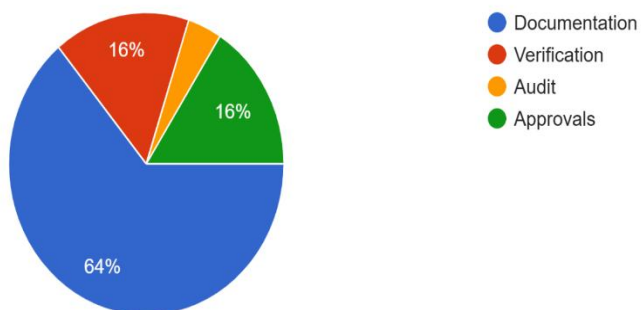
The most delays are caused by which department in pension settlement cases?

25 responses



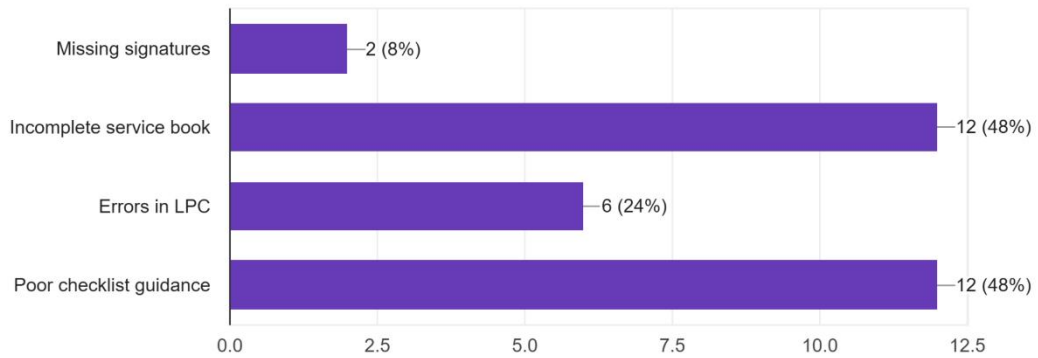
Which step causes major delay in the pension settlement cycle of AGPR?

25 responses



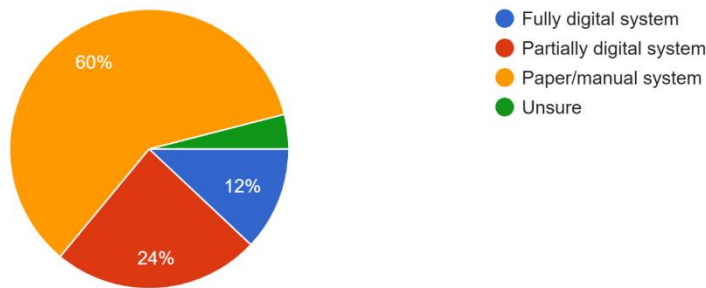
In the document phase what is the key problem?

25 responses



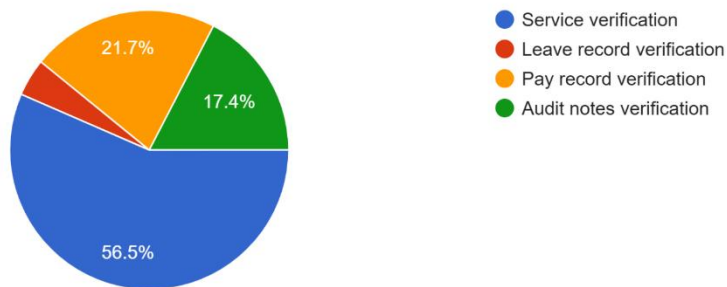
The processing of pension case is usually via:

25 responses



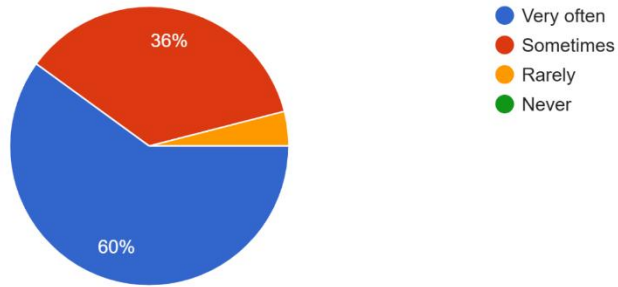
In verification what is the most time consuming step?

23 responses



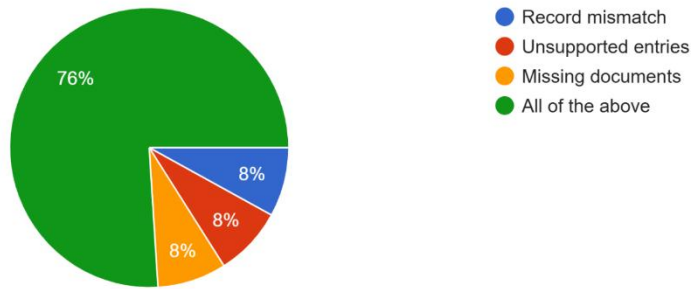
How often pension cases get reverted for corrections?

25 responses



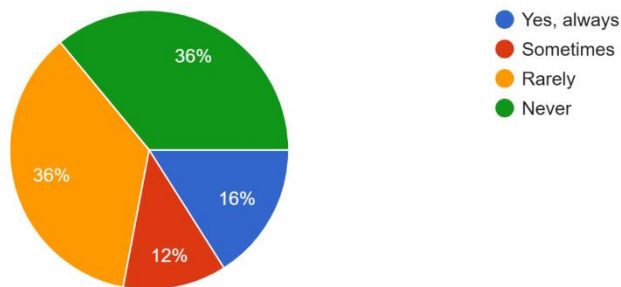
In audit the delays mostly happen due to:

25 responses



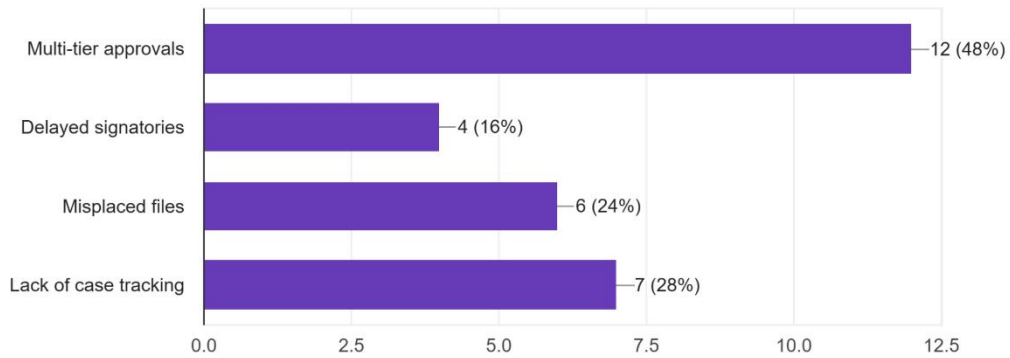
Before retirement is there any proper guidance for to be retire employees?

25 responses



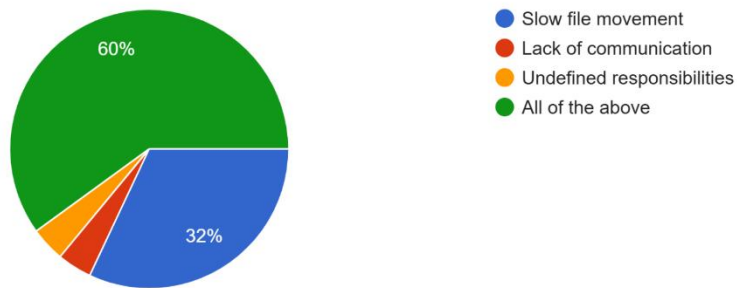
The main reason for the slow approval stage is:

25 responses



In inter-departmental coordination, the main challenge is:

25 responses



What area in the process of pension settlement cycle requires improvement the most?

25 responses

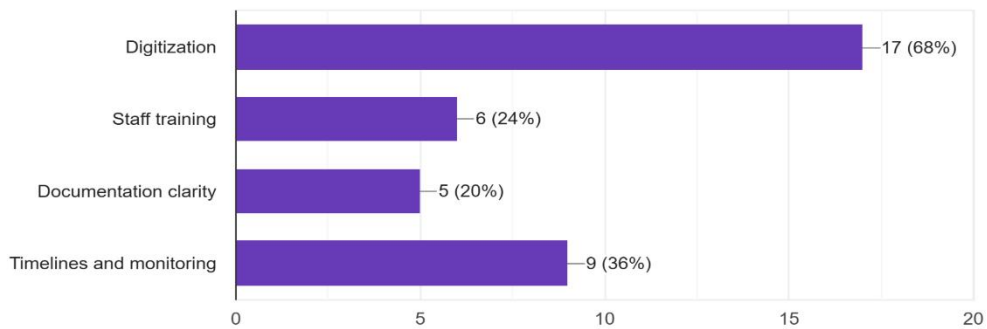


Figure 1 (1 to 12): Results of Questionnaires
Results/Findings

Questions	Selected Option	Result In Percentage
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Which step causes major delay in the pension settlement cycle of AGPR?	Documentation	64%
The incomplete pension cases are caused most commonly by?	Delayed submission by departments	40 %
The most delays are caused by which department in pension settlement cases?	Audit/Pension Wing	44%
In the document phase what is the key problem?	Incomplete service book & Poor checklist guidance	48%
The processing of pension case is usually via :	Paper/manual system	60%
In verification what is the most time consuming step?	Service verification	56.5%
How often pension cases get reverted for corrections?	Very often	60%
In audit the delays mostly happen due to :	All of the above (Record mismatch, Unsupported entries, Missing documents)	76%
Before retirement is there any proper guidance for to be retire employees?	Rarely/Never	36%
The main reason for the slow approval stage because of:	Multi-tier approvals	48%
In inter-departmental coordination, the main challenge is:	All of the above (Slow file movement, Lack of communication, Undefined responsibilities)	60%
What area in the process of pension settlement cycle requires improvement the most?	Digitization	68%

Table 1: Results of survey through questionnaires (PENSIONERS)

Analysis

The analysis of the poll shows that AGPR system is not working efficiently and there exist number of issues in the pension settlement cycle of the AGPR. Most of the retirees believed that there is rarely and never (36%) provide any proper guidance to the retire employees before retirement. The incomplete pension cases are cause most commonly due to

delayed submission by departments (40%)

One of the major delay is caused by the 'Documentation' (64%) and among the documentation 'Poor checklist guidance and 'incomplete service book' (48%) aggravates the issue. At the department level the 'Audit/Pension Wing' (44%) caused the delay and in the audit the delays mostly happens due to record mismatch, unsupported documents & missing documents (76%).

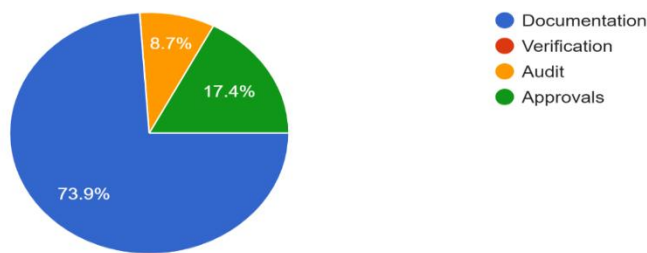
In the 'Verification the most time taking steps involves the 'Service Verification' (56.5%). And the 'Multi-tier approvals (48%) contributes to the slow approval stage. In the inter-departmental coordination (60%) the main challenge involves slow file movement, lack of communication and undefined responsibilities.

All these issues are happening because still processing of pension cases are paper-based/manual system (60%) resulted in 'Very often' (60%) pension cases to get reverted for corrections. All the pensioners (Civil Servants) believed that in the process of pension settlement cycle the 'Digitization' (68%) requires improvement the most in order to settle efficiently all the bottlenecks discussed above in the pension settlement cycle.

Poll Results by AGPR Officers

For the poll, different types of questionnaires from Pakistan Audit & Accounts Service Officers who worked in AGPR pension section/wing were used to find out how such officers thought about the procedural bottlenecks in AGPR Pension Settlement Cycle 23 responses have been

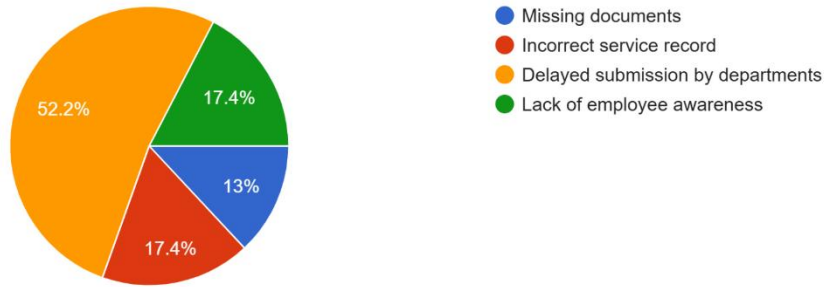
Which step causes major delay in the pension settlement cycle of AGPR?
23 responses



received.

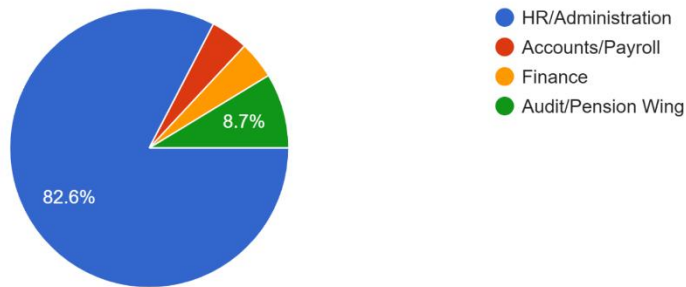
The incomplete pension cases are caused most commonly by:

23 responses



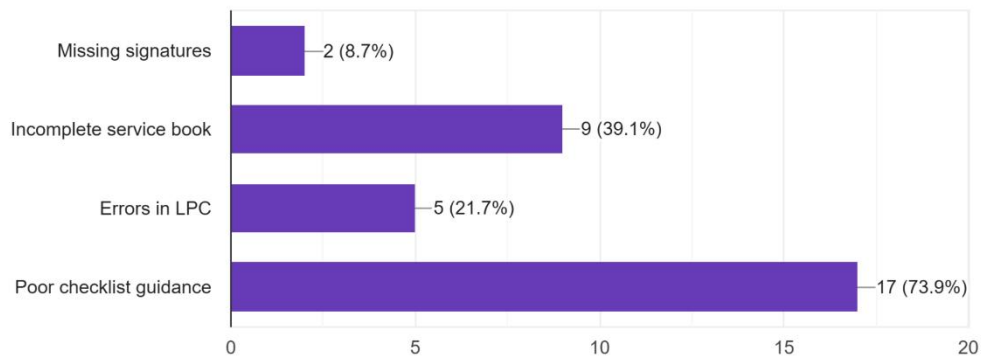
The most delays are caused by which department in pension settlement cases?

23 responses



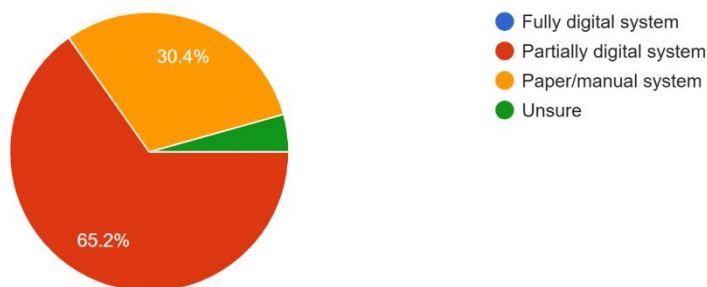
In the document phase what is the key problem?

23 responses



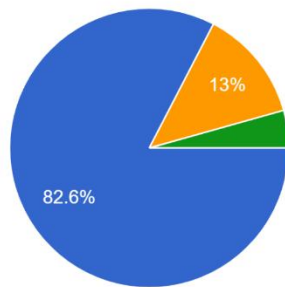
The processing of pension case is usually via:

23 responses



In verification what is the most time consuming step?

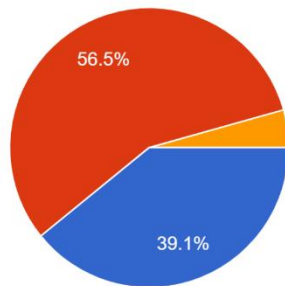
23 responses



- Service verification
- Leave record verification
- Pay record verification
- Audit notes verification

How often pension cases get reverted for corrections?

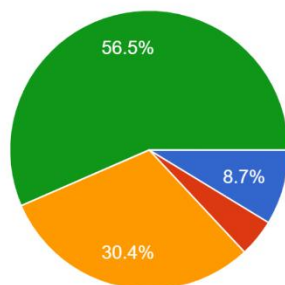
23 responses



- Very often
- Sometimes
- Rarely
- Never

In audit the delays mostly happen due to:

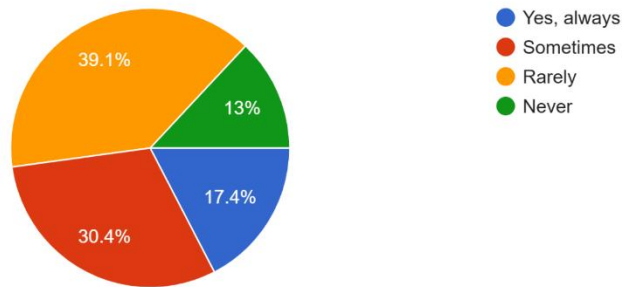
23 responses



- Record mismatch
- Unsupported entries
- Missing documents
- All of the above

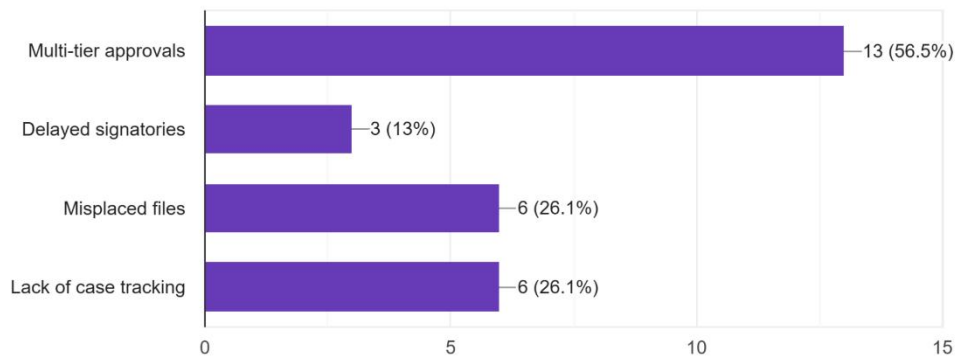
Before retirement is there any proper guidance for to be retire employees?

23 responses



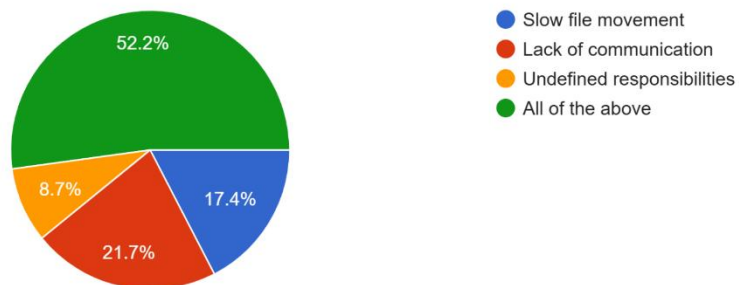
The main reason for the slow approval stage is:

23 responses



In inter-departmental coordination, the main challenge is:

23 responses



What area in the process of pension settlement cycle requires improvement the most?

23 responses

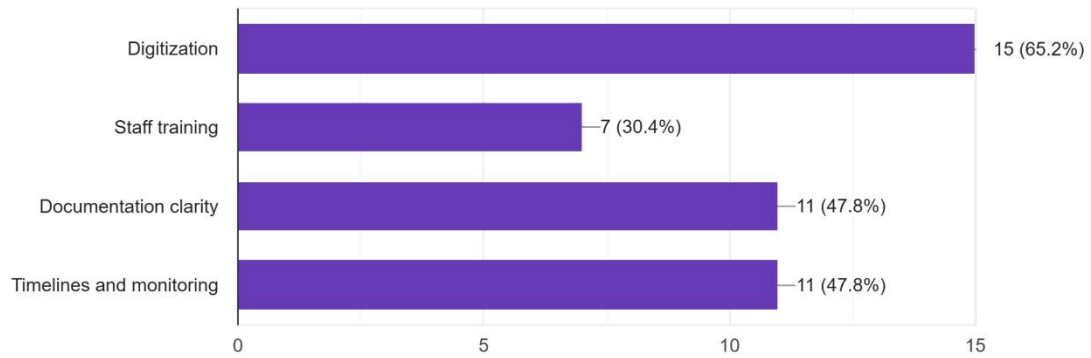


Figure 2 (1 to 12): Results of Questionnaires

Results/Findings

Questions	Selected Option	Result In Percentage
Which step causes major delay in the pension settlement cycle of AGPR?	Documentation	73.9%
The incomplete pension cases are caused most commonly by?	Delayed submission by departments	52.2%
The most delays are caused by which department in pension settlement cases?	HR/Administration	82.6%
In the document phase what is the key problem?	Poor checklist guidance	73.9%
The processing of pension case is usually via :	Partially digital system	65.2%
In verification what is the most time consuming step?	Service verification	82.6%
How often pension cases get reverted for corrections?	Sometimes	56.5%
In audit the delays mostly happen due to :	All of the above (Record mismatch, Unsupported entries, Missing documents)	56.5%
Before retirement is there any proper guidance for to be retire employees?	Rarely	39.1%
The main reason for the slow approval stage because of:	Multi-tier approvals	56.5%
In inter-departmental coordination, the main challenge is:	All of the above (Slow file movement, Lack of communication, Undefined responsibilities)	52.2%
What area in the process of pension settlement cycle requires improvement the most?	Digitization	65.2%

Table 2: Results of survey through questionnaires (AGPR Officers)

Analysis

The analysis of the poll shows that AGPR system is not working efficiently and there exist number of issues in the pension settlement cycle of the AGPR. Most of the AGPR officers believed that there is rarely (39.1%) provided any proper guidance to the retire employees before retirement. The incomplete pension cases are cause most commonly due to delayed submission by departments (52.2%)

One of the major delays is caused by the 'Documentation' (73.9%) and among the documentation 'Poor checklist guidance (73.9%) aggravates the issue. At the department level the 'HR/Administration' (82.6%) caused the delay and in the audit the delays mostly happen due to record mismatch, unsupported documents & missing documents (56.5%).

In the 'Verification the most time taking steps involves the 'Service Verification' (82.6%). And the 'Multi-tier approvals (56.5%) contributes to the slow approval stage. In the inter-departmental coordination (52.2%) the main challenge involves slow file movement, lack of communication and undefined responsibilities.

All these issues are happening because still processing of pension cases are paper-based/manual system with partially digital system (65.2%) resulted in 'sometimes' (56.5%) pension cases to get reverted for corrections. All the Audit & Account Officers believed that in the process of pension settlement cycle the 'Digitization' (65.2%) requires improvement the most in order to settle efficiently all the bottlenecks discussed above in the pension settlement cycle.

Broadly the analysis of both the questionnaire asked from (pensioner and officers of Pakistan Audit and Account officer's) agreed upon the fact that the such procedural issues involved in the pension settlement cycle of the AGPR.

CONCLUSION

AGPR pension settlement cycle remains a grave yet structurally constrained part of Pakistan's public financial management system. AGPR pension settlement cycle scrutiny shows that the procedural bottlenecks curtail basically from patchy workflow, manual paper work, weak coordination between departments and obsolete administrative systems. All such inefficiencies cause significant delays in pension authorization and disbursement resulted in affecting large number of retiring government employees who depend on timely settlement for financial security. The pension cases mostly face lengthy processing times, enhanced error rates & avoidable grievances that damage trust in government institutions. In order to address these challenges demands a balanced combination of speedy administrative improvements, mid-term system improvements & long term structural reforms.

The comparative study from the developed world examples shows that the digitally advance system ensures timely settlement via early pre – retirement communication, electronic based service verification history, standardized calculation of pension with direct online payments. The systematic automation lacking in AGPR shows an implementation deficit rather than a conceptual one. In order to substantially reduce delays incremental reforms are required like such as digitization of service records, end-to-end workflow automation, risk-based verification, and clear roles of institution without compromising financial oversight.

AGPR pension settlement cycle reformation is not just an administrative need but governance imperative as well. In order to enhance retirees' welfare and public confidence in government system, a faster and predictable pension settlement cycle is required to reduce the litigation and administrative burden.

RECOMMENDATIONS

Short-Term (0–8 Months)

- Standardize Documentation & Checklists
 - Unified Pension Case Checklist issuance for all departments (LPC, PIF, NOC requirements & Service Book extracts).
 - Before submission via mandatory checklists reduce back-and-forth communication.
- Enforce Timelines for Each Stakeholder
 - Define Service Level Agreements for DAOs, DDOs, AGPR wings and Medical Boards.
 - Launch simple tracking for monitoring compliance either excel based or portal.
- Improve Case Transparency for Pensioners
 - Introduce a simple online tracking page and SMS alerts as well.
 - Launch a facilitation desk for pension/pensioners at AGPR for walk-ins.
- Fast-Track Critical Cases
 - Priority must be given to the cases of invalid pension, death, & employees retiring within 30 days.
 - Allocate designated case officers.
- Speedy Staff Training
 - For AGPR staff along with DDOs, arrange refresher training on documentation, pension rules & common errors

Medium-Term (8–24 Months)

- Digitalization of Service Records & GPF Accounts
 - Linking of HRMIS with phase out start of digital service book
 - Replacement of manual ledgers with monthly automated GPF reconciliation.
- Integrated Pension Case Submission Portal Creation
 - Use of real time validation to reduce missing information.
 - Auto-routing to AGPR's workflow.
 - Allowance to departments to upload pension papers digitally.
- Establishment of a Centralized NOC Clearance System
 - Incorporation of property return registers, payroll, loan/advance records & disciplinary records.
 - Issuance of consolidated NOC rather than getting multiple NOCs via auto-generation.
- Introduction of Workflow Automation at AGPR
 - Process cases digitally from start to end for example receipt → verification → authorization → payment.
 - Limited manual noting with minimal dependence on physical files.
- Enhance Inter-Departmental Coordination
 - Pension Coordination Committee formation includes AGPR, Finance Division, Establishment Division, P&D units.
 - Delays & systematic issues should be review on monthly basis.

Long-Term Recommendations (2–5 Years)

- Develop a Centralized Pension Management Information System (PMIS)
 - o A fully digitalized end -to-end pension cycle for :
 - o Data of employees
 - o Service record
 - o General Provident Fund (GPF)
 - o No Objection Certificate (NOC) status
 - o Calculation of pension
 - o Treasury disbursement
 - o Significantly reduces processing time & curtails human error .
- Transition to a Paperless Pension Settlement Ecosystem
 - o All pension-linked processes digitized & audit –ready.
 - o Recognition of electronic signature under the Digital Governance Framework.
- Automate Pension Calculations Completely
 - o Reduce calculation mistakes through system-generated pension entitlement sheets
 - o Line –up with OECD PFM modernization standards.
- Integrate Treasury Systems for Direct Payments
 - o Use Treasury Single Account (TSA) connection for Auto-triggered commutation and gratuity payments.
 - o Removes manual preparation of payment orders.
- Make a National Civil Service Pension Dashboard
 - o Public-facing board shows
 - o Cases numbers
 - o Handling time
 - o Departmental delays
 - o Answerability and transparency metrics
- Pension Law Up gradation and Policy Coordination
 - o Lessens vagueness & confirms uniform interpretation countrywide.
 - o One modern Pension Code should be introduced to combine Civil Service Rules and Finance Division circulars, and AGPR guidelines.

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