



Lessons of International and African Perspectives on Public Service Reform: Examples from Five African Countries

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Abstract

In the late 1980s and 1990s, the objective of public administration reforms was to contain and control the costs of running government in response to citizens' concerns that government was involved in too many activities, which were both unproductive and costly. In many countries (developed and developing), these efforts paid off, in that fiscal discipline was enhanced and deficits were eliminated or contained. However in some countries, especially where government institutions were still in the process of formation and development, there was no fat to cut; so the reforms cut though to the bone and in some cases deformed the public administration systems, which resulted in a serious erosion of government capacity and effectiveness.

There is now recognition (starting in the late 1990s) of the need to reform public administration by addressing systemic issues, including capacity building, planning, budgeting, performance improvement, and human resources management. In many instances these measures are pursued through the adoption of private sector management methods and approaches. As a result what was called 'public administration' is now called 'public management'.

In this paper the authors review the efforts of five African countries, which have used a combination of the above methodologies to reform their administrative systems. The authors report that almost all the countries studied found it was easier to implement the cost-reduction and stabilization related reforms, which were often driven by donor-funded consultants (Ghana and Uganda were market leaders), and ostensibly the intended results were attained, although in

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time these have been reversed in some of the countries. As the focus of reform shifted to addressing performance improvement and removing systemic bottlenecks the reforms became more difficult to pursue. They required the involvement of a wider cross-section of the public service, commitment at the political level, and ownership by the country, with donors supporting, rather than driving the process. Of the five countries studied, Tanzania has been able to sustain the reforms by galvanizing all key players including the entire public service, politicians, as well as donors in support of the reform effort. However, the price of pursuing reform through an inclusive process is that results come very slowly but when they do they tend to be sustainable.

Résumé

À la fin des années 80 et 90, l'objectif des réformes de l'administration publique était de limiter et de contrôler les dépenses de fonctionnement du gouvernement, suite aux inquiétudes exprimées par les citoyens, selon lesquelles le gouvernement était impliqué dans beaucoup trop d'activités non productives et trop coûteuses. Dans la plupart des pays (développés ou en développement), ces efforts se sont révélés payants, car ces pays ont connu une plus grande discipline fiscale et ont éliminé ou maîtrisé leur déficit. Cependant, dans certains pays où les institutions gouvernementales en étaient encore à une phase de formation et de développement, il n'y avait rien à réduire; ces réformes ont donc fait des coupes au cœur même de ces institutions, déformant ainsi le système de la fonction publique, dans certains cas. Cela a provoqué une grave réduction de la capacité et de l'efficacité gouvernementale.

Il est aujourd'hui admis (depuis les années 90) qu'il faut réformer l'administration publique, en s'attaquant à des questions systémiques, telles que le renforcement de capacité, la planification, la budgétisation, l'amélioration des résultats et la gestion des ressources humaines. Dans plusieurs cas, ces objectifs sont réalisés à travers l'adoption de méthodes de gestion du secteur privé. Ainsi, au lieu de parler d'«administration publique» on utilise aujourd'hui le terme de «gestion publique».

Dans cette contribution, l'auteur analyse les efforts de cinq pays africains, qui se sont servis des méthodologies mentionnées plus haut, pour réformer leur système administratif. Selon les auteurs de ces rapports, presque tous les pays étudiés ont trouvé qu'il était plus facile d'introduire les réformes liées à la réduction et la stabilisation des coûts, qui étaient souvent dirigées par des consultants financés par les bailleurs de fonds (le Ghana et l'Ouganda étaient les leaders du marché); par ailleurs, les résultats souhaités ont été apparemment atteints, bien qu'avec le temps, certains pays ont connu le résultat inverse. Lorsqu'il s'est ensuite agi d'améliorer les résultats et de supprimer les goulots d'étranglements de l'administration publique, les réformes se sont avérées plus difficiles à poursuivre. Elles nécessitaient l'implication d'un plus grand échantillon de l'administration publique, ainsi qu'un certain engagement au niveau politique et une appropriation du processus par le pays; ce processus serait davantage soutenu que dirigé

par les bailleurs de fonds. Des cinq pays étudiés, la Tanzanie a le mieux réussi à viabiliser ces réformes en stimulant les principaux acteurs du processus, y compris le service public dans son intégralité, les hommes politiques, ainsi que les bailleurs de fonds. Cependant, l'inconvénient de ce type de réforme inclusive est que les résultats apparaissent lentement, mais tendent à être durables.

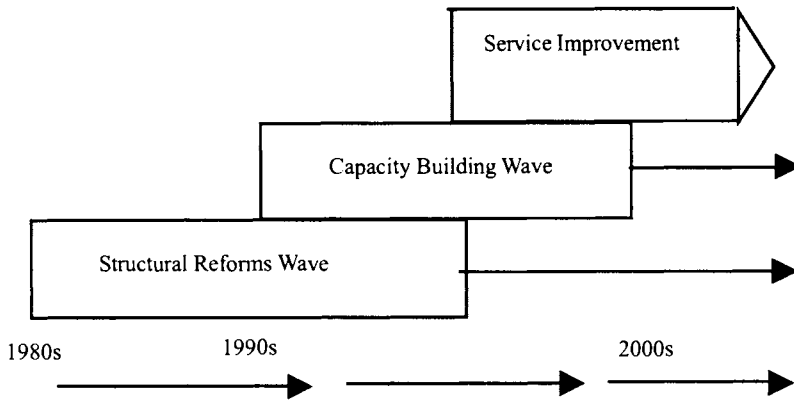
Introduction

Public service reforms which have taken place in Africa during the last two decades are part of a global phenomena that has touched all parts of the world—developed, developing and countries in transition.

In the developed/industrialised countries these reforms were, to a significant extent, linked to the neo-liberal ideology prevailing in many of those countries in the 1980s. The ideology postulated a diminished role for the public sector and a greater reliance on the private sector. It challenged state involvement in economic activity. In several Organisation for Economic Cooperation and Development (OECD) countries, notably Australia, Canada, New Zealand and the UK, management of public activity shifted from 'public administration to public management' with the accompanying belief that private sector management practices was what the public sector needed.

In developing countries, including those in Africa, most of the post-1980 public service reforms were initially in the framework of structural adjustment programmes (SAP), and were mainly if not entirely externally generated (Mutahaba & Balogun 1989). The focus of the SAPs were to contain budget deficits. In relation to public service reform, this led to concentration on the need to reduce the cost of the service, a major element of which related to personnel. Neo-liberalism also informed the external pressures which were being put on African governments to reform and meant the challenge of the virtual monopoly of power of the post-colonial state and the creation of space for other actors in development. The African state, formerly the exclusive recipient, partner and rationale for international aid, lost its most favoured status, and other agents came in to do more (Israel 1991). Privatisation, allowing for the hiving off of activities not seen to be central to the mission of governments, became a plank of many of the reform programmes. It was expected not only to reduce the overall size of the public service, but it could also reduce pressure on fragile administrations, free resources for essential tasks and allow for a better utilisation of scarce administrative skills.

Realising the 'rolled back state' has not proved to be a simple exercise anywhere (Murray 1992). The 'minimalist state' faced its own problems

Figure 1: Three waves of public service reforms in Africa

both in the industrialised world and the developing world. It soon became apparent that a crucial prerequisite for the development of the private sector is the existence of a modernised and highly efficient public sector. As a highly industrialised country, with a well-established private sector, The Federal Republic of Germany tried to extend those attributes to former East Germany. It quickly realised that 'the establishment of an efficient public administration performing its functions under rule of law is one of the most important and urgent objectives of (a programme for) achieving equal living conditions in all of Germany' (Seiler 1993).

Administrative reform/public service reform, therefore, has come to include a plank for restructuring government/central administration to create an effective instrument to manage the affairs of the nation in this new institutional environment. Questions related to the nature of the modern public service and its role, as well as the skills and expertise required have had to be addressed (Klitgaard 1994).

Review of administrative reform experiences: Cases from Africa

Overview

To date, international experiences in administrative reform are characterised by three planks. The first focuses on the redefinition of the role of the state with a view to ensuring that it only performs functions that should be at the level of the state leaving the other functions to sub-national governments, the private sector and voluntary sector. The main issues here are the need for the state to provide an environment that is conducive to private sector development, decentralisation of functions to sub-national governments; and the privatisation, commercialisation or liquidation of non-functioning, unnecessary public enterprises. The second plank involves the adoption of efficiency measures to enhance public management performance. The measures include, among others, improvements of financial and personnel management systems with an emphasis on increased autonomy for managers (with corresponding responsibility), pay reform (linked to performance) and continued skill development and upgrading.

The third feature is an emphasis on measures for enforcing the accountability of the governors to the governed through increased transparency, openness and citizen participation.

African countries have, over the past fifteen years, undertaken reforms in the framework of the three planks. In this section we examine the experiences of several African countries to date in this regard. As we do so it is useful to note that most countries did not approach their reforms by focusing on the above planks sequentially; there was considerable overlap among the planks. In other words, some countries will have a pronounced element of the first and/or second plank while moving into the third wave in their reform programmes. Nevertheless, it is still useful to analyze the reform efforts of the countries using the categorisation. The experiences of five African countries are examined. These countries have been in the forefront of reform in the continent in the post-1980 period.

First Wave: Structural-oriented public service reforms

The impetus for this first wave of PSR in Africa, as was the case in other developing countries, emerged from the macroeconomic and fiscal reforms that were embedded in structural adjustment programmes (SAPs) sponsored by the World Bank and the International Monetary Fund (IMF). Public Service reform then sought to make Government lean and afford-

able through cost reduction and containment measures, rationalising the state machinery, divesting non-core operations, retrenching redundant staff, removing ghost workers from the payroll, freezing employment and adopting measures to control the wage bill and other personnel-based expenditures.

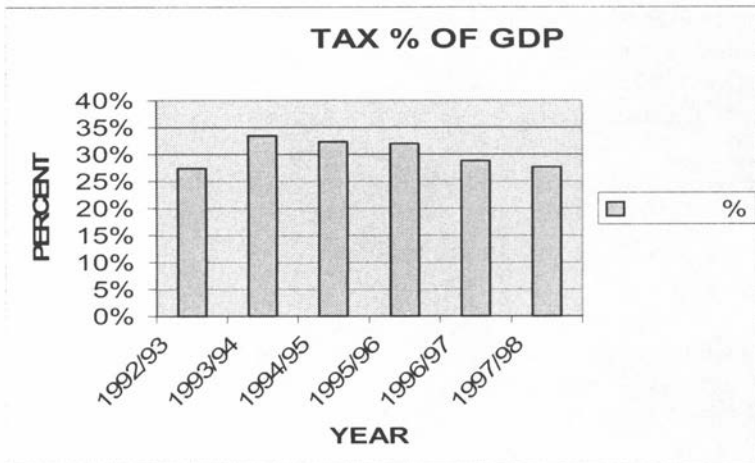
The results of these efforts in the five focus countries were varied and mixed. Ghana was a pioneer in embarking on World Bank and IMF-sponsored structural reforms, via a 'Program for Economic Recovery and Structural Adjustment' launched in 1983. Under this programme, the number of central government employees was reduced from 301,000 in 1986 to 260,000 in 1990. Also, by 1990, the Government's wage bill had been reduced to a comparatively low 4.5 percent of GDP. The other four countries embarked on similar reforms in the 1990s.

In Uganda, there was a drastic downsizing of Government. Between 1990 and 1997, the numbers on the Government's payroll reduced by more than half, from roughly 320,000 to 147,000. The number of ministries was also reduced from 39 to 17. Tanzania, which was about two years behind Uganda in launching serious structural reforms, also reduced its workforce by about 30 percent between 1992 and 1997 from roughly 355,000 to approximately 270,000. Furthermore, in both countries, as a measure to control the wage bill, there were successful efforts to monetise in-kind pay benefits and consolidate these and non-salary allowances in a transparent gross salary structure. The objective to lower the wage bill, however, was not realised because the reduction in staff numbers was more than offset by real rises in the pay levels which were necessary to reverse the steep erosion of real pay levels in the previous decade.

In Kenya and Zambia the pace of implementing structural PSRPs has been comparatively slow and less far-reaching. In Kenya, the retrenchment of public servants through a voluntary early retirement scheme, between 1994 and 1996, was reversed through the hiring of teachers during the same period. Fresh efforts were taken from 1999, as part of the revamped PSRP involving adopting targets of retrenching 42,329 employees (about 10 percent of the total public service payroll) and 'restriction of the wage bill to an affordable level'. In Zambia, the downsizing of the public service only started in earnest in 1997. From then until the beginning of 2000, the total number in government employment fell from 139,000 to 102,000. Therefore, in both countries macroeconomic and fiscal adjustment-driven reform measures remain high on the Agenda the PSRPs, despite the fact that SAP driven reform initiatives were formally launched in the early 1990s.

Box 1: Kenya revenue authority as an enclave PSR for success

In the context of the structural adjustment-based PSRP, the Government of Kenya established the Kenya Revenue Authority (KRA) in the early 1990s. This measure improved domestic revenue (tax) collection to unprecedented levels (see Figure below). Subsequent reductions were a result of deliberate policies to reduce taxation and the slowdown in economic growth.



Source: Developed by the authors based on Annual Reports of Kenya

On impact of the measures of public service delivery, generally the structural PSRPs have had little positive direct impact. On the contrary they have in most instances severely constrained both the capacity of the state to perform and affected service delivery adversely. Staff reduction and employment freeze have created a shortage of skilled professionals and technicians throughout the services, and of the frontline workers needed to sustain, improve quality and expand public services in such key areas as education, health and agriculture extension. Even the reduction of such semi-skilled support staff as drivers, which happened under

Kenya's voluntary early retirement scheme, significantly constrained performance of the public service managers.

Another example of a structural PSRP measure that negatively impacted on service delivery is cost sharing. In Kenya, for example, prior to commencing the cost sharing policy, gross enrolment in primary schools was about 100 per cent. Following an aggressive, albeit covert, policy of cost sharing, through introduction of fees and other levies, enrolment had dropped to about 70 per cent by end of 1990s.

It is also noteworthy that in the five countries many of the gains of structural PSRPs measures have been reversed. This is particularly so in the pioneer success cases of Ghana and Uganda. In Ghana, a wage hike in 1992 cancelled out the previous gains on controlling the wage bill, which as a percentage of GDP nearly doubled from 4.5 per cent in 1990 to 8 per cent. Furthermore, by 1996, the size of the public service had risen to 330,000, about a quarter above the level achieved in the late 1980s. In Uganda, public service numbers have also been on the rise since 1998. They are currently at about 197,000, and are set to increase significantly

Box 2: Restructuring of ministry improves roads services in Zambia

In the second half of the 1990s, Zambia has had tremendous improvements in the quality of roads following the restructuring of the Ministry of Works and Supply and putting in place of the enabling policy and legal framework under the PSRP. The restructuring has resulted in the active participation by the private sector in road construction, rehabilitation and maintenance works, which previously were directly undertaken by councils and Roads Department under the Ministry of Works and Supply. The Government's sole and core responsibility now is to set and enforce standards for road use and maintenance, and to provide policy, legal and regulatory framework to ensure the provision of quality roads.

As a result, the condition of roads in terms of road surface and drainage has improved from 20 per cent in 1995 to 42 per cent in the year 2000. The improved road condition has facilitated trade and commerce within and among provinces and districts. It has also led to reduction in vehicle maintenance costs for transporters and other motorists.

Source: R.H. Mataka, 2002, 'Zambia: Focusing on Capacity Building' in K. Kiragu (ed). *Public Service Reform Impact on Service Delivery in Southern Africa*, Mimeo.

above that in the medium term. Also, the measures to improve transparency of the compensation package are being reversed by the reintroduction of non-salary allowances. Even latecomers such as Kenya show the difficulty of sustaining structural PSRP interventions. As earlier indicated, the results of initial downsizing were quickly reversed through recruitment of teachers and rehiring of some of those 'erroneously' retrenched such as drivers. In 2001, the programme was stopped altogether.

Nonetheless, structural reforms had some limited enclave successes in improving service delivery in a few instances. Examples of these include the establishment of autonomous revenue authorities in the all countries in the early 1990s (see Box 1) and the results of restructuring and downsizing that was accompanied by enhanced private sector participation (see Box 2).

On the whole, however, it is clear that the SAP driven PSRPs failed to impact positively on service delivery because:

- First, the programmes' strategies and interventions generally had little or no direct link to improvements in services; and
- Second, some of the interventions, such as the freeze in recruitment, directly undermined capacity building for service delivery.

Lessons of experience to be derived from implementation of the SAP led PSRP in the five countries under scrutiny in this paper include the following:

- The cost-containment/cost reduction measures, in themselves, could not lead to sustainable reduction of public expenditure;
- They were having a negative impact on the level and quality of public services by undercutting its capacity;
- For a number of reasons including the fact that they were perceived to be externally driven and owned, there was no commitment to them by those involved and little or no public support for them;
- As a result, except for those responsible for managing the macro-economic situation, public service executives would seize every opportunity to block or reverse implementation;
- From the above situations the reforms themselves generated opportunities and pressures to take measures to improve service delivery, which provided the launching pad for the next wave of PSRP.

Second Wave: Focus on capacity building for improved service delivery

The foregoing lessons of experience had made the countries to realise that weak capacity was the root problem in the poor delivery of services. The next focus of their PrepRPs, therefore, shifted from cost-reduction and cost-containment to capacity building. This conceptual frame apparently derived from the perceived success in improving and expanding public service delivery in developing countries in the decade after independence through capacity building interventions.

In this regard, key interventions in the next wave of Preps included:

- **Enhancing Staff Skills:** This aspect of the reform perpetuated past practices but there was a heightened sense of the need to give more emphasis to on-the-job and short-term training and to manage technical assistance (TA) differently;
- **Improving Management Systems and Structures:** The systems targeted for improvement included those for human resources, financial and information management. Improvement in structures extended in some countries to encompass structural (as contrasted with governance-oriented) decentralisation;
- **Restoring Incentives and Improving Pay:** Negative incentives have also been included, i.e., sanctions for non-compliance with new codes of ethical conduct;
- **Improving the Work Environment:** Elements of this have been identified to expenditures, office equipment and re-tooling.

Thus most of the donor-funded PSR projects in the countries launched in the mid-1990s were mainly about capacity-building in a more broadly defined sense. The World Bank, for example, provided technical assistance credits to Ghana (1995), Kenya (1994), Tanzania (1999) and Uganda (1995). UNDP was another multilateral agency that actively supported capacity-building-based PRPs in all the countries in the later half of the 1990s. The bilateral donors supporting PSRP projects were also largely involved in capacity-building interventions. UK's DFID (then ODA), for example, focused much of its support on systems development, especially in financial and human resources management, so that it had such projects in all the countries, except Zambia. Similarly, the Swedish International Development Agency (SIDA) then focused its support on development of financial management systems. It had such projects in Kenya and

Tanzania. Generally, however, the capacity building-oriented PreRPPs did not have much perceptible impact on service delivery. In addition, the capacity building measures were in many instances piecemeal and fragmented.

One singularly significant shortcoming was the conspicuous absence of effective pay and incentives reform, which remain critical to sustainable capacity building. Even in those countries where major downsizing of the public service had taken place, there was limited progress in pay reform. The resources released from retrenchment were not enough to appreciably lift the low salaries of public servants. Consequently, morale and discipline in the public service remained low, and unethical conduct in ways of bribery and corruption were on the rise. In the circumstances, service delivery continued to deteriorate in most countries throughout the

Box 3: Tanzania 'Quick Wins' services improvement scheme

Tanzania's 'quick-wins' programme for services delivery improvements was a deliberate initiative to demonstrate that PSRPs were not all about sacrifices and pains inflicted by such measures as retrenchments, employment freeze and other cost containment measures.

The initiative focuses on 11 service areas concentrated in key domains of public concern. The key outputs and outcomes relate to timeliness; quality of service/customer care and responsiveness to public. In order to ensure ownership, it is based on leadership and implementation by the ministries themselves. It uses simple business process re-engineering supported with local technical assistance (Eastern and Southern Africa Management Institute—ESAMI).

The early results are promising with a clear indication that time has been drastically reduced to process passports, work permits and licenses in several areas. Land titles are processed much faster. Investment certificates are also issued faster (10 days instead of 270!). There is also marked improvement in the administration of small loans to women and students.

Source: University Consultancy Bureau, 2001, 'An Evaluation of the Quick Wins Initiative', Report submitted to Civil Service Department, Government of the United Republic of Tanzania.

1990s. Recognising this trend is at the heart of the recent and ongoing initiatives to design the third wave PSRPs.

Third Wave: Focus on service delivery improvement

Besides the perceived inadequacies of the first and second waves of PSRPs, the impetus for focusing on service delivery improvement by the focus countries' PSRPs originated from six factors. They are:

- The need to demonstrate early results from reform,
- Public demands for transparency and accountability,

Box 4: Results-Oriented Management Programme in Uganda

Uganda launched its Results-Oriented Management (ROM) in 1997. As previously pointed out, by then Uganda had already achieved unprecedented levels in downsizing the public service. ROM was geared to transforming the culture of the new small public service to ensure it delivered services for which it was accountable.

The initial phase of ROM entails the identification of performance indicators and targets, and annual plans by every public service organisation, including local government (district) councils. These targets provide the basis for issuing performance contracts to public service managers, who can then be effectively held accountable. Furthermore, against these targets, the organisations and their staff will in the future be allocated resources and be assessed annually.

So far, however, progress in the implementation of ROM is slower than initially envisaged. There is low implementation capacity, which is underscored by lack of incentives, including poor pay. Therefore, there is not yet any discernible impact on service delivery.

Nevertheless, the ROM initiative in Uganda represents a unique and pioneering response to the quest for PSRP impact on service delivery by enhancing transparency and accountability of public service organisations and their managers.

Source: Originally included on page 8 of a paper prepared by one of the authors, titled: 'Country Engagement, Public Service Reform Impact on Service Delivery in Sub-Saharan Africa: Lessons', 2002.

- The shift to market economies and private sector-led economic growth,
- Influence of 'new public management',
- The need for PSRPs to support sector-wide approaches; and
- Pursuit of an integrated systems approach.

As elaborated in the next paragraphs, the second to fourth factors are related and reflect a response to global trends that impact on the environment in which the states will operate in future. The first, fifth and sixth factors present a more strategic approach in the design of PSRPs.

The need to demonstrate early results

Wave 1 – structural reforms – can impose severe social and political pains especially in the downsizing and retrenchment of employees.

Box 5: PSRP Initiative to support private sector development in Tanzania

A 1996 'Investor Roadmap of Tanzania' study was the beginning of USAID support to the Tanzania PSRP. The study, with the intention of increasing investment in Tanzania, analyzed government regulation of the private sector and the steps required for an investor to become legally established in Tanzania. Core processes were examined and potential improvements were highlighted. On the basis of the results of the study, a 'Private Sector Facilitation' component was introduced in the PSRP. With funds provided by USAID, and subsequently the UNDP, a programme to sensitise select groups of public servants to be 'customer-oriented and facilitating' in dealing with both local and foreign business persons was launched. This training complemented the 'quick-wins' measures at the Tanzania Ministry of Trade and Industry and the Tanzania Investment Centre.

This programme has also led to the formation of the Tanzania National Business Council (TNBC), which was launched in 2001. The TNBC, comprising members from both the public and private sectors on a fifty-fifty basis, is a mechanism aimed at providing a forum for continuous and structured consultations between the public and private sectors on national strategic and policy issues.

Source: Box prepared by the authors and used originally in another paper by one of the authors (see 4 above).

Consequently, the majority of the public and most political leaders does not support those reform programmes, and can even be quite hostile to them. In the circumstances, both the political and administrative leaders of the PSRP perceive the need to demonstrate early progress in service delivery improvements in order to achieve and/or sustain crucial public support and political commitment for the overall PSRP. In other words, there was an imperative and urgency to respond to the shortcomings of past PSRPs. This is precisely what happened in Tanzania, which responded with the launch of a 'quick wins' service delivery improvement programme (see Box 3) which is comparatively technically simple, fast and low-cost to implement; its potential impact can be very high, demonstrating that tangible results can be achieved rapidly. In the case of Tanzania, the impact at the immigration department (where work permits for expatriate personnel are processed) and at the Ministry of Trade and Industry (where investment certificates are issued) is very noticeable in terms of facilitating foreign investment inflows. At the same time, this scheme has, necessarily, a narrow focus. It is neither a systemic nor sustainable basis for service delivery

Box 6: Limited fiscal decentralisation yields results in Kenya

In Kenya, where a clear-cut decentralisation policy is not yet in place, the PSRP has a component of local government reform that reflects the recognition and imperative for institutional pluralism in service delivery. In this context, Government has introduced a Local Authority Transfer Fund, to which it now disburses 5 per cent of all its revenues to the local government councils. However, the release of funds to a council is tied to the submission of service delivery improvement plans, and a plan to achieve a 5 per cent reduction in spending on staff each successive year in the medium-term. This simple fiscal decentralisation measure appears to be effective. Accountability by the councils has vastly improved, with 100 per cent return of proposals and accounts. There is also ample anecdotal evidence of significant improvements in service delivery in many local government councils.

Source: Box prepared by one of the authors and used originally in the paper cited under Box 4.

Public demand for transparency, integrity and accountability

The global surge of political liberalisation, pluralism and enhanced democratic environments in the 1990s has triggered a demand for good governance. The voices for transparency, integrity and accountability have demanded from the public service not just improved service delivery, but also demonstrable value-for-money in public expenditures, corruption free service delivery, the observance of meritocratic principles in human resources management and greater participation from civil society. It is such pressures that hastened the introduction of the Result-Oriented Management (ROM) component in the Uganda PSRP in 1997 (see Box 4).

The shift to market economies and private sector-led economic growth

In the five countries, as elsewhere in much of the developing world, the collapse of socialist and communist economies in the early 1990s heralded the total shift to market economies (capitalism) and private sector-led economic growth strategies. This paradigm shift in the role of the state was well captured and indeed exploited in the definition of the new vision and mission of the second wave PSRPs. Generally this trend brought about serious attempts by PSRPs in the countries to impact the role of the State in promoting private sector development and even foreign investment.

The PSRP design brought in the 'Gateway Project' with the explicit objective of supporting the country to be the leading destination of foreign investment on that part of the continent. While a quantitative and independent evaluation of these initiatives is not yet available, the public officials involved are convinced that they are making positive and significant contributions in the delivery of public services to private sector investors.

Influence of 'new public management'

The so-called 'new public management' (NPM) has reached the focus countries in various strands and forms. In the basic, institutional pluralism in the delivery of public services has been embraced in the context of redefining the role of the state. It is in this context that all the focus countries have embarked on some measure on decentralisation to local governments and corporatisation of public service delivery through establishment of executive agencies. These programmes have devolution-orientation in Ghana, Tanzania and Uganda, and therefore may be expected to have more extensive and profound impact on public service delivery in the medium-to-long term. Even in countries with limited decentralisation

measures, such as Kenya, the potential impact on service delivery is discernable (see Box 6).

Among the focus countries, Ghana appears to have pioneered the recourse to the 'agency model' in the search for alternative options for improved public service delivery of services. Thus, for example, Ghana transformed its Rural Water and Sanitation Department to an agency in 1994. Today, this agency is considered to be a model for comparatively efficiency and effective delivery of rural water and sanitation services in Africa (see Table 1). More recently, all the other focus countries have embarked on programmes to establish agencies. Among the latter countries, Tanzania has at present the more systematic, comprehensive and active programme that is judged to have significantly affected service delivery (see Box 7).

At another level, NPM has introduced in the focus countries such concepts and practices of 'managerialism' as client-orientation and management accountability. In Ghana and Tanzania, 'clients service charters' have been established to commit public organisations and staff to provide better services and ensure that the public can hold MDAs accountable. Service delivery surveys (SDSs), public perception surveys and expenditure tracking studies are other new tools for monitoring and evaluating public service performance, as well as reinforcing accountability in the public service that are widespread across the focus of these countries. In Uganda, public service managers have been moved out of permanent and pensionable, secured tenure to limited tenure (three year) performance contracts. Further, in Uganda, Tanzania and Zambia, open and more participatory staff appraisal schemes have been introduced. However, the impact of all these on service delivery has not yet been assessed, and it is probably too early to do so.

The education sector development programme in Uganda, for example, has overall been a major success in improving delivery of primary education in the country. Since the programme was launched in 1996, there has been a 210 per cent rise in the number of pupils in schools, and gross enrolment in schools has risen to a comparatively high 82 per cent. For a while, the education SDP was not linked to any public service reform measures. In time, however, it was clear that improved management of the public service, especially in financial and human resources management, was crucial to a successful education SDP. For example, initially, while considerable resources were annually allocated to the SDP by Government and donors, these resources could not be used to recruit enough teachers until the Ministries of Finance and Public Service intro-

duced reform measures in budgeting, funds disbursement and appointment of teachers.

Table 1: Improved service delivery by Ghana Water and Sanitation Agency, 1994–1999

System Type	1994–1998 Actual	1999 Target	1999 Actual	1994–1999 Totals
Boreholes—new	2,145	628	693	2,838
Hand-dug wells—new	312	279	66	378
Total—new water points	2,457	907	759	3,216
Small Communities				
—new	72	37	16	88
Small Towns—new	16	33	9	25
Total new —pipe Systems	88	70	25	113
Hand-dug wells—rehabilitation	64	382	0	64
Boreholes				
—rehabilitation	334	1,352	1,124	1,458
Conversions		1,064	2,161	2,161
Total—Rehabilitation	398	1,734	3,285	3,683
Sanitation				
Household Latrines	6,197	2,750	1,465	7,662
Institutional Latrines	265	120	145	410
Total—Latrines	6,462	2,870	1,610	8,072

Source: Koratery Korda and F. Amoakoh, 'Ghana: Broadening Participation and Deepening Reforms'. Paper presented at a Conference to Share Experience of Public Service Reforms, held in London, September 2001.

Table 2: Achievements by the Uganda Health Sector, 1986–1999

Performance Indicator	1986	1999
(a) Service Delivery		
• Districts with Guinea-worm disease	16	3
• Prevalence of HIV/AIDS transmission	30 %	10 %
• Percentage of children 12–23 months fully immunised	-	47 %
• Percentage of women using contraceptives	3–5 %	15 %
(b) Health Outcomes		
• Infant mortality rate per 1000 live births	122	97
• Under 5 mortality rate per 1000 live births	203	147
• Average maternal mortality rate per 100,000 live births	900	506
• Total fertility rate	7.3	6.9

Source: Ministry of Health

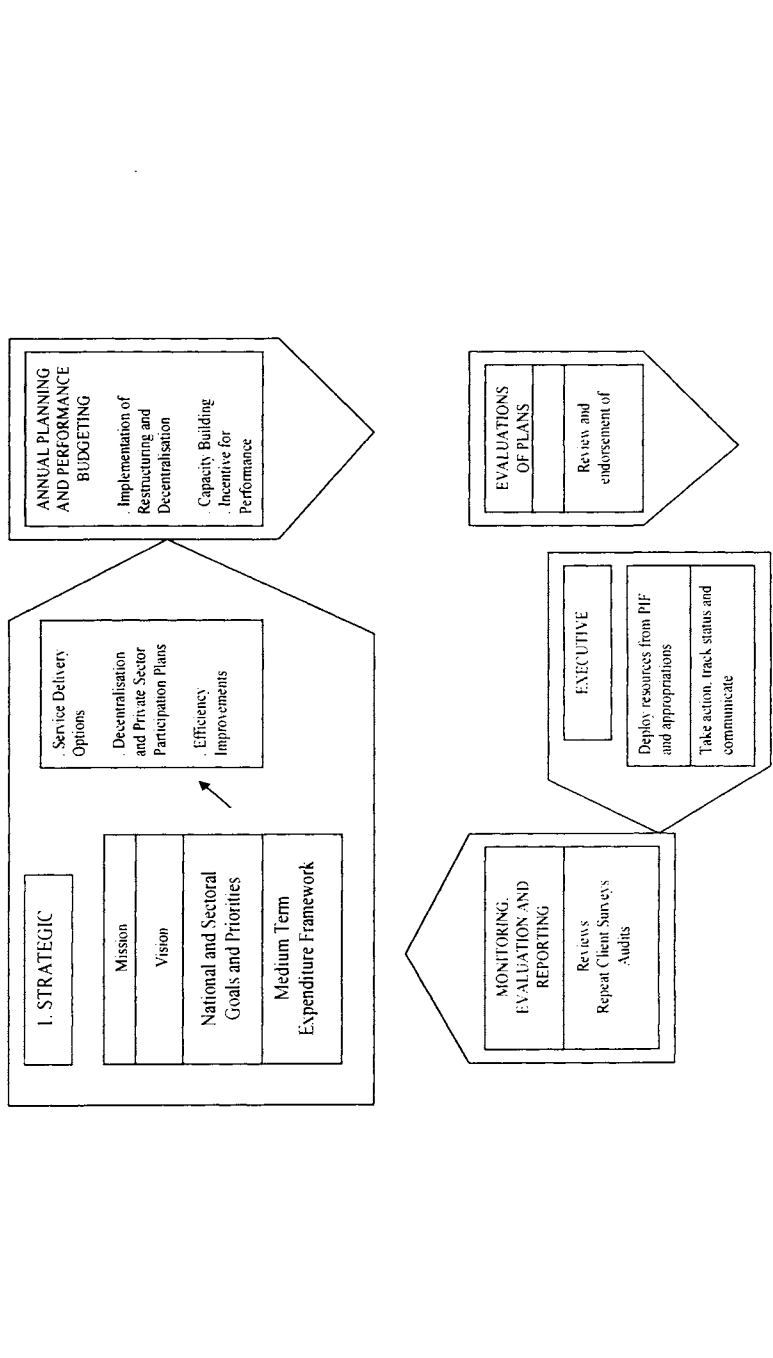
Box 7: Tanzania executive Agencies Programme

In Tanzania, a 1994 study tour of the United Kingdom by public officers responsible for the PSRP generated interest in the 'corporatisation' of non-core government departments by transforming them into quasi-autonomous 'executive agencies'. In 1996 a policy framework to establish about 30 agencies was defined and endorsed by the Cabinet. In the following year, the enabling legislation was passed by Parliament. The agencies have autonomy over staffing, pay and use of resources.

Since 1997, a total of 12 agencies have been formally launched, while the list of potential numbers has risen to about fifty. A recent independent evaluation of the performance of agencies shows significant improvements in the services provided by these agencies, i.e. better road maintenance, higher quality airport services, faster business registration and improved counter services and a more efficient and effective National Statistics Office.

Source: Civil Service Department, President's Office, Public Service Reform Programme Annual Report 2000/2001, Dar es Salaam.

Figure 2: Tanzania's performance improvement model



Pursuit of an integrated systems approach

As described above, PSRP strategies in the focus countries have generally been reactive. However, there are signs that innovative approaches are emerging, as illustrated by the Tanzania performance improvement model approach (see Figure 3). This model is supported by a multi-donor-funded Performance Improvement Fund that delivers capacity and incentives for service delivery improvements. There is competition for access to resources by ministries. Release of funds to ministries is against service improvement plans and accountability reports. A similar initiative, albeit on a pilot basis, has been launched in Zambia.

A strong monitoring and evaluation system will complete the system. There is much anticipation that effective implementation of this approach will elevate PSRP to an instrument for sustained improvement in service delivery in resource-scarce environments.

Shared Lessons of Experience

The foregoing has revealed some shared lessons of experience which may be summarised under the following ten headings:

- PSR is more crucial to developing countries;
- Significant PSR gains but limited impact;
- Major problems and constraints persist;
- Danger of reversal and inertia;
- Early progress is crucial to achieve and sustain broad support;
- New impetus to focus on service delivery improvements;
- Need to strengthen PSRPs link with sector-wide programmes (SWAPs);
- Institutional pluralism is imperative for sustainable service delivery improvements;
- Strategies should be comprehensive and integrated; and
- Donor assistance could be more effectively channelled.

We review each of them in turn.

PSR is more crucial to developing countries

There is consensus that PSR is more crucial to developing countries than for developed countries for at least these reasons. First, most developing countries have the problem of heavy public debts, severe resourcing constraints which impact negatively on both capacity and performance of the public service. In this context, therefore, PSRP is crucial not just in di-

rectly improving service delivery but also in prioritising the roles, functions and programmes and strategic management of the available resources.

Second, globalization and information technology revolutions are seen to pose unique challenges to the developing states. PSR should identify how the state can facilitate its citizens to withstand the negative consequences of globalization, such as severe competition in international trade, and to take advantage of the opportunities arising from globalization and information technologies. Thirdly, PSR in developing countries needs to put in place sustainable strategies to the new wave of loss of the critically skilled (e.g. scientists, science teachers, doctors, nurses, engineers, technicians, accountants, managers etc.) to developed countries.

Significant PSR gains but limited impact

PSR has contributed to significant gains in all the focus countries. However, in each of the countries, the impact of the reforms is so far limited, especially with regard to improving service delivery. The first wave of structural reforms had made important contributions to streamlining government structures, functions and staff to more affordable and efficient levels. The second wave had improved capacity, mainly in terms of skills and systems. Nonetheless, there are promising early results with PSR across the countries. The 'quick-wins' scheme in Tanzania and the executive agencies programmes in that country and other focus countries are particularly noteworthy. PSR is also making a marked contribution to improved service decisions where it is linked to SWAPs, as in Uganda with the education and health sectors programmes.

Major problems and constraints persist

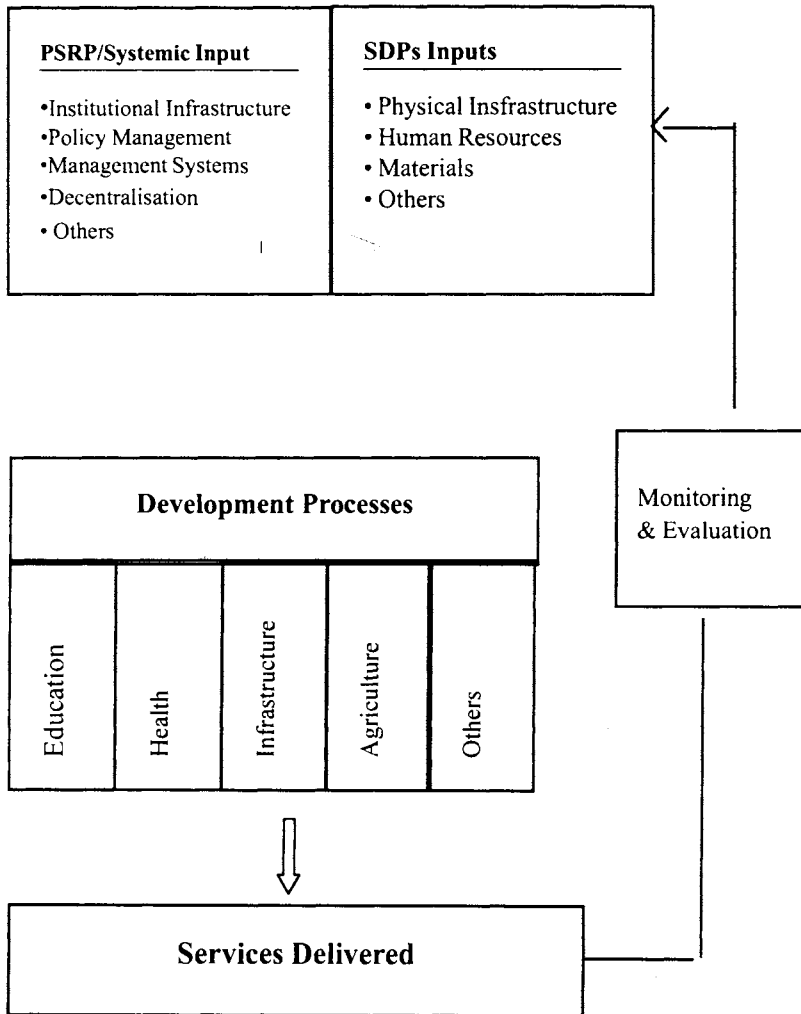
In all the reviewed countries, experience was that there are major problems and constraints to PSR, including:

- (a) Support for the reform programmes remains narrow and difficult to sustain at all levels, (i.e., those of political leaders, the public at large, and the bureaucrats) for two reasons: First, the reforms are still stigmatised by the pains of such first wave structural reform measures as retrenchment, employment freeze, cost-sharing, etc. Second, to the extent that the reforms entail change, there are large constituencies who perceive threat and resist change.
- (b) Weak capacity and resources constraints often hinder implementation of plans and programmes for improvement and expansion of services. Furthermore, in a vicious circle, poor budgeting and

financial management practices exacerbate the problems of capacity and resources constraints, and vice versa.

- (c) There are no effective incentives for performance. Generally, pay remains low for public servants in the countries. At the same time,

Figure 3: A Total Systems Perspective of PSRP and SDPs Nexus



pay reform is not readily feasible in the short to medium term because of the limited wage bill that can be afforded under the budgetary constraints.

Dangers of reversals and inertia

There is evidence that some past gains in PSRP implementation have been reversed. This is especially the case with the cost-containment measures, as happened with: retrenchment in Ghana and Kenya; pay reform in Uganda; and decentralisation of health services in Zambia. Also, inertia or excuses for not sustaining implementation are quite common, as exemplified by pay reform in Tanzania. Therefore, the leaders and managers of PSRPs must remain vigilant to these dangers. Yet, sometimes there are no incentives for maintaining this big vigilance.

Early progress is crucial to achieve and sustain broad support

In the context of the major problems and constraints, and the dangers described above, early progress by way of demonstrable impact on service delivery improvement is crucial to achieve and sustain broad support to the PSRPs. In this aspect, the Tanzania quick-wins scheme is particularly illustrious.

New impetus to focus on service delivery improvement

As elaborated in the previous section of this paper, there is new impetus to focus PSRPs on service delivery improvements. This impetus arises from the following:

- The need to demonstrate early results;
- Public demands for transparency and accountability;
- The shift to market economies and private sector-led economic growth;
- Influence of 'new public management';
- The need for PSRPs to support sector-wide approaches; and
- Pursuit of an integrated systems approach.

There is need to strengthen PSRPs' link to SWAPs

PSRPs may not effectively and sustainably impact on service delivery improvement if they are not strongly linked to the SWAPs, which are now very common. The rationale and imperative are illustrated in Figure 3.

Institutional pluralism is imperative for sustainable delivery improvements

The capacities of the public services in the focus and other developing countries will remain relatively low well beyond the foreseeable future.

This fact is underscored by two particulars. Firstly, the public revenue bases in these countries remain narrow and unstable. Secondly, public revenues remain comparatively low, at about 15 per cent of the Gross Domestic Product (GDP) for the focus countries, except Kenya which has about 27 per cent. The statistics of revenue mobilisation are low compared to those of developed (OECD) countries, where they range about 40–60 per cent of GDP.

In the circumstances, public service in developing countries needs to: firstly, keep to a critical minimum the range, quantity and quality of services it will commit to provide freely to the public. Secondly, it should mobilise for a widely inclusive and participatory delivery of the essential services. These objectives will be achieved through:

- (a) Decentralisation of services to state/regional and local governments, and communities; and
- (b) Facilitating and promoting participation of the private sector and other non-governmental agencies in the delivery of such essential social services as education and health.

Strategies should be comprehensive and integrated

Piecemeal and fragmented PSR projects have shown to be rarely effective and their outcomes are generally not sustained. Examples of this include:

- Downsizing without capacity building,
- Capacity building without pay reform,
- Capacity building without service delivery focus, etc.

Accordingly, the countries are all striving either to design or implement comprehensive and integrated PSRPs. Some, like Kenya where the programme extends to cover privatisation of public enterprises, legal sector reform, education sector reform, etc., may, however, have overstretched the comprehensiveness, and made integration even more complex and challenging.

There is consensus on the need to move on a fairly broad front, and to integrate various public sector reform programmes, including SWPs, with a focus on improving service delivery. The performance improvement model in Tanzania is an attempt at achieving such integration within conventional public service processes.

Donor assistance could be channeled more effectively

It smacks of a tautology to state that donors assistance remains crucial to the PSRPs in the focus countries. Donor funds have been the predominant source of financing for every facet of PSPR in all the countries.

A suggestion that the comparatively low contribution of domestic revenues to PSRP may reflect weak Government commitment to the reform programme is not supported by any evidence. PSRPs, like other reform and development programmes in the countries are funded under the development-cum-investment budget (vote), which in all these countries has a majority of donor funding. Therefore, PSRPs are not significantly discriminated against in the allocation of domestic revenues in the Governments' budgets.

However donor assistance could be channelled more effectively. Some of the drawbacks in donor assistance include the following:

- (a) Some donors push for excessive reliance on technical assistance from developed countries, and especially their nationals in the case of tied aid. This was in many instances at the expense of ignoring better qualified, more experienced and cheaper local and regional expertise;
- (b) Some donors' reliance on enclave project implementation units (PIUs) which they equip and staff at much higher standards than the rest of the public service. While the rationale for this option is familiar, it is observed that PIUs seriously undermine capacity-building and morale across the public service for three main reasons. Firstly, the PIU staff are usually poached from among the best performing officers in the public service. Secondly, the staff in the PIUs are far better paid than their colleagues, and this breeds discontent and low morale among the latter. Thirdly, the PIUs have a dysfunctional relationship with the mainstream Government structures.

In the context of the above, African countries may want to urge their development partners to:

- Progressively move from project-oriented to a sector-wide approach (SWAPs) in supporting PSRPs. As a first step, donors could move to a 'basket funding' mechanism, which is in extensive use in various SWPs in recipient countries. The Performance Improvement Fund (PIF) in Tanzania and Zambia represents advanced forms of 'basket funding', part of the Government budget.

- Increasingly support enhanced utilisation of local and regional consultants and other experts as technical assistance for the PSRPs in SSA countries. Therefore, as much as considered effective, donors' assistance to PSRPs should not be tied to procurement of technical assistance or other services or goods from the donor countries.
- Facilitate improved sustained sharing of experience and knowledge between the designers and implementers of PSRPs. The participation of senior policy advisers, civil servants and civil society actors in this workshops across international borders in Rwanda as a resource person is just one example of facilitating knowledge sharing. Other possible mechanisms could include: establishing networked websites in SSA countries; establishing regional resource centre(s); an exchange programme for public service officers between the countries; and funding research in PSR in these countries.
- Continue to facilitate the exposure and learning by the leaders and managers of PSRPs in the international trends in PSR design and implementation.

Concluding observations

The history of Public Service Reform Programmes (PSRPs) in Ghana, Kenya, Tanzania, Uganda and Zambia, shows that service delivery improvement has only been a major focus of PSRPs in recent years. Ghana had a Civil Service Performance Improvement programme (CSPIP) since the early 1990s but a recent evaluation of the programme shows that it was largely unsuccessful in terms of improving service delivery. Such attention to service delivery improvements are just starting in Kenya, Tanzania, Uganda and Zambia.

Furthermore, it is difficult to design, complex to implement and even more difficult to sustain a PSRP that guarantees the right outcomes and impact on service delivery in the long run. Such a programme is necessarily comprehensive and integrated with other public sector reforms and SWPs. Unfortunately, both capacity and experience in these are awfully lacking in the public services of the developing countries.

Moreover, while strong, broad-based and sustained support, especially by both political and technocratic leaders, are critical to the successful design and implementation of PSR, they are not easy to come by. The legacy of the pains of the SAP-driven structural PSR (i.e. retrenchment,

employment freeze, wages freeze, cost-sharing, etc) still makes the general public and political leaders weary of reforms. Also, there are strong vested interests against most changes inherent in the implementation of PSR. In addition, weak or no incentives undermine ownership and commitment to PSR by public servants.

Nevertheless, there are promising results both in the implementation and design of PSR in the five countries. Successes in PSR impact on services delivery in these countries have been pointed out in the early part of this paper. Particularly noteworthy are: the 'quick-wins' scheme in Tanzania; the executive agencies programmes in all the countries, although to varying degrees; and the crucial role of PSR in the sustained implementation of SWPs for service delivery expansion and improvement, as exemplified in sectors' development programmes of education and health in Uganda.

In design of PSR, it is significant to note that all five countries are rapidly shifting gears to comprehensive and integrated approaches. Effective strategies seek to blend, synchronise and sequence measures for, among others:

- Rightsizing; capacity building,
- Introduction of incentives,
- Enhancing transparency and accountability; and
- Business process re-engineering.

This is what is innovative in the Tanzania Performance Improvement Model (PIM) even though its implementation remains a conspicuous challenge.

Evidence also suggests that sustained improvements in performance and service delivery are linked to:

- Institutional pluralism;
- Decentralisation with enhanced incentives at both organisational and individual officer levels;
- Clear performance targets and accountabilities; and
- Effective monitoring and evaluation systems.

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