



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

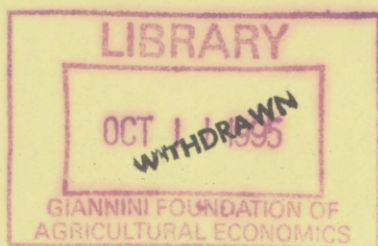
*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

INTERDEPARTMENTAL PROJECT
ON STRUCTURAL ADJUSTMENT

Occasional Paper 25

^{awl}
P. Bennell

**Improving the performance of the public
sector in LDCs: New approaches to human
resource planning and management**



Interdepartmental Project on Structural Adjustment

The aim of the Interdepartmental Project on Structural Adjustment is to strengthen ILO policy advice in relation to structural adjustment policies in order to make those policies more consistent with ILO principles and objectives.

The project investigates various options to give a different focus to adjustment policies, emphasizing major objectives as equitable growth, improved human resource development and social acceptability and it tries to establish how various ILO policies and policy instruments can contribute to such a different focus of adjustment policies.

The range of policy instruments encompasses labour market regulation, social security, wages policies, training policies, industrial relations as well as the employment and income effects of monetary, fiscal and price policies. Greater involvement of the ILO in the area of structural adjustment needs therefore to reflect the interdisciplinary nature of the adjustment problem by combining activities from different departments in the ILO.

During the 1992-93 biennium, the project concentrates on developing policies for the following five main areas:

- the role of the public and private institutions in structural adjustment;
- the role of fiscal policy in generating employment and favouring equitable growth in a process of adjustment;
- the role and function of compensatory programmes and social safety nets during adjustment;
- public sector adjustment, including issues pertaining to privatization;
- the role and function of the social partners in the adjustment process.

Further information can be obtained from the Project Manager (Rolph van der Hoeven) or the Project Officer (Andrés Marinakis).

Improving the performance of the public sector in LDCs: New approaches to human resource planning and management

Note: Occasional Papers are preliminary documents circulated in a limited number of copies solely to stimulate discussion and critical comment.

Copyright © International Labour Organization 1994

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to the Publications Branch (Rights and Permissions), International Labour Office, CH-1211 Geneva 22, Switzerland. The International Labour Office welcomes such applications.

ISBN 92-2-109495-2

First published 1994

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.
The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.
Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO publications can be obtained through major booksellers or ILO local offices in many countries, or direct from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. A catalogue or list of new publications will be sent free of charge from the above address.

Table of contents

	Page
1. Introduction	1
1.1 SAP, decaying states and administrative reform	1
2. Traditional HRPm approaches: Manpower planning and personnel administration	3
2.1 The symptoms of ineffective "manpower planning"	3
2.2 The manpower requirements approach (MRA)	3
2.3 HR needs assessment at the organizational level	6
2.3.1 Unconstrained needs assessment	6
2.3.2 Resource constraint analysis	7
2.3.3 Personnel availability	7
2.4 Personnel administration	8
2.5 HR management functions	9
2.5.1 Job design and job classification	9
2.5.2 In-service training	10
2.5.3 Career paths, promotions and transfers	10
2.5.4 Annual performance appraisal	11
3. Alternative approaches to HRPm: Planning for human resource development	12
3.1 A continuum of possibilities	12
3.2 Reforming the public sector	12
3.2.1 Short-term cost containment	13
3.3 Creating the responsive organization	14
3.4 The challenge for human resource management	15
4. Improving individual HRPm functions	16
4.1 Establishment control and planning	16
4.2 Functional reviews	17
4.3 Labour market analysis	17
4.4 Job design, grading and career advancement	18
4.5 Individual performance appraisal	20
4.6 Learning and training systems	20
5. Implementing HRPm reforms	23
5.1 World Bank experiences and assessments	23
5.2 Country experiences	24
5.2.1 Ghana	24
5.2.2 Uganda	26
5.2.3 Senegal	26
5.2.4 Niger	27
5.2.5 Malaysia	27
5.2.6 Philippines	28
5.2.7 Mauritius	29
5.2.8 Chile	29
5.2.9 Argentina	30
5.3 Some general lessons for the future	30
5.3.1 The diversity of country situations and reform experiences	30
5.3.2 The duration, intensity and complexity of the reform process	31
5.3.3 Environmental factors and the role of incentives	31
5.3.4 The preeminence of the political process	31
Bibliography	33

1. Introduction¹

1.1 SAP, decaying states and administrative reform

It is increasingly recognized that successful economic reform in less developed countries (LDCs) based on comprehensive structural adjustment programmes (SAP) is dependent on major improvements in the capacities of central government and other public sector organizations to deliver essential goods and services to the population at large. While SAP in most LDCs has sought to reduce the overall size of the public sector and, more generally, reduce the role of the state in the economy (most notably through various privatization and liberalization measures), the fact remains that economic reform will founder unless a usually smaller public sector can produce services significantly more efficiently and effectively. As always, patterns of causality are complex but the administrative crisis in many LDCs, particularly in sub-Saharan Africa, has contributed in a major way to the deep-seated economic crises facing these countries.

Attempts to reform central government and other public sector organizations are, of course, not new. Even before the advent of political independence in colonized countries, commissions and committees of enquiry had been established to explore new forms of public sector organization and management appropriate to meeting the new challenges of post-colonial societies. Indeed, many of the recommendations of these commissions bear a striking resemblance to current pronouncements by management experts concerning the changes that are required in public sector planning and management policies and practices.

But what is different is the context in which reforms are currently being formulated and implemented. The depth of the economic and political crisis in many LDCs is such that politicians and policy-makers are being forced to do something rather than continue to engage in an essentially ritualistic discourse about the need for administrative reform. The omnipresence of the chief architects of SAP, the International Monetary Fund and the International Bank for Reconstruction and Development (the World Bank), is the other critical difference. Through its control of resources needed to implement SAP, the international community, through these powerful multilateral institutions, has the leverage (mainly via conditionality agreements) to force many LDC governments to take reform seriously.

This monograph examines public sector management reform in one key area, namely human resource planning and management (HRPM). More than anything else, it is the personnel crisis in public sector organizations in developing countries that has to be addressed if meaningful improvements in service delivery are to be realized. Decades of declining real incomes, deplorable working conditions, wholesale political interference, and poor management have created cadres of public sector employees in many LDCs who are chronically demoralized and demotivated. Wherever other employment opportunities exist, the public sector is increasingly unable to attract and retain the most able and most needed personnel. For those public servants who cannot leave, their skills are often poorly utilized.

¹ This Occasional Paper is part of the activities of Work Item 4(d) of the Interdepartmental Project on Structural Adjustment. It has been prepared on the basis of various country case studies which had been organized by Hedva Sarfati, Anke Freibert, Conchita Poncini and Jacques Gaude. The preparation of this paper was directed by Rashid Amjad in collaboration with those responsible for the country studies as well as with Rolph van der Hoeven and Andrés Marinakis.

Even worse, moonlighting and corrupt rent-seeking practices have become a way of life for public servants in some LDCs.

There are, of course, exceptional countries and exceptional organizations, but for most LDC governments who are grappling with the implementation of SAP, this is the reality on the ground that has to be squarely faced and tackled.

More than forty LDCs (including 26 in sub-Saharan Africa) are currently implementing World Bank-sponsored structural adjustment programmes. Other countries are also undertaking similar types of economic reform. Faced with such a large group of politically, economically and culturally diverse countries pursuing what are very heterogeneous sets of economic policies, it is only possible to consider in very general terms the problems, opportunities, and constraints in improving HRP in the public sector. Consequently, generalizations, some of them quite sweeping, are unavoidable. It is obvious that each country must devise its own quite specific HRP policies and practices that relate directly to their unique circumstances. The purpose of this monograph is merely to identify commonly found HRP problems in the public sector and tentatively explore possible improvement strategies.

Another complicating factor is that the public sector itself comprises very different types of organization each with their own distinctive management regimes. These range from the core of central government ministries, local government, and a variety of parastatals and public enterprises enjoying varying degrees of organizational autonomy from central government control. While the monograph will consider HRP in the public sector as a whole, the focus will be mainly on central government reform because it is usually among these organizations that the administrative crisis is most serious, where privatization measures are least likely in the future, and where, to date, most attention both by national governments and donor agencies has been devoted to improving delivery.

The discussion is structured as follows. A diagnosis of common HRP problems is presented in chapter 2. Possible solutions are then considered in chapters 3 and 4. Finally, in chapter 5, the experiences of eight countries and the World Bank in introducing new HRP policies and practices under the auspices of SAP are reviewed briefly.

2. Traditional HRPM approaches: Manpower planning and personnel administration

2.1 The symptoms of ineffective "manpower planning"

Four main symptoms of ineffectual manpower planning in the public sector in LDCs have been commonly identified:

- (i) Very rapid, uncontrolled growth of public sector personnel. Thus, re-establishing control over personnel establishments is often the first priority in improving HRPM in most LDCs;
- (ii) A paucity of accurate, up-to-date, sufficiently detailed, and accessible information about public sector employees. In some countries, grossly inadequate personnel information systems have resulted in large numbers of "ghost workers" being paid salaries, often over many years;
- (iii) The poor utilization of public sector personnel with widespread mismatching of individual skills and experience with the skill, knowledge, and responsibility requirements of jobs;
- (iv) With a few notable exceptions, HR forecasts have consistently failed to provide adequate projections of demand for public sector personnel.

Identifying the symptoms of poor HR planning in the public sector is relatively straightforward. An understanding of the underlying causes is an altogether more difficult task since there is always a complex interplay of political, economic, and socio-cultural factors that have to be disentangled. However, wherever possible, it is important to distinguish clearly between, on the one hand, the theoretical shortcomings of the HR planning methodologies that have been used and, on the other hand, the problems that have arisen in implementing these methodologies in the specific context of each country. If, for example, a particular methodology is found to be seriously theoretically flawed then there is little point in continuing to rely upon it. But if it is the practical shortcomings in the application of the methodology that is the main reason for the poor performance of the planning methodology, then the practicability of removing these application constraints then becomes the central issue.

2.2 The manpower requirements approach (MRA)

Two manpower planning methodologies have been widely used in the public sector in LDCs during the last forty years — the manpower requirements approach (MRA) and manpower needs assessment. MRA has been closely associated with national level, macroeconomic employment and education planning exercises whereas manpower needs assessment focuses on determining the human resource requirements of individual organizations. As such, it is primarily seen as part and parcel of "good management".

There has been an intense and protracted debate among human resource economists concerning the relative merits of market and non-market factors in determining HR requirements in LDCs. Proponents of the MRA argue that labour "market failures" in LDCs are usually so serious that it is not sensible to derive estimates of future HR requirements that are based on prevailing market signals (most notably, changes in occupational income differentials, and occupational unemployment-vacancy rates). The most common cited labour market failures in LDCs are:

- (i) Non-competitive labour markets due mainly to the monopsonistic power of the public sector in many occupational labour markets, the pervasiveness of enterprise-specific internal labour markets among large-scale private enterprises, and the monopolistic power of trade unions and professional associations;
- (ii) The generally weak relationship between individual incomes and productivity;
- (iii) The lack of information about the future state of occupational labour markets. Specific occupations which are needed for national development may be entirely new so that functioning labour markets do not yet exist. Uncertainty about the future is further compounded by the long lead times typically involved in training skilled personnel;
- (iv) The presence of externalities. In the long-run, relying on prevailing market signals may lead to under-investment in some occupational training because the social benefits of these investments (in, for example, developing national technological capability) are greater than the current private benefits;
- (v) Even if rates of return estimates are accurate indicators of the relative social productivity of possible occupational training investments, they are still not much help to HR planners who, like it or not, must decide how many individuals should be trained in these occupations over the next five-ten years.

For these reasons, the MRA approach largely ignores labour market wage and other demand signals, and relies instead on Leontief-type input-output analysis in order to derive forecasts of future manpower requirements. Crudely speaking, this entails the derivation of fixed output-occupation and occupation-education coefficients, usually at a high level of occupational and sectoral aggregation. Take the textile and clothing sector as an example. The MRA analyses the current occupational profile of all personnel engaged in the production of textiles and clothing (at least in the formal sector) and, after taking into account likely future technological developments for this industry during the plan period, derives a matrix of output-occupation coefficients. This matrix tells the planner how many managers, engineers, technicians, semi-skilled and unskilled workers, etc. will be needed to produce a standardized amount (say US\$1 million) of additional output. These occupational requirements are then translated into educational requirements, again on the basis of fixed coefficients.

The MRA was first developed by manpower planners in the OECD countries after the Second World War. Given the dominance of Leontief input-output models at this time, it is perhaps not surprising that the MRA was widely adopted by LDC governments during the 1950s and 1960s, who correctly identified chronic shortages of skilled personnel as a principal bottleneck to development, and were convinced of the need for decisive state

intervention in determining manpower needs and in providing publicly-funded education and training.

But looking back over the last forty years, there is now a broad consensus that the application of the MRA has been, with a few exceptions, largely unsuccessful. Most criticism has focused on the very inaccurate occupational forecasts that have almost always been generated by national and sectoral manpower plans that have relied on the MRA. As a consequence, the MRA is now largely discredited and has been or is being abandoned in most LDCs (although elements of the MRA are still commonly found in manpower needs assessments in public sector organizations (see below)).

The demise of the MRA must be placed in the broader context of the emergence of the "new political economy" based on a neo-liberal paradigm of development that emphasizes the superiority of markets in resource allocation and growth generation in contrast to allegedly market-distorting state interventions. With respect to macro-level HR planning, the increasing dominance of the neo-liberal paradigm has resulted in a resurgence of emphasis on what can be called market-based HR planning and, in particular, the centrality of rates of return analysis (RORA) and other labour market signals.

HR planning based on the MRA has typically been undertaken as part of periodic (normally five-year) national development plans. In other words, it has been a discrete, one-off exercise. To a considerable extent, therefore, HR planning shares the same weaknesses that have plagued national, macro-level planning in most LDCs. In particular, development goals and objectives at the national and sectoral levels have been poorly defined, and there has frequently not been the political commitment to translate plan objectives into practice.

The main theoretical limitations of the MRA are well known and need not therefore be reiterated in any detail here (see Blaug, 1970; Psacharopoulos, 1991). Clearly, it has been the reliance on fixed occupation-output coefficients as the basis for medium/long-term HR forecasting that has been the most contentious issue. In practice, of course, the possibilities for occupational substitution have been manifold. This is palpably the case in the private sector where labour market surveys reveal a tremendous diversity in the utilization of occupations. Nor is there any simple correspondence between occupations and formal education and qualifications, as is assumed by the MRA. Thus, while there are obvious skill constraints (a hospital porter cannot perform open heart surgery), labour is a preeminently fungible resource.

In central government bureaucracies in many LDCs, however, this flexibility has been seriously under-exploited, precisely because the recruitment and deployment of personnel has been based on rigid MRA-type occupation-output ratios coupled with the strict adherence to pre-entry qualifications as the principal criterion in personnel selection. This in turn has tended to exacerbate the already dysfunctional relationships which have typically existed between the world of work and formal education and training provision. In particular, because access to jobs (particularly in the public sector) has usually been so dependent on the acquisition of formal qualifications, credentialism has become a serious problem in many LDCs as ever an increasing output of better qualified youth has joined rapidly lengthening employment queues. Being able to employ better qualified people has clearly been desirable where this has resulted in improved productivity. But where productivity gains have been very limited or even non-existent, then qualification escalation of this kind has been a socially wasteful process.

2.3 HR needs assessment at the organizational level

"Human resource planning is a matter of logical progression from organization design through providing personnel for that design, describing the jobs within it, describing what sort of person is needed to fill the jobs, recruiting those people, putting them in the right places, training them, motivating them, appraising their performance, developing a rewards policy and a career" (Hepplestone, 1986, p. 96). While logical and conceptually relatively straightforward, very few developing countries have managed to undertake effective personnel needs assessments in public sector organizations.

In contrast to the MRA, however, it is not so much the theoretical limitations of HR needs assessment methodology that have thwarted its successful application by public sector organizations in LDCs, but rather a combination of political and bureaucratic factors in conjunction with shortages of the planning/managerial skills necessary to undertake such assessments.

There are three main components of the standard "textbook" methodology for determining HR requirements at the organizational level: unconstrained needs assessment, constraint analysis/affordability, and personnel availability.

2.3.1 Unconstrained needs assessment

A HR needs assessment is based on the overall objectives of the organization, the tasks that need to be undertaken over a certain time period, the grouping of these tasks into specific jobs, and finally the estimation of total personnel requirements across specific occupations. The responsibility for conducting needs assessments in the public sector has often been given to central manpower planning units (typically in the Ministry of Labour, Public Service, or Finance) which have tended to rely on crude and overly simplistic questionnaire instruments to collect data on existing and future personnel requirements. As a result, they have lacked the detailed knowledge of the staffing situation in individual organizations, and the structure and functioning of specific occupational labour markets, e.g. in the health sector, medical doctors, nurses, pharmacists, laboratory technicians, etc. Questionnaires that merely ask each organization to state its net additional requirements of personnel over a five or more year period have ended up being little more than "wish-lists". Not surprisingly, the temptation for most organizations has been to over-inflate their HR estimates in the almost certain knowledge that only a small proportion of these requirements will ever be realized. Thus, like the budgetary process itself, HR planning has become highly politicized (see Wildavsky, 1975).

HR planners in many LDCs have also been excessively preoccupied with deriving HR estimates for additional personnel rather than analysing the utilization of personnel who have already been employed. This drive to increase personnel establishments must be seen in the context of the 1960s and 1970s when state resources were generally more available to increase rapidly the size of the public sector, thereby consolidating or increasing the power base of new political and bureaucratic elites, and helping to reduce unemployment, particularly among secondary school and university graduates. The solution to perceived "skills shortages" has tended to be therefore to employ more people rather than improve the quality, efficiency and effectiveness of existing staff. In some LDCs, merely increasing public sector pay for certain occupations would have eliminated these shortages. Thus, somewhat perversely, HR planning has become a way of avoiding problems rather than

solving them. Again, this is symptomatic of public sector management that has lacked clear goals, programmes for operationalizing these goals, and effective systems of evaluation.

HR needs assessments in service-orientated organizations have commonly relied quite heavily on the use of MRA-type occupational-output ratios, e.g. there should be one medical doctor for every 10,000 people by a certain date or one agricultural extension worker for every 500 farmers. If they are derived on the basis of careful, systematic and regular functional reviews of HR requirements that are linked to well-defined job design and job performance objectives, then personnel service ratios of this kind can be useful planning tools. Certainly, in some of the newly industrializing countries (most notably South Korea and Singapore), MRA planning methodologies have been successfully used in the public sector (see Amjad, 1987). But in the majority of LDCs these ratios have been misused, mainly because they have been based on the uncritical acceptance of key assumptions underpinning the deployment of personnel (entry qualifications, occupational ratios, skill mixes, career advancement and grading structures). The assertion that professional engineers, engineering technicians and artisans should be optimally employed on the basis of 1:5:15 (or similar ratios) is a common example (see Bennell, 1984).

Worldwide norms concerning service ratios exist in most areas of public service provision. When these ratios are endorsed by international professional and other relevant organizations, they provide useful weapons for ministry officials and other public sector managers eager to expand their personnel establishments. The fact that professional organizations have often quite narrow occupational interests to protect has been rarely explored let alone challenged by HR planners. In practice, service ratios have tended to be foreign imports that have been only vaguely related to the actual needs of LDC populations, and in particular the poor and rural dwellers.

2.3.2 Resource constraint analysis

For each organization, projections of HR requirements based on unconstrained needs assessments have to be evaluated and adjusted according to financial and other utilization constraints that are or are likely to prevail during the plan (or some other specified) period. Estimating future budgetary provision is clearly of paramount concern. It is surprising therefore just how rarely simple modelling techniques have been used to determine how many personnel are likely to be affordable in the future. With respect to determining the capacity of the organization to increase its establishments, it is particularly important to calculate the growth in total emoluments on the basis of realistic assumptions about grade progression and other promotions along with other key HR flows (in particular retirements and replacements) which have major cost implications. Modelling of this kind is reasonably well developed in the industrial market economies (IMECs) (see Nunberg, 1992).

2.3.3 Personnel availability

HR needs assessment and constraint analysis are concerned with determining the demand for personnel of all types in individual public sector organizations and the public sector as a whole. Once demand estimates have been derived, the next logical step is to ascertain the likely availability of the required personnel and, where necessary, recommend the expansion and contraction of training capacities. Where rigorous constraint analysis has not been undertaken, what has often happened is that unconstrained demand estimates have been used on their own and, given that these have been invariably very large, major shortfalls in supply have been anticipated. This in turn has provided the justification for the expansion of

vocational and other training institutions. In LDCs where the public sector has become the employer of the last resort, governments have then been obliged to employ the graduates from these institutions.

More seriously, politicians in some LDCs seem to believe (or act as if they do) that merely increasing the supply of formally trained personnel will somehow lead to their subsequent employment in either the formal or informal sectors of the economy. HR supply does not, unfortunately, automatically create its own demand, and the public sector in these countries has had to bear the brunt of the adverse consequences that have arisen from this politically seductive but ill-conceived proposition.

2.4 Personnel administration

Despite official pronouncements to the contrary, HR management in the public sector (and especially in central government) has all too often remained narrowly preoccupied with the administration of usually complex, legally defined and enforced sets of uniform rules and procedures governing recruitment, training, promotion, compensation and discipline. As a consequence, not only have the separate HR functions been poorly managed but there has been a marked absence of any strategic HR management directly linked to and supportive of the overall goals and objectives of each organization.

Personnel administration of this type is a symptomatic of the dominant "administration" model of organization that characterizes central government in many LDCs. The principal characteristics of this particular organizational arrangement are authoritarian, hierarchical, and centralized rules and procedures based on rigid bureaucratic notions of legal authority and rationality. In Africa and Asia, many of these rules and procedures date back to the colonial period and as such are intended to ensure control and stability rather than encourage high quality individual performance and promote necessary change.

In this context, management understanding of staff behaviour and, in particular, the problems that are encountered in the delivery of services tends to be limited. Rewards for risk-taking and innovative working practices are rarely available. More generally, practical, organization-specific personnel policies that ensure effective and efficient utilization of personnel under given sets of constraints are the exception rather than the rule.

In countries where the administrative crisis is most critical, the enforcement of personnel rules and procedures has broken down, and corrupt and other opportunistic, "rent seeking" behaviours have become widespread. It could be argued therefore that, in these countries, the first priority is to ensure that these rules and procedures are re-established as quickly as possible rather than attempt any major HR management reforms. There are those who argue, however, that the administrative model is itself so fundamentally inappropriate to meeting the challenges facing the public sector that altogether new organizational arrangements and related management philosophies are urgently needed (see chapter 3).

Personnel administration tends to be the responsibility of relatively low status, poorly educated and trained staff in public sector organizations. Thus, unlike in the private corporate sector, there is no well-developed professional cadre of HR managers with clear responsibilities for all aspects of personnel management, including the formulation of HR policies themselves. This is certainly the case in most central government bureaucracies. Elsewhere in the public sector, in particular in parastatals and public enterprises which have

more operational autonomy and are not therefore so tied to civil service rules and procedures, greater recognition has generally been given to HRPM.

2.5 HR management functions

The following discussion briefly examines the main deficiencies of HR management commonly found in central government in LDCs with respect to the key areas of job design, recruitment, in-service training and career development, promotions and transfers, and performance appraisal.

2.5.1 Job design and job classification

Traditionally, classification and grading schemes have been based on centrally determined criteria and standards. Conventional job evaluation and design techniques have been used to ascertain the "size of a job" according to skill and qualification requirements and duties and responsibilities, and these jobs have then been ranked into separate occupational groupings, each with its own pay schedule.

This type of rigid, centralized classification scheme frequently fails to correspond to actual job requirements in individual organizations. Furthermore, "because traditional classification systems make it difficult for workers to exceed their job descriptions and develop new skills, they discourage creativity and initiative" (Nunberg, 1992, p. 30). In particular, job grades are often rigidly separated, usually on the basis of entry-level qualifications, thereby creating formidable barriers to career advancement.

Professionals and their associations often exert very considerable influence concerning job design, grade systems, and possibilities for occupational mobility in the public sector. By their very nature, professional associations tend to be conservative and seek to protect the privileged position of their members at the apex of occupational hierarchies. Already limited possibilities for career advancement have been further aggravated by increasingly serious financial constraints as the fiscal crises facing the large majority of LDCs deepened during the 1980s.

A common characteristic of central government bureaucracies in LDCs is that recruitment of new staff is concentrated at a small number of (pre-service) entry points. Coupled with limited inter-grade mobility and often highly selective entry requirements, these are therefore "closed" recruitment systems that are largely insulated from competitive labour market pressures. This is most marked in those civil services (in particular those that have been most strongly influenced by the French and the British) which deliberately seek to select and socialize a "chosen elite" of top civil servants.

The recruitment process has also tended to be highly centralized, with the result that the particular needs of individual organizations have been overlooked. Selection biases with respect to gender, socio-economic background, race and ethnic group, and geographical region have also been commonly reported. The protracted bureaucratic and all too often unfair nature of the recruitment process discourages large numbers of talented people to apply for jobs in the public sector. Although competitive entrance examinations are frequently employed, these are frequently poorly designed since they fail to test for relevant job skills and knowledge required for effective job performance.

2.5.2 In-service training

Training should be a planned process to modify attitudes, knowledge or skill behaviour through learning experiences to achieve effective performance in an activity or range of activities. Almost all LDC governments recognize the importance of systematic, career-long training for public sector employees. In fact, a common criticism of politicians and senior policy-makers is that they often attach too much importance to the ability of formal training activities to solve individual learning needs and, more generally, deep seated organizational problems in the public sector. In practice, however, training provision in most central government bureaucracies is seriously deficient, especially for personnel in middle and lower grades. Moreover, with deepening economic crises in most LDCs during the 1980s, training was one of the first expenditures to be slashed.

Numerous criticisms have been levelled against training activities for the public sector in LDCs. Many of these criticisms stem from the poor identification of training needs, and the absence of well-specified training policies with a precise strategic focus. Training tends therefore to be isolated and sporadic, and fails to satisfy the learning needs of individual employees. Training courses usually concentrate on generic, functional subject areas rather than addressing specific organizational problems. In general, there is an excessive preoccupation with the training needs of professional personnel and senior managers.

Most training courses lack relevance, are too classroom-based, rely mostly on textbooks and other training materials which are out-dated and largely irrelevant, and are taught by people who know little about individual trainees and the organizations they work for. There is too much "talk and chalk" with limited trainee participation in the learning process. In short, the pedagogy that continues to underpin training activities in the public sector in LDCs is both ineffective and inefficient.

Public sector training institutions have been expected to provide the bulk of in-service training for public sector employees. They are frequently poorly resourced, do not attract good quality staff, and have generally failed to provide innovative training. Their role has therefore been of marginal importance. Being monopoly providers in many LDCs, they have not had to face any significant competition from private sector training organizations.

The failure to provide training that promotes individual career advancement is another weakness of public sector personnel policies in many LDCs. As noted earlier, staff must normally obtain the same pre-entry qualifications in order to be able to be promoted into higher job grades. What little training that is provided is of limited value to individual staff in enhancing their opportunities for career advancement. The fact that it is usually unaccredited is a major handicap.

2.5.3 Career paths, promotions and transfers

Fixed establishments normally seriously limit career progression in public sector organizations in many LDCs. At the time of independence, with large numbers of vacancies and rapid localization of staff, this did not pose a particularly serious problem. Once positions had been filled by nationals, however, opportunities for career advancement were often quite dramatically reduced.

Poorly designed career paths for specialist technical and professional personnel is a commonly found problem. Career advancement is largely confined to progression up

administrative/managerial hierarchies. The most able professional and technical staff are often obliged therefore to become managers and administrators if they want to be promoted. In other words, "dual ladder" career structures rarely exist that would allow specialist staff career long advancement without having to become managers. Again, this is symptomatic of organizations that are mainly concerned with ensuring control over staff and other resources rather than the delivery of services to the community.

Promotions in the public sector are invariably internal except where no serving employee is able to meet minimum entry requirements. Seniority is usually the main promotion criterion.

Staff transfers are vitally important in ensuring the effective deployment of personnel, particularly in service-oriented organizations. All too often, however, transfers are regarded as punishments and rewards rather than opportunities to broaden the horizon of knowledge of the staff member. The lack of appropriate incentives to attract personnel to remote and other hardship posts is also another major aggravating factor.

2.5.4 Annual performance appraisal

Individual annual and periodic performance appraisal should play a central role in the overall HR management process. Effective appraisal enhances staff motivation, helps to identify individual training needs on a regular basis, and allows staff to be rewarded according to their levels of effort and performance.

In the majority of civil services, performance appraisal systems are so poorly designed and implemented that they are unable to play these roles. Typically, the main preoccupation in appraising staff is to ensure the accountability of the civil servant to the public. The appraisal process is therefore backward rather than forward looking, with little attempt to improve performance. The main impact on rewards is generally limited to the granting of annual salary increments, and to identifying staff who are performing well below requirements.

The appraisal process tends to be top down, centralized, and shrouded in secrecy. Participation by the individual staff member is minimal. Appraisal forms are often poorly designed with vague and ambiguous rating criteria, many of which have little to do with actual job performance.

Most public sector managers are reluctant to appraise their staff using formal appraisal systems since the dominant perception is that the appraisal process is a relatively meaningless ritual which lacks credibility, and has little or no impact on rewards (either for their staff or for them). In order to minimize disruptions, managers therefore opt for the quiet life and tend to be excessively lenient in their ratings so that almost all staff are rated as "good" or "satisfactory".

3. Alternative approaches to HRPM: Planning for human resource development

3.1 A continuum of possibilities

This chapter explores how public sector HRPM in LDCs could be improved in the context of SAP. As always, there is no one improvement strategy that can be universally recommended but rather numerous possible alternatives ranging from incrementalist changes to existing HRPM policies and/or practices to ambitious comprehensive reform programmes. Clearly, however, any discussion about improving HRPM cannot be divorced from the overall strategy of central government and other public sector reform and, in particular, the related management philosophies and principles which underpin any one strategy. We shall therefore first briefly consider the nature of the public sector reform process before examining in more detail possible changes to individual HRPM functions.

3.2 Reforming the public sector

While the need for rapid and substantial improvements in organizational performance throughout the public sector in most LDCs is compelling and urgent, just what improvements should be made and how they should be introduced is far from clear. Many LDC governments are now seeking to follow the lead taken by some of the IMECS in reforming public sector delivery. This reform process has been heavily based on private sector management models coupled with reliance, wherever possible, on competitive market pressures. More specifically, its main themes have been:

- Within the public sector itself, the separation of the purchaser role from the provider role in the delivery of services and other outputs. In the health sector, for example, general practitioners are given their own budgets and are free to purchase the services provided by any hospital in order to meet their patients' health needs. This is the essential rationale that underpins the creation of the "internal market".
- Growth of contractual or semi-contractual arrangements via the creation of markets or quasi-markets;
- Accountability of performance with an emphasis on the public as customer;
- Flexibility of pay and conditions;
- Separation of the political process from the management process;
- A change of organizational culture away from the tradition of administration, hierarchy, and professionalism (see Stuart and Walsh, 1992).

While these themes have been common to most public sector reform programmes in the IMECs, the process of change itself has tended to be quite pragmatic and based on learning-by-doing which, for obvious reasons, has been situation-specific.

The limitations of relying too closely on private sector management models developed in reforming the public sector in LDCs are abundantly clear. For a number of key public service functions (eg. law, defence), there are no close private sector analogies. Nor are there any ready-made performance indicators for the delivery of many services. Perhaps more serious still is the fact that "the image presented of the private sector is seldom based on empirical observation of how this sector actually works. Rather it is taken from how introductory textbooks in business administration say it should work" (Olsen, 1988, p. 55).

In addition, there are all the usual, and now oft-repeated, concerns about the transferability of Western management concepts to culturally, politically, and economically very different developing country contexts.

While accepting the importance of organizational and other constraints in the adoption of private sector management models, it is nonetheless also the case that there are certain key characteristics that are common to all successful organizations, and thus much can be learned that can be usefully incorporated into public sector reform programmes in the LDCs.

3.2.1 Short-term cost containment

The World Bank is spearheading the process of administrative reform in LDCs as part of comprehensive SAPs. To date, the focus of these efforts with respect to HRPM has been on short-term cost containment and "downsizing". This has involved a two-pronged approach:

- (i) Reductions in staff establishments through a combination of measures, most notably recruitment and position freezes, voluntary and compulsory retrenchments, and early retirement programmes;
- (ii) Reductions in the overall wage bill, principally through salary freezes and rationalization of pay and allowances.

According to Nunberg, little is as yet known about the actual impacts of these HR cost containment strategies. Certainly, very little has been published on this topic.

3.2.2 Long-term improvement strategies

It is recognized by most LDC governments, the World Bank and most other major aid donors, and expert commentators on public sector reform that major, sustainable improvements in public sector organizational performance require coherent, well-conceived, long-term strategies backed up by a strong commitment to change at all levels. As noted earlier, there is little consensus about the type of organizational and management changes that are actually needed. At one extreme, there are those who argue that the traditional administration model should be largely retained and that primary attention should be given to those HRPM functions that are in greatest need of improvement. This is essentially a defensive/conservative strategy. To date, the World Bank's reform efforts have tended to follow this more pragmatic, incrementalist approach.

At the other extreme are the proponents of major organizational innovation in the public sector in LDCs. The main argument here is that the traditional administration model is too flawed and must therefore be replaced in a comprehensive through-going fashion. It is generally accepted however that this will take a number of years. A similar argument has formed the rationale for radical public sector reform measures in the IMECS. In Australia,

for example, "in the comfortable days, it was enough that the public sector was competently administered. But now administrators must be skilled in achieving more with less. The public sector has now got to be well managed (Boxhall, 1986, p. 77. See also Commonwealth Secretariat, 1992).

In practice, of course, there is a continuum of reform options between these two extremes. The critical decision for politicians and senior policy makers is to choose what point along this continuum they wish to locate the administrative reform strategy. Put slightly differently, the key question that must be answered is "what degree should traditional administrative controls give way to new managerialist/new public management approaches to civil service management" (Nunberg, 1992, p. 14).

3.3 Creating the responsive organization

This new public sector "managerialism" is essentially based on corporate management approaches originally developed in the private sector which comprise two inter-related strategies — a client-centred market orientation, and performance targets and evaluation. The performance evaluation strategy relies heavily on decision-analytic techniques used in private sector enterprises. Concrete measurable goals and objectives are set for each administrative unit, and managers are expected to reward and punish staff on the basis of their efficient attainment. This in turn requires effective individual performance appraisal, precisely targeted and continuous training, reasonable pay and good opportunities for career advancement, and effective disciplinary procedures to dispense with inefficient staff.

The new managerialism directly challenges the traditional notion of a unified civil service which is no longer treated as a monolithic organization, but rather a collection of loosely-interrelated but separately functioning businesses, each of which has the autonomy to put in place its own planning and management systems. This "agency" approach was pioneered in New Zealand in the early 1980s and has subsequently been adopted in other IMECs, including the United Kingdom and Australia.

The new "responsive" public sector organization directly challenges deep-seated bureaucratic and professional traditions. It is a flexible, organic structure in contrast to the rigid, mechanistic structures that characterize the administration model. The overriding objective is that each organization should be structured and managed in ways that harness the commitment and creativity of its staff, and relates their own individual interests with the promotion of organizational goals. Furthermore, each organization seeks to work in close collaboration with its clients in order to provide services which citizens experience as enabling and empowering rather than dependency creating.

The responsive organizational model draws heavily on the human relations tradition in Western personnel management, in particular by emphasizing the importance of organizing work in ways that are compatible with the social and psychological needs of employees. The main structural characteristics of the model are the replacement of steep administrative hierarchies with flatter organizations which enhance individual responsibility, accountability and innovation, elimination of excessive numbers of middle managers, and a general improvement in communication at all levels.

An emphasis on the decentralization of activities is also consistent with the creation of consumer-orientated organizational cultures and the process of client empowerment. In

rapidly changing environments, responsiveness is dependent on the ability of the organization to learn and thus cope with change. Thus, increased value is attached to staff taking initiatives and risks.

3.4 The challenge for human resource management

The success of the new public sector organization model is dependent on the formation of a new cadre of HR managers who realize that managing people involves much more than simply administering various personnel transactions. HR management should be primarily concerned with planning for human resource development in order to maximize the performance of staff. This role is proactive rather than passive, as has traditionally been the case. Recognition of the centrality of HR management gives considerable power and status to HR managers which have been previously lacking.

The main requirements of effective HR management are as follows:

- (i) The development of a coherent long-term HR strategy which is based on a well-defined HR management philosophy, goals and priorities;
- (ii) The nurturing of sensitive and open relationships within the organization which include recognition of the value of each staff members' actual and potential contribution;
- (iii) Continual striving for more effective, efficient, equitable and responsive performance in the interests of the community and other staff members;
- (iv) Supporting the growth in managers of the attributes of supportive leadership and the pro-active management of change;
- (v) The design and re-design of work, personnel and organization systems to give effect to the above activities.

With regard to HR planning, there should be a shift of emphasis away from medium to long-term quantitative forecasting to maximizing the performance of personnel who are already employed. The administrative crisis is largely due to the poor utilization of these staff. Given therefore that it is the existing staff who have to turn the organization around, the new HR strategy must focus on improving their motivation, particularly through greater teamwork, decentralization, results-orientation, and participation. In order to get staff properly motivated, HR managers need to gain an in-depth understanding of their needs and problems.

The main preconditions for improved motivation are widely recognized, namely adequate pay, recognition of work well done based on effective performance appraisal schemes, training that is well targeted, accessible, accredited, high quality, and continuous and which is linked to attractive career advancement opportunities, and decent working conditions. As the main components of the HR management system, they must be closely inter-related and be mutually consistent. Equally important, staff must themselves be directly and closely involved in the diagnosis of HR problems and in proposing new policies and procedures. Otherwise a sense of ownership will be lacking and they are unlikely to be implemented.

4. Improving individual HRPD functions

This chapter considers practical steps that could be taken to improve individual HRPD functions which, collectively, could significantly increase the motivation and skills and thus overall performance of public sector personnel. While some of these improvements are closely associated with the responsive organization model, many need to be undertaken regardless of the specific institutional development strategy that is adopted.

4.1 Establishment control and planning

For a variety of mainly political reasons, governments in many LDCs have lost effective control over recruitment into the public sector. Prior to recent reform measures, some did not even know how many personnel were physically in post. Regaining control over staff establishments and developing the capacity to undertake basic planning exercises which *will* shape the future size and composition of the public sector is therefore a first priority.

On paper, at least, the traditional administrative model is characterized by a strongly centralized organization structure for HRPD whereas more responsive models seek to decentralize these functions to line managers in individual ministries and other public sector organizations. Nunberg argues forcefully that the "advantages of a centralized civil service management organization-enhanced control, coordination capacity for long-term strategic planning, and generally greater political access for the personnel function, probably favour such arrangements in many LDCs where civil service management lacks just these attributes and where questions of flexibility and responsiveness are important but secondary concerns.... Ubiquitous concerns about fiscal restraint and the poor track record of so many LDCs in restraining civil service expansion underscore the need to keep civil service numbers in tight check through central, uniform controls" (Nunberg, 1992, pp. 19-20).

This does not mean, however, that positive features of responsive organization models (in particular staff appraisal, training, career advancement) cannot be adopted by strengthened personnel departments in individual line ministries. Nor does tight centralized control of personnel recruitment and deployment necessarily imply a single monolithic organization since responsibility for personnel issues can be shared among several entities at the central level. In IMECS, this arrangement is often tripartite, usually with powers divided between a policy guidance body, an oversight agency, and a financial control-cum-monitoring organization (see Nunberg, 1992).

What is abundantly clear is that these central agencies along with personnel departments in line ministries need a HR information system that provides comprehensive data on all aspects of personnel deployments. These data need to be continuously up-dated if planning, evaluation and monitoring functions are to be performed effectively. The establishment of adequate HR information systems has therefore been at the centre of most short-term cost containment strategies (see chapter 5).

4.2 Functional reviews

Centralized HRRM agencies need to develop the capacity to undertake wide ranging functional reviews of personnel deployments throughout the public sector. The purpose of these reviews is to assess how efficiently and effectively personnel in specific organizations are being utilized. This normally involves determining the appropriate match between types and numbers of staff and the specific functions and tasks that need to be performed. Thus, these reviews are a central part of the HR planning process which includes all aspects of personnel deployment, both actual and ideal, and extends as far as analysing the appropriateness of the organization structure of individual organizations.

Functional reviews pinpoint the main constraints to efficient and effective staffing and identify staff who have the required skills to meet organization goals and objectives and those who do not and who therefore need to be retrenched, redeployed or retrained. An important outcome of the review process can be the determination of service ratios which are precisely related to these goals and optimum service delivery. These ratios can be used as a useful indicative rather than conclusive planning tool.

4.3 Labour market analysis

Functional reviews need to be part of nationwide analyses of well-defined occupations that are both ministry specific (eg. road engineers, doctors, agricultural extensionists, etc.) and are employed across a number of ministries and other public sector organizations (eg. accountants, mechanics, typists, caretakers etc). This is particularly important where the public sector occupies a dominant, monopsonistic position with very sizeable proportions of an occupation being employed as public servants.

Proponents of "labour market analysis" (LMA) argue that this is a more useful and practical approach than the traditional MRA forecasts which are notoriously unreliable. Like MRA, LMA also seeks to analyse the supply and demand for specific occupations. However, the main objective of any LMA is to ascertain major short-term imbalances in supply and demand based on market-based indicators and where, therefore, government needs to make adjustments to training provision. In key respects, therefore, the LMA is merely a more elaborated form of traditional rates of return analysis.

The LMA is not only a more qualitative approach to HR planning but it places primary emphasis on the continuous, careful monitoring of economic indicators, in particular relative movements in wage, unemployment, and vacancy rates that signal changes in labour market conditions. For example, low levels of employment, low and declining vacancy rates, and relatively large increases in wage rates for a particular occupation signal that some increase in training provision is likely to be justified.

LMA also focuses on labour market imperfections caused primarily by various kinds of labour market segmentation (most notably discriminatory practices in relation to race and gender, and institutional factors). In many countries, public sector employment policies (such as guaranteed employment for graduates and the existence of very large public-private sector occupational income differentials) are themselves the principal cause of these distortions.

Radical, free-market economists envisage a particularly narrow role for LMA. For example, van Adams et al. argue that "the objective is not to forecast skill shortages or to provide precise estimates of training needs, but to estimate where there will be an upward

or downward pressure on the economic returns to investments in specific skills" (van Adams et al., 1992, p. 22). While recognizing that government intervention to provide information about training and training itself is necessary because of market failures, they argue that governments should rely mainly on market signals to determine private and public investment decisions. This is in many ways therefore simply a re-casting of the "rates of return approach" to education planning (see Blaug, 1970) and, as such, is open to the usual criticisms, most notably the existence of labour market distortions, and a failure to take into account the long lead times that typically characterize occupational training.

Given the problems of defining occupations coupled with the generally poor quality of labour statistics in most LDCs, the LMA delimits labour markets according to education and training qualifications. In other words, the analysis focuses on wage and employment data, for example, of B.Sc. mechanical engineers or laboratory health technicians with a full technicians diploma. This is particularly appropriate for the public sector where there is usually a tight correspondence between formal qualifications, occupational title, and grade.

There are at least two very important implications of the LMA for HR planning in the public sector. First, given its short-term perspective, HR planning has to be undertaken on a continuous, rolling basis requiring therefore the close monitoring of labour market conditions. Generating these data will entail regular re-surveying of representative samples of graduates from a very large number of education and training programmes. Thus, the tracer survey will become the central data collection instrument for the HR planner.

Secondly, given their objections to MRA, the advocates of the LMA do not believe that it is feasible to make precise quantitative estimates of occupational requirements at either the organizational, sectoral or national levels. The approach does in fact generate only quite limited information about the current and likely future state of any particular occupational labour market. But there is a danger here of throwing out the baby with the bath water. Unlike the private sector where occupational substitution is common, occupational requirements in the public sector will continue to be fairly tightly defined in relation to formal job descriptions and qualifications. Thus, by relying on functional reviews, there is no reason why individual public sector organizations cannot arrive at a meaningful set of occupational requirement estimates which can, if necessary, be aggregated for the public sector as a whole. These can be combined with "ball park" estimates of likely private sector demand in the short-term, based on current employment levels, and wage and employment elasticities to give broad estimates of national demand.

This is not to suggest that the inflexibilities of administered labour markets in the public sector should not be eliminated nor that wage determination in the public sector should not be subject to competitive market forces (see below). But to argue that it is impossible to generate meaningful estimates of occupational requirements clearly contradicts the underlying rationale of functional reviews of HR needs which are regularly undertaken in private and public sector organizations worldwide. To reiterate, market mechanisms alone will not tell the HR manager in a public sector organization what personnel will need to be employed given its objectives, and current and likely future resource constraints.

4.4 Job design, grading and career advancement

The rigid, highly segmented structuring of occupations in central government bureaucracies in many LDCs is usually a direct legacy of colonial administration (see

Bennell, 1983). Such segmentation needs to be eliminated or considerably reduced in order to allow a more flexible and thus more efficient and effective utilization of public sector personnel. Again, possible reforms range from radical restructuring of occupational labour markets and the labour processes that underpin them to relatively limited modifications to grading and salary structures.

The proponents of the former approach argue that government should take the lead in the comprehensive, nationwide restructuring of labour markets, and related education and training and qualification systems. An "active" labour market strategy of this kind would, it is argued, create attractive career paths for all personnel (but particularly for the unskilled and semi-skilled in dead end jobs) and, more generally, build the foundation for the creation of "high skill-high participation" societies.

The basic framework for this approach is that skill competency levels should be defined for all occupational groupings in each industry (eg. health, tourism, furniture, metals) from the lowest level jobs to the highest. Competency-based modular training (CBMT) systems can then be established that, with appropriate opportunities for training, allow all staff to progress from one competency level to another. In other words, jobs and the grades to which they belong are defined according to skill levels rather than specific job requirements. All skills training should be nationally accredited so that all skills are portable, thereby greatly enhancing job mobility. In the context of SAP, this could considerably ease the retrenchment and redeployment of public sector personnel.

Such a skills-based approach to job grading represents a direct challenge to traditional labour processes based on Fordist and Taylorist principles. In particular, all staff are encouraged to become multi-skilled, thereby creating a highly skilled, flexible workforce that is needed for the efficient operation of post-Fordist production and organization technologies. It seeks therefore to break down the dominance of pre-entry qualifications in determining career progression in what are often highly segmented internal labour markets, especially in the public sector. In the private sector, internal labour markets are also common, but the possibilities for career advancement have generally been that much greater than in the public sector given the greater importance that is normally attached to on-the-job training, the acquisition of specific skills, and on the job performance. In the public sector, however, major occupational barriers are usually difficult to surmount once formal pre-employment education and training has been completed.

High skill-high participation strategies that are based on variants of this approach are being implemented in a number of IMECS including Sweden and Australia, and it is being actively explored in South Africa (see Mathews, 1988; Bennell, Kraak, and Swainson, 1993).

Other more limited and pragmatic attempts to improve career advancement and skills utilization in the public sector include:

- (i) Broadbanding, where recruits enter government service in a salary range rather than at a fixed point. Classification schemes are considerably simplified, with occupations being clustered into broad bands. Progression within each band is neither automatic (i.e. based on seniority) nor fixed. Instead, personnel are rewarded according to current job performance.

- (ii) Functional reviews can be used to identify the most serious bottlenecks to flexible, rational utilization of personnel and in particular the constraints imposed by grading and pay structures on efficient and effective job performance. Such constraints include very short grades, service and qualification requirements for progression from one grade to another that are unrelated to job/skill requirements, and generalized wage compression.
- (iii) Greater use of non-wage allowances to increase pay flexibility. For example, agricultural research parastatals in Latin America have devised a variety of performance-based incentive schemes (see Bennell, 1985 and 1986).

4.5 Individual performance appraisal

The HR manager's main responsibility is to plan and manage the performance of his/her subordinates. Consequently, the design and management of annual performance appraisal schemes (APAS) is a key component of any new approach to HR management in the public sector. The introduction of such schemes requires, however, major changes in organizational cultures and thus is normally a very complex and long term process.

The overall objective of APAS is to improve individual performance and productivity in a purposeful manner. In order to achieve this, it is necessary that:

- (i) the appraisal process is accorded central importance in the management of human resources;
- (ii) the individual appraisee and his/her needs becomes the focus of the appraisal process;
- (iii) the appraisal process is dynamic, interventionist and forward-looking. The new approach is concerned with the development of the individual staff member in the future;
- (iv) it serves multiple functions (i.e. motivates staff, helps identify training needs, is integrated with the overall planning process, and allocates rewards according to performance);
- (v) it is goal-oriented in seeking to improve individual performance;
- (vi) it involves a high level of participation;
- (vii) the appraisal methodology is accurate, reliable and equitable as possible;
- (viii) it is a continuous rather than a discrete process.

4.6 Learning and training systems

Major improvements in public sector training provision are required in order to meet the learning needs that must be met if administrative reform and SAP as a whole are to succeed. To achieve this, training must become of central importance to all personnel and be closely integrated with all other aspects of HR management, in particular career advancement and performance appraisal. Training is in fact that much more important in the public sector in many LDCs, mainly because public sector employers cannot normally poach the skilled

personnel they require in the same way as their private sector counterparts can when vacancies arise.

As elsewhere, training in the public sector should be based on the continuous identification and development of individual learning needs. Research has shown that most of these needs are not usually met by formal, institution-based training programmes. Nor is training on its own sufficient. Improvements in individual performance must be closely integrated with other organizational and management reforms.

To be successful, training methodologies should be based on learner-centred and driven models of learning and must therefore be participative and action-orientated. In order to be relevant, training activities should address immediate situations and clearly identified problems faced by staff with the actual work group itself, including line managers as the focal point. The main outcome of a training activity should normally be the development of action plans which set out in a simple pragmatic fashion how the work group intends to tackle specific problems. Trainers therefore provide flexible organizing frameworks for interactive group exercises that focus local knowledge on key organizational issues and priorities. It is, in other words, a process of mutual learning and collective reflection based on consultation, self-criticism and, where appropriate, the acquisition of new knowledge and skills.

The involvement of line managers has been found to be one of the most critical factors contributing to the effective use of training via skills and knowledge transfer and the development and implementation of action plans. It is essential therefore that they are centrally involved in all phases (design, delivery, follow-up) of the training process.

Another important lesson is that trainers themselves must be centrally involved in the development of new training programmes and the overall reform of training delivery systems. Functional reviews and in particular detailed job analysis coupled with CBMT are needed in order to make training performance-oriented. CBMT has been widely adopted in both IMECs and LDCs. It is proving to be a cost-effective, relevant, and flexible training methodology which trainees generally find more satisfying than traditional time and norm based training. It embraces both formal and non-formal education and training. For employers, CBMT is also attractive because the training is closely based on actual job requirements. CBMT relies heavily on individualized instruction and can therefore deal with individuals from a variety of backgrounds and of different abilities. Trade unions also recognize CBMT as an appropriate vehicle for worker upgrading and retraining under conditions of rapid technological change. Where sufficient resources are available it can be introduced quickly.

The reform of in-house and public sector training institutions is of vital importance in improving the overall quality of training provision for public sector personnel. In particular, packaged courses which quickly become out-dated need to be replaced with high quality training programmes that are specifically designed to meet the learning needs of specific organizations and groups of personnel. To do this, public sector training institutions should be increasingly forced to compete with private sector providers and become multi-functional support centres offering a range of services including consultancy.

The strengthening of management development programmes is central to the overall process of organizational change and the introduction of new approaches to HR planning and management. This should entail a whole development process including individual study,

self-development, experiential learning, as well as off-the-job training. Managers should be expected to assess themselves against a list of competencies required for effective performance, and select from a menu of training events a suitable mix of activities in consultation with the training department and their own managers.

Finally, the retraining of redeployed and retrenched personnel has also been identified as being critically important in easing the social and political costs of reducing the size of the public sector. With limited wage employment opportunities in most LDCs, the focus of this training has been on providing job relevant skills for the informal sector and smallholder agriculture. In practice, however, possibilities for staff retraining are often limited because it is only those with good basic education, training and experience who can generally adapt quickly. Such workers are usually only a small minority. The age of retrenched staff is another major factor.

5. Implementing HRPM reforms

5.1 World Bank experiences and assessments

Writing in 1990, Nunberg and Nellis concluded their in-house review of World Bank-sponsored programmes of civil service reform with the following emphatic statement:

"The impact of Bank programs to contain the cost and size of civil services through emergency pay and employment reforms has so far been negligible. Efforts in most countries to reduce the wage bill and to decrease the number of civil service employees have yielded minimal results. Moreover, attempts to correct distortions in the structure of pay and employment through the decompression of wages and the rationalization of the remuneration system have had limited success. The disappointing record suggests that reforms to date have been insufficiently ambitious in scope to bring about the degree of change that is needed. Meaningful change is going to require more forceful reforms (op cit., p. 34).

Just what is meant by "more forceful reforms" is, however, not made clear. To date, the World Bank has in fact only undertaken quite limited reviews of HRPM reforms in the public sector in Latin America and sub-Saharan Africa. Nevertheless, the main conclusion reached by the African review is particularly interesting.

"None of the cases reviewed so far revealed any evidence that civil service reform and technical assistance loans have succeeded in fostering the needed change in work attitudes, ethics, and organizational culture that could lead to greater efficiency/productivity in the civil service (p. 6)... The root causes of the inefficiencies and poor performance of the civil service in Africa are more institutional (governance) and structural (incentives framework) than technical. The ultimate goal is to move away from a patrimonial bureaucracy where the emphasis is on control and exercise of power as an instrument of exchange, to one where the emphasis is on delivery of service needed for development and rewards/sanctions reflecting performance and merit. The required transformation is of a structural, behavioural and long-term nature that cannot be accommodated either by traditional SAL or TAL operations" (Dia, 1993, p. 17).

It would appear therefore that the World Bank now recognizes the very serious limitations of what has, to date, been an essentially technocratic, short-term approach to civil service reform as part of SAP. This is particularly the case in Africa where central and local government administration has effectively broken down in many countries, and where, somewhat perversely, attempts to "reform the reformers" by providing them with more resources has often resulted in further entrenching the rent-seeking activities of politicians and civil servants rather than eliminating these activities as was originally intended.

In response to this situation, three new approaches to civil service reform are currently being explored by the Africa Technical Department of the World Bank:

- Long-term "comprehensive" reform involving three main "levels" of intervention namely (a) "institutional adjustment", based on a in-depth examination of the role of the state, legal and judicial frameworks, and the scope for strengthening civil society;

(b) the linking of pay/incentives with performance; and (c) improving economic management.

- Mainly short-term "enclaved" reform where the intervention is completely self-contained from the institutional environment, focuses on a number of key organizations, and as a result is donor-driven and donor-dependent
- A "hybrid" of the comprehensive and enclaved approaches.

5.2 Country experiences

5.2.1 Ghana

Two recent evaluations of administrative reform projects in Ghana and Uganda that have been funded by the Overseas Development Administration (ODA) of the United Kingdom government highlight the serious problems entailed in achieving long-term sustainable improvements in HRPM in the public sector.

As part of the overall reform of the civil service in Ghana, the ODA project supported the following activities:

- The development of a personnel information system through civil service censuses, and the development of computer data bases;
- Pay and grading work, including the development of new Administrative Instructions and a Civil Service Act, the introduction of staff appraisal systems and a "high flyer" scheme;
- Increase capacity to undertake functional reviews and in particular the training of job inspectors and management analysts;
- Support for training, including a study of in-country training and strengthening of the training division of the Central Office of Personnel Management.

The main project input was long- and short-term British management consultants who undertook mainly diagnostic studies in each of the above areas.

Five years after the start of the project, a specially commissioned ODA project evaluation report concluded that:

"The progress on personnel issues has been disappointing...The staff appraisal scheme has been introduced very partially and well behind schedule. Manpower information systems remain weak. Revised schemes of service have not been developed. Although a sensible training strategy was outlined by a consultancy study undertaken as part of the project, this has not been implemented (ODA, 1993a, p. 34).

The main reasons identified for the lack of progress in meeting project objectives are:

- (i) recognition that fundamental reform of the civil service is a long-term process;
- (ii) the generally inadequate capacity to introduce proposed reforms;

- (iii) neglect of socio-cultural factors in the design of HRPB policies;
- (iv) excessive reliance on foreign consultants.

Although ODA was not directly involved in the large-scale retrenchment programme in Ghana, the project evaluation report gives an interesting overview of the success of the programme to date. 36,00 civil servants out of the planned total of 45,000 were retrenched during the late 1980s. Those who were retrenched were given relatively attractive termination packages which, on average, amounted to 2.75 years of pay.

The ODA Evaluation Team reached the following conclusions concerning the civil service retrenchment programme in Ghana:

- *Absence of functional reviews:* Many of the initial reductions were not on the basis of management reviews or job inspections and therefore ran the risk of being somewhat arbitrary;
- *Limited impact of retraining activities:* Only 3,000 retrenched workers (5.6 per cent of the total) received any kind of training. Of these, a mere 189 attended courses at formal training institutions. Most formal training was considered to be inappropriate for individuals destined for agricultural and informal sector employment. Non-formal placements and apprenticeships have been developed as alternative types of training which have been more successful.

The original intention was that one-quarter of all retrenched workers were to find employment in the agricultural sector. By late 1990, however, only half this number had actually done so. Training was to be delivered through extension services which were found to be "haphazard" and generally poorly organized.

These conclusions of the ODA evaluation team in Ghana concerning re-training are in line with those reached by Nunberg and Nellis in their review of civil service reform. "Experience suggests that the technical rationale for these programmes is weak. It would appear that many civil servants being retrenched neither need nor expect to be retrained or redeployed" (op cit., p. 16). In particular, re-training for informal sector activities "may be largely irrelevant". The demand for such training is low and there are all the usual problems of formal training institutions trying to provide training for the informal sector. They note, however, that "redeployment programmes do perhaps have an important symbolic value to the extent that dismissed workers place value on this kind of assistance, whether they themselves avail of it or not." But it "makes more sense to concentrate on severance packages or generous golden handshakes in designing employment reduction programmes as this is where most employee interest and demand has been focused (ibid, p. 16).

- *Minimal monitoring:* Little effort was made to set up systems to monitor the impact of the retrenchment programme on individuals;
- *Gender data:* Data on the gender of retrenched workers were not recorded.

5.2.2 Uganda

An evaluation of the ODA-funded Uganda Public Administration, Training and Institutional Development project identified the following factors which limited project impact and sustainability: inappropriate training; problems in the selection of trainees; high attrition among those who received training; poor coverage of the training; undue emphasis on central government as opposed to local government; inadequate training materials; insufficient local budgets for training; line managers who sometimes frustrated trainees from making better use of training; staff had insufficient resources to implement system improvements; planned donor assistance was not fully implemented; changes in key personnel; imperfect or poor donor coordination; and generally limited impact of the training due to the absence or delay of necessary system reform (see ODA, 1993b).

The success of the project in leaving behind sustainable institutions "does not appear to be great" (ibid, p. 36). High turnover of trainers has been the most serious problem.

5.2.3 Senegal

In 1981, the Government of Senegal created the *Cellule de Controle des Effectifs et la Masse Salariale* (CCEMS), a centralized unit in the President's Office. While CCEMS had some success in limiting the growth of civil service personnel during the 1980s (from 66,152 in 1984 to 67,074 in 1988), the overall wage bill proved much harder to control. It grew by over 20 per cent during the period 1984 to 1988. A major problem was that the authority of the CCEMS did not extend to the army and police which severely restricted its ability to control public sector employment as a whole.

A programme of voluntary retrenchments was only started in 1990. While civil servants have received very attractive termination payments (48-60 months of basic salary), only 3,700 out of the planned total of 5,600 had left by late 1992.

The other key organization established by the government to improve HRPM in the public sector was the *Commission de Rationalisation des Structures des Emplois Publics* (CORASEP). Like CCEMS, CORASEP has had wide-ranging powers to undertake functional reviews of all government departments. CORASEP has had some success in rationalizing the number of public sector organizations and improving the utilization of personnel but it has not succeeded in creating "new organizational cultures" (Tall, 1993).

Human resource advisers (*Conseillers en Ressources Humaines et Organisation*) have also been appointed in most ministries to improve HR management and in particular the training of personnel. In practice, however, the CRHOs have been "marginalized" due mainly to a lack of resources, status and authority.

Tall concludes his study of HRPM in the public sector in Senegal as follows:

"Les resultats obtenus jusqu'ici ne semblent pas repondre aux objectifs initialement fixes. Le programme des departements volontaires n'a pas donne les resultats attendus, le financement des primes n'a pas suivi, les bailleurs sont devenus reticents face à la lenteur de la reforme et au manque d'enthousiasme des candidats au depart (Tall, 1993, p. 121).

5.2.4 Niger

Since 1986 Niger has been undergoing a series of adjustment programmes, each of which contained an element of civil service reform. From 1987-1989, a detailed assessment of the functioning of the civil service, including remuneration policies and training needs, took place (BIT, 1989).

A recent evaluation (Stankiewicz, 1994) indicates that, although Niger can no longer be regarded as an over-administered country, further reductions in public service employment are to be expected. The evaluation strongly suggests that training measures are needed both for those who will be expected to leave the civil service as well as for those who remain. In the latter case, the major objective is to increase productivity in the public administration; in the former case, training has to be provided in line with the creation of private sector employment opportunities.

A major point in the evaluation was furthermore that training could not be seen as a separate activity but ought to be part of more integral civil service reform. Current structural adjustment policies could be seen as catalysts in such a process in those cases where sufficient attention was given to genuine reform of the public sector. However if public sector reform was merely guided by the desire to reduce public expenditure, lower productivity emanating from such a process could result in a downward spiral of lower productivity and lower revenues.

5.2.5 Malaysia

The programme of public sector adjustment in Malaysia has comprised of two main components:

- (i) Retrenchment measures to curtail the rapid growth in personnel that had occurred during the 1970s and early 1980s. Starting in 1982, a recruitment freeze was imposed on the public service except for essential services such as education, health, and security. In 1983, this was extended to both the creation of new posts and recruitment. The impact of these freezes has been considerable. Between 1984 and 1990, public sector employment grew by only 4.8 per cent;
- (ii) Administrative improvement and innovations. The government established a high-powered Panel on Administrative Improvements to the Civil Service in 1986. Personnel management has been one of the Panel's key programmes.

The New Recruitment System introduced in 1992 has far reaching implications for HRPM. Its main features are:

- A totally new grading and classification system which has reduced the number of service schemes from 574 to 274. These have been regrouped into 19 broad service classifications based on the similarity of roles and functions.
- New "critical services" to attract and retain personnel with special qualifications, skills and/or experience.
- Key posts and special grades to raise the capability and quality of managerial leadership in the public service.

- Bonus payments to increase motivation and performance-related salary increments within and between grades.

"The success of the New Remuneration System will depend on an improvement in the personnel performance system in the public sector. It will also depend on larger investments in human resources development activities to upgrade capabilities of staff at all levels" (Chee, 1993, p. 61). As yet, it is too early to evaluate the impact of these reforms on staff performance. However, according to Chee, "the multi-pronged and simultaneous strategies directed at processual, structural and behavioural changes in the public service are beginning to show results in greater responsiveness of the bureaucracy to clientele needs and in the development of a stronger professional ethos among public managers" (ibid, p. 61).

The case of Malaysia highlights three key points. First, it is much easier to introduce reform measures where public services are already functioning at a reasonable level of efficiency and effectiveness and where therefore staff are not demoralized and demotivated. Secondly, the importance of high-level political commitment to the reform process coupled with the creation of a centralized, powerful agency responsible for both the formulation and implementation of this process. And thirdly, the very limited room for manoeuvre, particularly with regard to changing deeply entrenched rights enshrined in constitutions and other legislation concerning the tenure and other employment conditions of public servants.

5.2.6 Philippines

In contrast to Malaysia, attempts at administrative reform as part of the overall process of structural adjustment in the Philippines have largely failed. "What is clear is that the implementation of (structural adjustment) measures has been spotty at best and have produced unintended results, particularly in the area of HRM, that have even been counter-productive" (Tomas, 1993, p. 31). The Aquino government elected in 1986 introduced a variety of new laws in an effort to create a leaner and more efficient public sector. In fact, the number of government employees actually grew by almost 16 per cent in the first three years of the government. A survey of reorganized agencies showed that for every one person displaced by reorganization, 2.39 were hired as replacements. Coupled with significant increases in the levels of compensation for public sector employees (an average of 29.7 per cent in real terms between 1986 and 1989), this resulted in a doubling of the public sector wage bill during this period.

The main effects of the reform measures on government employees have been threefold. First, a significant radicalization as they have become increasingly vigilant about their rights and interests. The level of unionization has increased rapidly. Secondly, widespread demoralization. And thirdly, increasing difficulties in attracting good quality recruits into the public sector.

With respect to HRPM, Tomas identifies the following shortcomings of the administrative reform process in the Philippines:

- Lack of foresight and planning. The enactment of effective legislation has been particularly problematic and the costs of the reforms have been seriously underestimated.

- A general failure to meet the heightened expectations that arose at the time of the transfer of power from the military-based Marcos regime to a democratically elected, civilian government.
- Lack of political will. "In developing countries, government is often regarded not as a service delivery system but as an absorber of surplus labour. The Philippines is no exception. This is the reason why, despite repeated attempts at streamlining the number of people, the bureaucracy continues to grow" (ibid).
- Uneven application of new laws and rules.

5.2.7 Mauritius

A wide-ranging SAP was launched in Mauritius in 1979 but did not really take off until 1982. Personnel management practices were seriously "plagued by a regulatory type of public administration inherited from the colonial days" (Mudhoo, 1993, p. 8). The Public Service Commission jealously guarded its control over HRPM policies and practices. Individual ministries had little control over recruitment.

Prior to the launching of the Public Sector Management Improvement Programme (PSMIP) in 1987, there had been "no conscious or formal policies of adjustment in the field of human resource management" (ibid, p. 51). The overall goal of the PSMIP is to transform the Mauritian public administration into a results-oriented organization. To this end, a new approach to HR management in the public sector has been adopted:

"Managers at all levels are being encouraged to delegate authority, to encourage teamwork, to improve the communication network, to introduce new management styles more suited to their operations and to promote employees welfare" (ibid, p. 62).

A new Ministry of the Civil Service was established in the late 1980s in order to give new status to HRPM. To date, the Ministry has undertaken a survey of motivation, initiated a job inspection programme, computerized the personnel information system, published a comprehensive Personnel Manual, and designed a new performance appraisal system.

The impact of these activities has so far been limited. "What is missing is a team of actors specialized in the field of human resource management" (ibid, p. 113). Training in HR management needs therefore to be strengthened substantially at all levels and line managers need also to be given more operational autonomy and flexibility.

5.2.8 Chile

The size of the public sector was significantly reduced in Chile during the 1980s as part of a far reaching and controversial SAP. However, "little progress was made in improving core personnel policies" (Reid, 1993, p. 38). The main shortcomings of these policies are:

- Excessive job security for most public service employees with therefore little threat of dismissal for poor job performance.
- Recruitment generally only occurs at a limited number of entry level positions. Consequently, most positions are filled internally except where no employee has the minimum skill requirements.

- A new personnel appraisal system was introduced in 1984 but it is largely ineffective. On the one hand, managers have strong incentives to give all their staff high ratings since they face no adverse consequences in terms of their own managerial standing. On the other hand, they have few incentives to give an employee a low rating mainly because the consequences of giving even a moderately negative rating are potentially very serious for the employee.
- Training remains very limited and is still mainly a public sector monopoly.

5.2.9 Argentina

Reid concludes his review of HRPM in the public sector in Argentina as follows:

"Argentina's core civil service policies, even after the reforms, suffer from the same weaknesses as most other Latin American countries. Recruitment policies protect existing public employees from having to compete with their private sector counterparts for openings in all but the very highest and lowest ranks. On top of this, promotions to such vacancies, while nominally based on performance, in effect are virtually guaranteed to reflect little more than seniority. The personnel evaluation system poses overwhelming incentives for evaluators to assign the top two ratings, since to do otherwise is tantamount to providing grounds for dismissal....The one training program that has received most attention recently is a government mandated monopoly subject to no apparent regular review of its cost-effectiveness. Tenure protections cover most government employees. In short, Argentina's core civil service policies suffer from the same pattern of anti-competitive protections typical of many other Latin American public sectors (Reid, 1993, p. 51).

5.3 Some general lessons for the future

Between them, the country case studies cover a wide range of specific issues concerning the improvement of HRPM in LDCs. In addition, there are a number of important general lessons that can be identified.

5.3.1 The diversity of country situations and reform experiences

The case studies highlight the very large differences among LDCs with respect to both the need for reform of HRPM policies and practices in the public sector, and the capacities of governments and public sector organizations to effect desired changes. At one extreme, there are economically successful countries like Malaysia and Mauritius where central government and public enterprises were already functioning at relatively high levels of organizational effectiveness and efficiency prior to the initiation of the administrative reform process, and where the overall objective has been to improve the performance of their public sectors to levels comparable to those in the IMECs.

Equally crucial, the capacity of these countries to undertake successfully this process of reform has been high due both to strong political commitment and control, and the availability of the technical/managerial skills within the public sector necessary to adopt new HRPM policies and practices. Consequently, the degree of restructuring of the public sector and the state that is needed has been relatively limited. In this situation, the new types of HRPM policies discussed in Chapter 3 are much more likely to be successfully introduced and institutionalized.

At the other extreme are countries such as Ghana, Uganda and, to a lesser extent, the Philippines whose public sectors (and particularly their central government bureaucracies) were, prior to the start of the reform process, in an advanced state of administrative decay. Their public sectors had become highly politicized and "rent seeking" activities were endemic. In this context, the introduction of HRPB reforms (even quite minor and seemingly straightforward ones such as improving personnel information systems) has been extremely difficult and more likely than not is likely to be subverted by deeply entrenched political and bureaucratic processes.

Countries like Argentina and Chile occupy intermediate positions. Here, most core public services have continued to be provided throughout protracted economic crises, but there have been widespread inefficiencies caused mainly by poorly designed incentive structures for public sector personnel, particularly those in senior management positions.

5.3.2 The duration, intensity and complexity of the reform process

Reforming HRPB policies and practices in the public sector is a complex, long-term process. As Nunberg and Nellis correctly point out "many of the institutional obstacles to carrying out vitally needed civil service reforms can seem overwhelming and insuperable especially when confronting the long haul problems" (op cit., p. 35). As the case studies show, all governments are faced with complex trade-offs between what kind of administrative reforms they would like to do, can do, and must do. In particular, this involves the interplay between variables of strategy, structure and culture within each public sector organization. Precisely because of the complexity and uncertainty of this process, promoting productivity in the public sector often produces unintended organizational and programmatic consequences.

5.3.3 Environmental factors and the role of incentives

In common with earlier attempts at administrative reform, current reforms initiated as part of SAP have often failed to take sufficient account of "environmental" factors. Organizations are a reflection of the societies in which they operate, the patterns of power and status of those societies, beliefs and attitudes and their inherited traditions. Merely wielding the big stick of SAP conditionality is not enough on its own to transform deeply engrained cultural, social, and political beliefs and associated practices, and ensure the simple transfer of essentially private sector management philosophies and policies that have evolved in entirely different contexts.

HRPB reforms will founder in most LDCs unless major changes are made to the incentive structures that influence the behaviour and thus performance of public sector personnel. Certainly, poor pay and other conditions of service must be significantly improved for skilled personnel in most LDCs. But far more extensive changes need to be made to the incentives that affect staff behaviour, both internally within public sector organizations themselves and externally in relation to other providers of the same or similar services and major client groups.

5.3.4 The preeminence of the political process

From start to finish, administrative reform of any kind is a political process requiring clear constituencies of support both within and outside of the public sector, and strong and consistent political commitment to the reform process at the highest level. More generally, SAP is as much a political programme as it is an economic one. This is particularly the case

in LDCs where administrative, political, and economic crises have been particularly acute and where, therefore, structural adjustment is, in effect, nothing less than an attempt to comprehensively restructure the state itself, and its relationships with society as a whole.

In the worst affected countries, rent seeking, patrimonial states have effectively undermined production in all sectors of the economy. The long-term objective of SAP must be therefore to develop a new kind of state that is more effective, efficient, and non-exploitative with policies and practices that are genuinely supportive of production.

Despite the obvious negative consequences of administrative chaos and other gross inefficiencies, the introduction of SAP does not in itself eliminate strong political and bureaucratic interests. On the contrary, these powerful interest groups are likely to strongly resist reforms that adversely affect rent-seeking activities and overall patterns of patronage and control based on clientelist practices.

The professions in some LDCs have also opposed reforms that have sought to reform occupational structures and to improve the training and deployment of skilled personnel in the public sector. Most notably, efforts to strengthen middle and lower level cadres in areas such as health and agriculture, which place less emphasis on professional personnel in service delivery (sometimes known as "barefoot" manpower strategies), have tended to be strenuously resisted (see, for example, Bennell, 1984).

Another major problem with the current administrative reforms in many LDCs is that SAP is widely regarded as being anti-public sector. It is certainly the case that widespread privatization of public services and significant reductions in the size of the public sector are part and parcel of most SAP. Not surprisingly, therefore, public sector personnel often feel under threat, overworked, and under-valued which, as the case studies reveal, can result in open resistance to the reform process. Of course, this is not just a problem in LDCs. In the United Kingdom, for example, despite all the positive approaches that were adopted during the 1980s "employee relations (in the civil service) became increasingly strained" (Tyson, 1987, p. 154).

Recognition of the primacy of the political along with usually limited managerial capacities means that these constraints must be directly incorporated into the design of administrative reforms. More specifically, carefully crafted institutional development frameworks have to be put in place that directly focus on coping with and overcoming resistance to change.

Bibliography

- Amjad, A. 1987. *Human resource planning: The Asian experience* (New Delhi, ILO Asian Employment Programme).
- Asian Development Bank. 1989. *An assessment of trained manpower needs for agriculture development in Nepal: 1988-2001* (Manila, ADB).
- Bennell, P.S. 1983. "The professions in Africa: A case study of the engineering profession in Kenya" in *Development and Change*, Vol. 14, No. 1.
- . 1985. *Human resource planning and management in the Instituto Nacional de Tecnologia Agropecuaria, Argentina* (The Hague, International Service For National Agricultural Research).
- . 1986. *Human resource planning and management in the Instituto Colombiano Agropecuario* (The Hague, International Service For National Agricultural Research).
- . 1991. *Vocational training in sub-Saharan Africa: Lessons for post-apartheid South Africa* (Johannesburg, Research Report, Education Policy Unit, University of the Witwatersrand).
- . 1992. "Professionalisation: The case of pharmacy in Ghana" in *Social Science and Medicine*, Vol. 16.
- ; Kraak, A.; Swainson, N. 1993. *Human resource development*, Report of the Human Resource Development Research Group of the National Education Policy Investigation (Cape Town, Oxford University Press).
- BIT. 1989. *Niger. Rapport Final. Etude de la gestion des ressources humaines de la fonction publique* (Geneva).
- Blaug, M. 1970. *An introduction to the economics of education* (London, Penguin).
- Boxhall, G. 1986. "Human resources management: An Australian dimension" in Harris, A.C. *Human resources management in public administration* (Auckland, Government Printing Office).
- Chee, S. 1993. *Structural adjustment in the public sector and the management of human resources in Malaysia* (Geneva, ILO, Interdepartmental Project on Structural Adjustment), Mar.
- Commonwealth Secretariat. 1992. *The changing role of government: Administrative structures and reforms* (Sydney, Royal Institute of Public Administration), Feb.
- Dia, M. 1993. *Position paper for improving civil service delivery in sub-Saharan Africa* (Washington, D.C., World Bank, Africa Technical Department).
- Dodge, R.B. 1991. "Towards a new vision of learning in the public sector" in *International Journal of Public Sector Management*, Vol. 4, No. 2.

Godfrey, M. 1991. *Planning for vocational education, training and employment: A minimalist approach* (Geneva, ILO, Workshop on New Approaches to Manpower Planning Analysis).

Hepplestone, W.E. 1985. "The future of human resource management" in Harris, op. cit.

Mathews, J. 1988. *Tools of change* (Sydney, Pluto Press).

Mudhoo, R. 1993. *Administration in the public service and the management of human resources in Mauritius* (Geneva, ILO, Interdepartmental Project on Structural Adjustment), Apr.

Nunberg, B. 1989. *Public sector pay and employment reform: A review of World Bank experience* World Bank Discussion Paper No. 68, (Washington, D.C.).

—. 1990. *Public sector management issues in structural adjustment loans*, World Bank Policy Research and Evaluation Working Paper No. 217 (Washington, D.C.), Mar.

—. 1992. *Managing the civil service: What LDCs can learn from developed country reforms?* World Bank Policy Research Working Papers WPS 945 (Washington, D.C.), Aug.

—; Nellis, J. 1990. *Civil service reform and the World Bank* World Bank Policy Research and Evaluation Working Paper No. 422 (Washington, D.C.), May.

Reid, G.J. 1993. *Public sector resource management in Latin America* (Washington, D.C., World Bank, Technical Department Latin America and the Caribbean).

Rowat, R. 1979. *Trained manpower for agricultural and rural development* (Rome, FAO).

Schmidt, G.D. 1991. "Linking action training to bureaucratic reorientation and institutional reform" in *Public Administration and Development*, Vol. 11, No. 1.

Stankiewicz, F. 1994. *Ajustement structurel et formation au Niger*, document Formation Etudes de Politiques (Geneva, ILO).

Stewart, J.; Walsh, K. 1992. "Change in the management of the public services" in *Public Administration*, Vol. 70, No. 4.

Tall, R. 1992. *L'ajustement dans le secteur public et la gestion des ressources humaines: Le cas du Sénégal* (Geneva, ILO, Interdepartmental Project on Structural Adjustment), Jul.

Tomas, A.S. 1993. *Structural adjustment and human resource management in the public sector: The experience of the Philippines* (Geneva, ILO, Interdepartmental Project on Structural Adjustment).

Tyson, S. 1987. "Personnel management" in Harnson, A.; Gretton, J. (eds.) *Reshaping central government* (London, Transaction Books).

United Kingdom Overseas Development Administration. 1993a. *Evaluation of the Ghana Civil Service Reform Project* (London, ODA Evaluation Department), Apr.

—. 1993b. *Evaluation of the Uganda Public Administration Training and Institutional Development Project* (London, ODA Evaluation Department), Apr.

van Adams, A.; Middleton, J.; Ziderman, A. 1992. *Manpower planning in a market economy with labour market signals*, Policy Research Working Paper WPS 837 (Washington, D.C., World Bank, Population and Human Resources Department), Jan.

Interdepartmental Project on Structural Adjustment

Occasional Papers

1. *Stabilisation, structural adjustment and social policies in Costa Rica: The role of compensatory programmes.* Report of an interdepartmental mission, 4-9 May 1992 (Geneva, October 1992). (out of stock) Also published in Spanish:
Estabilización, ajuste estructural y políticas sociales en Costa Rica: El papel de los programas compensatorios, Informe de una misión interdepartamental, 4 al 9 de mayo de 1992 (Geneva, April 1993).
2. P. Egger: *Travaux publics et emploi pour les jeunes travailleurs dans une économie sous ajustement: L'expérience de l'AGETIP au Sénégal* (Geneva, November 1992). (out of stock)
3. A. Marinakis: *Public sector employment in developing countries: An overview of past and present trends* (Geneva, December 1992).
4. D. Tajgman: *Structural adjustment and international labour standards: A case study of Ghana* (Geneva, March 1993). (out of stock)
5. J. Gaude: *Système de compensation sociale et ajustement structurel: Etude de cas au Honduras* (Geneva, March 1993).
6. A. Marinakis: *Wage indexation, flexibility and inflation: Some Latin American experiences during the 1980s* (Geneva, April 1993).
7. R. Plant: *Labour standards and structural adjustment in Hungary* (Geneva, April 1993).
8. G. Pyatt: *Fiscal policies which support adjustment and balanced development* (Geneva, May 1993).
9. A.N. Mathur: *The experience of consultation during structural adjustment in India (1990-92)* (Geneva, May 1993).
10. R. Plant: *Labour standards and structural adjustment in Mexico* (Geneva, July 1993).
11. P. Egger, P. Garnier and J. Gaude: *Ajustement structurel et compensation sociale: Etudes de cas au Honduras, Madagascar et Sénégal* (Geneva, July 1993).
12. Y. Park: *Public sector adjustment through privatization: The Republic of Korea* (Geneva, September 1993).
13. J. Oliveira: *Training and privatization in Eastern European countries: Suggestions for an operational agenda* (Geneva, September 1993).
14. A. Botelho and C. Addis: *Privatization of telecommunications in Mexico: Its impact on labour and labour relations* (Geneva, November 1993).

15. O. Corvlan-Vsquez: *Compensatory training and retraining programmes under structural adjustment: The case of Chile* (Geneva, November 1993).
16. *Structural change and adjustment in Zimbabwe* (Geneva, November 1993).
17. A.R. Kemal: *Retrenchment policies and labour shedding in Pakistan* (Geneva, December 1993).
18. R. van der Hoeven and F. Stewart: *Social development during periods of structural adjustment in Latin America* (Geneva, December 1993).
19. E. Arena: *Privatization and training: The Mexican case* (Geneva, December 1993).
20. E. Kwiatkowski: *Public sector adjustment through employment: Retrenchment policies and practices in Poland* (Geneva, December 1993).
21. L. Neumann: *Public sector adjustment through privatization: The case of Hungarian telecommunications* (Geneva, March 1994).
22. J. Khl: *Privatization and its labour markets effects in Eastern Germany* (Geneva, March 1994).
23. E.V.K. FitzGerald and G. Mavrotas: *The implications of recent changes in international capital flows for structural adjustment, private investment and employment creation in developing countries* (Geneva, April 1994).
24. C. Rock: *Employment and privatization in Bulgaria's reform* (Geneva, April 1994).

