GHANA CIVIL SERVICE REFORM PROGRAMME

The Project

This ODA project, which commenced in 1987 and comprised consultancy assistance and UK training awards, supported the wider World Bank Civil Service Reform Programme (CSRP). The project's focus was the improvement of the efficiency and effectiveness of Ghana's Civil Service. The immediate objectives of Phase I included strengthening the legislative framework and improving the personnel management of the Civil Service; rationalising and improving salary and grading structures; rationalising the size of the Civil Service and the Ghana Education Service (the teaching staff of the latter were subsequently excluded from the programme at the instigation of the Government of Ghana); and developing the capacity of government to apply Management Services Techniques. The development of training programmes was also an integral part of the project.

Overall ODA inputs, excluding Phase III, total £3.48m. Consultancy fees total £2.55m and the cost of training awards was approximately £0.88m.

The Evaluation

The evaluation covered the ODA project's phases up to May 1992, although a third phase extended the project for a further twelve months. It focuses on the ODA-financed components, but also considers the project's wider context. In addition to the project's phases up to May 1992, the study also covers a Payroll Preliminary Study and an Integrated Payroll and Personnel Database (co-financed with the World Bank). The evaluation team, which included an ODA Economist, a Management Consultant, a Consultant Sociologist and an ODA administrator, visited Ghana in May 1992 and interviewed a sample of returned trainees.

Overall Conclusion & Success Rating

At the start of the project, the Ghana Civil Service pay levels were totally inadequate. There was chronic over-manning as a result of uncontrolled recruitment and no effective resource allocation.

The project has been partially successful. Achievements have been significantly less than were expected at appraisal as many components have taken considerably longer to achieve than planned and many reforms have not yet been implemented. The fact that...
the reforms were essentially externally driven, and lacked the full commitment of some senior members of the Ghana Civil Service, is important in explaining the level of success achieved.

The 120 TC training awards were also *partially successful*. The average cost of awards is very high relative to the likely cost of in-country training, which for courses with large numbers would have been more cost-effective.

### The Main Findings

- In general, the project proceeded according to plan with its diagnostic/design work, but implementation has been considerably less impressive, possibly owing to lack of commitment on the part of the officials responsible.
- The manpower establishment control function has been strengthened by introducing manpower ceilings, although these have not been fully adhered to.
- There has been a considerable widening of relativities of salary scales, although the 1992 'compression ratio' target has still not been met. This improvement has resulted in an increase in average pay levels, which, however, remain totally inadequate in relation to other sectors and the cost of living. A much simplified grading structure was designed but had not been implemented by May 1992.
- Progress-on personnel issues has been slow. The target dates for the draft Administrative Instructions and Civil Service Act were unmet. A staff appraisal system was introduced only partially and behind schedule. Manpower information systems remain weak and revised schemes of service have not been developed.
- The Management Services Division has been successfully established. But output is small and implementation of reviews is beset with problems.
- Although a sensible training strategy was outlined by a project-funded consultancy study, this has not been implemented.
- Although 75% of the retrenchment target for 1987-1989 was achieved, impact on staff levels and salaries was reduced because the recruitment ban was not implemented effectively. The reductions in numbers in consequence varied between one-half and two-thirds of what they would otherwise have been.
- The little information available suggests that the compensation payments minimised the social disruption caused by the retrenchment programme.
- The objectives of the CSRP did not encompass the public sector as a whole but are relevant to the macro-economic objectives of the Economic Reform Programme. The size of the Controller and Accountant General payroll appears to have barely declined over the period of the reform programme.

### Lessons

- A Structural Adjustment Programme (SAP) can strengthen a CSRP by attaching World Bank conditions. Economic recovery boosts government resources and
may help workers to transfer into the private sector.

- Strong government commitment at political and official levels is vital for an effective CSRP and should be taken into account at the design stage.
- Civil service reform is a long term process, and project planning and design should take account of strategic objectives and include a long term implementation plan, taking into account the resources likely to be available.
- Conditionality on a down-sizing programme should cover limits on the Civil Service size and wage bill as well as the numbers to be retrenched. Moreover unless the institutional scope is sufficiently wide, the objectives may be frustrated by increases elsewhere in the public sector, causing resentment in those institutions which bear the retrenchment programme's cost.
- A compensation package is a necessary feature of any down-sizing programme. Training and resettlement schemes must be carefully appraised and need to be provided with appropriate levels of technical support.
- Job inspection programmes are useful in identifying the scope for job reductions, using agreed objective criteria, provided that institutional objectives and the job functions have been examined to see if they are necessary and justified.
- Effective reform requires an effective database on civil servants, including pay and personnel details, from the very start.
- A proper balance between diagnostic studies and day-to-day implementation is needed to ensure that adequate capacity exists to carry out the reforms. For instance, CSRP design should allow for phasing diagnostic work so as to reduce the immediate implementation workload on the recipient institution's management.
- Introducing new grading systems may have adverse cost implications if particular groups of staff are not to suffer pay reductions, and may more easily be achieved during periods of high inflation.
- Appraisal of CSRPs should address key social parameters (e.g. traditional authority structures, family loyalties and gender) which may conflict with the formal management structures and the objectives of the reform programme.
- The project framework for CSRPs (as for all projects) should have precise, quantified and agreed targets for both implementation and monitoring.