

# Civil Service Reform in Ghana: A Case Study of Contemporary Reform Problems in Africa

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## Abstract

*Among the factors determining the success or failure in Civil Service Reform (CSR) are high level political administrative commitment; and the motivation and involvement of civil servants themselves in a bureaucratic system that is too weak to impose central top-down reform. The article evaluates Ghana's Civil Service Reform Programme (CSRP), which was intended to make the civil service a "value for money" institution. It is argued that this objective was not achieved because of the absence of the factors mentioned above that ensure success. Hence the Civil Service Performance Improvement Programme (CSPIP) in March 1995 which was intended to make the civil service and all its constituent institutions more efficient. The article then relates the Ghanaian experience so far to recent developments at the level of theory, and their implications for other CSR programmes in Africa.*

## Introduction

With the emergence of the modern state, the civil service in developing countries evolved not only to formulate policies but also to effectively implement them. In other words, the civil service is often associated with the effective and efficient management of development policies and programmes. In this connection, it is seen as the main, but not the only, instrument by which development activities in developing countries are implemented (Esman, 1988: 132). Consequently, civil service reform programmes, supported by donors, such as the World Bank and International Monetary Fund (IMF) and the British Overseas Development Administration (ODA), have emphasized questions of organizational structure, financial and human resource needs, and basic administrative competence appropriate to the performance of the development function (Dwivedi, 1989; ODA, 1989; Wunsch,

1991; UN, 1992). Such programmes increasingly occur in the context of structural adjustment together with an extensive reduction of the size of the public sector.

Using Ghana as a case study, this article seeks to outline the context of the Civil Service Reform Programme (CSRP) in Ghana, review its rationale, and analyse the progress so far made, given the obstacles and constraints. The analysis is based on five key components of the reform programme; namely, (i) control of the size of the civil service; (ii) pay and grading; (iii) organization and management reform; (iv) the management of retrenchment; and (v) training. The article also examines the Civil Service Performance Improvement Programme (CSPIP) introduced in March 1995 to replace the CSRP. The implications of the article for other African countries are then considered.

### **Background to the Civil Service Reform Programme (CSRP)**

The Ghana Civil Service has been variously described as "the finest, most relevant and performance-oriented institution in Africa" and as "a moribund, paper-pushing institution" (Nti, 1978). These contrasting descriptions show that the civil service has experienced both good days and bad times and that it is a reflection of the state of the Ghanaian economy during different periods.

The good days of the civil service generally cover the period immediately before independence in 1957 to the mid-1970s when civil servants, on whose shoulder the machinery of government essentially revolves, appear to have been well-trained, and adequately remunerated and resourced. At the same time the size of the service was "manageable" and security of tenure as well as the anonymity and neutrality of civil servants were guaranteed. All these factors combined to produce an environment which was congenial and thus elicited in most civil servants the highest degree of performance and productivity. The national economy, during this time, had not suffered the battering it was to receive later. The economy and society were seen to embody characteristics that were considered advantageous for modern economic development (Price, 1983). Ghana was not only the world's largest producer of cocoa but also possessed an imposing array of mineral resources, including gold, diamonds, manganese and bauxite. The country had one of the highest per capita incomes in sub-Saharan Africa, physical infrastructure as well as a competent civil service and a rich store of well-educated and professionally experienced people (Chazan, 1983; Rimmer, 1989). These strengths partly explain the worldwide euphoria that greeted Ghana's independence in 1957 and the country was seen as the torchbearer of the African continent.

The bad times of the civil service on the other hand, seem to have coincided with the period of economic stagnation and decline. From 1974 to the early 1980s, the Ghanaian economy was in decline, unable, for a combination of structural and policy-based reasons, to seize the initiative and overcome the constraints on choice (Rothchild, 1991). Declining agricultural and industrial productivity, in some cases

despite rising international market prices, contributed substantially to the country's economic malaise during the 1970s and 1980s. Thus, diamond, manganese, and bauxite exports fell heavily in this period, and even though the output of gold dropped from 15,973 grams in 1975 to 10,764 grams in 1981, the value of export in the Ghanaian currency, the cedi, rose impressively as a consequence of higher world market prices (Price, 1983; Ahiakpor, 1985). Cocoa exports, which normally accounted for 60% of foreign exchange revenues, did poorly in these years. It plummeted from a high of 557,000 long tons in 1964/65 crop year to 185,000 in 1980/81, resulting in a net deficit in the budget in 1981 and 1982 (Rothchild, 1991; Herbst, 1993). Between 1970 and 1980, moreover, Ghana's share of world cocoa exports fell from 33 to 17 per cent (Herbst, 1993). Declining productivity was partly attributable to policy failures and bureaucratic mismanagement. Overstaffed and inefficient state enterprises, poor infrastructure, low producer prices, overpricing of the local currency, budgetary imbalances, skewed sectoral and regional allocations, inadequate agricultural research, ineffective disease control, a declining quality in extension services, drought and international constraints, all played a part in the fall in the production of minerals, manufactured goods, and food and cash crops. In short, by December 1981, when Rawlings's PNDC assumed power through *acoup d'état*, the Ghanaian economy was indeed in dire straits (Chazan, 1983; Rothchild, 1991; Herbst, 1993).

The period 1975–1981 witnessed several debilitating features in the civil service (see Box 1 overleaf).

By 1981, the debilitating features had not only constrained the capacity of the civil service for implementing development policies and programmes of governments and its responsibility for economic and public resource management, but had also adversely affected morale and performance resulting in low productivity. In a nutshell then, the civil service that existed in Ghana before the introduction of the PNDC's Civil Service Reform Programme (CSRP) was in a sore state and seemed inadequate and unprepared to shoulder the implementation of the Economic Recovery Programme (ERP) and the Structural Adjustment Programme (SAP) that were articulated in the 1980s (Nkrumah, 1992). This point has been amplified by Davis (1990: 7):

As the pace of economic reform accelerated in the first phase of the ERP the difficulties of translating policy into programmes capable of implementation—a critical function of the civil service—became increasingly a source of frustration and a real threat to the Government's capacity to sustain the reform effort.

Before 1987, some attempts at restructuring the civil service were made. Notable among these were the Mills-Odoi Commission on the Structure and Remuneration of the Public Service, 1967, and the Okoh Commission on the Structure and Procedures of the Civil Service, 1974. Taken together these two commission reports provide a detailed model of civil service reform that both marks

**Box 1: Debilitating Features of Ghana's Civil Service**

- (a) Substantial overstaffing, especially at junior levels—lack of manpower planning;
- (b) Determination of real salaries/wages plus a high degree of wage compression;
- (c) Lack of morale/motivation-incentives problems;
- (d) Inability of major institutions involved in civil service management to provide policy guidance, direction and supervision to sectoral/departmental units—defective managerial competence;
- (e) Over-centralization and over-concentration of powers and functions at the national level;
- (f) Poor physical work environment and poor facilities—logistical problems;
- (g) Excessive bureaucratization and red tape (e.g., of promotions and appointments to key posts);
- (h) Lack of political direction and commitment leading to apathy and inertia;
- (i) Serious deficiencies in training institutions and programmes;
- (j) Obsolete and rigid rules and regulations resulting from an outdated Civil Service Act;
- (k) Uncontrolled recruitment, particularly in the non-critical occupational grades, into the civil service, leading to an undesirable expansion in its size;
- (l) Grossly inadequate low wages and narrow increment differentials, leading to the migration of competent staff to employment zones paying convertible currency;
- (m) Acute understaffing in the senior and professional grades caused by the brain-drain;
- (n) Inadequate legislative framework to support operations and functions of the civil service;
- (o) Declining resources and imbalance between salary and non-wage outlays;
- (p) Questionable security of tenure, anonymity and neutrality.

a turning point in Ghana's administrative experiments and serve as a reference point for civil service reforms to the present time. The recommendations of the two commissions, which seem similar are that:

- (i) ministerial organizations should be restructured to concentrate on sector policy planning, co-ordination, monitoring and evaluation functions of government and be divested of implementation activities; and
- (ii) responsibilities for the implementation of government approved programmes be given to decentralized implementation agencies reporting to their political heads of the regional organizations (Ayee, 1991).

The Ghana Institute of Management and Public Administration (GIMPA) which emerged from the Institute of Public Administration (IPA) was the direct outcome of the work of the Mills-Odoi Commission in 1967. The subsequent

exercises in management training promoted the training of personnel in the public services, equipping them with improved management techniques and skills for changes envisaged in the organization structures and the new content of work in the public services. Also, the exercise in efficient national financial management was backed with changes in the financial regulations (Eghan et al., 1990). One significant recommendation of the Okoh Commission, on the other hand, was the creation of the Office Head of the Civil Service (OHCS) in 1979 by merging three institutions, viz., the Establishment Secretariat, the Management Services Division (known previously as the Office of Government Machinery) and the Establishment Unit of the Office of the President. Some of the other recommendations of the Okoh Commission were implemented within the framework of the Economic and Rural Development Management Project with the assistance of the United States Agency for International Development (USAID) between 1977–1978. The project carried out detailed resource mapping of most of the then existing 65 districts in Ghana, developed an operational level teaching of programme and budget management at the district level, and indeed, trained some 3,000 public servants at various levels in management (Eghan et al., 1990).

Despite the work of the Mills-Odoi and Okoh Commissions on the Ghana civil service, the organizational structure and management practices of each ministry remained essentially unchanged. What changed, for example, was the number of departments and programmes which formed part of the civil service, and the departments reclassified as parastatals (Obeng-Adofo, 1991). The problems of the implementation of the reforms stem partly from the lack of leadership and commitment to reform by both politicians and civil servants. For instance, in spite of the formal processing of some of the recommendations of the Mills-Odoi Commission in the Local Administration Act, 1971, Act 359, the government of the Progress Party under Prime Minister Busia recognized its own deficiency in political capital and decided to withhold some of the powers required to be transferred to the lower-level organizations. The Act also reserved to the Prime Minister the appointing authority for chairmen of district councils.

Political instability was also an obstacle to implementation. For instance, in the case of the Okoh Commission, an implementation committee, which included the Head of the Civil Service and a Deputy Director of GIMPA, drew up a programme for implementation, including the publication of a revised Civil Service Act, and Rules and Regulations. The then government of President Hilla Limann was ousted in December 1981 before the programme could take off (Eghan et al., 1991). Moreover, there was a general over-reliance on structures and resources in reform proposals and the consequent inadequate attention by the reform commissions to the processes of management (Aye, 1993).

In April 1982, the PNDC government established the Kaku Kyiamah Committee on the Restructuring of the Civil Service Machinery with Particular Reference to the Role of the Principal Secretary and his Functional Relationship with other Technical Personnel within the Ministry. It also set up the Sackey Committee on the Re-

structuring of Ministerial Organizations in August 1982. Two other committees, the Ansa-Asamoah Committee on the Decentralization of National Administration and the Sowu Committee on the Formulation of Content of Socio-Economic Development Programmes for Decentralized National Administration were also appointed in September 1982. The three committees were, however, merged in September/October 1983 to form the Public Administration and Decentralization Implementation Committee (PARDIC) to look at all the earlier reform efforts and oversee the implementation of the ministerial restructuring and decentralization programme, as they had recommended. PARDIC failed to perform the tasks assigned to it due to limited logistics, diminutiveness in administrative reform technology, rapid turnover of PARDIC leadership, institutional formlessness, bureaucratic and political sabotage (Nkrumah, 1991).

It must be noted that all the commissions and committees since 1967 recommended not only structural reorganization and improved conditions of service for the civil service but also the decentralization of the machinery of government. These recommendations were, however, not implemented mainly because of lack of commitment on the part of both politicians and bureaucrats, their over-ambitious nature, the numerous institutions with differing perspectives involved in implementing them and political instability (Ayee, 1993).

The somewhat negative attitude of succeeding governments towards the civil service has also been cited as one of the reasons that contributed to the "bad times" of the civil service. Succeeding governments often doubted the capacity of the civil service to implement policies and programmes largely because of the perception that it lacked the commitment and political direction, it was over-bureaucratized, rigid, inflexible and corrupt. For instance, in his famous Dawn Broadcast of 1961, Dr Kwame Nkrumah, Ghana's first president, inveighed against the civil service:

It amazes me that up to the present many civil servants do not realize that we are living in a revolutionary era. This Ghana, which has lost so much time serving colonial masters, cannot afford to be tied down to archaic snail-pace methods of work which obstruct expeditious progress. ... civil servants, therefore, must develop a new orientation, a sense of mission and urgency, to enable them to eliminate all tendencies towards red tapeism, bureaucracy and waste. Civil servants must use their initiative to make the civil service an effective instrument in the rapid development of Ghana (Nkrumah, 1961a: 5).

Again, Dr Nkrumah demanded that senior civil servants should either "be loyal to the State, painstaking and devoted to the cause of Ghana and Africa" or face dismissal "even if by so doing we suffer some temporary dislocation of the civil service" (Nkrumah, 1961b: 172-173; Nkrumah, 1962: 7).

The National Liberation Council (NLC) government, which ruled Ghana from 1966-1969, also deplored the tardiness of the civil service and its lack of a sense of urgency in the implementation of public policies. For instance, Lt. Gen. E. K. Kotoka, a key member of the NLC, complained that "things don't go as expected in

the civil service". Lt. Gen. Ocran, another member of the NLC, also complained that in his ministries, unlike the army, the line of authority was ill-defined and diffused and civil servants often did not know who was responsible for what (*Legon Observer*, 1967; Pinkney, 1972).

The Provisional National Defence Council (PNDC) government, which took over power in December 1981, blamed the civil service for not only sabotaging its policies and footdragging but also regarded the top echelons of the service as "allies of imperialism and neo-colonialism which should be subjected to revolutionary overthrow and not mere reforms" (Ghana, 1982: 5-6). In the opinion of the PNDC, the civil service should be reorganized and politicized to ensure that its "orientation tallies with the objectives of the Revolution" (Ghana, 1982: 5).

The impatience which succeeding governments had with the civil service may be attributed to the fact that the service was seen as the main vehicle for promoting socioeconomic programmes, which all governments unsuccessfully tried to implement. The vagueness of some of the policies of governments may itself help explain why the governments complained of bureaucratic sabotage and tardiness in the implementation of public policies and programmes. The governments themselves failed to clearly spell out what their policies were, and civil servants had to spend much time in deciding which policies appeared to be the most suitable. Even when the aims of the policies were clear, the difficulties in achieving them were not always understood by the governments (Pinkney, 1972).

### **The Civil Service Reform Programme (CSRP), 1987-1993**

The Civil Service Reform Programme (CSRP) was commissioned in 1987 to eliminate the constraints which had impeded the civil service's ability to function as an agent of progress and change. The CSRP was a component of the Structural Adjustment Programme's (SAP) public sector management improvement exercise. The SAP, which was begun in April 1983 entailed economic measures such as trade liberalization, subsidy withdrawal, currency devaluation, job retrenchment and a reduction in parastatal activity. These measures were meant, among other things, to stimulate production (especially of exports), discourage rent-seeking behaviour, correct budgetary and balance-of-payment problems, penalize the urban middle- and working-classes—the very social groups that have tended to dominate the governing coalitions of post-colonial states. The CSRP was also seen as crucial to the government's plans for "orderly and effective" decentralization to the regions and districts. It was jointly funded by the Overseas Development Administration (ODA) of the United Kingdom and the World Bank (under its Structural Adjustment Institutional Support (SAIS) project and later (from mid-1991) under the Economic Management Support (EDM) project) by way of logistics backup. Messrs Coopers and Lybrand Deloitte and the Royal Institute of Public Administration (RIPA) of the United Kingdom undertook the consultancy aspect of the reform.

Phase I of the CSRP started in July 1987 and ended in June 1988. It identified problems peculiar to the civil service and designed the means of achieving specific

objectives within the context of SAP. Between July 1988 and May 1989, there was a Continuation or Bridging Project to maintain the continuity of the programme while waiting for the commencement of Phase II, which was to coincide with SAP II. Phase II of the CSRP, that is, the implementation phase, based on the diagnostic and design work outlined above, started in June 1989 and lasted for four years, up to May 1993.

An Oversight Committee for Civil Service Reforms (OCCSR), chaired by the Member/Secretary of the Committee of PNDC Secretaries and the Head of the Civil Service that comprised a membership of 12 (against 19 initially) was set up in 1987 to oversee the work of the consultants and periodically advise and submit recommendations on specific aspects of the reforms to the government for approval. The Oversight Committee was supported by four sub-divisions which constitute the main focus of the reform (see Box 2).

**Box 2: Sub-Divisions of Civil Service Oversight Committee**

- (a) Salary Administration and Incomes Policy Division, headed by the Executive Director of the Prices and Incomes Board (PIB);
- (b) Management Services Division, headed by the Executive Secretary;
- (c) Personnel Policy and Management Division, head by its Director; and
- (d) Training and Manpower Development Division, headed by its Director.

The sub-divisions which dealt directly with the ODA Consultancy Team, studied and examined the consultant's reports and proposals and submitted recommendations to the OCCSR for consideration. Where and when any of these recommendations merited the attention of the Committee of Secretaries, appropriate memoranda were submitted for the Committee's approval.

**Objectives of the CSRP**

The overall objective of the CSRP was to restructure the civil service in such a way as to make it more productive, effective and efficient, and strengthen its capacity for the implementation of development programmes. In other words, the CSRP was to contribute to improving the management of resources in the public sector. This is consistent with Civil Service Reform (CSR) elsewhere in Africa, whose purpose is to—

improve the effectiveness and performance of the civil service and to ensure its affordability and sustainability over time. The ultimate goal is to raise the quality of public services delivered to the population and to enhance the capacity to carry out core government functions. This is essential to promote sustained economic and social development (Wescott, 1999: 146).

The achievement of this objective was based on a number of human resource development and manpower planning strategies (see Box 3).



**Box 3: Strategies of Civil Service Reform Based on Human Resource Development and Manpower Planning**

- (a) Further rationalization of the pay structure to provide incentives for all grades;
- (b) Regrading all civil service posts to allow for improved salary relativities within the system;
- (c) Introduction of new schemes of service to retain and reward high calibre staff;
- (d) Work to support decentralization of authority to District Assemblies, including staff, structure, and functions;
- (e) Implementation of job inspection reports, linked with new manpower planning and budgeting methods;
- (f) Finalization of new Civil Service legislation to provide a sound legal framework for the reform;
- (g) Introduction of a new Performance Appraisal System which sets agreed objectives for each office to motivate and assess staff effectively;
- (h) Production, distribution and computerized updating of senior and junior staff lists to assist manpower planning;
- (i) Comprehensive analysis of training needs for all classes, with crash training programmes in key areas to improve skills from the top down;
- (j) Launching Management Reviews of key ministries and functions to achieve improvements in performance and management
- (k) Strengthening the institutional and operational structure of the Office of the Head of the Civil Service (OHCS) in order to improve the efficient management of the civil service;
- (l) The elimination of overstaffing, mostly in the lower grades, through a functional and redeployment review, while recruitment of skilled personnel into critical areas is accelerated;
- (m) Improving the competitiveness of civil service pay, particularly at the senior staff level, introducing performance incentives, and restructuring the grading system to eliminate anomalies, ensure equity in salaries and provide a better framework for career development and pay policy determination; and
- (n) Improving and strengthening the coordination of training and manpower development throughout the civil service.

Indeed, Phase I of the CSRP consisted of the provision of consultancy services and diagnosis in five related and complementary components, namely:

- (a) a review of the civil service personnel management function, including civil service legislation;
- (b) civil service salary and grading review;

- (c) a review and strengthening of the Management Services Division of the OHCS;
- (d) functional review and redeployment study; and
- (e) training and staff development review.

## **Evaluation of Ghana's CSRP**

Ghana's CSRP was to achieve five objectives; namely: (i) control of the size of the civil service; (ii) improved pay and grading; (iii) reform of organization and management; (iv) planning and strengthening of training; and (v) management of retrenchment or redeployment. To what extent were these objectives achieved?

See Box 4 and Box 5 (pp. 24–5) for the achievements and limitations of the CSRP respectively.

### ***1. Control of the Size of the Civil Service***

Computerized payroll system of the Controller and Accountant General (CAG) indicated that the number of civil servants paid each month (including those in extra-ministerial departments) fell from 131,000 in August 1987 to 108,000 in March 1992, a decline of 17%. The CSRP, therefore, succeeded in strengthening the mechanism for the control of the size of the civil service. This took some time, but by 1990 the Manpower Budget Committee set departmental manpower ceilings as part of the recurrent budgetary process, and in 1991 the process was repeated and refined. Manpower ceilings were included in the budget documents, and the Management Services Division (MSD) joined the Budget Improvement Working Group in the Ministry of Finance (MOF). In these ways elements of the CSRP enabled the Office of the Head of the Civil Service (OHCS) to support the MOF in its task of strengthening its budgetary controls, at least as far as personal emoluments (which accounted for about two-fifths of recurrent expenditure in 1991) were concerned. The effectiveness of this joint process was mainly attributed to the work of the MSD in carrying out job inspections and management reviews, which have provided what is perceived as a rational basis for setting manpower ceilings, and putting the onus on ministries and departments to justify staff levels. More directly, the strengthening of the MOF in its budgetary role somehow contributed to the general strengthening of its position in the process of expenditure control.

These achievements notwithstanding, some problems and constraints were identified. First, despite the amount of work done to improve the quality of information against which changes in the size of the civil service are assessed, the inevitable need to use different sources (such as census data and the payroll) and a lack of consistency in definitions have led senior civil servants such as chief directors and directors to question the accuracy of comparisons that have been made at various times. Second, to use the size of the civil service as the indicator for controlling the size of the public service is to be too narrow. If a broader definition is taken of the public service (including the Ghana Education Service, the fire and prison services, the police and the so-called subvented organizations, but excluding

the military and the state enterprises) it appears that its size (around 300,000) has scarcely changed over the period of the CSRP. It must be said that the accuracy of figures for this wider total is even more suspect than for the civil service, narrowly defined.

The use of a narrow definition for control purposes imposed four constraints: (a) since the option of treating departments as subvented departments or extra-ministerial departments does not free the government from financial responsibility for them while it involves giving up a degree of control over their costs, their exclusion from the definition understates the total cost of the public service and introduces the possibility of misleading comparisons over time; (b) it has raised the possibility that retrenched civil servants have found employment elsewhere in the public service, thus reducing the effectiveness of the downsizing programme; (c) the government has forgone opportunities to seek efficiency improvements through manpower reductions in more than half the public service; (d) imposition of the entire burden of manpower reductions on institutions comprising less than half the public service has made them more resentful of the burden, and hence less cooperative than they might have been if they had perceived it as being more widely spread. Nevertheless, continuing dissatisfaction over pay levels has been a greater cause of resentment. Third, while the CSRP helped to strengthen the MOF in its budgetary role, the budget remains an extremely weak mechanism of expenditure control, although it has improved somewhat. It appears that it is widely regarded as being of little managerial significance. Its place is usurped by the cash controls exercised by the CAG, which encourage ministries to bid for unrealistic budget allocations in the expectation that they will be arbitrarily cut during the year, and lead to a decline in the budget's influence over the actual allocation of resources, other than at the level of major subheads and between ministries. Fourth, some institutions (the GES and a number of subvented organizations, although efforts are being made to extend the scope of ceilings) were not subject to manpower ceilings. Neither was there until 1992 an effective follow-up mechanism to ensure that manpower ceilings once agreed, were actually implemented by the due date. Comparison between ceilings for 1991 and 1992 and the nominal rolls suggest that adherence to ceilings was poor in some cases. In late-1992, for example, a task force sent out to the large ministries, and identified 7,500 names (Davis, 1990).

At the conceptual level, the downsizing of the civil service has been criticized. Difficulties experienced in finding the resources to adjust civil service pay to realistic levels suggest that the scale of the downsizing programme in the Ghana public service was insufficient to enable adequate progress to be made in this area. Senior civil servants noted that they were not aware that at any given point during the design of the CSRP was there any consideration of a radical long-term target for the size of the civil service. Such a target would have provided a framework for intermediate targets and the design of specific actions to meet both the intermediate and the final targets. A strategic approach to the size of the public service would also have concerned itself more closely with the objectives and functions of the civil

service as a whole (with emphasis on its function of service delivery) and would have included a more radical approach to organizational review than has occurred in practice. The "bottom-up" approach of functional reviews and staff inspections would have been subsidiary to a "top-down" review, looking at the service as a whole, what were its objectives for service delivery?; its core functions in achieving those objectives?; its peripheral activities that could be hived off or abandoned completely? Such an approach would effectively be forced on those concerned by the radical long-term downsizing target, since it would be the only rational way to achieve the savings required. It would also involve a more balanced approach than that implied by the staff-inspection approach with its a priori acceptance of existing objectives, and its concern with form rather than function (although the widespread identification by local staff inspectors of potential savings of 30% or so carried considerable weight).

As part of the strategic approach, there should have been an initial rationalization of the functions for liquidation or privatization under the aegis of the State Enterprise Commission, and consideration of widespread contracting out within the context of functional reviews. While many of these issues were under consideration, they were not placed within any strategic planning framework, and were addressed relatively late in the reform process. To have placed the CSRPs in a strategic framework would also have helped to integrate it with other parallel reform processes such as the work on decentralization, which may otherwise pull against the objective of downsizing.

The short-term downsizing may have had the merit of assisting in the achievement of quick results, of testing political commitment, of enabling the CSRPs to be strengthened by World Bank conditionality and of permitting some early progress in salary decompression. But many of the initial cuts were not based on the rational application of job inspection and review techniques (which came along later) and may have contributed to a lack of commitment to the wider reform process. It is arguable that, given that the costs of redeployment were large and financial costs greater than savings in the first three or four years, the cost-benefit ratio of the process of staff rationalization might have been higher if it had been phased over a longer period. That would have allowed more time to plan the overall strategy for the reform of the public service, as well as a smoother implementation of measures for the redeployment into the private sector of retrenched staff. Senior civil servants interviewed pointed out that if conditionality is to be imposed on the downsizing of the public service, the conditions should relate to the size of the service and its overall cost as well as the size of the retrenchment programme. To date there have been more than 50,000 staff retrenched from the civil service and the GES, but the overall net saving has been much smaller (Davis, 1990).

## *2. Pay and Grading*

In the period leading up to the CSRPs, civil service salaries had declined very substantially in real terms, and had also become significantly compressed. Senior civil

servants noted that the salary of a director in 1984 had fallen to only 7% of its 1977 level, and the ratio of this salary to that of a manual worker decreased from 6:1 in 1977 to less than 2:1 in 1984 (see Table 1). A major objective of the reform of the public sector pay was to increase pay levels and achieve an overall decompression of the salary scale. The ratio of the highest civil service scale point to the lowest was 2.2:1 in 1984, and by January 1991 it had risen to 10:1. This figure compares with the target ratio recommended by the British consultants and agreed by the government of 13:1, to be achieved by 1991. As a result, the pay levels appear to have increased in real terms over the period of the reform programme, although they have not been restored to their earlier levels. The pay of senior civil servants has increased more than that of junior staff owing to the salary decompression exercise. Between 1977 and 1989, the pay movements for selected grades in real terms, was as shown in Table 1. Although the Prices and Incomes Board (PIB) could present no evidence, the director asserted that the decompression had not, however, led to a reduction of the pay level with the private sector pay even at higher levels. It should be noted that the figures in Table 1 show only the real movement in base salary. Thus, they overstated the increase in real pay especially at the lower levels because of the consolidation of various (small) allowances into base pay, although 20% was deducted for the consolidation of housing allowance. Neither did they show movements in the net-of-tax salary, since no information was obtained on changes in income tax rates.

**Table 1: Trends in Real Basic Salary Index for Selected Civil Service Grades and Years<sup>1</sup>**

Year	Selected Salary Grades				
	A5	A12	A40	A55	A78
1977	100	100	100	100	100
1980	67	63	49	44	38
1984	23	20	12	10	7
1986	48	51	46	40	30
1987	44	46	41	36	27
1988	42	45	40	35	27
1989	44	48	47	43	36

*Notes:* Grades represent the following occupational groups: A5: unskilled, manual labour, telephonist; A12: clerical officer, typist, audit assistant; A40: private secretary, auditor, administrative officer grade III/IV, economic planning officer; A55: public relations officer, economic officer; A78: chief director, chief economic officer, director.

Between 1983 and 1995 there were annual pay adjustments (see Table 2). The major pay increases of 1986, 1989 and 1992 were allocated to favour the higher grades in order to reduce wage compression for which the UK-ODA consultants have recommended a target (highest to lowest) salary ratio of 13: 1. The evidence from

Table 2 shows that there were some improvements in real pay levels from 1986. By 1989 pay adjustments were recovered about 44% to 48% of their 1977 real values for junior staff (A1–A40), but only 36% for the senior staff (A78). Senior staff salary recovery consistently lagged behind that of junior staff. It should be pointed out that real pay levels were still far below their 1977 levels. The substantial reduction in the size of the civil service had not led to the expected level of improvement in pay levels. The exercise was limited ability to fund any substantial increases in the level of pay. The main reason is that those retrenched were mostly from the low-pay levels while more senior and specialist personnel were recruited into the civil service (Larbi, 1995).

**Table 2: Pay Reforms in the Ghana Civil Service, 1983–1995**

<i>Year</i>	<i>Pay Increases</i>
1983–85	Pay increases of over 50% across the board
1986	Pay increases of 80%, differentially applied to restore internal relativities and raise overall level
1987	Pay increases of 30% across the board
1988	Pay increases of 25% across the board; supplemented later in the year by payment of two temporary non-taxable allowances equivalent to 22.5% of basic salary
1989	Pay increases of 25.3% to 78.6% differentially applied, a consolidation of temporary allowances of 1988 in basic salary
1990	Pay increases of 25% to 37% differentially applied
1992	Pay increases of 50% to 70% differentially applied under a consolidated salary scheme
1993–95	Pay increases of 68% differentially applied

Some progress was made in decompressing pay and thus improving relative pay at higher levels. By 1989 the internal wage ratio (top to bottom on the pay scale) had changed from only 2.2% in 1984 to 7.7% and to 10.5% by July 1991 (de Merode 1991; Ghana, 1992: 8).

Other features of the pay and grading reforms were the designing of a new and simplified pay and grading structure and an attempt to introduce merit pay. The old salary structure had a range of A1 to A130 with numerous overlapping scales. One effect of the old system was that there were several cases of promoted officers being placed on the same salary point as their previous positions. In such cases promotion brought no monetary benefit to affected officers. According to the Prices and Incomes Board, following the completion of a job evaluation exercise, the anomalies were rectified by designing a new and simplified 12-band structure which places all

civil service jobs into 12 grades. The new structure was non-overlapping with six pay points within each grade. The new salary structure is linked to the introduction of merit pay in the civil service. This is reflected in the government's incomes policy of putting in place "a structure of remuneration which rewards discipline and productivity, encourages the acquisition of skills and the development of each worker to his or her highest potential" (Ghana, 1990: 13).

Apart from reforms in pay and grading, there were special adjustment-induced incentive schemes to attract and retain needed skills into the civil service under a Skills Mobilization Scheme (SMS). The SMS, a component of the Structural Adjustment Institutional Support (SAIS) project was designed to offer a variety of incentive arrangements targeted at different groups possessing skills important to the implementation of key SAP tasks. For example, in order to attract individuals from the private sector and the non-governmental public sector to the civil service, the scheme provided for the long-term recruitment of individuals who would retain the terms and conditions of their previous post and would, in addition, be paid an "attraction" margin ranging from US\$200 to US\$300 per month. The scheme was, however, never implemented because it caused considerable resentment in the civil service and was seen as demoralizing for serving officers (Larbi, 1995).

Special duty allowances (funded by the World Bank/IDA) were also introduced, under the SMS, for serving civil servants who were engaged in special SAP-related assignments such as the Public Investment Programme (PIP) Task Force, and the Budget Improvement Task Force. Approved monthly rates ranged from 4,000 cedis (US\$25 at 1987 exchange rate) for ancillary staff to 20,000 cedis (US\$125) for team leaders. It was estimated that during the 1987-89 period 90-150 civil servants participated in the scheme each year. Though this scheme was more widely used, it also ran into problems. Allowances were paid late, and due partly to resentment within the service more than to administrative and financial constraints (Davis, 1990; Larbi, 1995).

The pay and grading in the civil service encountered problems. First, there was considerable delay in the implementation of the grading revision. It was originally envisaged in the ODA appraisal document that the reform would be introduced in 1989. It was delayed partly because the job evaluation exercise started much later than had originally been planned. The target date was changed in the Oversight Committee's Action Programme to January 1992, and slipped to July 1993 in accordance with World Bank SAP conditionality. Second, the introduction of a new pay and grading structure is expensive. The minimum estimated cost of the introduction of the proposed pay and grading system was in the range of 15% to 25%, in nominal terms. Estimates for the introduction of the pay and grading reform were approximately 15 billion cedis (£7.5 million) for the civil service, and a further 30 billion cedis (£15 million) for the rest of the public sector. This cost of 45 billion cedis (£22.5 million) compares to a figure for total personal emoluments of 200 billion cedis (£100 million) in the 1994 budget, and was inconsistent with the macroeconomic targets agreed with the World Bank and IMF (Davis, 1990; Larbi,

1995). Third, the introduction of the new pay and grading system was easier to achieve in earlier years, when inflation was higher than currently. The consumer price index rose by 31% in 1988 and 25% in 1989. The pay scales were increased by more than those amounts in those years. There would thus have been enough money to fund the realignment in nominal terms, without the large real cost that was required, when the annual rate of increase in the consumer price index was projected to have fallen to an 8% average in 1994. This suggests that priority should have been given to introducing a revised grading system earlier on in the SAP, before inflation was reduced to low levels. In this case, the intention was that it should be introduced earlier—in 1989, but the government was unable to implement it at that time for political, financial and logistics reasons. The problem was, therefore, one of the failure of the government to implement the proposals as conceived, rather than one of inappropriate planning by the ODA. Fourth, over the period of the CSRPs there were several across-the-board pay increases, which have done nothing to assist the decompression of salary scales (see Table 2). Had conditionality been explicitly used to prevent across-the-board increases, it is likely that the salary decompression target could have been achieved by 1994 without cost implications for the overall salary bill. The across-the-board salary increases also indicate a possible lack or weakness of commitment on the part of the government to the salary decompression objectives (Davis, 1990).

### **3. Organization and Management Reform**

At the onset of the CSRPs, the Office of the Head of Civil Service (OHCS), the central agency for the management of the civil service, was found to have lost most of its control over the civil service. A management review of the OHCS carried out by external consultants revealed several deficiencies, most of which were not connected to the several years of macro-economic deterioration, political instability and the meagre allocation of resources to the civil service. For example, establishment registers were found to be so out of date as to bear little relation to existing staffing levels and requirements, and establishment control was inoperative.

Lack of coordination was also found to have weakened both personnel and financial control of the civil service. For example, the payroll system administered by the Comptroller and Accountant General Department (CAG) narrowly focused on payment processing and failed to fully utilize available payroll data to generate basic manpower information required for manpower analysis, budgeting and control. The CAG also failed to share available information with other concerned institutions such as the Ministry of Finance and Economic Planning (MFEP) and OHCS. The OHCS, especially the divisions in charge of management service and manpower planning, was also left out of the budgeting process, and the personnel division was practically excluded from pay policy-making and administration. The effect was to undermine the OHCS's ability to enforce establishment control and personnel policy. These defects, and others already discussed, certainly did not



make the civil service an effective agent for reform expected under ERP/SAP.

The institutional strengthening for civil service management comprised the enabling and regulating instruments that define the powers and responsibilities of the various agencies involved in civil service management. In the case of Ghana, the most important instruments are the Civil Service Act and Regulations and the Administrative Instructions. At the beginning of the SAIS project and the CSRP in 1987, the principal legislation governing the civil service was the 1960 Civil Service Act and its accompanying regulations. The 1960 Act was certainly outdated and contained serious defects that made it unreliable as a guide to efficient civil service management. For example, it was not precise in defining the role, functions and authority of the three principal agencies concerned with civil service management, that is, the Office of the Head of the Civil Service (OHCS) (for overall policy, establishment control, and training), the Public Services Commission (PSC) (for appointments and discipline) and the Ministry of Finance and Economic Planning (MFEP) (for manpower budget and overseas training). Coordination among them was a major problem. Revision of the Civil Service Act was thus long overdue.

The achievements of the CSRP in the field of organization and management reform are in the areas of legal and regulatory framework for the civil service, personnel-management systems and procedures and the capacity to carry out management and efficiency reviews. The CSRP led to the promulgation of a new Civil Service Law, PNDC Law 327 in 1993 and the revision of the Administrative Instructions. Much of the thrust of the CSRP was directed at the strengthening of the central management and efficiency-control institutions and mechanisms of the civil service located in the OHCS. In institutional terms, the CSRP has seen the establishment or reorganization and the staffing of the following divisions of the OHCS:

- (a) the Personnel Policy and Management Division (PPMD);
- (b) the Management Services Division (MSD);
- (c) the Training and Manpower Development Division (TMDD); and
- (d) the Administration Division (responsible for internal administration).

The PPMD was reorganized and staffed by May 1990. It was responsible for administering a new staff performance appraisal system designed as part of the CSRP. The MSD was at the forefront of the drive to review the functions and staffing of the civil service, and to make recommendations for improved organization and management practices. It carried out an annual average of 10,000 job inspections, totalling about 43,000 to date. It also carried out several functional reviews, including a review of a number of registries as well as producing a Manual of Registry Practices and Procedures. The TMDD dealt generally with training.

Among the impact of ERP/SAP on civil service management is the attempt to adapt modern management practices such as performance appraisal, MBO, merit pay and management information systems (MIS), backed by the introduction of modern office technology. Measures to promote efficiency and effectiveness were

also reactivated since the CSRP. There was a move towards a more effective and result-oriented performance appraisal system. The pre-reform method of appraising staff of the civil service was based on Annual Confidential Reports (ACR). This system of appraisal was, however, fraught with problems and abuse that made its credibility questionable. Indeed, in his 1991 New Year Message to the Nation, the Head of State and chairman of the then Provisional National Defence Council (PNDC) lamented over:

the sad fact that in our civil service bureaucracy, confidential reports on individual performance are just a matter of routine; almost everybody, that is, the hard-working and the lazy, get a good confidential report (Rawlings, 1991).

Thus in practice the system made no distinction between high performance and low performance with the result that promotion and annual increment in salaries became almost automatic, and the incentive for hard work and organization discipline was destroyed. The system ceased to be an effective tool for promoting performance in the service. The old system was replaced, under the reform programme, by a new Staff Performance Appraisal System which was designed to determine an officer's performance on the job, for a specified period, and in addition help to determine the strengths and weaknesses of an officer, his/her training needs and other problems. The new system of appraisal is believed to be more result-oriented and provides an objective basis for reward management in the civil service. Its basic features are that: (i) it is goal-based, that is, specific measurable goals are to be achieved within a specified period; (ii) it is participative, that is, the superior officer and the subordinate must agree on the goals to be achieved through discussion and negotiation; and (iii) there is to be regular feedback to enable the subordinate to know how he is performing and where he needs to improve (Dodoo, 1995). The new system is linked to management by objectives (MBO) which is a systematic procedure of setting targets for subordinates (at the individual level) or managers (at the organizational level) to attain within a specified time limit. Under the CSRP, emphasis was placed on trying to integrate the objectives of the individual staff with those of the organization as a whole. This method has enabled some civil service institutions to ascertain whether they had achieved their objectives, or whether their objectives needed to be reviewed. Ministries and departments were increasingly expected to show details of their objectives and performance targets as a precondition for getting their annual budgets approved (Dodoo, 1995; Larbi, 1995).

The SAP-related reforms also reactivated a number of methods to ensure efficiency and economy of the civil service. These include management audits and reviews, and job inspections. Management audit entails a detailed examination of the quality of management in an organization in order to suggest improvement. This method was used by the external consultants to assess the OHCS and its divisions in 1990. The Management Services Division (MSD) carried out management reviews

on a number of departments and units. For example, in June–August 1990 it carried out a management review of the Department of Rural Housing and Cottage Industries (DRHCI) of the Ministry of Local Government and Rural Development (MLGRD). According to the MSD report on the DRHCI, considerable overlapping of responsibilities for rural housing and rural industries existed among three ministries. Also the lack of clear direction from the MLGRD led the DRHCI to “undertake activities which converge and overlap with functions carried out by other organizations” such as the National Board for Small-Scale Industries, and the Department of Community Development, thus overlooking some key principles of public sector management. In the view of the MSD, the DRHCI was superfluous in the system and it therefore recommended the department’s closure, resulting in the retrenchment of most of its staff. This was estimated to have resulted in payroll savings in excess of 230 million cedis (Ghana, 1990: 14–15).

The implementation of many of the changes under organization and management were seriously delayed. Staff lists were not consistent with the payroll. The new staff appraisal system was not successfully implemented. Although implementation timetables were set, they did not provide detailed guidance on how to implement their recommendations. The level of implementation of reforms fell short both of the expectations of the Oversight Committee and of what was expected at this stage of a reform programme that started over a decade ago, albeit the ODA supported it for only about half of that period. One of the reasons why organizational and management reform was needed is the limited capacity of the existing management. It is, therefore, not sufficient to provide management with analysis and recommendations for reform, without also providing it with the means for implementing them.

One objective of the CSRP was to bring about improvement in the capacity of the institutions of the civil service to deliver services. The CSRP concentrated heavily on the strengthening of central institutions, particularly the divisions of the OHCS, while neglecting the capacity of line ministries. In practice, much was achieved in strengthening the capacity of the MSD to carry out job inspections and management reviews. But there was no effort to strengthen the capacity of the executing agencies—the line ministries and departments—to put the resulting recommendations into effect. Even within the OHCS, the disappointing progress made by the PPMD in implementing reforms in personnel information and management systems and procedures suggests that it may have been necessary to provide continuous technical assistance to the division to assist it with the implementation of the personnel information system, the new staff appraisal system, and the revision of schemes of service. The latter was belatedly recognized in the proposal to appoint local consultants to carry out an exercise that was clearly beyond the capacity of line ministries and departments (Davies, 1990; Larbi, 1995).

At a more fundamental level, the concentration on the OHCS as the main vehicle for the delivery of reform resulted in neglect of other essential institutions, such as the Budget Division and other divisions of the MOF and other major executing agencies such as the Ministry of Health, the Ministry of Agriculture and the Ghana

Education Service, in support of the outreach of the MSD to the major ministries. Important as the OHCS is, it is about as remote as it is possible from the sharp-end of service delivery. To push reform through the OHCS without strengthening the more direct elements in the delivery mechanism is to push on a piece of string.

#### **4. Training**

In any organization the role of training and manpower development is crucial to ensure that employees have requisite knowledge, skills and attitudes in order to perform effectively their present job. Furthermore, employees should be prepared for future jobs which they are likely to undertake through promotion or transfer. Before the introduction of adjustment and the related civil service reform most civil service training institutions and programmes were confronted with serious difficulties and defects that rendered them less effective. In Ghana, there was no clear-cut policy of career planning and development. According to a director at the Training and Manpower Development Division (TMDD) of the Office of the Head of the Civil Service (OHCS), before the CSR the training division was almost collapsing. There was no permanent head for several years. In addition, syllabuses of the civil service-owned training institutions (i.e., the Government Secretarial School, the Cartographic School, the Civil Service Training Centre, and the Institute of Technical Supervision), had not been revised for over ten years before the SAP-induced reforms were launched in 1987. Furthermore, these institutions, as well as the Training and Manpower Division of the OHCS, lacked the necessary manpower. There was no systematic training policy (Davis, 1990).

The situation was not better in the non-civil service management training institutions—the Ghana Institute of Management and Public Administration (GIMPA), the Management Development and Productivity Institute (MDPI) and the School of Administration of the University of Ghana. GIMPA, which is the main public administration training institution outside the civil service institutions, had less than 40% of its students from the civil service, and MDPI had less than 3% (Ghana, 1992). Before the reform, training for civil servants at GIMPA was ad hoc and not organized and systematic. A report on Training and Manpower Development also noted that the overall provision of training was not effective for meeting civil service needs, particularly management and supervisory training.

As indicated earlier on, with the coming of the ERP/SAP the reform of the civil service became imperative, with training as an essential component of the reform. A training-needs analysis was carried out in 1987 to ascertain the shortcomings and to determine which areas needed to be emphasized in order to equip the service with the skills and knowledge required to make it an effective instrument for both socio-economic and administrative reforms and long-term development. Since the launching of the ERP and the subsequent CSR, some progress has been made in the development of training policies and the strengthening of training delivery capacity throughout the civil service. A new and formal training policy was introduced and

a Task Force was established in March 1991 to ensure its implementation. One of the first things done under the reform programme was to revamp the Training and Manpower Development Division (TMDD) of the OHCS, give it expanded functions, and appoint a substantive director for the division.

One way of assessing the impact of the reforms on civil service training is to ask what new opportunities for training and what new programmes have been introduced. The data on the training component of the reform programme suggests that SAP had not only influenced the training programmes of the civil service but also opened more opportunities for the training them outside the civil service. As regards new programmes, there was more emphasis on management and control in the training programmes. Opportunities for training of civil servants also increased with the availability of more local and donor-sponsored overseas courses. All the new courses launched under the Training and Management Development (TMD) component of the CSRP are management improvement and development courses. At the Ghana Institute of Management and Public Administration (GIMPA) two new management training programmes were established in 1992; namely, (i) the Senior Management Development Programme, for Deputy Directors prior to their promotion to the grade of Director; and (ii) the Certificate in Public Administration, for professional and technical personnel aimed at filling the management education gap for non-administrators who now have the chance, under the current reform, to advance to management positions. The existing programmes were also been overhauled to reflect the new needs of the civil service in the management of resources. Unlike previously, when GIMPA designed the courses, under the reform they were mostly designed and sponsored by the civil service. The courses were more client-oriented and linked to performance. Courses that have evolved over the reform period include: performance evaluation programme, recruitment training and job description programmes; office management and administration; policy formulation and analysis; corporate planning, maintenance management and procurement management. In addition, there is also the Management Improvement Programme (MIP) launched in 1989 at the Ghana Military Staff College for senior managers. By the beginning of 1993, about 115 directors and deputy directors had participated in the course which placed emphasis on managerial efficiency and productivity (Davies, 1990).

The Management Development and Productivity Institute (MDPI) also introduced courses which came out of the specific needs of the economy arising out of ERP/SAPs. These include Public Systems Management courses (e.g., project management, construction management, transport management, public transportation planning) and General Management courses (e.g., personnel management, corporate planning, human relations and communications and managerial leadership). However, these courses were not specifically designed for the civil service, but civil servants could be sponsored to attend them.

There was a major exercise in overseas training in support of the CSRP. Over the six-year period, 1987–1993, there was a total of 120 UK training awards in the areas

of management services, personnel management, registry and records management, information technology, training, and other related areas. Five Chief Directors (CDs), 2 Regional Coordinating Directors (RCDs) and 10 Directors interviewed benefited from the training programme. They generally perceived the training as of high quality and appropriate to the work of the staff of the civil service.

There were, however, difficulties with the overseas training of staff to work in job inspection units within line ministries. This is because the staff were nominated for the positions without having volunteered on the basis of any specific interest in job inspection. Out of ten staff trained for the MOH and the GES, only two remained at their posts. Eight staff left for the UK on training without having obtained clearance from the government for the awards. As a result, they were recalled to Ghana before they completed their courses, thereby wasting £22,000. Of the eight, two failed to return to Ghana immediately and were dismissed on their return (Davies, 1990).

The failure to implement the training component of the CSRSP indicates that perhaps the Government of Ghana was not committed to it, or was at least unwilling to take a difficult decision by making the necessary changes in local staffing so that the project could proceed. The sad thing is that after six years of the CSRSP, there was no development of in-country capacity in existing institutions.

Another major criticism levelled against the CSRSP is that it was designed by the consultants, that is, the ODA, RIPA and Coopers and Lybrand Deloitte without the participation of civil servants. This omission resulted in apathy on the part of senior civil servants and also contributed in no small way to the failure of the reforms (Dodoo, 1996). Such effects have been summarized by Wescott (1999: 149):

Donors should avoid taking the lead in diagnosing problems and devising reform strategies. This is likely to undermine ownership and commitment. African governments need to develop their own reform strategies and to devise CSR programmes which they own and are prepared to implement. Where African governments lack technical capacity, donors should provide technical assistance to facilitate this process.

### ***5. The Management of Retrenchment or Redeployment***

The conditionality imposed by the World Bank through the SAP required a substantial and timely reduction of staff levels in the civil service and the Ghana Education Service. An initial target of 45,000 posts was established to be achieved over three years. Despite a generally systematic approach to the management of the retrenchment exercise, a number of problems emerged. First, the Redeployment Management Committee (RMC) under the auspices of the Ministry of Labour and Social Welfare was not always able to coordinate the activities of its member agencies, as a result of which some hardship was experienced by those being retrenched. For example, in the first two years of the programme claims were not always processed in a timely manner, and many people were laid off without

payment. Dissatisfaction arising from that problem forced the government to make interim payments to those being retrenched until claims were settled. Senior civil servants doubted whether those "alimentary allowances" were subsequently recovered. Secondly, a system was initiated whereby those being retrenched were not removed from the payroll until payment had been received, which took several months (Dodoo, 1995).

Similarly, the post-retrenchment activity programmes, training, etc., were marred by unsatisfactory planning and sequencing of action. For example, although people were laid off from 1987, vocational training arrangements were not in place until 1989. That occurred because the programme was, to a large extent, dependent on external funding, which had not been secured when the retrenchment programme commenced. There was initially insufficient articulation between the RMC activities and those conducted by the other organizations involved in the Programme of Actions for the Mitigation of the Social Costs of Structural Adjustment (PAMSCAD). As a result, the people retrenched between 1987 and 1989 did not have access to rehabilitation services, although those services were advertised as part of the compensation package (Ayee, 1999).

Four lessons can be distilled from the foregoing. First is the recognition that anxiety to meet conditionality has led to hasty programme preparation, and a failure to have important aspects of the programme ready at the appropriate time. Second, the targets established may have been too ambitious for administrators unused to and untrained in the management of substantial retrenchment programmes to undertake in the proposed time frame. Third, the timetable for retrenchment was dictated by the requirements for economic reform, a longer lead-in period would have permitted better planning and articulation of post-retrenchment activities, and assisted the training staff in their implementation. Fourth, the expectation that savings accruing from the reduction in the size of the civil service would be devoted to improve the salaries of those that remained, did not materialize. It has become clear that far more than tolerable numbers of civil servants would have to be dismissed for enough savings to be made to enable significant salary increases to be paid to those that survived the retrenchment exercise. That leaves donor support as the only available source of funding higher civil service salaries—not on permanent basis, but as a one-off intervention intended as a mere palliative (Ayee, 1999).

Clearly, the impact of the CSRP has been unimpressive. Its main objective of making the civil service effective and efficient was not achieved. Consequently, the Civil Service Performance Improvement Programme (CSPIP) was launched. It is to this that we now turn.

### **The Civil Service Performance Improvement Programme (CSPIP) 1995 to date**

To promote institutional administrative capacity for good governance in Ghana, the National Institutional Renewal Programme (NIRP) was launched in September

#### **Box 4: Achievements of the Civil Service Reform Programme**

- (i) The introduction of a new performance appraisal system based on the setting of objectives and targets;
- (ii) Using merit rather than length of service as the basis for promotion;
- (iii) revision of the Civil Service law. The new law (PNDCL 327) was enacted by the Provisional National Defence Council (PNDC) and became operational in 1993;
- (iv) Revision of schemes of service in the Civil Service and thereby providing guidelines for career progression;
- (v) The establishment of Civil Service Incomes Policy guidelines on yearly basis and the decompression of pay differentials in the pay structure;
- (vi) The consolidation of pay supplements into the basic salary;
- (vii) The installation of improved manpower budgeting and establishment control systems in the civil service. This made significant impact on the civil service the size of which was reduced from 140,000 to 91,000 with consequent reduction in the personal emoluments element of the national budget;
- (viii) Re-training, counselling, supply of tools and resettling of civil servants found to be surplus to the establishment;
- (ix) The launching of the Integrated Payroll Personnel Database (IPPD) to provide comprehensive and accurate personnel and establishment data for improving resource management.
- (x) The full operationalization of the new Civil Service Law (PNDCL 327, 1993) provided the legislative framework for consolidating the CSR. The law made provision for some fundamental reform structures. These are:
  - the institution of the post of Head of the Civil Service with Ministerial rank as distinct from the post of Secretary to the Cabinet;
  - the creation and appointment of Chief Directors as public officers to take charge of sector ministries and the Office of the Head of the Civil Service;
  - organization of ministries' headquarters into four distinct specialized functional areas, namely, Administration and Finance; Human Resources Management; Planning, Budgeting, Monitoring and Evaluation; and Statistics, Research, Information Management and Public Relations; and
  - creation of the Reform Coordinating Unit, a Public Complaints Unit and the Committee on Administrative Reform to support reform activities (Republic of Ghana, n.d.).

1994. Its major aim is to encourage institutions under the executive, legislative and judicial arms of government, as well as autonomous institutions listed under the



### Box 5: Constraints to Civil Service Reform Programme

- The nature of the reform programme, the characteristics of which were that its elements were imposed top-down with only limited participation from civil servants. Consultation and consensus-building did not take place and facilitated a sense of exclusion, as if other civil servants were not party to the reform;
- The weaknesses in its CSRP's terms of reference, for example, relatively narrow in scope and lacked explicit linkage with a well understood policy framework;
- The focus of the reform activities which concentrated almost solely on one organization, that is, the office of the Head of the Civil Service (OHCS). This weakened links to ministries, departments and agencies
- The 'ad hoc' nature of the oversight of the reforms. There was no full time coordinator and the Oversight Committee was an ad hoc institution;
- The lack of effective machinery to ensure evaluation and follow-up actions on the new systems that had been introduced. For instance, even though a new appraisal and reporting system had been introduced into the human resources management system of the civil service five years earlier, it was found during the consolidation period (1994/95), that it had not become an effective part of the culture of the management in the civil service;
- Even though the structure of the Pay and Grading System had been finalized for implementation several years earlier, it had still not been operationalized due, in part, to inadequate and incomplete manpower data; and
- Donor funding, conditionalities and failure to meet set deadlines created imbalances which upset the government's own planned implementation schedule (Republic of Ghana, n.d.).

1992 Constitution, to discharge their functions in a transparent, competent, accountable and cost-effective fashion. This would create an enabling environment for accelerated growth and equitable development. To achieve the objectives of the NIRP a Public Sector Management Reform Programme (PSMRP) has been launched. This programme is to redefine the role and functions of the state; design appropriate institutions and systems to implement this role; and rationalize the existing structure and systems to meet the new design. The scope of the programme, which is coordinated by the NIRP, includes:

- (i) adjustment of central government structures and organizations which is meant to make the central machinery of government more effective, efficient, customer-friendly and to strengthen government's capacity as a facilitator and pacesetter, thereby allowing the private sector and social partners to fully participate in the development process;

- (ii) reform of subvented agencies, which aims at making the sector cost-effective and reducing the financial burden on government budget, by critically reviewing the mandates of over 176 subvented organizations, closing down those without a clear mandate, and restructuring those with a viable mandate;
- (iii) improvement of systems and processes which will target systemic constraints in Ghana's public sector. The project will develop and implement some key elements for effective public sector operations including a human resource management system, a performance management system, an incentive system and a management information system;
- (iv) decentralization and local government reforms, which are meant to promote grassroots participation in decision making, mobilization for development, ensuring effective local administration, responsiveness, accountability and transparency and for the equitable distribution of the national wealth.

A major component of the NIRP is the Civil Service Performance Improvement Programme (CSPIP), which was launched in 1995 with ODA—now called Department of International Development (DID)—support of £916,650. It replaced the Civil Service Reform Programme (CSRP) launched in 1987, which was unable to achieve its objectives because of “lack of ownership and commitment” on the part of government and bureaucrats, and the failure to rope in “historical and cultural factors” (World Bank, 1996) (see Box 5). In addition, CSRP created a disjointed reform field, which engendered fragmentation and created managerial problems of coordination, programme implementation, monitoring and evaluation of the reform impact (Ayee, 1993; 1999; Appiah, 1999) (see Box 5). Moreover, the CSRP failed because of “donor timetables, agendas and conditionalities” (Dodoo, 1996: 14).

The main objectives of the CSPIP are to:

- rectify the shortcomings and the critical implementation gaps identified in the CSRP;
- promote and enhance civil service performance, service delivery systems and good governance with particular emphasis on transparency and accountability; and
- achieve and sustain growth rates from 5% to between 8% to 10% in the medium term (Republic of Ghana, n.d.).

The CSPIP is to develop the capacity of the civil service and all its constituent institutions—the OHCS itself, Ministries, Departments and Agencies (MDAs) over which ministers and Chief Directors (CDs) have direct supervisory control—into a higher level of efficiency. Efficiency in this context means becoming results oriented, cost effective, adaptive, market/consumer sensitive, transparent and accountable. So equipped, the civil service can improve its effectiveness in service delivery under the mantle of good governance, which is also a key component of the NIRP. To sustain an effective capacity building initiative, individual institutions have been asked to take responsibility for their own capacity diagnosis and capacity development activities. The methodology in promoting these activities is based on

participation, consensus building, enhancing commitment and creating a sense of ownership—all missing from the CSRP. The CSPIP is also intended to change the orientation of the civil service from central and command policy formulation, implementation and evaluation to one of decentralization and participation.

The specific objectives of the CSPIP are in Box 6. CSPIP has been characterized as a “home-grown” programme, unconstrained by donor imposition, and formulated within the context of Ghanaian “cultural needs, strengths and weaknesses” (Republic of Ghana, n.d.). In response to the problems identified with the CSRP, CSPIP based its capacity building on “consensus building, ownership, participation and commitment” (Republic of Ghana, n.d.). As an organizational strategy, CSPIP was designed around institutional building, performance improvement and good governance. The intention of these building blocks is to improve efficiency and effectiveness, enable delivery of value for money services, ensure strategic planning, develop human resources and improve responsiveness to the needs of the private sector and contribute towards supporting high national growth efforts.

As an organizational strategy, the staff of Ministries, Departments and Agencies (MDAs) have been involved in the design and implementation of CSPIP based on performance improvement plans. Moreover, a conscious attempt has been made to involve the general public and the business community through the introduction of user surveys and beneficiary assessments as a way to get a feedback on the quality and efficiency of service delivery from various stakeholders.

To realize the aims of CSPIP, the government introduced Next Steps agencies and produced guidelines on setting targets and criteria to measure the performance of agencies, which deliver tangible services. Ministries have also been asked to come out with mission statements and strategic plans which managers and supervisors will use to translate the new performance management systems into organizational goals. Eventually, targets set would be monitored and evaluated through a system of individual staff appraisal which was introduced in 1990 (Aye, 1999).

As part of the CSPIP, the Self Appraisal Instrument (SAI) has been introduced. SAI is a new performance tool intended to get institutions to assess their mission, goals, resources and capacity, to deliver better services. SAI questionnaires were administered to all ministries, departments and agencies, Regional Co-ordinating Councils (RCCs) and district assemblies (DAs) by the OHCS between May and September 1995. A beneficiary survey to assess the impact of the services rendered was also undertaken. The preliminary results of the two surveys indicated that 59% of interviewees were of the view that shortage of skilled staff is the major factor hindering performance improvement in the civil service; 32% felt that human resource management decisions are too centralized, with 27% attributing lack of performance to low remuneration while 23% indicated that the problem was low morale; 73% of respondents attributed the poor performance of the civil service to lack of fund to provide basic logistics. Although most senior servants were optimistic about the CSPIP, they were cautious as to its real effects on the civil service. They pointed out that unless attitudes from both the government and other

### **Box 6: Specific Objectives of the CSPIP**

(i) promote the capability of civil service institutions to discharge their functions effectively in a transparent, competent and cost-effective manner thereby contributing positively to accelerated growth and equitable development;

(ii) contribute to good governance by helping to institutionalize transparency and accountability in civil service operation;

(iii) enhance the development of a cost-consciousness attitude among civil servants in the treatment and utilization of assets and resources put at the disposal of civil service institutions so that such institutions can operate within their budget;

(iv) assist civil service institutions to become more compact and better managed by increasing their ability to identify and divest non-essential activities and unnecessary layers to enable them maintain a judicious balance between the personnel emoluments vote and other recurrent expenditures;

(v) provide objective basis for monitoring and assessing the performance of civil servants and civil service institutions through explicit goal and target setting;

(vi) improve the capacity of civil service institutions to identify shortages in specific skills in key areas of operation and develop strategies to rectify the situation;

(vii) assist in the introduction of appropriate reward, remuneration and pay schemes that would motivate civil servants to perform at their best;

(viii) encourage the grant to civil servants of greater financial responsibility and freedom to manage and carry out their normal functions;

(ix) develop and strengthen leadership at the management levels of the civil service;

(x) promote inter-sectoral coordination of functions through helping top civil servants at least, to view the public administration system in a holistic manner giving due recognition to the fact that the functions of the sectoral Ministries/Departments/Agencies are only a part of the overall responsibilities of government;

(xi) encourage civil servants to fully appreciate the importance of their role in policy making and in facilitating development administration and in that regard, to be more responsive to the public and particularly to the private sector which is now being regarded as the engine of growth;

(xii) promote a critical review of available capacity within each Ministry/Department/Agency and identification of constraints to the effective utilization of such manpower with a view to eliminating such constraints and thereby ensuring the institution's effective contribution to the attainment of government's broad policy objectives.

institutions change, the CSPIP will be another nine-day wonder. The findings rather contrast with the rather optimistic view expressed by Dadoo (1995) that the bottom-up approach to the CSPIP will lead to the production and ownership of performance improvement plans by the staff of various ministries, departments and agencies. The setting of targets and the evaluation of performance are very debatable, controversial and subjective phenomena in the public sector. One is, therefore, very skeptical if employee participation and consensus building per se as advocated by Dadoo (1995) will be enough to deal with complex issues of performance standards and performance measurement.

As at December 2000, the CSPIP has achieved a number of modest successes (see Box 7).

#### **Box 7: Achievements of CSPIP**

- Facilitation of the formation of Capacity Development Teams (CDTs) in 192 organizations (21 Ministries, 54 Departments and Agencies, 10 Regional Coordinating Councils, 105 District Assemblies);
- Administration of Self-Appraisal Instruments (SAIs) to 192 Ministries/ Departments/Agencies (21 Ministries, 54 Departments and Agencies, 10 Regional Coordinating Councils, 105 District Assemblies);
- 70 Beneficiary Surveys had started (in 17 Ministries, 25 Departments and Agencies, 10 Regional Coordinating Councils, 17 District Assemblies). Of these, 44 had been completed (by 16 Ministries, 14 Departments and Agencies, 7 Regional Coordinating Councils and 7 District Assemblies);
- 45 Diagnostic Workshops had been completed (in 7 Ministries, 12 Departments and Agencies, 6 Regional Coordinating Councils and 6 District Assemblies);
- 50 Performance Improvement Plans (PIPs) had been produced (by 21 Ministries, 11 Departments and Agencies, 9 Regional Coordinating Councils and 9 District Assemblies). All the 50 PIPs had been discussed and validated for implementation (by 21 Ministries, 11 Departments and Agencies, 9 Regional Coordinating Councils and 9 District Assemblies);
- 20 organizations out of the 22 had begun implementing their PIPs (10 Ministries, 4 Departments and Agencies, 3 Regional Coordinating Councils and 3 District Assemblies); and
- establishment since 1996 of a Civil Service Reform Coordinating Unit and a Committee on Administrative Reforms to monitor, sustain and guide reforms. In effect, this has made Ghana to come near to institutionalizing administrative reform as a continuous policy process to manage the reforms on a routine day-to-day basis (Republic of Ghana, n.d.).

Under the CSPIP, the civil service is being tailored to be compact through rightsizing and the hiving off of existing departments. It includes the following:

- the reduction in the size of the civil service from 80,000 to about 30,000 when the National Health and Local Government Services are fully established. It is envisaged that 30,000 will be transferred to the National Health Service and 20,000 to the Local Government Service. In the latter case, 17 civil service

departments will transfer their functions to the district assemblies and action plans to effect this and the briefing of staff on the implications of this are under way; and

in line with the policy of rightsizing, other civil service departments and agencies could become subvented organizations, and in this vein the Forestry Department is being given greater management and financial autonomy to enhance its operational performance (Appiah, 1999; Dodoo, 1998).

## **Career Systems and CSPIP**

### ***Training Policy and Strategy***

One of the initial tasks undertaken as part of CSPIP was the revision of the training policy and development of a strategy document to reflect the new liberal and decentralized environment within which the civil service operates. The policy specifies the framework, including purpose, opportunities, types and funding of training, in order to ensure that all classes and levels of civil servants are covered and their training needs addressed. It also stresses the decentralization of the training function, assigning full responsibility to the Ministries/Departments/Agencies (MDAs) for the functional training of their staff.

### ***Job Related Training***

While encouraging the acquisition of formal certificates through the granting of study leave with pay for graduate and post-graduate training, priority has since 1997 been on improving skills to enhance service delivery. Emphasis has also been placed on short 2–3 day workshops and training sessions to reduce prolonged absence from work, associated with long residential training. Since 1997, over 350 civil servants have been trained in job related areas such as Policy Formulation and Analysis, Strategic Planning and Corporate Management, Target Setting and Performance Management, Improving Customer Care and Change Management. Furthermore, over 81 secretaries, attached to Ministers and Deputy Ministers and other high ranking government officials, were trained and re-oriented to provide more effective support to their bosses in handling their heavy schedules (Dodoo, 1998).

### ***High Flyer Scheme***

As an initiative aimed at building the capacity of the civil service and introducing new blood at the higher echelons, a High Flyer scheme was introduced in 1996. Under this scheme young officers who are deemed to have the potential are being given specialized training to enable them to maximize their potential and strengthen the capacity of the civil service through accelerated promotion if they are able to demonstrate their worth. As at 1998, 25 officers have been attached to private organizations such as Unilever, Mobil Ghana Limited, Social Security and National Insurance Trust (SSNIT) and Home Finance Company, to expose them to the way

jobs are executed and programmes managed in the private sector. There is a further opportunity to sponsor officers who maintain high standards of performance to benefit from special training in both local and overseas institutions (Dodoo, 1998).

### ***Revamping of Training Institutions***

In support of the government's initiative of turning all organizations with a capacity to be self-financing, steps have been taken to progressively revamp the Office of the Head of the Civil Service (OHCS) managed training institutions. For example, the Government Secretarial School has been revamped and supplied with 30 electronic typewriters and 15 computers. The curriculum of the school has also been revised to make room for the integration of computer programmes in the training of secretaries. With the introduction of the new courses and part-time courses the financial position of the institution has improved and since 1996 no funds have been released from government sources to cover the school's running costs (Dodoo, 1998).

The Civil Service Training Centre which is responsible for the training of middle-level officers in the Executive and Analogous Classes has also revised its curricula and introduced new courses. The centre has also managed to fund its running costs. There are plans to merge the Government Secretarial School and the Civil Service Training Centre.

In addition to the revamping of training institutions, the Ghana Institute of Management and Public Administration (GIMPA) has expanded its activities to meet the increased demands of training as a result of the civil service reforms. Ministries/Departments/Agencies have been requested to include in their budgets substantial amounts for the training of their personnel.

The training programmes have adopted a highly pragmatic approach to maximizing the effectiveness of all levels of staff. They have sought to ensure competency because they are increasingly tailored to individual needs.

### **Evaluation and Promotion Systems**

In line with the search to delegate more responsibilities to the Ministries/Departments/Agencies (MDAs), the Civil Service Council (the policy-making board of the civil service) has approved new guidelines to delegate authority for recruitment and promotions to individual civil service organizations and thereby reduce the delays and frustrations in the former arrangements. Thus, since the programme started in October 1997 over 8,000 delayed promotions in the civil service have been processed. The promotion processing period, which used to be about 1–3 years, has been reduced to 1–4 months. In addition, promotion is based primarily on merit and not on length of service. As the emphasis continues to shift from high security careers, shaped by length of service and seniority, towards shorter-term employment contracts and achievement-oriented promotion, a new cadre of responsive managers is emerging (Dodoo, 1998; Appiah, 1999).

A new promotion/recruitment procedure to support capacity building at the

district level and professionalism at the ministry level has been introduced, whereby deputy directors opt for a particular district or one of the four line directorates (Personnel and Management, Training and Manpower Development, General Administration and Finance, and Management Services Directorates) under which they are expected to deliver professional services. Consequently, the generalist line for promotion is thus being gradually phased out.

Furthermore, with the introduction of open advertisements, people in the private sector/other public sector organizations who show interest could be appointed if found suitable. Open recruitment procedures, with wider recruitment for senior posts, help to ensure that vacancies are filled on the basis of skills and competence. As a result the assumption of a career-based civil service with semi-automatic promotion is weakening. At senior levels, low reward, high security positions are being replaced with their exact opposite. This shift away from a career civil service has been emphasized by the Head of the Civil Service (HCS) with his personal emphasis on offering appointment contracts, performance measurement and intra-service mobility. The expectation is that public sector managers, often recruited from the private sector, will have a high level of managerial skills and talent and will be flexible enough to manage effectively in any government agency.

Despite the freeze on new recruitment, a total of 1,300 staff were recruited between 1994–1998, to help strengthen administrative/technical competencies, particularly in the ministries and districts and, in line with the policy of professionalism, they were encouraged to choose which directorates to work in for their career development. These measures are meant to motivate civil servants to higher levels of productivity.

### ***Performance Agreements***

In pursuance of the aim of the CSPIP to improve performance management in the civil service, performance agreements have been introduced as a means for assessing and measuring the performance of senior civil servants. The objective of the performance agreements is to ensure that senior officials are output oriented and that they can be held accountable by the government for the delivery of specific outputs. The agreements were first introduced for Chief Directors in January 1997 and then subsequently formally launched at a ceremony presided over by the Vice President of the Republic in June 1997. Following an evaluation of the scheme in early 1998, it was extended to cover over 250 other senior officials in 1999, that is, Directors, Heads of Departments, and Coordinating Directors of the Metropolitan/Municipal/District Assemblies (Dodoo, 1998).

The agreements work on the principle that each post-holder is to agree to specific and measurable annual outputs and deliverables with the government. Then at the end of the year, the assessment of performance is based on the extent to which the specified outputs have been delivered.

A pragmatic approach towards setting of output targets and deliverables has been adopted. It recognizes the inability to accurately measure outputs because of



lack of resources, data and/or the novelty of the performance contract. In practice, however, a sufficient number of deliverables, which can be measured with some degree of certainty has been grouped under the following two categories:

- Deliverables that are common to all Ministries/Departments/Agencies, for example, annual reports, organization manuals, performance improvement plans, timely submission of annual budgets, completion of staff appraisal forms, and actions taken to implement cabinet decisions;
- Deliverables that are sector-specific, for example, during the period of the annual performance agreement (which also coincides with the budget period), an institution such as Ministry of Roads and Transport would identify, and budget for, measurable outputs such as the exact number of kilometres of highways, urban roads and feeder roads which it is intending to build and maintain to predetermined and clearly defined construction standards (Dodoo, 1998).

## **Improving Performance Management**

In recent times the civil service has focused more attention on the need to set standards for service delivery. These are intended to ensure and measure operational efficiency, cost effectiveness and quality of service. The basic rationale is that until the civil service begins to measure performance in this area, it does not know whether it is becoming more efficient, or not, in delivering services. Furthermore, in some areas there is a concern that quality of services may be deteriorating rather than improving. Measurement of the quality and quantity of services is, therefore, essential.

### ***Customer orientation***

Productivity improvement within government has encouraged acceptance within government that public services, like those produced in the private sector, are products to be tested against the needs of service users. This shifting emphasis has been encouraged by a conscious reshaping of the work culture to achieve a customer orientation. Courtesy campaigns, customer-care training and comprehensive complaints procedures ensure that service users are seen as active, freely choosing customers rather than passive recipients of monopolistically provided state services.

Until the CSPIP was developed the various organizations in the civil service that deliver services to the citizens and other stakeholders had not been thinking about setting explicit standards for delivering their various services. Rather, there was a tendency for civil service institutions to behave as self-serving bureaucracies and think of their customers, clients and stakeholders as secondary priorities. In effect, the idea of customer-orientation and client-sensitivity had not been actively promoted prior to the CSPIP. The Public Complaints Units of the Office Head of the Civil Service has, therefore, been established since 1995 to ensure that counter services are more customer friendly and transparent (Dodoo, 1998).

As at 1998, nine important service delivery institutions (for example, Passport Office, Land Title Registry, Registrar General's Department) have been assisted by the Office of the Head of the Civil Service (OHCS) in developing standards for service delivery and printing brochures which explain their services to the public. The brochures contain information about:

- services provided by the institutions;
- procedures for making use of the services;
- standards of service to be expected by the public, for example, procedures, costs, and timescales for processing, registering and issuing various documents;
- procedures for making complaints.

In practice the process of getting institutions to commit themselves by publishing standards of service delivery and benchmarks is a major step forward.

Although it is too early to assess the impact of the development of standards for service delivery and brochures on the public, some modest achievements have been made in terms of re-fashioning procedures to meet the expectations (needs) of the public. For example, as part of the efforts to reduce the difficulties associated with the payment of land title registration fees, the Land Title Registry has changed the venue of payment from the premises of the Bank of Ghana (the central bank) to the Accounts Section of the Land Title Registry in response to the request by the clients and stakeholders during the Land Title Registry Validation Workshop.

Furthermore, the Department of Factories Inspectorate has also decentralized the sale of registration and renewal of forms to the Regional/District offices to make for quicker customer service and savings in terms of time and costs to the customer. The procedures for the computation and payments of pensions have been streamlined and decentralized; and the processing time has been reduced from 180 days to 38 days. Client services units have also been established in institutions like Registrar General's Department and Lands Commission Secretariat.

The World Bank, the Civil Servants Association and the media have acknowledged that CSPIP has brought about perceptible improvements in the civil service in terms of productivity and general performance. However, only time will tell whether the CSPIP can take the civil service out of the woods. In spite of the modest achievements, the civil service is still beset with a myriad of problems such as poor remuneration, low morale and lack of basic logistics, and these cannot be overcome overnight, or by a mere tinkering of the system. As Appiah (1999: 29) has rightly pointed out "although the CSPIP constitutes an ambitious programme to rejuvenate the civil service, the failure of earlier reform efforts suggests a guarded or cautious optimism". In the same vein, while launching the African Day of Administration and Civil Service in June 2000, the then Head of the Civil Service lamented that:

Inadequate incentives and compensation are among the factors that militate against increased productivity and efforts to attract skilled labour into the service. ... even though the financial requirements for addressing those

concerns are outside the domain of the service, emphasis will continue to be laid on training and skill acquisition for the Civil Service, while the issue of salaries and compensation are considered by the appropriate authorities (*Daily Graphic*, 2000: 20).

If the reforms are to meet expectation, then professionalization of the civil service must be a *sine qua non*. Professionalization is, however, far from taking off. The formal structure of the civil service has been redesigned to suit a professional dispensation. However, professionals are a dying breed in the service. A major factor which accounts for this and has become a recurrent theme in the study of public sector management is inadequate salary and incentives to attract and retain professionals. Indeed, the most important attribute of a merit system is that it should be able to offer an attractive salary and incentives package which is able to attract and retain the best staff. Some countries in Africa such as Mauritius, South Africa, Uganda and Botswana have tried to ensure that civil service salaries are competitive with those in the private sector and the large number of well-paid non-governmental organizations. For instance, Uganda raised salaries from 25% to 56% of the government's definition of a minimum living wage between 1990 and 1995 (Olowu, 1999).

Unless the second phase of CSPIP which started from January 2001 addresses the problem of poor compensation and incentives, professionals would continue to shy away from the civil service with the consequence that the capacity, competence and technical managerial skills needed to translate the reforms into reality would simply remain unattainable.

Related to professionalization is human resources development. Almost any document on the civil service indicates that it suffers from acute human resources in critical areas of expertise and skills. It needs not, therefore, be over-emphasized that, without a clear policy to pursue this, the expertise, skills and managerial know-how needed to make the civil service productive and efficient would simply elude it and thus render barren the objectives of the CSPIP (Appiah, 1999).

## Conclusion

This article has shown that public sector reform addresses four problems constraining the developmental process in Africa. They are: (i) over-centralized government; (ii) recurrent personnel costs that consume large amounts of scarce budgetary resources; (iii) large budget deficits; and (iv) declining administrative capacity. Given the importance of these problems, civil service reform is increasingly one of the major structural adjustment conditionalities demanded of African governments.

Ghana's CSRP was based on the premise that nothing can be done to effectively improve the capacity of the civil service until fundamental problems of structure, numbers, pay and grading and total civil service costs have been dealt with. The underlying assumptions seem to be: that these are the fundamental constraints on civil service performance and any other reforms would be merely cosmetic; that

political support is available at the highest level for major changes in spite of their magnitude and severity; that the civil service retains enough capacity in terms of coherent and skilled manpower to implement the changes; and that civil servants and the wider citizenry will either accept the changes willingly in return for compensatory arrangements or have no choice but to accept their implementation (Glentworth, 1989). This approach is non-participative and failed to win the support and sympathy of senior civil servants.

A better approach that is participative is likely to improve the policy management of senior civil servants. This was embodied in the CSPIP. It was based on the idea that the first requirement is to restore basic capacity in the existing system so that the fundamental problems can be tackled in a successful, sustainable way. The assessment behind this approach is as follows: (i) that it is possible to restore some basic capacity in the civil service as it is, despite major problems in structure, numbers, pay and grading and total costs; (ii) that political support of the level and strength required is not available for the draconian measures required and has to be built up; (iii) that the current state of the civil service is not sufficient to manage the implementation of major changes; and (iv) that it will take time to build up commitment and capacity to tackle the major problems. There is no lack of recognition that these do have to be tackled for long-term improvement (Glentworth, 1989).

Ghana's experience indicates that the civil service reform (CSR) is yet to be system-wide in its scope and impact. It has so far concentrated on the Office of the Head of the Civil Service (OHCS) and on a few ministries which had crucial roles to play in the implementation of various aspects of the ERP/SAP. The approach to the reform has been incremental rather than comprehensive and system-wide. Perhaps this is due to the fact that the CSRP is too intimately linked to the fate of SAP, and that the reform of the civil service is a means to an end rather than an end in itself. Those aspects of the CSRP that were elevated to the status of conditionality (e.g., the redeployment, and the strengthening of central agencies and ministries) have received more attention and thus made more progress than other aspects that were not included in the adjustment credit conditionalities (e.g., decentralization and restructuring of the ministries and departments). In short, Ghana's CSRP, like the ones in Kenya (Cohen, 1993) and Uganda (Langseth, 1995) has not gone beyond the need for pay reform and improving organizational structure. It has ignored issues of greater participation, transparency and accountability.

Civil service reform must be based on a holistic rather than a piecemeal approach to reshaping contemporary institutions and administrative behaviour. The systems view considers the people, organizations, processes, interactions and relevant external environment in the analysis and prescription for change. This may be the only means available for Ghana and other developing countries to provide a complete and integral approach to building administrative capacity and generating indigenous, exploratory theories and practices of management. The systems approach is crucial because it may be the Ghanaian political and administrative

system itself that is faulty and no amount of tinkering will overcome the "built in" deficiencies that impinge on the policy management capacity of the civil service.

It seems inadequate to design and implement civil service reforms geared ostensibly to economic restructuring. There is the need to go beyond downsizing and the restoration of central personnel and payroll functions in order to broaden the scope of the reforms to cover all aspects of the civil service system for long-term and sustainable institution building and development. The creation of new systems of employee motivation and incentives is yet to be consolidated in the CSPIP. The civil service still suffers from inadequate resourcing especially logistical support, though the situation is said to be much better than in the pre-1987 period. The problem of low morale still lingers on and the civil service is yet to attain a level where it will be able to attract and retain very high calibre staff. As already pointed out, the issue of restructuring and decentralization of functions and powers, to allow for efficiency, are lagging components of the CSRP.

The Ghanaian CSRP has further demonstrated that certain key factors are instrumental for the successful implementation of reform. They include securing political and administrative leadership for change, enhancing policy development capacity, improved human resource and financial management systems, establishing efficiency and quality management programmes, harnessing information technology and mobilizing external and internal advice (Kaul, 1996). Like the Ugandan Civil Service Reform (Langseth, 1995), a new civil service vision and strategy have been formulated to restore the lost glory of the Ghanaian civil service. But the speed at which the vision can be realized has been impeded by a failure to mobilize the huge amount of financial resources needed for the reform programme as well as by resistance and procrastination on the part of politicians and civil servants adversely affected by the changes. In this connection the caution given by Kaul (1996:149) is worth noting:

... although working in the civil service is about working with constraints, it is possible that amidst those real world constraints civil servants do have choices available to them. Both politicians and civil servants should be prepared to make difficult decisions.

For civil service reform to succeed in African countries, a number of factors need to be borne in mind. First, a high level of political commitment and support is essential but not sufficient in itself. Ownership of the reform programme needs to be more broadly based and derived from the support of both political and administrative leadership and the rank and file of the civil service. Governments in Africa need policy statements on CSR to be endorsed at the highest level of government as a foundation for the development of detailed programmes. This will require a strong advocacy and reform champions at ministerial level (Wescott, 1999). Second, prior to the detailed design of CSR programmes there is a need for an open, objective stocktaking of the current situation. Based on this, governments should develop a clearly articulated view about the nature of the civil service they are trying to

develop and the reform strategy required to implement the changes that are needed. For example, Wescott (1999) has drawn attention to the fact that civil service reforms in Botswana since the 1970s were part of a clearly formulated vision of change, which has strong citizen participation in its formulation and implementation. To him, the reforms have stressed minimizing corruption, and improving human resource management systems to recruit, reward and retain outstanding civil servants. Third, as emphasized by Olowu (1999), the pre-eminent importance of meritocracy to the success of civil service reform and civil services is crucial. In this connection, "restoring the competitive position of the civil service pay, scheme of service, effective career management, etc., should be addressed earlier on. Talent has to be attracted and retained before any progress can be expected" (Brown et al. 1995: 36). Merit systems should not preclude balanced ethnic, racial or gender representation. But none of these must be at the expense of merit (Olowu 1999).

Finally, the Ghanaian experience has once again revealed that despite the relevance of public sector reforms to over-centralization, budgetary deficits, lack of resources for operation and maintenance requirements, and declining administrative and managerial capacity, it is difficult for these problems to be solved instantly. This is because "history is littered with unsuccessful reforms, reformers and reform movements" (Caiden, 1976: 142) and in sub-Saharan Africa "price-related policy changes are easier to implement than policy reforms that involve changing organizational structures and behaviour" (Gordon, 1990: 39). Above all, public sector reform "must rank as the most difficult development challenge ever to be faced by [African] governments and donors" (de Merode, 1991: 4).

## Notes

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1. *Source*: Review and Evaluation of Ghana's Civil Service Programme, 1987-1989. Report by Tait Davis, 5 January 1990, p. 62.
2. *Source*: Prices and Incomes Board, Accra, 1995.

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