

Civil Service Reform

Topic Guide

About this Topic Guide

GSDRC Topic Guides aim to provide a clear, concise and objective report on findings from rigorous research on critical areas of development policy. Rather than provide policy guidance or recommendations, their purpose is to signpost policymakers and practitioners to the key debates and evidence on the topic of focus, to support informed decision-making.

This Guide complements other GSDRC Topic Guides on Service Delivery, and Decentralisation and Local Government; and GSDRC's Gateway Guide on Public Financial Management and Accountability.

Author and contributors

This GSDRC Topic Guide was written by Sumedh Rao – sumedh@gsdrc.org. The production of this Guide was supported by the UK Government.

GSDRC appreciates the contributions of Gary Reid (Independent Consultant); Willy McCourt (World Bank); Jenny Birchall (BRIDGE); and Alan Whaites, Laure-Hélène Piron, Zoe Wildig, and William Evans (DFID).

About GSDRC

GSDRC is a partnership of research institutes, think-tanks and consultancy organisations with expertise in governance, social development, humanitarian and conflict issues. We provide applied knowledge services on demand and online. Our specialist research team supports a range of international development agencies, synthesising the latest evidence and expert thinking to inform policy and practice.

GSDRC

International Development Department, College of Social Sciences
University of Birmingham, B15 2TT, UK

www.gsdrc.org

Suggested citation

Rao, S. (2013). *Civil service reform: Topic guide*. Birmingham, UK: GSDRC, University of Birmingham.

© DFID Crown Copyright 2013

This Topic Guide is licensed under the Open Government Licence:

www.nationalarchives.gov.uk/doc/open-government-licence

The views expressed in this report are those of the author, and do not necessarily reflect the opinions of GSDRC, its partner agencies or DFID.

ISBN: 9780704428959

Contents

1	Civil service reform: What do we know?	1
1.1	Summary	1
1.2	Strength of evidence for the impact of selected interventions	3
2	Concepts	5
2.1	What is the civil service?	5
2.2	Why is the civil service important?	5
2.3	Reform objectives and approaches	6
3	Challenges and traps	10
3.1	Insufficient attention to politics and patronage	10
3.2	Inappropriate transfer of models and practices	11
3.3	Downsizing and cost-cutting	12
3.4	Lack of integration of reform activities	12
4	Lessons	13
4.1	Understanding the context: politics, history, culture	13
4.2	Flexibility, pragmatism, and being vigilant for opportunities	14
4.3	Incentivising performance	15
4.4	Sustaining flexible support	20
4.5	Access and inclusion	21
4.6	Evaluation, results and value for money	21
5	References	23

1 Civil service reform: What do we know?

1.1 Summary

The civil service is usually understood as a subset of the wider public service. This subset consists of government ministries, departments and agencies, including people who advise on, develop, and implement government policies and programmes, and those who manage day-to-day activities. Reforming the civil service is important in improving governance, service delivery, economic policy and public financial management.

Civil service reform activities have included efforts to make government more organised, affordable, honest, and responsive; to bring government closer to the grassroots; and to make government perform and deliver better.

The literature on civil service reform in developing countries suggests that common challenges and traps are:

- **Insufficient attention to politics.** Understanding the particular context's political economy¹ dynamics is likely to be crucial to effective reform. Patronage is often a particularly important challenge.
- **Attempting to transplant one country's organisational structures and practices to another without due consideration of contextual differences.**
- **Over-emphasising downsizing and cost-cutting.** An excessive focus on cost-cutting can undermine government effectiveness and fail to produce lasting savings.
- **Failing to integrate reform activities into a wider policy and organisational framework.**

The following key lessons have emerged from experience:

- **A thorough understanding of context has assisted planning and implementation of reform.** Evidence indicates that successful reform requires strong domestic political leadership. Political economy analysis tools can be useful for understanding context.
- **Both whole-of-system and incremental approaches have been successful.** An incremental approach is most likely to be sustainable and politically feasible. Approaches for reform include identifying 'windows of opportunity' and 'islands of effectiveness' to build on. Different reform models or approaches may be appropriate depending on the context.
- **Introducing merit-based systems through wide-ranging organisational changes has improved performance and accountability and the ability to attract better-educated staff, has reduced corruption, and is associated with higher growth rates.** Interventions that are narrowly focused on improving pay and conditions, performance management or performance monitoring have been difficult to implement, and have not always provided

¹ Political economy relates to the prevailing political and economic processes in society – specifically, the incentives, relationships, distribution and contestation of power between groups and individuals – all of which greatly impact on development outcomes. See the GSDRC's *Political Economy Analysis Topic Guide*: <http://www.gsdrc.org/go/topic-guides/political-economy-analysis>

clear benefits. The evidence relating to the effects of performance-related pay in the core civil service is uncertain, typically owing to difficulties in quantifying outputs of core civil service departments, compared to service delivery units.

- **Long-term and flexible donor support has contributed to successful civil service reform.** Reform can be slow and can therefore require consistent, continuous support. In addition, capacity needs can arise that require responsive support.
- **Monitoring public administration performance and changes in it can be challenging** because it can be difficult to identify tangible results outside of direct service delivery. Many assessments and information sources are available from which to tailor context-specific assessment tools.

1.2 Strength of evidence for the impact of selected interventions

		Understanding the context: politics, history, culture (p. 13)	Incentivising performance						Sustaining flexible support (p. 20)	
			Merit-based recruitment and promotion (p. 16)	Pay and conditions			Performance monitoring			Ethics codes (p. 19)
				Increasing base salaries (p. 16)	Performance-related pay (p. 17)	Donor salary support (p. 17)	Top-down performance monitoring (p. 18)	Bottom-up performance monitoring (p. 19)		
Impacts on civil service reform	Positive	[LIMITED] Multi-country (A)	[MEDIUM] Multi-country (C); Multi-country (D)	[LIMITED] Brazil (E, F)	[MEDIUM] Multi-country (G)		[LIMITED] South Africa (J)	[LIMITED] Uganda (K)		[MEDIUM] Multi-country (M); Multi-country (N); Tanzania (O)
	Neutral				[MEDIUM] Multi-country (H)			[LIMITED] Uganda (L)	[MEDIUM] Multi-country (B)	
	Negative					[LIMITED] Sierra Leone (I)				

This evidence guide is not a comprehensive review, but gives an overview of the evidence discussed in this topic guide. Letters in parentheses refer to the sources identified on the following page.

Key to evidence base

- [STRONG]** Mix of methods; multiple contexts; significant number of relevant studies or literature reviews
- [MEDIUM]** Mix of methods; multiple contexts; some relevant studies or reviews
- [LIMITED]** Limited methods; isolated context; few relevant studies.

References cited in the evidence table above

- A [S; OR]: Bunse, S. & Fritz, V. (2012). *Making public sector reforms work: political and economic contexts, incentives, and strategies*. Policy Research working paper 6174. Washington D.C.: World Bank.
- B [P&E; OBS]: Garcia-Sanchez, I., Rodriguez-Dominguez, L., & Gallego-Alvarez, I. (2011). Effectiveness of ethics codes in the public sphere: Are they useful in controlling corruption? *International Journal of Public Administration*, 34, 190-95.
- C [P&E; OBS]: Evans, P. & Rauch, J. (1999). Bureaucracy and growth: a cross-national analysis of the effects of 'Weberian' state structures on economic growth. *American Sociological Review*. 64(5): 748-65.
- D [P&E; OBS]: Recanatini, F., Prati, A. & Tabellini, G. (2005). *Why are some public agencies less corrupt than others? Lessons for institutional reform from survey data*. Draft presented at PREM Week forum. Washington, DC: World Bank.
- E [P&E; OBS]: Menezes-Filho, N., & Pazello, E. (2007). Do teachers' wages matter for proficiency? Evidence from a funding reform in Brazil. *Economics of Education Review*, 26(6): 660-672.
- F [S; SR] Carr, S. et al. (2011). *What is the evidence of the impact of increasing salaries on improving the performance of public servants, including teachers, nurses and mid-level occupations, in low- and middle-income countries: Is it time to give pay a chance?* Systematic Review. EPPI Centre, Social Science Research Unit, Institute of Education. London, UK: University of London.
- G [S; OR]: Hasnain, Z., Manning, N., & Pierskalla, J. H. (2012). *Performance-related pay in the public sector: A review of theory and evidence*. Policy Research Working Paper 6043. Washington D.C.: World Bank
- H [S; OR]: Scott, Z. (2010). *Performance related pay*. GSDRC Helpdesk Research Report 661. Birmingham, UK: GSDRC
- I [P&E; OBS]: Poate, D., Balogun, P., Rothmann, I., Knight, M., & Sesay, F. (2008). *Evaluation of DFID country programmes. Country study: Sierra Leone*. Evaluation Report EV690. DFID
- J [P&E; OBS]: Friedman, J. (2011). *Sticking to the numbers: Performance monitoring in South Africa 2009-2011*. Princeton University
- K [P&E; EXP]: Björkman, M., & Svensson, J. (2009). Power to the people: evidence from a randomized field experiment on community-based monitoring in Uganda. *The Quarterly Journal of Economics*, 124(2), 735-769.
- L [P&E; OBS]: Björkman, M., & Svensson, J. (2010). When is community-based monitoring effective? Evidence from a randomized experiment in primary health in Uganda. *Journal of the European Economic Association*. 8(2-3), 571-581
- M [S; OR]: Evans, A. (2008). *Civil service and administrative reform*. IEG Working Paper 2008/8. Washington D.C.: World Bank.
- N [S;OR]: Turner, M. (2013). *Summary report of the public sector governance reform evaluation*. DFID, Sida, Irish Aid and Oxford Policy Management.
- O [S; OR]: Morgan, P. & Baser, H. (2007). *Building the capacity for managing public service reform: The Tanzania experience*. Discussion Paper 57Q. Maastricht: European Centre for Development Policy Management

Key to research descriptors²

[P&E]	Primary and Empirical	[S]	Secondary
[EXP]	Experimental	[SR]	Systematic Review
[OBS]	Observational	[OR]	Other Review

²Research descriptors are based on DFID (2013). *How to Note: Assessing the Strength of Evidence*. UK: Department for International Development.

2 Concepts

2.1 What is the civil service?

The most common use³ of the term ‘civil service’ – and the one adopted in this guide – refers to the core, permanent administrative arm of government. It includes officials working in government ministries, departments and agencies: personnel who advise on, develop, and implement government policies and programmes and manage day-to-day activities. Some authors extend this definition to include the wider public service, such as the military, the police, teachers, health workers, and public enterprises, but only the ‘core’ civil service is covered here.⁴

2.2 Why is the civil service important?

Schiavo-Campo and Sundaram (2001) outline six reasons for the importance of the civil service:

- **Governance:** A necessary, but not sufficient, condition for good governance is a skilled, motivated and efficient civil service with a professional ethos. By contrast, an ineffective or inefficient civil service is sufficient to produce bad governance.
- **Public goods and services:** Access to public services and their quantity and quality largely depend on the skills and motivation of the civil servants who provide or oversee the services.
- **Economic policy improvements:** Some reforms in this area depend particularly for their implementation on competent and motivated civil servants.
- **Management of public expenditure and revenue:** The civil service is critical for the responsible management of public expenditure and revenues. Responsible management requires the provision of sustainable employment opportunities for competent and motivated personnel.
- **Fiscal sustainability:** The civil service can help maintain the sustainability of public finances. A well-chosen combination of measures affecting the number of employees and their salaries can improve the effectiveness of the government apparatus while also reducing its cost.
- **Institutional development:** This is a move from a less efficient to a more efficient set of rules and incentives. An example could be better implementation of regulatory frameworks: a skilled and motivated civil service can work with external organisations to help them better interact with the relevant regulatory frameworks and entrench better ways of working.

³ There is no standard definition of ‘civil service’ or ‘civil servant’, either in academia or in donor organisations (Evans 2008). This topic guide’s working definition is based on the most common usage in the literature (e.g. Evans 2008; Girishankar et al. 1999; McCourt, 1999).

⁴ For information on service delivery, see GSDRC’s Topic Guide on that subject: <http://gsdrc.org/go/topic-guides/service-delivery>

2.3 Reform objectives and approaches

The focus of civil service reform has changed over time, and opinions differ about the goals and objectives of civil service reform. McCourt (2013, below) identifies six major problems faced by the civil service, and six major approaches to reform. These challenges and types of reform can overlap and are not mutually exclusive.

Table 1: Civil service reform problems and approaches

Problem	Approach	Main action period
1. How can we make government better <i>organised</i> and broadly <i>competent</i> ?	'Weberian' public administration and capacity-building	Post-independence period in south Asia and sub-Saharan Africa
2. How can we get government <i>closer</i> to the grassroots?	Decentralisation	1970s to present
3. How can we make government more <i>affordable</i> ?	Pay and employment reform	1980s and 1990s
4. How can we make government <i>perform better</i> and deliver on key objectives?	New Public Management	1990s to present
5. How can we make government more <i>honest</i> ?	Integrity and anti-corruption reforms	1990s to present
6. How can we make government more <i>responsive</i> to citizens?	'Bottom-up' reforms	Late 1990s to present

Source: McCourt, W. (2013). *Models of public service reform: A problem-solving approach*. Policy Research Working Paper 6428. Washington D.C.: World Bank. <http://go.worldbank.org/SJERYOD1E0>

There is no single globally-recognised conceptual framework for civil service reform, so reforms often lack a robust and explicit theory of change (World Bank 2011b; Scott 2011). Each of the six approaches to reform described here is based on an implicit theory of change, and can help clarify underlying assumptions.

'Weberian' public administration and capacity building

Max Weber's studies of bureaucracy advocate efficient, rational and hierarchical organisations (see Weber, 1978). A 'Weberian' approach focuses more on administration and the creation of a functioning bureaucracy than on politics and elected politicians. It emphasises hierarchy and inputs, specifically efficient resource management. Minogue (2001, cited in McCourt 2013) identifies the main features of the approach as:

- A separation between politics and elected politicians, and administration and appointed administrators
- Administration that is continuous and rule-governed
- Administrators who are trained professionals, appointed on the basis of qualifications

- A functional division of labour, and a hierarchy of tasks and people
- Resources belonging to the organisation, not the individuals within it
- Public servants serving public, not private, interests.

To a certain extent, these ideals underpin any reform that implements a hierarchical, rule-based system. However, a Weberian approach is distinguished by an emphasis on centralised administration, a focus on structure rather than outputs, and the replacement of patronage by a rational, orderly system. It is, though, becoming increasingly clear that reforms are dependent on political and social dynamics (Unsworth 2007) – a point overlooked by the Weberian approach.

Decentralisation

Decentralisation – the transfer of power from central to lower levels of government – can include responsibility for planning and managing various government functions, as well as for resource-raising and resource allocation⁵. Scott and Rao (2011) identify three main types of decentralisation:

- **Administrative decentralisation:** Transfer of authority, resources and responsibilities from central government to field offices and agencies through deconcentration or delegation. **Deconcentration** is the transfer of power to local officials who are dispersed across the country, but with hierarchical accountability maintained between local units and the central government. It is often seen as the first step for countries wanting to pursue decentralisation. **Delegation** refers to the transfer of authority and responsibility from central government to specialised local agencies, such as hospital boards or project implementation units, which have greater independence but still remain accountable to the central ministry.
- **Political (or ‘democratic’) decentralisation:** Transfer of power to lower levels of government, which are elected by local citizens and are accountable to citizens rather than to central government. Political decentralisation requires a constitutional, legal and regulatory framework to ensure accountability and transparency. **Devolution** is the transfer of substantial responsibility, decision-making, resource and revenue generation to a local government that has significant autonomy. Devolved units are normally independent legal entities and fully elected.
- **Fiscal decentralisation:** Transfer of funds, and sometimes revenue-raising powers, from central to lower levels of government; part of both administrative and political decentralisation. Resource allocation is often negotiated based on factors such as interregional equity, availability of resources and local capacity.

In any country there are likely to be both deconcentrated and devolved systems operating in parallel (e.g. centrally appointed district officers and elected local governments) and in the same locality.

Decentralisation can be pursued for a number of reasons: for example, to bring decision-making as close as possible to the people affected, or to respond to political and geographic tensions (McCourt 2013).

⁵ For further information on decentralisation see: Scott, Z., & Rao, S. (2011). *Topic guide on decentralisation and local government*. London, UK: Commonwealth Secretariat / GSDRC. <http://www.gsdrc.org/docs/open/DecLocGov2011.pdf>. This Topic Guide explores the design, implementation and evaluation of decentralisation reforms and local government practices. It synthesises current debates on the impact of decentralisation and local government on poverty reduction, service delivery and conflict, and it includes summaries of key texts.

The transfer of authority and responsibility, which administrative decentralisation entails, is also a component of New Public Management (NPM) (Polidano 1999) – such as in its focus on creating smaller management units with decentralised budgets (Hood 1991; see NPM section below).

Pay and employment reform

McCourt (2013) notes that pay and employment reforms, common in the 1980s and 1990s, have sought to reduce the fiscal burdens that have arisen from public sector development. Nunberg (1994) gives examples of some of the many civil service reform initiatives that affect pay and employment conditions:

- Employment reduction mechanisms such as voluntary departure and early retirement
- Retraining, redeployment, credit and public works programmes for redundant employees
- Cost-of-living salary supplements or top-ups for specific roles
- Attempts to make wages more equitable, and the pay system more efficient.

These initiatives have tended to prioritise short-term cost reduction, but they have also aimed to make the civil service more effective and efficient (Nunberg 1994).

New Public Management (NPM)

New Public Management (NPM) is a loose term for a set of broadly similar administrative doctrines popular in many OECD countries from the late 1970s (Hood 1991). It builds on other approaches such as 'Weberian' public administration and makes use of administrative (but not political) decentralisation and pay and employment reform techniques. The overall approach, however, has a different focus: NPM essentially consists of changing from a public administration doctrine of regular, predictable behaviour to behaviour driven by performance. There is no defining set of 'NPM reforms', but the following seem to be key components of NPM (Hood, 1991; Dunleavy et al., 2006; McCourt, 2013):

- **Hands-on professional management:** Active, visible, discretionary control of organisations from people at the top of the hierarchy.
- **Explicit standards and measures of performance:** Defined goals, targets, indicators of success, preferably expressed in quantitative terms, especially for professional services. Moving towards a greater emphasis on specific performance incentives and responsiveness to clients.
- **Greater emphasis on output controls:** Resource allocation and rewards linked to measured performance. Break up of centralised bureaucracy-wide personnel management.
- **Shift to disaggregation of units:** Unbundling of management systems into units built around products, operating on decentralised budgets and dealing with one another on an 'arms-length' basis. Effectively splitting up large public sector hierarchies with delegation of responsibilities.
- **Shift to greater competition:** Moving to defined-term contracts and public tendering procedures. Introducing purchaser/provider separation into public structures so as to allow greater competition.
- **Emphasis on private-sector styles of management practice:** Moving away from the 'military-style' public service ethic. Greater flexibility in hiring and rewards. Greater use of public relations techniques.
- **Emphasis on greater discipline and parsimony in resource use:** Cutting direct costs, increasing labour discipline and resisting union demands, thus limiting 'compliance costs' to business.

In general, there has been little implementation of NPM in developing countries (McCourt and Minogue 2001; McCourt 2013). Dunleavy et al. (2006) argue that NPM is "dead", as it has come to involve a

policymaking process that is too complex and less able to respond effectively to social problems. McCourt (2002) argues that, while there is scope for more use of NPM in developing countries, there should be greater effort to develop approaches from existing structures so as to be better suited to the context.

Integrity and anti-corruption reforms

An anti-corruption approach aims to reduce opportunities and incentives for corruption, rather than to increase performance⁶. The World Bank (2000, 2011a) suggests that anti-corruption reforms require:

- **A meritocratic civil service with monetised, adequate pay:** Eliminate patronage by instituting meritocratic systems for appointment, promotion, and performance evaluation and, where feasible, establishing an independent civil service oversight body.
- **Enhanced transparency and accountability in budget management:** Reduce the diversion of resources into off-budget accounts.
- **Enhanced transparency and accountability in tax and customs:** Simplify tax policy and eliminate discretionary exemptions. Professional staff, standardisation of forms and procedures, and transparent systems can help.
- **Policy reforms in sectoral service delivery:** Privatisation of service delivery processes can improve delivery, as long as tendering and contracting are transparent and contract execution can be monitored. Reducing non-cash transactions, including barter and arrears offsets, can also reduce private profiteering.
- **Decentralisation with accountability:** Decentralisation of service delivery can make the state more responsive to people's needs and improve service delivery once there has been sufficient reform to boost regional/local capacity in auditing and financial management.

In parallel with reforms in sector policy and practices, strengthening public oversight of the quality of service delivery can promote improvements.

Bottom-up reforms

In this approach, citizens set civil service priorities: it involves more than isolated bottom-up interventions such as citizens' charters that are mandated by public managers⁷ (McCourt, 2013). Rather, organised communities participate in devolved authority structures and keep local governments accountable. Community-driven development, citizen report cards, citizen score cards and participatory budgeting are examples of how reform can be initiated from the bottom up.

⁶ For further information on integrity and corruption see U4 Anti-Corruption Resource Centre, for example their work on PFM and Procurement: <http://www.u4.no/themes/public-financial-management-and-procurement/> and Transparency International's Gateway Project, for example their Topic Guides: <http://gateway.transparency.org/guides>

⁷ For further information on types of accountability interventions see the GSDRC Topic Guide on Empowerment and Accountability: <http://www.gsdrc.org/go/voice-and-accountability/>

3 Challenges and traps

Key points

Some of the most common mistakes made in designing civil service reform interventions include:

- Giving insufficient attention to politics and patronage
- Attempting to transplant one country's structures and practices to another country without due consideration of contexts
- Over-emphasising downsizing and cost-cutting
- Failing to integrate reform activities into a wider policy and organisational framework.

3.1 Insufficient attention to politics and patronage

Understanding the political dynamics of a context and anticipating what would motivate stakeholders is likely to be crucial to reform (Unsworth 2007; Robinson 2006). One of the reasons for failed civil service reforms has been taking a technocratic approach (Girishankar et al. 1999) – assuming that the introduction of formal rules is sufficient to change behaviour. The effectiveness of a new system is a function of the political conflicts and compromises that emerge around its implementation (Grindle 2010). Scott's (2011) literature review of public sector reform finds that more attention needs to be paid to politics⁸ in both the design and implementation of reforms.

Without sufficient attention to politics, barriers to reform can arise as a result of organisational silos within the civil service, functional territorialism, unfamiliarity with working together, and perceived threats to authority (Turner 2013). Reforms can be left incomplete if political costs outweigh potential gains at the implementation stage (Bunse and Fritz 2012). Patronage (e.g. politicians rewarding supporters with jobs) is often a particularly important challenge in civil service reform (Grindle 2010). It can be of particular detriment to women, who are generally excluded from male-dominated patronage and power networks (Goetz 2003).

When political incentives are correctly judged so that political pay-offs are continuously maintained, reform momentum can remain strong (Robinson 2006). However, it is likely that patronage systems will only be supplanted by career civil service systems slowly, incrementally, and adaptively (Grindle 2010).

⁸ Effective public organisations, such as the civil service, evolve through a political process of bargaining between the state and organised groups in society (Unsworth 2007), and reforms are part of an ongoing political process of construction, deconstruction, and reconstruction (Grindle 2010).

3.2 Inappropriate transfer of models and practices

Civil service models and practices are context-specific and will not necessarily succeed if transplanted into different contexts (Dolowitz and Marsh 2000). Often, it has been the developing countries with the weakest capacity that have been exposed to the heaviest transfer of experience and ideas from donor countries. Such reforms have generally been unsuited to the context and thus unsuccessful. For example, there is only limited evidence demonstrating the effectiveness of NPM reforms (Joshi 2008).

Comparing the success of New Public Management in Singapore and Bangladesh: developed markets, judiciary and state capacity are critical factors

Sarker (2006) analyses the civil service reforms of Singapore and Bangladesh, arguing that these reforms can be classified under the New Public Management (NPM) model. The author identifies preconditions for successfully establishing NPM programmes: a reasonable level of economic development, including functioning markets, which in turn depend on a well-developed judicial system to ensure the rule of law; basic administrative processes to ensure efficiency and control; and state capacity to undertake reforms decisively.

Whilst Singapore fulfils many of these preconditions, Bangladesh does not:

- **Level of economic development and basic public administration processes:** Singapore has achieved significant economic growth. It has focused on establishing meritocracy, solid organisational frameworks, the rule of law, and public administration accountability. Bangladesh has failed to achieve these.
- **Political commitment:** In Singapore, political leaders have consistently supported reform implementation. The former Prime Minister, Lee Kaun Yew, repeatedly expressed his commitment to a competent, neutral, and honest civil service. In Bangladesh, efforts to overhaul the administrative system have not been backed by strong political will.
- **State capacity:** The Singaporean state has become efficient and capable. This is in part due to low levels of political and social pluralism, which has helped maintain political stability, kept state decision makers insulated from clientelist groups, and reduced resistance to the formulation and execution of laws. However, state capacity remains a hurdle for NPM-style reform in Bangladesh and other developing countries.

Sarker (2006) suggests that Bangladesh has been susceptible to the pressures of international donor agencies, which have not paid sufficient attention to ensuring buy-in from political leaders and the public bureaucracy. Singapore, Sarker argues, is an example of how capacity building in the public sector can enable economic modernisation and further administrative modernisation along the NPM logic.

Source: Sarker, A., (2006). *New Public Management in developing countries: An analysis of success and failure with particular reference to Singapore and Bangladesh*. *International Journal of Public Sector Management*. 19: 2, 180-203

3.3 Downsizing and cost-cutting

Even though the burden of the civil service wage bill is considerable for developing countries, focus on cost-cutting can jeopardise the effectiveness of government and rarely produces lasting savings (Schiavo-Campo and Sundaram 2001). Downsizing initiatives have often failed to permanently reduce the size of the civil service (Reid 2006) or to improve economic management or service delivery (Girishankar et al. 1999). There can be strong resistance to downsizing initiatives; large-scale involuntary dismissals are often politically difficult (Rama 1999).

However, gradual approaches to reducing the size and cost of the civil service have achieved some success. These have involved, for example, fixed staff structures⁹ and partial hiring freezes in Europe and Central Asia (Reid 2006), and strong government commitment and employee participation in Ghana (1980s) and Uganda (1990s) (McCourt 1998; McCourt 2001). In Ghana and Uganda, the government also made provisions for those who were disadvantaged by the process. However, both savings and overall impact were lower than expected (McCourt 2001).

3.4 Lack of integration of reform activities

Interventions are only likely to have a lasting impact if they are integrated into wider policy and organisational frameworks and if deeper organisational factors are addressed (McCourt and Sola 1999). For example, isolated training activities can produce perverse incentives: people may attend donor-funded workshops just to collect ‘per diem’ payments (the ‘carpe per diem’ culture). Placing support for training under project budgets so that it contributes to project objectives has been helpful in ensuring long-term benefits from the training, as has better integration of training activities into wider skills development frameworks. An organisation’s structure and culture and the commitment of line managers impacts the effectiveness of training as a vehicle for reform (McCourt and Sola 1999).

Reform activities’ lack of integration into wider frameworks has also led to implementation failures in e-government – the use of information and communication technologies (ICT) to improve the activities of public sector organisations. Heeks (2003) notes that the majority of e-government for development projects fail because of gaps between project design and on-the-ground reality. In a case study of the implementation of land management information system in *Bahir Dar*, Ethiopia, the modest measure of success achieved was explained by serious gaps in other, related management systems and structures, as well as staffing, and stakeholder objectives and values (Lessa et al. 2012). Specifically, there was a failure to introduce new salary structures into human resource management systems, or to clearly define promotion levels for ICT staff.

⁹ Specifically, the ‘establishment control regime’ model, in which departmental organisational structures are agreed with the central personnel office or finance department. Approval is then given for a hierarchical staff structure for each department, expressed in terms of authorised positions, each with a designated grade level. This constitutes an establishment list, and is the basis for both budget making and personnel recruitment and promotion. See further details in: World Bank (n.d.) *Establishment Control & Pay Determination*. Washington, D.C.: World Bank.
<http://go.worldbank.org/GAQVLCYI20>

4 Lessons

Key points

The following key lessons for governments and donors have emerged from experience of civil service reform:

- A thorough understanding of context has assisted planning and implementation of reform
- Both whole-of-system and incremental approaches have been successful
- Introducing merit-based systems has improved performance and accountability
- Long-term and flexible donor support has contributed to successful civil service reform.

4.1 Understanding the context: politics, history, culture

Understanding the interplay between public organisations and the surrounding social context is fundamental to developing a reform strategy (Andrews 2008). Evidence indicates that successful reform requires strong domestic political leadership. Political economy analysis tools can be useful for understanding context.

In an evaluation of 19 cases where the World Bank was involved in civil service reform, Evans (2008) finds that generally reform efforts have not been successful and argues for a more coherent strategy, but also for more coherent technical and contextual analysis provided through clear diagnostic tools. She notes that analytical tools in the area of civil service reform are relatively underdeveloped and underused, partly due to a lack of international consensus around the 'right' civil service reform.

Successful reform requires strong domestic leadership (Scott 2011). In a study of seven Sub-Saharan African countries, Kiragu and Mukandala (2003) found that where political groups (e.g. parties, civil society, media and trade unions) were vying for power and influence and competing effectively (competitive pluralism), this meant chaotic, stalled or reversed reform. However, when one group was dominant (uncompetitive pluralism), there was systematic and effective reform. Countries that fell in between underwent 'on-and-off' reform.

In a case study in Ghana, Roberts and Andrews (2005) find that political support and ownership must be established in a recognised form and must last beyond the initial motivation and the painless parts of the reform, so as to garner support from the development community. The study notes that reforms will only be sustainable if they demonstrate early benefits to key players in the process. It also highlights the importance of the organisational dynamics within the civil service; in this case, interagency rivalry meant that agencies failed to work together, and the reform fell apart.

Morgan and Baser (2007) identify a case in Tanzania where reform has progressed, in part due to the actions of government officials and governing elites that were broadly supportive of the need to improve

public service performance. In particular, they highlight the role of the President's Office - Public Service Management (PO-PSM) unit as particularly important in catalysing change.

Political economy analysis tools (such as power analysis, drivers of change, strategic corruption and governance analysis, poverty and social impact analysis, and problem-driven political economy analysis) can be used to better understand country context (Haider and Rao 2010).¹⁰ They can also be used to evaluate capacity gaps, governments' ability to enforce the discipline necessary for reform, governments' level of commitment to reform, and the constitutional foundation for reform (Turner 2013). In a ten-year review of World Bank public sector operations, Bunse and Fritz (2012, p. 37) find that "investing in more explicit attention to political economy and developing more political economy responsive approaches to public sector reform support can pay off", although they describe the evidence as "tentative".

4.2 Flexibility, pragmatism, and being vigilant for opportunities

There is debate in the literature over whether a whole-of-system or a focused, incremental approach to civil service reform is more effective. Flexible approaches to exploiting 'windows of opportunity' (Bunse and Fritz 2012) and building on existing areas of capacity (Leonard 2008; Crook 2010) have shown success in some cases. While the emergence of these types of opportunities is likely to be unpredictable, long-term, ongoing contextual analysis may help identify them.

One recent evaluation of donor support to public sector governance reform finds that a whole-of-system approach to civil service reform has been most successful, though other factors may also influence results (Turner 2013). On the other hand, some criticise comprehensive approaches to civil service reform as over-ambitious and argue it is better to build on 'islands of effectiveness' (Crook, 2010). Scott's (2011) literature review on public sector governance reform finds that incremental approaches may be more sustainable and politically feasible, but also notes the importance of timing and sequencing.¹¹

Windows of opportunity

'Windows of opportunity' for reform occur when political economy factors align so as to enable progress (Bunse and Fritz 2012). Such a window could be created, for example, by a combination of a period of fiscal crisis combined with a growth opportunity creating space for reforms, an interested political leadership, sufficient incentives among key stakeholders, and/or a capable policy entrepreneur (Bunse and Fritz 2012).

Reid (2013) suggests that to optimise windows of opportunity that might emerge in different areas, development partners could support a diverse portfolio of institutional reforms. He suggests that reform strategies be undertaken sporadically over a long period, with the timing of individual interventions depending on when windows of opportunity open and close.

Pockets/Islands of Effectiveness

Leonard (2008) identifies the existence of 'pockets of effectiveness and productivity': public organisations that carry out their missions effectively despite an environment of ineffective or corrupt governance. He argues that productivity is most easily achieved where there is little conflict over goals and methods and a clear tie between organisational work and desired outcomes.

¹⁰ See also the GSDRC's [Topic Guide on Political Economy Analysis](#) (McCloughlin, 2012).

¹¹ See the upcoming GSDRC Topic Guide on Sequencing Reform in Fragile States.

Crook (2010) extends this concept further. He suggests that governments and donors should abandon over-ambitious, best-practice-based general reform programmes and identify and work with the competent managers in 'islands of effectiveness'. He argues that supporting existing talent and commitment would promote more positive organisational cultures and incentives.

However, Reid (personal communication, 23 April 2013) notes the potential limitations of building on islands or pockets of effectiveness. Certain public administration agencies (such as central banks, securities and exchange commissions, and tax administrations) are more amenable than others to reform that is independent of the wider civil service. Such agencies can be exempt from normal civil service constraints, able to marshal their own financial resources (and therefore set higher than average salaries), and can offer jobs that develop skills that are also valuable in the private sector (e.g. analysis of securities and capital markets).

A tale of success in two ministries in Ethiopia: a desire for change can overcome entrenched patrimonial systems

Mengesha and Common (2007) find that business process re-engineering (BPR) has transformed service delivery in Ethiopia's Ministry of Trade and Industry (MOTI) and Ministry of Education (MoE). BPR aims to help organisations improve customer service and cut operational costs by restructuring to focus on their business processes. In MOTI and MoE, although the change process has been sluggish, BPR has improved performance and increased user satisfaction. The authors note that these improvements are surprising given the patrimonial features of Ethiopia's public administration system. They highlight the following implications:

- Success is driven by a desire for change on the part of concerned stakeholders, including management, clients, staff and politicians
- Access of reform-minded individuals to policymakers (to request amendments of legislation, proclamations and changes in working procedures and regulations) may also contribute to success
- Foreign-induced strategies and policies will only be put into effect when there is commitment, ownership and involvement by top management
- BPR and other initiatives require 'street-level' staff to adapt to change and perform well.

Source: Mengesha, G. H. and Common, R. (2007). Public sector capacity reform in Ethiopia: A tale of success in two ministries. *Public Administration and Development*. 27: 367-380. <http://dx.doi.org/10.1002/pad.456>

4.3 Incentivising performance

Incentivising staff is important for improving civil service performance and has been both a consistent challenge (Bebbington and McCourt 2006; Scott 2011) and an objective of many reform efforts. Evidence suggests that building a merit-based civil service is the most effective way of incentivising staff, while pay reform and performance monitoring have been less effective.

Merit-based recruitment and promotion

Merit-based recruitment and predictable, rewarding career ladders improve civil servants' capability and performance (Anderson et al. 2003) and are valued by citizens as an accountability mechanism (McCourt 2000). Basing personnel decisions on professional competence and merit is systematically associated with less corruption (Recantini et al. 2005). Merit-based state bureaucracies are associated with higher growth rates: merit-based recruitment is the most significant factor, followed by promotion from within, and career stability (Evans and Rauch 1999).

A merit-based system can also help attract well-educated individuals. This is important as higher educational attainment among civil servants is linked to higher tax revenue mobilisation, reduced corruption, better public financial management and higher economic growth (Arezki and Quintyn 2013; Arezki et al. 2012).

McCourt (2007) notes that governments can promote merit-based appointments in the civil service through organisational arrangements: for example, legal provisions, a central recruitment agency, an internal code of conduct, and separation of the administrative and political spheres. He finds that governments can take other key steps to promote merit-based systems: declaring adherence to merit principles, specifying any exceptions, auditing existing practice, and establishing a good selection procedure. The latter, he notes, includes a job analysis, (internal and/or external) advertisement, a standard application form, a scoring scheme, a shortlisting procedure, a final selection procedure, and appointment based on scoring, with notification of results. In this 'tiered' screening process, it is important to ensure that no one person holds the decisive vote or veto at all stages (Reid 2009). An assessment centre procedure involving an interview and written or other oral activities remains the gold standard of staff selection (McCourt 2007).

Pay and conditions

Low pay is linked to reduced performance and motivation, as well as a number of potentially detrimental 'coping strategies'. In a study of health workers, coping strategies included second jobs, but also predatory behaviour such as pressure on patients to attend private consultations, under-the-counter fees, and charging for free drugs (Van Lerberghe et al. 2002). However, interventions to improve pay and conditions have had mixed results, including some clearly negative impacts (Poate et al. 2008).

Increasing base salaries

A systematic review examining the evidence of the impact of increasing salaries on improving the performance of public servants found the literature to be inconclusive (Carr et al. 2011). The only study that met the review's criteria for inclusion related to teachers rather than to core civil service workers. This study reported a significant improvement in Brazilian students' grades when the base salaries of their teachers were higher, even after controlling for human and material resources (Menezes-Filho and Pazello 2007). However, the study did not explore mediating variables such as job satisfaction or organisational factors.

Research relating to pay and motivation suggests that the "best use of money is to take the issue of money off the table" and that "effective organizations compensate people in amounts and in ways that allow individuals to mostly forget about compensation and instead focus on the work itself" (Pink, 2010, p. 170). This suggests that a sufficiently high level of base pay would motivate more effectively than an attractive bonus structure. In Tendler's 1997 case study of health workers in Ceará, workers were paid considerably less than they would have been paid as civil servants. This was still enough to attract local

people, who would have faced social pressure to provide adequate performance. Tailoring pay to the relevant labour market conditions is usually a necessary, but not sufficient, factor to ensure good performance.

Closing the salary gap between the salary and social expectations of private sector professionals and the terms and conditions that the public service can offer is unrealistic in many of the poorest countries, though in such cases the pay need only be high relative to local conditions. It might not, however, restore the sense of purpose needed to make public services function (Van Lerberghe et al. 2002). Tandler (1997) notes the importance of civil servants' non-financial incentives, such as a sense of civic duty or accountability to the public.

Performance-related pay

In a literature review focused on performance-related pay in the public sector, Hasnain et al. (2012) found that explicit performance standards linked to some form of paid bonus can improve outcomes. However, this was in relation to jobs with readily observable outputs or outcomes, such as health care, teaching, and revenue collection. The authors found insufficient evidence of the effect of performance-related pay in organisational contexts that are similar to that of the core civil service (i.e. involving complex tasks and difficulty in measuring outcomes) to arrive at a generalised conclusion concerning such reforms. An earlier review also found that there was no strong evidence to support the idea that performance-related pay improves worker or organisational performance in central government administrations in developing countries (Scott 2010).

Performance-related pay has been difficult to implement in many cases. A study of civil service pay systems in seven sub-Saharan African countries found that both of the performance-related pay reforms attempted had met resistance (Kiragu and Mukandala 2003). In Benin, trade unions strongly resisted the reforms, and in Burkina Faso, civil servants were reluctant to support the 'merit-based' pay system because of concerns about its efficiency and fairness.

Donor salary support

Permanently raising civil servants' salaries to competitive levels is unrealistic in many of the poorest countries. In the short term, donors have implemented salary supplements or top-ups to discourage staff from taking additional jobs ('moonlighting') and to recruit skilled staff quickly. Such supplements involve official cash payments or in-kind benefits that a civil servant receives beyond the level of colleagues at the same grade (Mukherjee and Manning 2002).

Mukherjee and Manning (2002) note that competition among donors to recruit the best staff, often through offering higher salaries, can 'cream off' competent staff from other ministries. This can contribute to a vicious circle, creating pressure for further Project Implementation Units outside the civil service. This can also distort the local labour market, create inflationary pressures and skew the balance between pay and skills, as language skills become the most lucrative. The authors note that such 'top-ups' can contribute to perceptions of donor favouritism and impropriety. They recommend implementing regulations to make all government allowances clear, and preventing serving civil servants from receiving salary support from any source – although they do not provide examples of this having actually been tried. They note that government regulations should also require a cooling off period between civil servants leaving government positions and taking donor contracts or positions with private firms that are government suppliers.

An evaluation of public sector reform in Sierra Leone concludes that excessive use of salary enhancement schemes have actually held back reform and may have decreased capacity within the wider civil service (Poate et al. 2008). The reforms were primarily driven by technocrats who received salary top-ups from donors, with little or no evidence of political buy-in.

Performance monitoring¹²

Civil service performance is difficult to monitor and assess directly. It is often inferred based on the outcomes produced – i.e. services delivered – but even so, there can be difficulty using this as a measure of performance. Evidence is, as yet, inconclusive as to the effectiveness of performance monitoring, either by the government ('top-down') or by external stakeholders ('bottom-up').

Top-down performance monitoring

A study on transition countries found that 'performance management practices' had no significant impact on the performance of public bodies, but were in some cases associated with higher incidences of bribery among staff (Anderson et al. 2003). The authors conclude that the less robust the existing rules-based organisational culture and accountability mechanisms, the greater the risk of performance management practices increasing corruption.

A case study on service delivery monitoring in South Africa, through establishing a dedicated Ministry of Performance Monitoring and Evaluation, suggests that such initiatives produce mixed results (see box below). Chief ministers succeeded in encouraging departments to set measurable performance targets, but as political support for the new system waned, its sustainability became uncertain (Friedman, 2011). Nevertheless, some officials believe that the system has changed the culture of planning, monitoring and evaluating policies in South Africa to embrace data-based processes.

Introducing service delivery monitoring systems in South Africa

President Jacob Zuma came to power in 2009 amid a wave of demonstrations by South Africans protesting at the government's poor record in delivering basic services. During his first month in office, Zuma established a Ministry of Performance Monitoring and Evaluation to improve service delivery by ministries.

Two key officials in the new ministry, Ketso Gordhan and Ronette Engela, identified three major reasons for the government's poor performance: (1) a lack of accountability at ministries' upper levels, (2) decentralised and often *ad hoc* policy planning, and (3) poor inter-ministerial coordination. They devised a system that reorganised ministries around 12 policy goals and set data-based performance targets for ministers and departments. Zuma signed performance agreements in April 2010 with his ministers, who together framed 12 delivery agreements during the following months.

Performance and delivery agreements succeeded in specifying targets against which ministers and departments could be assessed, and in changing the culture of planning, monitoring and evaluation to embrace the new data-based performance targets. The approach made the process of formulating policies more coherent and coordinated across

¹² For further information on monitoring and evaluation see the GSDRC Topic Guide on Measuring Results <http://www.gsdr.org/go/gateway-guides/monitoring-and-evaluation>

ministries, created opportunities to improve policies, and incentivised ministries to plan strategically, both in their own portfolios and in collaboration.

Source: Friedman, J., (2011). *Sticking to the numbers: Performance monitoring in South Africa, 2009-2011*. Princeton: Innovations for Successful Societies, Princeton University

Bottom-up performance monitoring¹³

Community-based ('bottom-up') approaches have been designed to monitor performance and even guide reform (see *Concepts: Bottom-up reforms*). However, the available evidence (which relates to service delivery rather than to core civil service reform) on their effectiveness is mixed (Björkman and Svenson 2010).

A randomised experimental study in Uganda on the use of citizen report cards in monitoring primary health services suggests that they can work, but their effectiveness is mixed and dependent on the community in question (Björkman and Svensson 2009, 2010). The authors find that ethnic divisions and income inequality in the community reduce the intervention's effectiveness.

Tendler's 1997 study found that workers can also face informal pressures to perform well. Her study found that workers in Brazil's Northeast performed better due to scrutiny from the communities in which they worked, which forced them to be accountable without pressures from supervisors or other monitoring bodies.

McCourt (2013) suggests that 'bottom-up' approaches may be more viable for service delivery (e.g. health care services) than for core public administration functions (such as financial management, policy advice, or administrative processes). Service users can readily observe and potentially give feedback on how well the service providers are doing their jobs to create pressure for improved performance.

Ethics codes

Amundsen (2009) argues that an 'ethics infrastructure' – a combination of standard-setting, legal regulation and reform of practices – can help prevent misconduct and corruption in the public sector. However, a study of 154 national administrations finds that the implementation of a code of ethics has had no influence on corruption problems in the public context. Instead, level of education is the most important determining factor in the control of corruption, especially in developing countries (Garcia-Sanchez et al. 2011).

Intrinsic motivation of staff

Besides incentives imposed from outside or by upper management, civil servants also have intrinsic motivations for performance. In a case study from Brazil's Northeast, Tendler (1997) identifies four drivers of motivation and performance which reform programmes can build on:

- **Dedication:** Government workers demonstrated dedication to their jobs and a sense of civic duty. They reported feeling appreciated by their communities.

¹³ For further information on types of bottom-up accountability interventions, see the GSDRC Topic Guide on Empowerment and Accountability: <http://www.gsdr.org/go/voice-and-accountability/>

- **Recognition:** Government recognised civil servants through prizes for good performance, public screening methods for new recruits and public information campaigns.
- **Voluntarism:** Workers carried out a larger variety of tasks than their prescribed functions, often voluntarily.
- **Downward accountability:** Workers performed better due to scrutiny from the communities in which they worked, which forced them to be accountable without pressures from supervisors or other monitoring bodies.

4.4 Sustaining flexible support

Evidence suggests a need for both consistent, long-term financial support, and for responsive funding that can be quickly disbursed. There seems to be little research, however, that identifies which aid instruments have the best track record in effectively supporting civil service reform.

A literature review on public sector governance reform, including civil service reform, concludes that it is important to change donor behaviour and systems so that support is more long-term, predictable and not entangled with perverse incentives (Scott 2011). One of the key recommendations from a multi-donor evaluation is to take a long-term perspective for civil service reform, noting that outcomes generally appear after a long period because they require behavioural and attitudinal changes that do not occur quickly (Turner, 2013). Shepherd (2003) argues that to further civil service reform, aid instruments need to accommodate the slow pace of reform and provide continuity in support. A study of the government-wide Tanzanian Public Service Reform Programme (PSRP) attributes its success in part to the international community who played a generally positive role, accepting the PSRP as a comprehensive, long-term strategy requiring 15-20 years of steady support (Morgan and Baser 2007).

Evans (2008) also cites Tanzania as a good example of reform: donors let the government lead in terms of pace and direction, and showed patience for capacity building. She notes that the World Bank used a long-term, flexible lending instrument (Adaptable Programme Loan) as well as pooling funds with other donors.

A 19-country case study of the World Bank's involvement in civil service reform programmes concludes that a combination of long-term investment loans and quick-disbursing, policy-based development loans¹⁴ is often best for civil service reform: the quickly disbursed funding allows for technical assistance to fill urgent capacity gaps (Evans 2008). Complementary technical assistance can provide guidance on approaches, and fund training or other resource needs. In the cases of Cambodia, Honduras, and Tanzania, the combination of long-term and quick-disbursing support was considered particularly beneficial.

Rao (2013) notes that emerging approaches to technical assistance involve more focus on longer-term impacts and sustainability, and on Southern countries as providers of skills. Examples include twinning or peer-to-peer programmes, which are considered to have helped enhance skills and networks, though there is a lack of rigorous evaluation evidence.

¹⁴ "The [World] Bank has two basic types of lending instruments: investment loans and development policy loans. Investment loans have a long-term focus (5 to 10 years), and finance goods, works and services in support of economic and social development projects in a broad range of sectors. Development policy loans provide quick-disbursing external financing to support a government's policy and institutional reforms." From: <http://digitalmedia.worldbank.org/projectsandops/lendingtools.htm>

4.5 Access and inclusion

In many countries, discrimination in the civil service can restrict the recruitment and career progression of people from ethnic and religious minorities, people with disabilities, or women. Merit-based recruitment and promotion can help address discrimination (McCourt, 2007), but some efforts to enhance inclusion, such as quotas, may undermine efforts to create a purely meritocratic civil service. Reid (expert comments, April 2013) suggests it is important that these concerns are acknowledged explicitly and that equity-focused policies and programmes be accompanied by measures to monitor staff quality and ensure it remains visibly consistent.

In Malaysia, affirmative action recruitment policies targeted *bumiputra* (ethnic Malays), who were discriminated against under British colonial rule, resulted in increased *bumiputra* representation in the civil service (Mukherjee & Adamolekun, 2005). However, the declining representation of non-*bumiputra* caused some anger among this group, and a significant decline in their applications to government posts. In response to public disillusionment, the government began a shift away from affirmative action to a more merit-based system from around 2001.

Women can suffer from restricted career advancement even where they make up a significant proportion of the civil service. For example, a 2003 analysis of the Ethiopian Civil Service showed that, although 40% of civil servants were women, 71% of them were employed in low-level jobs earning less than Birr 400 per month (approximately US\$ 47). Six percent of the male civil servants earned a salary of more than Birr 1,000 per month, compared to only 1% of the women (AfDB 2004). The EC (2010) and OECD (2012) both argue that increasing the number of women in senior positions, including in senior civil service management positions, is beneficial to economic stability and growth, but do not cite evidence.

The Commonwealth Secretariat's manual on 'Gender Mainstreaming in the Public Service' (2000) proposes that governments create a Gender Management System (GMS). This is a network of structures, mechanisms and processes to help guide, plan, monitor and evaluate gender mainstreaming. It includes:

- gender analysis, to reveal how plans, policies, and programmes affect men and women differently;
- a Management Information System to communicate critical information throughout the GMS;
- gender training, to promote gender sensitivity and provide gender analysis and planning skills;
- a Performance Appraisal System that rewards greater gender equality and sanctions gender discrimination.

The GMS guidance document gives examples of gender-sensitive indicators. It discusses gender-related policy issues in personnel management, including training and capacity building, incentives and sanctions, staffing and conditions, discipline, and setting out an equal employment opportunities policy.

4.6 Evaluation, results and value for money

It is difficult to identify tangible progress in civil service reform (Evans 2008), but a wide range of tools for measuring public administration performance is available as a basis for designing indicators.

Evans (2008) suggests improving evaluation practice by linking civil service reforms to more concretely measurable public finance management reforms, (e.g. payroll and HR databases, training and capacity building), and by developing more measurable indicators of results. (An example of the latter is the percentage of recruitment done on merit.)

The most recent World Bank approach to public sector management reform, which includes civil service reform, proposes improving country level public sector institutional tracking. This involves extending the range of indicators of strength of country systems, developing quality standards and priority areas for case studies and undertaking more rigorous impact evaluation of public sector reform results (World Bank 2011b).

UNDP's (2009) *Users' Guide to Measuring Public Administration Performance* introduces 18 measurement tools that can be used to design specific indicators. These tools are:

- Quantitative Service Delivery Surveys (QSDSs)
- Citizen Report Cards
- Common Assessment Framework (CAF)
- Country Governance Assessment (CGA)
- Capability Reviews
- Public Expenditure Tracking Surveys (PETSs)
- Self-Assessment Tool for Customer Service Excellence
- Performance Measurement Framework (Public Expenditure and Financial Accountability - PEFA)
- Public Officials' Survey
- Country Assessment in Accountability and Transparency (CONTACT)
- Evaluation Matrix of Civil Service Human Resource Management in the European Union
- Control and Management System Baselines
- Human Resources Self-Assessment Guide
- Human Resource Management (HRM) Assessment Instrument
- Analytical Framework for Institutional Assessment of Civil Service Systems
- Engendering Budgets: A Practitioners' Guide to Understanding and Implementing Gender-Responsive Budgets
- National Integrity Systems (NIS)
- Diagnostic Framework for Revenue Administration.

While little specific work is available on value for money (VFM) in civil service reform, Barnett et al. (2010) outline an approach to VFM in governance programmes in general. They note that VFM can be optimised by strengthening and balancing three processes and measures: economy, efficiency and effectiveness – achieving relatively low costs, high productivity and successful outcomes. It is the conversion of inputs to outputs and of outputs to outcomes that is of particular interest in VFM judgements. To evaluate these conversion processes, the authors recommend using a balanced selection of governance indicators linked to a programme's theory of change and to data sources such as logframes, country databases and management information systems. Developing reliable benchmarks (such as unit costings) is a prerequisite for conducting VFM assessments. UNDP (2009) may serve as a useful source for reliable indicators.

5 References

- AfDB. (2004). *Ethiopia multi-sector country gender profile*. African Development Bank.
<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/ADBGenderEthiopia.pdf>
- Amundsen I. (2009). Introduction to public sector ethics. In I. Amundsen & V. P de Andrade (Eds.), *Public sector ethics: Compendium for teaching at the Catholic University of Angola* (pp. 5-45). Bergen, Norway: Chr. Michelsen Institute. <http://www.cmi.no/publications/file/3290-introduction-to-public-sector-ethics.pdf>
- Anderson, J., Reid, G., & Ryterman, R. (2003). *Understanding public sector performance in transition countries: An empirical contribution*. Washington, DC: World Bank.
<http://www1.worldbank.org/publicsector/civilservice/UPSP%20final.pdf>
- Andrews, C. (2008). Legitimacy and context: Implications for public sector reform in developing countries. *Public Administration and Development*, 28(3): 171-180.
<http://onlinelibrary.wiley.com/doi/10.1002/pad.495/abstract>
- Arezki, R., Lui, H., Quintyn, M. & Toscani, F. (2012). *Education attainment in public administration around the world: Evidence from a new dataset*. IMF Working Paper 12/231. Washington D.C.: International Monetary Fund (IMF). <http://www.imf.org/external/pubs/ft/wp/2012/wp12231.pdf>
- Arezki, R., & Quintyn, M. (2013). Degrees of development. *Finance and Development*, 50(1).
<http://www.imf.org/external/pubs/ft/fandd/2013/03/arezki.htm>
- Barnett, C., Barr, J., Christie, A., Duff, B., & Hext, S. (2010). *Measuring the impact and value for money of governance programmes*. ITAD. http://www.dfid.gov.uk/r4d/PDF/Outputs/Mis_SPC/60797_ITAD-VFM-Report-Dec10.pdf
- Bebbington, A., & McCourt, W. (2006). *Where does development success come from? Explanations and practical implications*. IDPM Working Paper no. 70. Institute for Development Policy and Management. Manchester: University of Manchester.
http://www.sed.manchester.ac.uk/idpm/research/publications/wp/dp/documents/dp_wp70.pdf
- Björkman, M., & Svensson, J. (2009). Power to the people: evidence from a randomized field experiment on community-based monitoring in Uganda. *The Quarterly Journal of Economics*, 124(2), 735-769.
<http://dx.doi.org/10.1162/qjec.2009.124.2.735>
- Björkman, M., & Svensson, J. (2010). When is community-based monitoring effective? Evidence from a randomized experiment in primary health in Uganda. *Journal of the European Economic Association*, 8(2-3), 571-581. <http://onlinelibrary.wiley.com/doi/10.1111/j.1542-4774.2010.tb00527.x/abstract>
- Bunse, S., & Fritz, V. (2012). *Making public sector reforms work: political and economic contexts, incentives, and strategies*. Policy Research working paper no. WPS 6174. Washington D.C.: World Bank.
<http://documents.worldbank.org/curated/en/2012/08/16620350/making-public-sector-reforms-work-political-economic-contexts-incentives-strategies>
- Carr, S. et al. (2011). *What is the evidence of the impact of increasing salaries on improving the performance of public servants, including teachers, nurses and mid-level occupations, in low- and middle-income countries: Is it time to give pay a chance?*. Systematic Review. EPPI Centre, Social Science Research Unit, Institute of Education. London, UK: University of London.
http://r4d.dfid.gov.uk/PDF/Outputs/SystematicReviews/Increasing_salaries_2011Carr.pdf
- Commonwealth Secretariat. (2000). *Gender mainstreaming in the public service: A reference manual for governments and other stakeholders*. London: Commonwealth Secretariat.
http://www.thecommonwealth.org/shared_asp_files/uploadedfiles/%7B6C428DAA-C6D9-474D-88E5-2A1C675C095B%7D_gmps_ref.pdf
- Crook, R. (2010). Rethinking civil service reform in Africa: 'Islands of effectiveness' and organisational commitment. *Commonwealth and Comparative Politics*, 48(4), 479-504.
<http://dx.doi.org/10.1080/14662043.2010.522037>
- Dolowitz, D., & Marsh, D. (2000). Learning from abroad: The role of policy transfer in contemporary policy-making. *Governance*, 13(1), 5-23. <http://dx.doi.org/10.1111/0952-1895.00121>

- DFID. (2013). *How to Note: Assessing the Strength of Evidence*. UK: Department for International Development (DFID). https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/158000/HtN_-_Strength_of_Evidence.pdf
- Dunleavy, P., Margetts, H., Bastow, S., & Tinkler, J. (2006). New public management is dead—long live digital-era governance. *Journal of Public Administration Research and Theory*, 16(3), 467-494. <http://jpart.oxfordjournals.org/content/16/3/467.short>
- EC. (2010). *More women in senior positions: Key to economic stability and growth*. Directorate-General for Employment, Social Affairs and Equal Opportunities. Brussels: European Commission (EC). <http://www.ec.europa.eu/social/BlobServlet?docId=4746&langId=en>
- Evans, A. (2008). *Civil service and administrative reform: Thematic paper*. IEG Working Paper 2008/8. Washington D.C.: World Bank. http://siteresources.worldbank.org/EXTPUBSECTREF/Resources/civil_service_thematic_paper.pdf
- Evans, P., & Rauch, J. (1999). Bureaucracy and growth: A cross-national analysis of the effects of 'Weberian' state structures on economic growth, *American Sociological Review*, 64(5), 748-65. http://www.social-sciences-and-humanities.com/PDF/bureaucracy_and_growth.pdf
- Friedman, J. (2011). *Sticking to the numbers: Performance monitoring in South Africa 2009-2011*. Princeton: Innovations for Successful Societies, Princeton University. <http://www.gsdr.org/go/display&type=Document&id=4221>
- Garcia-Sanchez, I., Rodriguez-Dominguez, L., & Gallego-Alvarez, I. (2011). Effectiveness of ethics codes in the public sphere: Are they useful in controlling corruption? *International Journal of Public Administration*, 34, 190-95. <http://www.tandfonline.com/doi/abs/10.1080/01900692.2010.532184>
- Girishankar, N., De Silva, M., Grudkova, B. & Gupta, P. (1999). *Civil Service Reform: A Review of World Bank Assistance*. Operations Evaluation Department, Report No. 19599, World Bank, Washington, D.C. <http://siteresources.worldbank.org/EXTPUBLICSECTORANDGOVERNANCE/Resources/286304-1286388782250/7457546-1303330758812/CivilServiceReform.pdf>
- Goetz, A. (2003). *Political cleaners: How women are the new anti-corruption force. Does the evidence wash?* Bergen, Norway: U4. <http://www.u4.no/recommended-reading/political-cleaners-how-women-are-the-new-anti-corruption-force-does-the-evidence-wash/>
- Grindle, M. (2010). *Constructing, deconstructing, and reconstructing career civil service systems in Latin America*. Faculty Research Paper Series. RWP 10-025. Harvard Kennedy School, Harvard University. Cambridge, MA: Harvard University. http://dash.harvard.edu/bitstream/handle/1/4448871/Grindle_ConstructingDeconstructing.pdf?sequence=1
- Haider, H. & Rao, S. (2010). *Political and social analysis for development policy and practice: An overview of five approaches*. Issues Paper. Birmingham, UK: GSDRC, University of Birmingham. <http://www.gsdr.org/docs/open/EIRS10.pdf>
- Hasnain, Z., Manning, N., & Pierskalla, J. H. (2012). *Performance-related pay in the public sector. A review of theory and evidence*. Policy Research Working Paper 6043. Washington D.C.: World Bank. <http://hdl.handle.net/10986/6046>
- Heeks, R. (2003). *Most eGovernment-for-Development Projects Fail: How Can Risks be Reduced?* Institute for Development Policy and Management. Manchester, UK: University of Manchester. http://www.sed.manchester.ac.uk/idpm/research/publications/wp/igovernment/documents/igov_wp14.pdf
- Hood, C. (1991). A public management for all seasons? *Public Administration*, 69(1), 3-19. <http://dx.doi.org/10.1111/j.1467-9299.1991.tb00779.x>
- Joshi, A. (2008). Producing social accountability? The impact of service delivery reforms. *IDS Bulletin*, 38(6), 10-17. <http://www.gsdr.org/go/display&type=Document&id=3015>
- Kiragu, K., & Mukandala, R. (2003). *Public service pay reform: Tactics sequencing and politics in developing countries: Lessons from Sub-Saharan Africa* (draft report). PricewaterhouseCoopers and University of Dar es Salaam. <http://www1.worldbank.org/publicsector/civilservice/Mayseminar/PayReformStudy.pdf>
- Leonard, D.K. (2008). *Where are 'pockets' of effective agencies likely in weak governance states and why? A propositional inventory*. Brighton, UK: Institute of Development Studies. <http://www.ids.ac.uk/files/Wp306.pdf>

- Lessa, L., Negash, S. & Belachew, M. (2012). *Steering e-Government Projects from Failure to Success: Using Design-Reality Gap Analysis as a Mid-Implementation Assessment Tool*. iGovernment Working Paper Series, Paper No. 22. Institute for Development Policy and Management. Manchester, UK: University of Manchester. <http://www.sed.manchester.ac.uk/idpm/research/publications/wp/igovernment/documents/iGovWkPpr22.pdf>
- McCourt, W. (1998). *Employment and pay reform: A guide to assistance*. London: Department for International Development.
- McCourt, W., & Sola, N. (1999). Using training to promote civil service reform: A Tanzanian local government case study. *Public Administration and Development*, 19(1), 63-75. [http://dx.doi.org/10.1002/\(SICI\)1099-162X\(199902\)19:1<63::AID-PAD55>3.0.CO;2-F](http://dx.doi.org/10.1002/(SICI)1099-162X(199902)19:1<63::AID-PAD55>3.0.CO;2-F)
- McCourt, W. (2000). *Public appointments: From patronage to merit*. Human Resources in Development Working Paper No. 9. Manchester: Institute for Development Policy and Management, University of Manchester. http://www.sed.manchester.ac.uk/idpm/research/publications/archive/hr/hr_wp09.pdf
- McCourt, W., & Minogue, M. (2001). *The internationalization of public management: Reinventing the third world state*. Chichester: Edward Elgar.
- McCourt, W. (2001). Towards a strategic model of employment reform: Explaining and remedying experience to date. *International Journal of Human Resource Management*, 12(1), 56-75. <http://unpan1.un.org/intradoc/groups/public/documents/apcity/unpan002149.pdf>
- McCourt, W. (2002). New public management in developing countries. In K. McLaughlin, S. Osborne, & E. Ferlie (Eds.), *New public management: Current trends and future prospects* (pp. 227-242). London: Routledge.
- McCourt, W. (2007). *The merit system and integrity in the public service*. Paper presented at Conference on Public Integrity and Anticorruption in the Public Service, 29-30 May, Bucharest http://www.sed.manchester.ac.uk/idpm/research/publications/wp/depp/documents/depp_wp20.pdf
- McCourt, W. (2013). *Models of public service reform: A problem-solving approach*. Policy Research Working Paper 6428. Washington D.C.: World Bank. <http://go.worldbank.org/SJERYOD1E0>
- Mcloughlin, C. (2012). *Topic guide: Political economy analysis*. Birmingham, UK: GSDRC, University of Birmingham. <http://www.gsdrc.org/docs/open/PEA.pdf>
- Menezes-Filho, N., & Pazello, E. (2007). Do teachers' wages matter for proficiency? Evidence from a funding reform in Brazil. *Economics of Education Review*, 26(6), 660-672. <http://dx.doi.org/10.1016/j.econedurev.2007.08.003>
- Mengesha, G. H., & Common, R. (2007). Public sector capacity reform in Ethiopia: A tale of success in two ministries. *Public Administration and Development*, 27(5), 367-380. <http://dx.doi.org/10.1002/pad.456>
- Minogue, M. (2001) 'The internationalization of new public management', in W. McCourt and M. Minogue, (eds) *The internationalization of public management: Reinventing the Third World state*, Cheltenham: Edward Elgar, 1-19.
- Morgan, P., & Baser, H. (2007). *Building the capacity for managing public service reform: The Tanzania experience*. Discussion Paper no. 57Q. Maastricht: European Centre for Development Policy Management (ECDPM). <http://www.gsdrc.org/go/display&type=Document&id=2699>
- Mukherjee, R. & Adamolekun, L. (eds) (2005). *Implementing Affirmative Action in Public Services: Comparative Administrative Practice*. World Bank, South Asia Region, Poverty Reduction and Economic Management Sector Unit. <http://www1.worldbank.org/publicsector/bnpp/report%20012405.doc>
- Mukherjee, R., & Manning, N. (2002). *Salary top-ups. Administration and Civil Service Reform*. Washington D.C.: World Bank. <http://go.worldbank.org/XSD5K1WFE0>
- Nunberg, B. (1994). Experience with civil service pay and employment reform: An overview. In D. Lindauer & B. Nunberg (Eds.), *Rehabilitating government: Pay and employment reform in Africa* (119-159). Washington D.C.: World Bank. <http://go.worldbank.org/T7O81C87X0>
- OECD. (2012). *Gender equality in education, employment and entrepreneurship: Final report to the MCM 2012*. C/MIN(2012)5. Paris: Organisation for Economic Co-operation and Development (OECD). <http://www.oecd.org/social/family/50423364.pdf>
- Pink, D. H. (2010). *Drive: The surprising truth about what motivates us*. Edinburgh: Canongate Books.

- Poate, D., Balogun, P., Rothmann, I., Knight, M., & Sesay, F. (2008). *Evaluation of DFID country programmes. Country study: Sierra Leone*. Evaluation Report EV690. UK: DFID.
<http://www.oecd.org/countries/sierraleone/42238496.pdf>
- Polidano, C. (1999). *The new public management in developing countries*. Manchester: Institute for Development Policy and Management, University of Manchester.
<http://unpan1.un.org/intradoc/groups/public/documents/apcity/unpan014322.pdf>
- Rama, M. (1999). Public sector downsizing: An introduction. *The World Bank Economic Review*, 13(1), 1-22.
<http://dx.doi.org/10.1093/wber/13.1.1>
- Rao, S. (2013). *New thinking on technical assistance to resolve knowledge and capacity gaps*. GSDRC Helpdesk Research Report 935. Birmingham, UK: GSDRC, University of Birmingham.
<http://www.gsdrc.org/go/display&type=Helpdesk&id=935>
- Recanatini, F., Prati, A., & Tabellini, G. (2005). *Why are some public agencies less corrupt than others? Lessons for institutional reform from survey data*. Draft presented at PREM Week forum. Washington, DC: World Bank. <http://www.imf.org/external/np/res/seminars/2005/arc/pdf/reca.pdf>
- Reid, G. (2006). *Human resource management issues in ECA countries*. Background paper for Eastern Europe and the Former Soviet Union Public Finance and Economic Growth: Lessons from Several High Growth Success Stories. Washington, DC: World Bank.
<http://www1.worldbank.org/publicsector/civilservice/ACSRCourse2007/Session%201/PublicEmployPaylssuesECA.pdf>
- Reid, G. (2009). *Guidance note: Human resource management actionable governance indicators (HRM AGI) Instrument*. Washington D.C.: World Bank.
<http://siteresources.worldbank.org/EXTPUBLICSECTORANDGOVERNANCE/Resources/286304-1235411288968/HRM-AGI-InstrumentGuidance.pdf>
- Reid, G. (2013, in press). Why and how to address the implementation challenges of civil service reform. In G. Reid & C. Garrity (Eds.) *Civil service reform in developing countries*. Washington D.C.: World Bank.
- Roberts, J., & Andrews, M. (2005). Something funny happened on the way to reform success: The case of budget reform implementation in Ghana. *International Journal of Public Administration*, 28(3-4), 291-311.
<http://www.tandfonline.com/doi/abs/10.1081/PAD-200047332>
- Robinson, M. (2006). *The political economy of governance reforms in Uganda*. IDS Discussion Paper. Brighton, UK: Institute of Development Studies.
<http://www.eldis.org/vfile/upload/1/document/0708/DOC22103.pdf>
- Sarker, A. (2006). New public management in developing countries: An analysis of success and failure with particular reference to Singapore and Bangladesh. *International Journal of Public Sector Management*, 19(2), 180-203 <http://dx.doi.org/10.1108/09513550610650437>
- Schiavo-Campo, S., & Sundaram, P. (2001). Government employment and compensation - facts and policies. In *To serve and to preserve: Improving public administration in a competitive world* (pp. 367-420). Manila: Asian Development Bank. <http://www.adb.org/sites/default/files/improving-public-administration.pdf>
- Scott, Z. (2010). *Performance related pay*. GSDRC Helpdesk Research Report 661. Birmingham, UK: GSDRC, University of Birmingham. <http://www.gsdrc.org/docs/open/HD661.pdf>
- Scott, Z. (2011). *Evaluation of public sector governance reforms 2001-2011: Literature review*. Oxford: Oxford Policy Management. http://www.gsdrc.org/docs/open/Scott2011_PSGRLiteratureReview.pdf
- Scott, Z., & Rao, S. (2011). *Topic guide on decentralisation and local government*. London, UK: Commonwealth Secretariat / GSDRC. <http://www.gsdrc.org/docs/open/DecLocGov2011.pdf>
- Shepherd, G. (2003). *Civil service reform in developing countries: Why is it going badly?*. Paper for the 11th International Anti-Corruption Conference, 25-28 May 2003.
<http://unpan1.un.org/intradoc/groups/public/documents/un/unpan010813.pdf>
- Tendler, J. (1997). *Good government in the tropics*. Baltimore and London: John Hopkins University Press.
- Turner, M. (2013). *Summary report of the public sector governance reform evaluation*. DFID, Sida, Irish Aid and Oxford Policy Management.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/199777/Public-sector-gov-reform-eval-summary.pdf

- UNDP. (2009). *A users' guide to measuring public administration performance*. Oslo, Norway: UNDP Oslo Governance Centre. http://www.undp.org/content/undp/en/home/librarypage/democratic-governance/public_administration/a-users-guide-to-measuring-public-administration-performance/
- Unsworth, S. (2007). *Can political science speak to policymakers?* Paper presented at PSA Development Politics Group 2nd Annual Conference, 26 January. <http://www2.ids.ac.uk/gdr/cfs/pdfs/UnsworthPSAConf260107.pdf>
- Van Lerberghe, W., Conceição, C., Van Damme, W., & Farrinho, P. (2002). When staff is underpaid: Dealing with the individual coping strategies of health personnel. *Bulletin of the World Health Organisation*, 80(7). [http://www.who.int/docstore/bulletin/pdf/2002/bul-7-E-2002/80\(7\)581-584.pdf](http://www.who.int/docstore/bulletin/pdf/2002/bul-7-E-2002/80(7)581-584.pdf)
- Weber, M. (1978). *Economy and society*. G. Roth & C. Wittich (Eds.). Berkeley: University of California Press. (Original work published 1922)
- World Bank. (2000). *Anticorruption in transition: A contribution to the policy debate*. Washington, D.C.: World Bank. <http://siteresources.worldbank.org/INTWBIGOVANTCOR/Resources/contribution.pdf>
- World Bank. (2011a). *Public sector management*. Washington D.C.: World Bank. <http://tinyurl.com/pu4cp6u>
- World Bank. (2011b). *World Bank approach to public sector management 2011-2020: Better results from public sector institutions*. Public Sector and Governance Board. Washington D.C.: World Bank. <http://siteresources.worldbank.org/PUBLICSECTORANDGOVERNANCE/Resources/285741-1287520109339/PSM-Approach.pdf>