BACKGROUND PAPER:

STRATEGIC PERFORMANCE MANAGEMENT IN THE PUBLIC SECTOR

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By Dele Olowu, PhD
Africa-Europe Foundation
Netherlands
www.africaeuropefoundation.org

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Table of Contents

List of Tables

Figures

1. INTRODUCTION

1. This objective of this paper is to assist African heads of civil services to come to a shared understanding of strategic performance management and its significance for the reform and revitalization of African public services and development.

It hopes to achieve this objective by

- clarifying performance management from a strategic perspective and its significance for ongoing reforms of the public service in most African countries;
- discussing approaches and frameworks that can be and are being used in performance management and the merits and challenges associated with various approaches;
- highlighting some lessons from the experiences of countries, especially from outside Africa;
- underscoring the role of leadership in institutionalizing performance management especially in view of the challenges associated with performance management generically and especially within the African context; and finally
- suggesting some recommendations and way forward.

I begin by thanking the Commonwealth Secretariat and the African heads of civil services for inviting me to their meeting. As an academic, policy adviser and senior civil servant within and outside my country, I have come to the firm conclusion that the state and especially its critical instrument, the higher civil service, is crucial to any country's development prospects. Recent global developments have only reinforced this. It is therefore a great honor to be invited to speak to the leaders of African public services at this important meeting in this beautiful city and country.

Performance improvement is the objective of all forms of management and the effort to improve performance is in essence the history of management as practice and as a field of study. However, in the 1980s and 1990s performance management principles (which were already well developed in the private sector) were introduced into the management of public sector institutions in some developed countries. The application of performance management principles in the public sector were promoted by external aid agencies in some developing countries, although some developing countries were themselves fascinated by the claims of the success of these reforms in the developed countries and began to experiment with them as well. The results have eventually justified the substantial investment of time, effort and resources, but in some other countries and organisations this has not been the case.

The global and epochal importance of strategic public management is captured by the following observation:

> If there is any single theme that characterizes the public sector in the 1990s, it is the demand for performance. A mantra has emerged in this decade, heard at all levels of government, that calls for documentation of performance and explicit outcomes of government action…governments in the United States, Canada, Western Europe, New Zealand, Australia and in countries in Asia, Africa and Latin America have made performance measurement a core component of public management reforms. (Heinrich 2004:25)

2. WHAT IS STRATEGIC PERFORMANCE MANAGEMENT?

Performance is one of those seductive terms whose meaning appears self-evident but is not when an effort is made to translate it into the basis for actual policies and practices—especially in a public sector organisation. Performance is obviously related to what is being focused—process, outputs or outcome; efficiency or effectiveness.

It is also important to note that there are two broad notions of performance management (PM) discernible in the literature. There is PM that is the strategic direction of the whole organisation, starting with stakeholder orientation and extending to planning, budgeting and management. There is a second notion that ties PM to human resource management. In the former, all activities of the organisation are subject to measurement and the preoccupation is with outcomes rather than inputs, processes or even outputs. In the latter, performance management is used mainly as a tool of human resource management.

What makes strategic performance management superior to the human resource approach is that it is both *integrative* and *strategic*.

It is integrative in the sense that it ties reforms aimed at improving performance in different parts of the government into a comprehensive whole—from political manifestoes of the ruling government to national plans and financial and human resource management—to achieve desired outcomes. It is this comprehensive approach that also makes it strategic. Strategy is defined in Penguin Concise English dictionary as 'long term planning in the pursuit of objectives'. Etymologically, the word is rooted in military usage to mean 'the science and art of employing all the resources of a nation or group of nations to carry out agreed policies in peace and war'. Private sector organisations have taken on this term as a part of their arsenal in the heightened competition for product and consumer markets and especially for resources. Comparatively recently, governments have increasingly engaged this approach in revitalizing their operations and performance.

Strategic performance management (SPM) can thus be defined as a strategic and integrated approach to delivering sustained success or results or outcomes desired by the key stakeholders of an organisation by improving and integrating plans, budgets, human and other resources available to the organisation. The key stakeholders for public agencies include citizens, consumers of services and elected political office holders who are directly accountable to the public.

A strategic performance management cycle has seven (7) main steps or phases:

Step 1: Develop a Stakeholder-driven Strategy

Understand

- factors behind the pressure to improve public sector performance,
- stakeholders and the drivers of performance management agenda,
- prioritize Stakeholders and Stakeholder needs.

Step 2: Define Strategic Performance Priorities

These priorities must deliver the priority outcomes to key stakeholders. In particular, learn how to balance long-term goals with short-term imperatives.

Step 3: Choose a Measurement Framework

- Select a suitable performance management framework to support the development of appropriate practices, processes and measures.
- Compare the pros and cons of the most commonly used performance frameworks (including the Balanced Scorecard, The European Federation for Quality Management (EFQM), Australian Excellence Model, Total Quality Management, etc).

Step 4: Select the Right Measures

- Identify the key performance indicators that can be used to track outcomes and strategic goals.
- Set targeted measures at operational level to support continuous improvement.
- Use measures to benchmark results with other public sector organisations and identify new methods of performance improvement.

Step 5: Alignment and Accountability

- Use a performance measurement cascade to align strategic objectives with operational measures.
- Make staff at all levels of the organisation accountable and responsible for the achievement of performance goals.
- Involve staff at operational levels to ensure that measures meet both strategic and local requirements.

Step 6: Create a Performance Culture

- Create a performance culture where staff adopt the values, beliefs and behaviors that enables the organisation to achieve its goals.
- Apply the principles of culture change to create a climate where performance improvement becomes a way of life.
- Develop appraisal, reward and other schemes that underpin the performance culture.

Step 7: Make Performance Improvement Sustainable

- Build in reviews and feedback mechanisms to ensure that performance improvement is sustainable.

- Define the objectives and purpose of performance reviews for strategic and operational levels.
- Develop the processes and follow-through practices that enable the conclusions of reviews to be turned into actions.

What makes SPM frustrating for many countries and organisations is that it is not as simple as it sounds. In part, this is because developing and successfully implementing a comprehensive performance measurement system is not cheap, easy or quick. Reforms of performance-based management practices must take into consideration several issues including country context and circumstances (including administrative capacity, real problems confronting the administrative system, prevailing reforms, etc.). Otherwise the result will be (as it has been in many cases) a waste of time and resources that also create new problems without solving the existing ones.

A recent global review shows that performance management has led to some positive results in different parts of the world, but the review also underscores some of the problems of its application (Maar 2008:8). It is important to pay attention to these issues. The study of over 1000 respondents, all central and local government officials from the United States, United Kingdom, Canada and Australia found that organisations that apply the principles of strategic performance management significantly outperform those that do not. The same report, however, highlights that many public sector organisations have performance measurement initiatives underway, but poor management of the overall process hampers their efforts.

The research further confirmed that merely having a set of performance objectives and performance measures in place does not lead to better performance. In fact, it often leads to a decrease in performance with perverse and dysfunctional behaviours such as sub-optimization, target fixation and fraud. These findings are important in a world where the use of performance measurement and performance management has mushroomed among government and public sector organisations. The research, which attracted respondents from across the globe representing central and local government bodies, as well as national health organisations, police forces, fire and rescue service organisations, courts and educational institutions in developed countries, highlighted ten (10) principles for effective performance management, which public service organisations would benefit from if they want to ensure closer alignment between everyday operations and top-level strategy. The key insights of the study include the following facts:

- While government and public sector organisations have made huge progress with performance management, implementation is often too mechanical and numbers–focused, which prevents improvements in performance.
- A skill gap in performance management analysis means that massive amounts of data on performance is collected, but little of it is actually used to provide insight and prompt actionable decisions.

- The lack of a clearly mapped strategy leaves employees confused about direction and unable to make effective decisions to improve performance.
- 68% of organisations have fabricated performance data—this means the performance management system can't be trusted and it therefore fails to provide valid input into the decision-making process, which could lead to the wrong or counter-productive decisions and resource allocation; it also means the system fails to improve public accountability and trust (See Annex 1 for the full ten main principles).

The above helps to provide the background to renewed efforts at engaging performance management reforms on the continent. This is not to discourage their adoption in any way; such reforms are sorely required as the facts on African development and public sector reforms make plain. These issues are further examined in the next section.

3. DRIVERS OF STRATEGIC PERFORMANCE MANAGEMENT: GLOBAL AND AFRICAN

Several factors led to the renewed focus (especially by the early 1990s) on performance. The first is the pervasive dissatisfaction with the unresponsiveness of government employees to the public. The second was the backlash reaction of right wing governments in developed countries (especially the United Kingdom under Prime Minister (Baroness) Margaret Thatcher and in the United States under Ronald Reagan) in the early 1980s against the growing size of government relative to the economy which put pressure on public finances, leading to the adoption of what was referred to as a 'new public management' (NPM) paradigm in these countries. This spread rapidly to other OECD countries (Organisation for Economic Cooperation and Development), especially New Zealand, by the early 1990s. Thirdly, international financial institutions and donor organisations owned and managed by these countries have promoted these principles as part of their financial assistance in developing countries. The NPM paradigm promoted three core principles: *markets, managerialism* and *measurement* as the key to improving public sector performance.

By the turn of the century, even though the limits of NPM were already fairly known, a number of additional factors continued to orchestrate the focus on performance management in the public sector. Institutions such as the OECD and the European Union (EU) urged their members (and those aspiring to join them) to adopt strategic performance management to raise productivity and integrate previous administrative reform measures.

Other factors that led to the focus on performance management include the new democratic wave that replaced autocracies with democratically elected governments in developing and transition countries, the spread of globalization around the world and the growing confidence that poverty can be eradicated in the world in one generation. The latter led, in September 2000, to the articulation of the millennium development goals (MDGs) by heads of national governments meeting at the United Nations (UN) with the aim of reducing poverty by half by 2015 in all countries. This broad aim was expressed in expected concrete, monitorable indicators of progress. One implication of this was that developed countries would increase the quantity and quality of their development assistance to developing countries and this was articulated in the Paris Declaration of 2005 that committed donor and recipient countries to monitorable indicators and governance reforms, including mutual accountability improvements on all sides. All of these factors brought new principles of public sector reform to bear for many developing countries, including those in Africa.

But African countries as a whole continued to face a number of serious problems on all fronts—political, social and economic even as their economies were recording some remarkable spurts of growth. The continent, even as late as 2008, had 35 of the 50 states (or 70%) that the United Nations designated as 'Least Developed' (UNCTAD 2008). The quality of services, and especially of their infrastructure, were in decline and worsening, especially when compared with other countries in Asia, and the rest of the developing world, not to mention the industrialized countries (Calderon 2009). Whereas the British Government's Commission on Africa had estimated in 2005 that Africa would require US$20 billion to achieve the UN Millennium development goals, a recent Africa Infrastructure Country Diagnostic (ACID) showed that the costs would be double this amount, $40 billion. It is significant to note, of course, that these problems varied regionally and by country.

To improve their development prospects in the present century, African countries developed a number of responses—economic, political and administrative. Economically, they came up with a New Partnership for African Development (NEPAD), revamped the African Union (AU) and installed the African Peer Review Mechanism (APRM) that is aimed at monitoring the progress of political and economic changes in each country. This was in addition to the sustained effort at a variety of administrative reforms since they became independent. AU had adopted a set of principles aimed at combating corruption in the public service in Maputo in 2003 (African Union Convention on Preventing and Combating Corruption, Maputo). Earlier, in 2001, Ministers of Public Service across the region adopted in Windhoek, Namibia, principles of a Charter for the Public Service in Africa. The Charter affirmed the fundamental principles of the public service along Weberian lines, namely: equality of treatment, neutrality, legality and continuity.

What is relevant for our consideration are articles 8-11 that set out principles of public service modernization and in particular of performance management:

Article 8: Proximity and accessibility of services—public services to be organized along functional, decentralized and modern communication (e-governance) lines to make basic services available to the public.

Article 9: Participation, consultation and mediation of users through mechanisms of participation, consultation and conflict resolution.

Article 10: Quality, effectiveness and efficiency: ‘The public service shall ensure that the highest quality and most effective and efficient services are provided by making optimal use of the resources at its disposal.… The public service shall make necessary adjustments that lead to better service delivery and informed by the best practices in the application of information and communication technologies.’

Article 11: Evaluation of Services:
‘The evaluation of the effectiveness and productivity of services shall be based on objectives and programmes of activities defined beforehand, accompanied by performance indicators and criteria.

To this end, evaluation mechanisms shall be established in the public service to carry out periodic evaluations of the services offered to the public. The results of these evaluations shall be disseminated, together with the publication of the annual reports. (Charter for the Public Service in Africa, Windhoek 2001, italics added)

These elements were not incorporated into the reforms that took place in most parts of the continent, but SPM made the prospects of their introduction brighter. We do a review of African administrative reforms next and the significance of SPM.

4. THE CONTEXT OF AFRICAN PUBLIC SECTOR REFORMS

The earliest administrative reforms were undertaken in the 1970s shortly after independence (most African countries became independent around 1960, Sudan and Ghana in 1956 and 1957 respectively but Namibia much later in 1990). The objective of those reforms was to transform the inherited bureaucracies from colonial systems that were meant to maintain law and order in the colonies to the benefit of their colonial masters into development administration entities that could promote development. This meant efforts at increasing the scope and effectiveness of these administrative systems.

Unfortunately, the 1970s witnessed two oil shocks that sent the world into recession. Many African countries had built economic, political and administrative systems that undermined productivity and effectiveness. They became heavily indebted and were forced to undertake the second set of reforms—liberal structural adjustment reforms that led to severe cutbacks of the public sector in the early 1980s (first wave as described above). By the early 1990s, however, it was already becoming clear that these cutback measures did not improve productivity either. In fact, they led to serious hemorrhage of the public services instead of providing an enabling environment to unleash private sector possibilities. Indeed, African governors at the World

Bank made the point that these reforms pursued quantitative (cost and size reduction) rather than the more pressing and important qualitative issues.

A third round of public sector reforms therefore ensued with the countries pushing for new public management-type reforms focused on capacity building and development to promote markets, managerialism and measurement–the three Ms noted earlier (second wave). It is useful to point out the major strengths and detractors of this new reform initiative for African countries. On the positive side, it brought relief from the cutback management associated with stabilization and Structural Adjustment Programmes (SAP) reforms. On the other hand, it failed to address the reality of the fact that neither market, democracy nor Weberian-type bureaucracies were as yet fully established in these countries. Hence, programmes of marketization (privatization, contracting out etc) had to involve the public sector much more than were expected by its protagonists. Also the absence of interest groups that supported these reforms meant that the only protagonists of reforms were governments acting in concert with aid agencies. Finally, building capacity of the public sector to promote reforms meant undoing some of the reform programmes promoted under SAP, namely, rightsizing as against downsizing, capacity building instead of capacity retrenchment, cultural versus structural transformation, etc. By 2000, this epoch led to a fourth round of reforms focused on service delivery to the citizens as customers. The MDGs agreed by world leaders in 2000 gave new fillip to this focus on service delivery.

TABLE 1: AFRICAN POLITICAL ECONOMY AND ADMINISTRATIVE REFORMS

	1960 – 1980	1980s	1990s	2000 - 2005	POST-2005
Political Economy Orientation	African socialism/state capitalism- commanding heights philosophy	Structural adjustment- economic liberalism	Governance improvement	Poverty reduction & rebuilding country systems for MDGs /PD	Ditto as in 2000-2005
Prevailing Admin. Reforms	Development administration & indigenization	Cut-back management- Cost and size reduction of the public service, privatization & commercialization	NPM, capacity building, market reforms, performance management- mainly for human resources	Service delivery, budget reforms- MTEF, budget support and donor harmonization	Strategic performance management

Key: MDGs= Millennium Development Goals / PD= Paris Declaration / NPM= New Public Management

In spite of these reforms, African public services were mired in a multi-dimensional crisis of mission, internal management and performance—whether in terms of output or outcomes (Olowu 2004). The most graphic facts relate to the declining quantity and quality of infrastructures: physical (such as transportation, electricity), environmental (water, sanitation) and human (health, education, etc.). Besides, some of the states themselves had fallen into the group of countries designated as failed or in deep economic and political crisis; the World Bank referred to these as Low Income Countries Under Stress (LICUS).

In a sense, these problems were related to the weakened capacity of the state. Every state required five key capacities: *political* (creation and sustenance of legitimate public institutions), *regulatory* (enforcement of laws over whole territorial space), *technical* (expertise to formulate and implement policies using advanced analytical tools), *administrative* (routine management of personnel and finance using objective management principles) and *extractive* (mobilization of revenues to underwrite state policies, programs) (Polidano 2000). The poor development of these five capacities defines the contours of the multiple crises of the state in Africa, although the most serious is the deficit in technical capacity (Olowu 2004, African Development Bank 2005). This limitation of policy intelligence within the state has a negative impact on all other aspects of the society and economy. Unfortunately, for most African countries, it is not only that overall state capacity is weak; there is even evidence that for many countries, state capacity has declined over time (Adamolekun 1988, Mkandawire 2001, Olomola et al. 2009). We shall return to this matter later.

Many countries, with the support of development partners, have responded by re-adopting development planning (referred to as Poverty Reduction Strategy Papers, PRSPs), budget (Medium Term Expenditure Framework, MTEF) and human resource management (pay and performance management) reforms. Whereas many countries in the region had introduced Performance Management, it was mainly aimed at improving individual, rather than organizational, performance. In many instances, the scope was quite limited because such reforms focused only on human resources management. In some cases, even in respect of HRM, it was only in respect of the top leadership (Ghana, Malawi, Tanzania). SPM provided the opportunity to seek to make performance management both *integrative* and *strategic* across the whole spectrum of reforms already adopted and being considered in the public service. Such an ambitious programme must be anchored on approaches that combine effective measurements with outcome indicators.

5. <u>PERFORMANCE MEASUREMENT APPROACHES</u>

Whereas concern with performance is as old as public administration, what is new with the current emphasis on performance management, according to one study, 'are the increasing scope, sophistication and external visibility of performance measures activities, impelled (in some countries) by legislative requirements aimed at holding governments accountable for *outcomes' (*Heinrich 2004:25)

Different types of performance information are required for assessment and they include the following:

- Input information, e.g., finance, staffing
- Process information, e.g., workload and job complexity
- Efficiency information, e.g., productivity and unit costs

- Outputs, e.g., products and services delivered
- Outcomes: intermediate or end goals, including quality assessment
- Impact information: changed and improved situation of beneficiaries

Ideally all of the above types of information would be utilized to link performance monitoring to evaluation and performance management using analyzed information to improve impacts. But what dictates what measures would be utilized for any specific situation is the purpose or objective of the measurement. Essentially, there are eight major reasons for measuring performance (Table 2).

TABLE 2: MEASUREMENT TYPES AND MANAGEMENT PURPOSES

PURPOSE	MANAGER'S QUESTION	APPROPRIATE MEASURE
EVALUATION	How well is my agency performing?	Outcomes combined with inputs and effects of exogenous factors
CONTROL	How can I ensure that my subordinates are doing things right?	Inputs that can be regulated
BUDGETARY PRIORITY	On what programs, people or projects should agency spend public money?	Efficiency measures (outcomes or outputs divided by inputs)
MOTIVATION	How to motivate staff, stakeholders and citizens to do the right things necessary to improve performance?	Real-time outputs compared with production targets
PROMOTION OF PARTICULAR CAUSE(S)	How to convince political superiors/legislators, stakeholders, journalists that agency is performing well?	Easily understood aspects of performance about which citizens really care
CELEBRATION	What accomplishments are worthy of organisational celebration?	Periodic and significant performance targets that when achieved provide a real sense of personal and corporate accomplishment
LEARNING	What is working and not working?	Disaggregated data that can reveal deviance from expected
IMPROVEMENT	What exactly should who do differently to enhance performance?	Cause-effect data on outputs and outcomes

Behn (2003:588,593)

Of course, there are different measurement approaches to ensure an effective strategic performance management. The measurement approach to be adopted should be dictated by the environment and the purpose of the measurement. Needless to say, every measurement type has its own challenges. This is why different countries or groups of countries have adopted their own performance measurement frameworks—the European Federation for Quality Management, EFQM, the Australian Excellence Model, etc. These are all variants of the standard measurements—such as Total Quality Management (TQM) and Balanced Scorecard (BSC).

We provide below the key elements of BSC, together with its strengths and challenges.

The Balanced Scorecard is a strategic management concept devised by Robert Kaplan and David Norton. It uses performance measures to articulate and to track strategy implementation across an organisation. Originally applied to private sector organisations, BSC has been shown to be applicable to non-profit and especially public sector organisations as well.

The model attempts to connect four main types of perspectives for the organisation.

- **The Financial Perspective**
  Profitability (sales growth, investment return, operating income and cash flow, etc.)

- **Customer Perspective**
  Customer satisfaction, customer retention, customer profitability and market share.

- **Internal Business Process Perspective**
  Existing and new processes to meet customer demand

- **Learning and Growth Perspective**
  The above reviews will reveal the areas the organisation will need to develop to be successful. The perspective measures factors relating to people, technology, procedures and systems and other factors that need to be improved or initiated.

BSC is used not only as an approach for measurement but also for strategic management of the organisation and subsequently for performance management, organisational individual staff rewards and service evaluation. BSC is a measurement system that translates an organisation's strategy into tangible objectives and measures. The latter are derived from a top-down process driven by mission and strategy—how does the organisation intend to achieve its strategic objectives? The senior executive translates the business strategy into specific strategic objectives. These objectives must stand to one another hierarchically, and a distinction must be made between 'tangible' or 'laggard' indicators (often expressed in financial data) that are traditionally used to gauge success and the intangible assets or 'lead' indicators (that create value in modern organisations). The linkages between these four perspectives/indicators are crucial for all organisations—profit and not-for-profit, including governments.

BSC and the 'strategy map' that goes with it have become popular and have been adapted in all types of organisations because together they are a communication tool, a measurement system and a strategic management system all in one.

The strategy map is a one-page graphical representation of what must be done well in each of the four perspectives in order to successfully execute the strategy. The strategy map is thus a summary of well-defined activities that must take place for the organisational strategy to be attained in each of the four perspectives.

For governments, the crucial factor is mission success and the core perspectives can be regarded as the value-adding activities. Against these are set the strategic objectives, targets and initiatives.

TABLE 3: BALANCED SCORECARD PERSPECTIVES AND STRATEGY MAPS

Value adding activities	Strategic Objectives	Measures	Targets	Initiatives
Activity A *(Customer Perspective)* E.g., ▪ *Operational excellence: low price, convenience* ▪ *Product leadership* ▪ *Customer needs and orientation*				
Activity B *(Internal Process Perspective)* *E.g., Service development, one-stop shop, etc., partnering with community*				
Activity C *(Employee Learning & Growth Perspective)* E.g., Filling gaps in employee skills, information systems, organisational climate/culture, etc.				
Activity D *(Financial Perspective)* E.g. Lower costs, expand revenue sources, utilize assets effectively, etc.				

Once a strategy map has been created, with concise statements of what must be done to deliver on the strategy, the next step is to create performance measures for each of these objectives. These measures help to hold the leadership accountable for achieving the objectives and ultimately executing the strategy. The articulation of the precise objectives constitutes the strategy maps, and the indicators and measurements constitute the elements of the scorecard.

And this is one crucial attribute of BSC: it puts the focus not on the strategy but on its execution. It also ensures that all activities and initiatives are aligned to the organisation's strategy (Syrett 2007).

6. CHALLENGES OF PERFORMANCE MEASUREMENT AND MANAGEMENT

Four major challenges confront all organisations in implementing their performance measurement and management strategies. These are as follows:

Vision Barriers: Majority of the workforce is not aware of the organisational vision due to the poor communication of leadership's vision to the organisation.

People Barrier: Arising from weak and non-aligned incentives to the organisational strategy.

Management Barrier: Arising from the fact that considerable time of managers is spent focused on short-term issues rather than the longer-term issues that add value to the organisation.

Resource Barrier: Arises from the fact that 60% of organisations do not link budgets to strategy. Table 4 provides an insight into how BSC tackles each of these problems.

TABLE 4: BALANCED SCORE CARD IMPLEMENTATION AND SPM ORGANISATIONAL CHALLENGES

CHALLENGES	What it is?	Why?	Overcome By
VISION	5% workforce understands the strategy	Poor communication of strategy among work force	Translation of vision and strategy into specific objectives (SM) and measures, targets, initiatives (SC) forces the executive team to specify vague concepts such as superior service to 'response time to enquiries'
PEOPLE	Lack of interest of managers in strategy	Weak incentivization of strategy execution	Cascading the scorecard to all units and individuals and connecting incentives to it.
MANAGEMENT	Executive teams spend little time discussing strategy	They focus more on short term issues and new initiatives	SM/SC focuses individual and organisational learning on strategy
RESOURCE	De-linkage of strategy from budgets	Incremental budgeting based on organisational silos	Human and financial resources to achieve SC basis for budgeting

Source: Syrett (2007), Niven (2008)   SM= Strategy Map; SC= Score Card

However, a number of additional problems need to be highlighted that confront the implementation of SPM, particularly in the African governance environment. Due to time and space considerations, these are summarized into seven main points.

1. ***Conceptual Problems***. The first conceptual problem is the tendency to confuse performance management focused on individual performance within an organisation—an important aspect of human resource management—with strategic performance management. Moreover, there is the fact that PM rests on a theory of management that assumes that management alone is responsible for improved performance. In reality, management is actually only one of the main elements. Other factors inherent in the environment can at times weigh more heavily than managerial actions. A number of studies have documented the fact that environment is just as important as management (Boyne 2006). The advantage of SPM is that, if properly done, challenges from the environment would have been analyzed as a part of the strategy formulation processes (Johanson 2009). In African contexts, the most severe challenge is how to indigenize the concept: many reforms have failed implementation due to poor conception and (therefore) poor adaptation.

2. ***Operational Challenges***: Once we accept that SPM is important and relevant, the critical challenge becomes how to implement it. The most severe of the challenges are operational problems—related to indicators and measurement. Each of the measurement approaches has its strengths and weaknesses in addition to the particular challenges of measuring performance in the public sector. In most instances, as we have noted above, a combination of different types of data is needed. Moreover, while limited data casts doubt of validity on the measurements, too much data confuses the ordinary layperson in using the measures.

   Unfortunately, good and up-to-date data have high costs both financially and in terms of systems and personnel. Over time, the quality of data on African public services have degenerated in spite of huge resources poured into projects that were aimed at improving personnel and systems data. There was a time (up to the late 1970s and early 1980s) when African countries regularly published their budgets and staff lists. Since then, the dearth of data or appropriate indicators has led to the use of expensive statistics drawn from different sources and in some cases expensive sources that cannot be accessed for verification in order to analyze African governance indicators.

   For instance, one of the most widely used statistics on governance matters is produced as a part of the World Bank Institute's World Governance Indicators. It is used for policy purposes especially by aid-giving agencies and aid-receiving countries. But close students of the subject (see especially Pollitt 2008, citing a large number of experts in the field) have highlighted its several limitations that include the following:

- The indicators do not flow from any theory of governance that could predict how factor variables change and why.
- There is no coherent, explicit definition of governance other than as traditions and institutions by which power is exercised. This is only one suggestion among a cacophony of voices.
- There is a lack of clarity of meaning: each of the six main sets of indices is a composite measure of inputs, processes, and outcomes and these are then submerged in 'a weighted composite index of even greater complexity' (ibid).
- Accessibility and transparency of its data sources are problematic: only 140 of 310 data variables are user accessible. The data sets come from business sources and are expensive. There is no listing of all data sources from which countries can cross check.
- It is difficult to use indices to estimate changes over time, partly because the data sources change year by year.
- It shows a bias towards business and less towards citizens.
- It is unclear whom the data is for: World Bank (WB) places a disclaimer to these data, and some countries have objected to the compilation of this type of data by the Bank.

It is instructive that one of the four key indicators (there are a total of sixteen sub-indicators) used to allocate the huge aid resources (especially the element referred to as the International Development Assistance, or IDA) at the Bank is what is referred to as 'Public Sector Management and Institutions', but one of these sub-indicators, 'the Quality of Public Administration' is actually the least reliable because it is based on subjective assessments by World Bank staffers in each country, especially in the absence of objective indicators (see World Bank 2006). A related WBI indicator, Kaufmann and Kraay—on bureaucratic capability—uses 'doing business' and 'investment climate' perception indicators and in-country statistical capacity.

Beginning in 2007, a Sudanese wealthy businessman (Mo Ibrahim) based in the United Kingdom initiated the African Governance Index (AGI), which is expected to tackle several of the above-mentioned problems. Its governance indicators are based not on subjective perceptions but on objective indicators of *actual performance* by governments on a set of 5 categories, 14 subcategories and 55 sub-subcategories. Unfortunately, it also suffers from the same problems as the WGI. Its definition of governance is the deliverance of political goods (performance). But a close inspection shows that, although performance is supposed to be the Index's main focus, its indicators also include processes (e.g. international sanctions, number of days it took to settle a dispute, pupil/teacher and doctor/population ratios, etc.) Some of the data are based on perception (e.g., property rights index, business environment, e.g., how many days it took to start a new business). Curiously, the countries of North Africa that seem to have done well in respect of governance but not democratic rights are excluded, and the data reliability is quite questionable. AGI is indeed more comprehensive than WBI, however, data for a range of issues are missing for many years for many countries. In one particular case, the data on tarred roads fell by 10,000 in RSA for 2006, and the authors decided to ignore it. As is to be expected, the report gives a glowing report of governance improvement in Africa. More importantly, these indices leave out the most critical issues: the effectiveness of policy processes at the national and local government levels, and the supply and demand forces that keep them ineffective.

3. ***Political Leadership***: The success of any administrative reform hangs on the ready support by the political leadership. However, for SPM, it is almost nearly impossible to even introduce it, not to talk of sustaining it, without sustained political support. This is why it is precisely those countries--within and outside Africa--that have managed to have the political leadership lead the process that have recorded success. This is because of its strategic and inclusive nature. Besides, such support also ensures that other negative factors such as cultural sensitivities and resistance to the reform from various quarters that are apprehensive of change for subjective and objective reasons can be placated or neutralized.

4. ***Reform Fatigue***: Many countries are already reform weary. As already analyzed above, every political economic phase has come with its peculiar administrative reform demands. For many countries, there is therefore a feeling of déjà vu when another reform is being bandied around. This is particularly so because the feeling is that there is no effort to either seriously discuss these reforms before they are introduced. In many countries, the reforms were essentially a part of conditionality for financial assistance to struggling economies that have not been able to raise development expenditure, and, in some cases, even their recurrent or overhead expenditures. Cash-strapped, such governments welcomed all kinds of reforms, some of which actually further undermined the limited available capacity within the country (see below).

5. ***Financial and Technical Resource Challenge***: SPM requires infrastructure support. SPM is particularly facilitated by computerization, especially the ability of civil servants to master what are referred to as the big six competences in terms of informatics usage (see Annex 3). A good example of an African country that has done well in terms of its informatics programme with the assistance of the UNDP is Egypt. Even OECD countries are pouring huge resources into computer education among public employees and the wider population. For example, Italy makes available to every family with a child a computer connected to rapid Internet facilities and a sum of €700 as a grant! Unfortunately, for many countries in Africa, the challenge of e-governance is closely linked with the dearth and poor quality of infrastructures such as electricity and telephone connectivity—although a lot of progress has been made by a number of countries as well (UNCTAD 2005).

6. ***Getting the Fundamentals Right***: SPM is an advanced form of administrative reform. It is a reform that assumes that some fundamentals are in place. The fundamentals include a supportive political leadership (already mentioned above), and most importantly, a robust administrative leadership and administrative culture that is able to think and act strategically. This includes the ability of the public service to attract and retain the best brains in the civil service that has responsibility for policy development, technical advice to political leaders and also provide an effective regulatory framework. Unfortunately, as explained below, many countries in Africa have actually been losing their human and institutional capacities and introducing SPM in this circumstance has a peculiar challenge. This is an issue that requires some further reflection.

   In spite of the well-articulated problem (since the 1980s) that most countries in Africa had a bloated public and civil service, for instance, the fact that it was also the region of the world with the least number of civil servants per population received less publicity. In fact, most countries in the region had a peculiar problem: even though reforms helped to remove large numbers of persons from the civil and public services, there were also huge and growing vacancies arising from the fact that incentive structures and pay had declined leading to erosion and compression of salaries. These drove skilled personnel to other sectors and in some cases to other countries—the brain drain (see below).

   By the turn of the century, however, it was noted that African civil services had declined in quality in terms of performance and effective delivery of services. (Adamolekun 1988, Mukandala and Kiragu 2003, Olowu 2001, 2004). Findings such as the ones cited below further revealed the extent of the challenges.

7. ***Incentives and Brain Drain***: Available statistics show that African countries, compared to other world regions, lose more of their human resource talents to other countries. They have not been able to attract and retain scarce skills. Unfortunately, the reforms of the past that focused on cutback management and paid scarce respect to the erosion and compression of wages and salaries have only further aggravated matters. A study sponsored by the British Department for International Aid (DFID) estimated that while brain drain (the emigration of tertiary educated persons for permanent long stays abroad) was a global phenomenon for all countries and especially developing countries, the latter lost 10-30% of their skilled talents in 1990, but Africa was the worst affected among the world's regions. The continent lost 75% of its tertiary educated work force followed by Asia/Pacific (52%), Latin America (48%) and Eastern Europe (20%) (Lowell & Findlay 2001, 5). Paradoxically, it is the poorest countries that actually require the services of the scarce skills for which they are unable to pay in a globally competitive market that must lose them to richer and better-resourced countries (see Table 5 below). With respect specifically to Africa, the United Kingdom Commission for Africa (2005) laments that the continent spends an estimated US$4 billion annually to recruit some 100,000 skilled expatriates who replace some 70,000

African professionals or managers that leave annually to work abroad. By contrast, many developed countries, for a variety of reasons, are putting in place measures to attract scarce talents from developing countries to their countries. The consequences for poor countries are damaging to their economic growth and democratic prospects, as they are not able to either attract or retain critical skills essential for institutional development nor utilize the opportunities of brain gain or brain circulation (see Table 5 below).

TABLE 5: ESTIMATES OF BRAIN DRAIN FROM AFRICAN COUNTRIES: EMIGRATION RATES FOR TERTIARY EDUCATED, 2000

% of Nationals with Tertiary Education abroad	**COUNTRIES**
>50	Cape Verde, Gambia, Seychelles, Somalia
25-50	Angola, Equatorial Guinea, Eritrea, Ghana, Guinea Bissau, Kenya, Liberia, Madagascar, Mauritius, Mozambique, Nigeria, Sao Tome & Principe, S/Leone
5-25	Algeria, Benin, Burundi, Cote d'Ivoire, Cameroon, Chad, Comoros, Congo DRC (formerly Zaire), Djibouti, Ethiopia, Gabon, Guinea, Malawi, Mali, Mauritania, Niger, Morocco, Rwanda, South Africa, Senegal, Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe
<5	Botswana, Lesotho, Burkina Faso, Central African Republic, Egypt, Libya and Namibia

Source: Davesh Kapur & John McHale (2005)

- HIV/AIDs has also become an additional scourge against high level quality skills in many African countries.
- The typical African country has a large number of excess personnel that are not scarce but huge vacancies for scarce skills. In this circumstance, it does not make sense to have a general upgrading of all salaries. It makes better sense to target skills for salary upgrading.
- Many African countries have sought to increase the pay of their public servants but are apprehensive that such positive gestures do not lead to improved performance. These facts together make performance management reforms almost mandatory in the context of administrative reform that most countries in the region are engaged in.
- Fortunately, there are some positive experiences of performance management within and outside the Commonwealth countries. A few African Commonwealth countries have also successfully introduced strategic performance management reforms. These experiences are reviewed later in this paper.

Performance Management must effectively link monetary and non-monetary incentives in order to improve performance in a country. The monetary elements are often well understood but not the need for managers (or leaders) of the process who must be given even higher rewards to make the risks and energy required attractive. Moreover, there must be effective and widely acceptable measures of performance that are regarded as fair. In the absence of these, a country, however prosperous, experiences drainage of its brightest and best to other organisations outside the public sector or outside the country. For instance, a special survey by the Economist (2008) noted that there are large absences in the public sector and that out migration is a challenge in what is perhaps Africa's most developed country, South Africa. Already, 'about half a million jobs are vacant in government service alone….not a single department has its complement of professionals. Local municipalities and public hospitals are also desperately short of trained people'. Whereas over 25,000 teachers were leaving the teaching profession every year, only 7,000 were entering. The article noted that the country has not been able to recruit local Africans from within the region to fill positions even though the Department of Home Affairs put a policy in place to do just that.

As is evident from the review of country experiences below, most countries that went on to implement SPM started with effective and well implemented performance management reforms in respect of human resources, which is the most critical of all organisational resources.

7. LESSONS OF COUNTRY EXPERIENCES

Due to the strong criticisms raised by the concept of 'best practice', we try in this section to identify some country or comparative experiences that can be of interest to this meeting of African Heads of Civil Service.

1. United States of America and the Organisation of Economic Co-operation and Development (OECD) Countries

OECD countries hold leadership in successful introduction of SPM. But most of them initiated reforms of human resources much earlier, taking a cue from the performance management reforms introduced as a result of the 1978 Civil Service Reforms in the United States. The US reform itself did not fully get underway until the early 1980s. The next decades (especially the period between 1990 and 2001) shows that these reforms were adopted in practically all OECD countries, with the exception of only one country, Greece.

The United States Civil Service Reform (CSR) programme had four main elements, but of these, three were performance management-related, namely, Performance Appraisal, the Senior Executive Service and Merit Pay. The first of these, Performance Appraisal, sought to create an objective-based performance appraisal system to replace more informal and subjective systems. Annual evaluations were mandated that to the maximum extent feasible, permit the accurate evaluation of the job performance on the basis of objective criteria. The reform also linked performance appraisals directly to individual and organisational outcomes. The reform introduced was particularly welcome to managers because it helped to establish a new culture of work plans to the US federal civil service, even though they were not sure it helped to make a distinction between high and low performers.

The second PM reform, merit pay, was instituted for managers in grade levels 13 to 15 of the General Schedule. The new system eliminated the automatic pay increments based on time in grade. This was replaced by a system that allocated differential increases based on appraised performance.

The third reform was the creation of the Senior Executive Service (SES) to provide better and more effective leadership for the higher-level public officials in the General Schedule grade levels 16-18. 90% of these must be professional civil servants. The purpose of SES was to overcome executive staffing challenges, improve managerial motivation and responsiveness of the civil service to the political leadership. SES positions are contractual and based on performance. Today, there are about 7,000 SES personnel. An important element of this reform, aimed at raising managerial leaders across the federal civil service has been the fact that the reward system is closely tied to performance. Underperforming SES personnel are dropped from the system after a period of time while merit awards are given to those who perform according to mutually agreed targets. A recent appraisal noted that ‘on balance, the SES has served to attract, and help retain, thousands of highly skilled personnel, and the efficiency of the federal workforce has certainly improved as a result’ (Schiavo-Campo & McFerson, 2008: 234).

Table 6 shows the pattern of adoption of these reforms across OECD countries between the early 1990s and 2000s. What is particularly important, though, is that each country has adopted these reforms within this period differently.

TABLE 6: ADOPTION OF PERFORMANCE MANAGEMENT REFORMS IN OECD COUNTRIES: FROM 1980 TO EARLY 2000

Country	Performance Appraisal	Merit Pay	SES
Australia	1999	1997	1984
Austria	Yes	No	No
Belgium	Yes	Yes	Yes
Canada	1979	Yes (early 1980s)	1981
Czech republic	Yes (early 2000s)	Yes (early 2000s)	Yes (early 2000s)
Denmark	Yes (late 1980s)	1987	Yes (late 1980s)

Finland	Yes (early 1990s)	1992	Yes (early 1990s)
France	2002	2004	Yes (early 2000s)
Germany	Yes (early 2000s)	1997	No
Greece	No	No	No
Hungary	Yes (early 2000s)	2002	Yes (early 2000s)
Iceland	No	No	Yes
Ireland	Yes (late 1990s)	2002	Yes (early 2000s)
Italy	Yes (early 1990s)	1993	Yes (early 1990s)
Japan	2007	2001	Yes (early 2000s)
Korea	2006	1999	2006
Luxembourg	Yes	No	Yes
Mexico	Yes (early 1990s)	1994	Yes (early 1990s)
Netherlands	Yes (late 1980s)	1989	Yes (late 1980s)
New Zealand	Yes (late 1980s)	1988	1988
Norway	Yes	Yes	Yes
Poland	Yes (early 2000s)	Yes (early 2000s)	Yes (early 2000s)
Portugal	Yes	No	1979
Slovak Republic	Yes (early 2000s)	Yes (early 2000s)	Yes (early 2000s)
Spain	Yes (early 1980s)	1984	No
Sweden	Yes (late 1980s)	1989	No
Switzerland	Yes (early 2000s)	2002	No
Turkey	Yes	No	Yes
United Kingdom	Yes (late 1980s)	1985	1996
United States	1979	1979	1979
Total No of adopters	28/30 (93.3%)	24/30 (80.0%)	24/30 (80.0%)

Note: 'Yes' indicates that the provision was adopted, but a precise adoption year could not be specified from available data. Parenthetical dates indicate likely period during which adoption occurred. SES = Senior Executive Service
Source: Lah & Perry (2008:290)

These reforms of personnel practices have since been incorporated into strategic performance management measures in most OECD countries, as the last case in this section makes clear.

2. Eastern and Central European countries

The approach of the ten Eastern and Central European countries to the adoption of performance management reforms is particularly relevant to African countries in the sense that once they acknowledged that the administrative systems they inherited from their past (socialist) history would neither enable them to engage the challenges of globalization and democratization, they used their accession bids to the European Union to press for wide-ranging administrative reforms, of which performance management was one.

This is significant in that the approach they took is different from the widely espoused notion of a European administrative space that was based on law and would have reinforced Weberian principles of legal protection of civil servants' tenure for life and also the separation of politics and administration. These principles gave way to managerial reforms that were deemed as consistent with the three forces noted above: democratization and globalization and the accession of each of these countries to the EU.

The Europeanization of the public sector in these countries focused essentially on a wider public sector reform of which civil service reform is a part, and performance management is at the core of this civil service reform. The main elements of public sector reforms were the following:

- depoliticization of public administration structures
- removal of political clientele (structures that guaranteed party supremacy above the state)
- creation of a body of professional, stable and impartial civil servants

The main elements of the civil service reform included the implementation of the following principles:

- developing and implementing a system of recruitment, assessment and promotion based on merit and competence in the civil service
- developing a body of professional public managers and the competencies necessary to support the reform process
- modernization of human resource management
- creation and implementation of a uniform payment system for the civil servants that is motivating, simple and transparent.

- consolidating the institutional capacities in order to ensure the implementation of the strategic components of the civil servants' continuous training

All these ten states (Hungary, Lithuania, Estonia, Romania, Bulgaria, Poland, Serbia, Moldavia, Bosnia-Herzegovina and Macedonia) passed legislation to promote the above-mentioned reforms between 1992 (Hungary) and 2002 (Macedonia), although some have passed additional legislations, e.g., new code of conduct between 2004 and 2009.

The content of civil service legislation in these countries covered the following crucial areas:

- job duties and responsibilities
- tenure and Security
- disciplinary arrangements
- rewards and wages
- assessment of civil servants

Jobs are classified into managerial, expert-professional, and expert-administrative in most of the countries.

Performance assessment is a basic component of the performance management system, which complies with a number of criteria:

- transparency in measuring and assessing the results
- learning from experience, what worked and what did not
- judging the effectiveness and efficacy of an authority
- rewarding or penalizing individuals and units

HRM policies seek to improve organisational performance by: a) increasing employee performance; b) promoting positive attitudes and increasing motivation; and c) providing opportunities for employees to rise to the maximum of their capacities
The assessment system used in these countries' public services can be divided into the following groups:

- performance and results-oriented criteria (level of fulfilment of objectives; quality of activities)
- behavioural criteria (cooperation, desire to take responsibilities, knowledge, desire to increase professional specialization)
- managerial behaviour criteria (ability to lead, strategy, initiative, decision, capacity to delegate, ability to guide)
- technical competencies' criteria (experience, competency)
- potential criteria (development possibilities and tasks assignment)

What is significant about these states is that although they have different legal traditions and governing systems, 'they have developed a common body of doctrine and share the same administrative law principles and good practice standards, as well as the unitary and efficient implementation of European Union law' (Matei & Lazar 2009:19).

3. *Finland:*

A small country of only 5.3 million located in northern Europe with huge territories that share a long boundary with Russia, Finland was a Russian empire dependency until after the First World War in 1918 when it became independent. However, modern development into a modern administrative system built on welfare state principles were laid between 1966 and 1987. During this time, her volume of public expenditure grew by 4 per cent annually and the number of public employees by 2.5 % per year. The institutional structure until the end of this period was one in which public tasks were the responsibility of central ministries and agencies while regional agencies were responsible for other provincial and regional organs. In the early 1990s and in response to the difficult economic recession, Finland underwent bold administrative reforms promoted largely by senior bureaucrats. These reforms increased the operational and economic independence of the over 400 municipalities, leading to a sharp reduction in central staff from some 215,000 to 125,000 in 2005. Also, as a result of the reforms and within the last 20 years, a number of broad delegated autonomous agencies were created; these were responsible for areas such as taxation, customs, transportation, etc. while several state-owned companies were commercialized and privatized. Agencies such as churches are active in the delivery of public services (especially social welfare and education). Performance management and pay reforms were also put in place to ensure that the public service can attract and retain competitive and competent personnel. By 2004, public service personnel comprised 124,000 persons in the central government, 431,000 in the local and municipal governments and 21,400 in the churches.

In spite of the reforms, criticisms of the public service persisted. As a result, beginning from 1993, a special ministerial committee for administrative development was appointed by the government. A ministerial post for administrative reform was created. This committee proposed the gradual movement of the central government from human resource performance management to SPM. A number of ministries initiated this reform, but in early 2000, the Ministry of Finance commissioned an evaluation of the comprising government officials and senior experts from within and outside Finland. Parliament also appointed a working group of its members and senior experts. The two groups came to the same essential conclusions. Both groups concluded that the ministries had not fulfilled their roles as performance steering bodies, especially with target setting and indicators. The budget process was amended to make it consistent with the performance management system. This performance management reform revolutionized public administration in Finland. The following were the main principles promoted by the reform:

1. Political decision making to focus on strategic management instead of operational issues.
2. Content and procedures of decision- making involving finances were amended to focus on the setting of performance targets

instead of detailed input allocations. Detailed procedures exist on how targets must be presented in budgets.

3. Performance management was extended to the relationship between central government and local government by delegating authority previously held by central government to autonomous municipal bodies.
4. Chargeable service production was largely transferred to market circumstances to achieve better customer orientation and economic efficiency.
5. Principle of hierarchy whereby central governments were divested of all other responsibilities and staffing besides policy making, budget and strategic policy and monitoring.
6. Performance agreements concluded between the central government ministries and subordinate agencies--devolved (municipal) bodies and delegated agencies. These form the basis of performance targets and indicators. Ministries are also expected to set their own targets and take responsibility for performance guidance.
7. The Ministries of Finance and Interior were merged to ensure the integration of the planning/budgeting function with public order and welfare issues handled mostly by local governments.

Today, the central ministries have only 5000 personnel (over 1000 in Ministry of Foreign Affairs), 100,000 in the autonomous agencies and state enterprises, and the balance of 450,000 are in the municipalities and co-production agencies. These reforms all helped to prepare Finland for the economic crisis that confront most countries of the world today. The country has not only been able to make better use of its resources (it is one of the leading ICT providers) it has also been able to sustain greater policy and political coherence: all political parties have been involved in the strategic design and implementation of the SPM and in debates concerning the future of the country. OECD regards Finland as one of the success stories in respect of overall management of the economy and of strategic performance management.

It is instructive that close observers of the rise of Asian countries at the end of the last and the beginning of the current century believe that Asia's ability to intelligently adapt critical institutions of managing public and private sector organisations from the West, often surpassing the West, constitutes one of the most important explanations for the continent's meteoric rise (Mahbubani 2008).

4. Africa

Table 7 is an update on the progress of African countries in implementing SPM. The Table shows that Botswana, followed by South Africa and then Uganda, Ghana, Mauritius and Tanzania are the countries that have made the most progress in respect of SPM. Many of the other countries are just beginning. In fact, for most countries other than Botswana, there are still many obstacles to overcome.

TABLE 7: PROGRESS TOWARDS STRATEGIC PERFORMANCE MANAGEMENT BY AFRICAN COUNTRIES

COUNTRY	Plans & shareholder involvement	Budget reforms	Pay-related PM	E-governance	Measurement Indicators	Alignment
Botswana	Yes	Yes	Yes	Yes	Yes	5/5
Cameroon	Yes	Yes	Yes	Partly	In process	2/5
Gambia	Yes	Yes	Planned	Planned	Planned	2/5
Ghana	Yes	Yes	Planned	Yes	Planned	3/5
Kenya	Yes	Planned	Planned	Planned	Yes	2/5
Lesotho	Yes	Yes	Planned	Planned	Planned	0/5
Malawi	Yes	Yes	Not Yet	Planned	Planned	2/5
Mauritius	Yes	Yes	Not Yet	Yes	Yes	3/5
Mozambique	Yes	Yes	Yes	Yes	Not Yet	2/5
Namibia	Yes	Yes	Not Yet	Yes	Yes	1/5
Nigeria	Partly	Yes	Planned	Planned	Not implemented	2/5
Seychelles	Yes	Planned	Planned	Yes	Planned	2/5
Sierra Leone	Planned	Planned	Not Yet	Planned	Not Yet	0/5
South Africa	Yes	Yes	Planned	Yes	Yes	4/5
Swaziland	Yes	Yes	Planned	Planned	Planned	2/5
Tanzania	Yes	Yes	Planned	Planned	Yes	3/5
Uganda	Yes	Yes	Not Yet	Planned	Yes	3.5/5

8. RECOMMENDATIONS AND WAY FORWARD

The way forward is discussed with the roles of heads of services in mind. Most countries in Africa already have a planning programme in one form or the other. The key question is to put in place a procedure that would ensure that such documents are linked to each country's strategy of public sector reform in which the revitalization of the civil service based on strategic performance management principles would be core.

Clearly there would be the need for a number of crucial measures to help in actualizing this objective in Africa.

A first step would be to connect national development plans with public sector reform programmes. This has not been the case in many countries. Many development plans (or poverty reduction strategy papers) have no robust time-based public sector reform programme. This needs to be corrected as a matter of urgency. Where such connections already exist, it is important to review these in light of the other points made below. Figure 1 suggests how some countries within and outside the region, especially the countries referred to as the Asian tigers, now including India and China have done this. The figure suggests how the vicious cycle of poverty can be transformed into a virtuous cycle. A focus on building infrastructures in Africa could be the lever for this effort. Infrastructures are the preconditions for development. The absence of physical, environmental and human infrastructure has made it difficult for many countries to engage development. However, to do this would require persons with the requisite skills who can be attracted and retained to lead the policy process for creating and sustaining infrastructures.

Fig 1: Turning vicious into virtuous cycle of development

A second proposal is to adopt Strategic Performance Management as an initiative aimed at integrating the diversity of present public sector reform programmes that are at different stages of implementation in most countries.

Thirdly, the institutional and human resource capacity of the offices of the heads of civil services would have to be boosted, working closely with the Ministries of Finance (MoF). Fortunately, MoF is a ministry that has been transformed into islands of excellence and the goal should be to ensure the integration of the budgetary and performance management reforms in each country. The argument has been made that priority should be given to technical capacity for policy making since this is the primary objective of the public service. The reforms should be phased to include all other aspects of the civil and public services over a period of time.

Fourthly, financial resources should be sourced from within and outside government for this kind of reform. Efforts should be made to involve the business and non-governmental sector (including charities and civic bodies and foundations) as well as the donor agencies, but this should be focused in the beginning on the pilots in two ministries (Finance and a ministry that is priority to government) and the Office of Head of Civil Service.

Fifthly, latent capacity for research and data management within Africa's dying higher education institutions, as well as in Africa's Management Development Institutes, should be mobilized. Such an effort can extend a lifeline to enable such institutions to turn around under appropriate leadership as has happened in a few centres across Africa (Uganda Management Institute and Ghana Institute of Management and Public Administration). It would in turn yield more robust indicators and data sets that would prove invaluable to the management of SPM.

Sixthly, it is perhaps needless to say that heads of public service would need to use their political clout to influence government to undertake these reforms but also ensure that the whole spectrum of political forces in the country—within and outside government—are involved in the process.

Finally, effort should be directed at ensuring not only the horizontal coordination but also the vertical integration to install the hierarchical principle whereby ministries take primary responsibility for policy development, budget and SPM policy development and review (including the targets) while leaving detailed operational management to agencies, municipalities and state enterprises, partnerships and co-production arrangements between the state and emergent institutions such as the faith-based institutions and other social actors.

Within this framework, serious thought should be given to the articulation of a human resource management strategy. Whereas development strategy is beyond what heads of services can alone make happen, HRM strategy is something within their competence. When PM is singled out for implementation, the result has always been less than expected if not counterproductive. However, when it is undertaken in the context of wider SPM reforms that is integrated with reforms of the budgetary processes such as MTEF, a greater prospect for success has been actualized as the examples of some of the African countries at this meeting shows.

Conclusion

The current global economic and financial crises require effective, responsive, intelligent and highly motivated public and civil services. As already articulated in this paper, performance management is essential not only for ensuring that a country has a virile and result-oriented service that promotes development goals, makes economic recovery possible, taking advantage of competitive opportunities within the global economy, but the governance system is also much improved in the process. African heads of public services can help to reposition their countries by adopting a more nuanced and knowledge-driven approach to the reform and revitalization of their respective public services. The first step is a policy and strategy that articulates how strategic performance management would be implemented in each country over a period of time using the insights from comparative and own country experiences.

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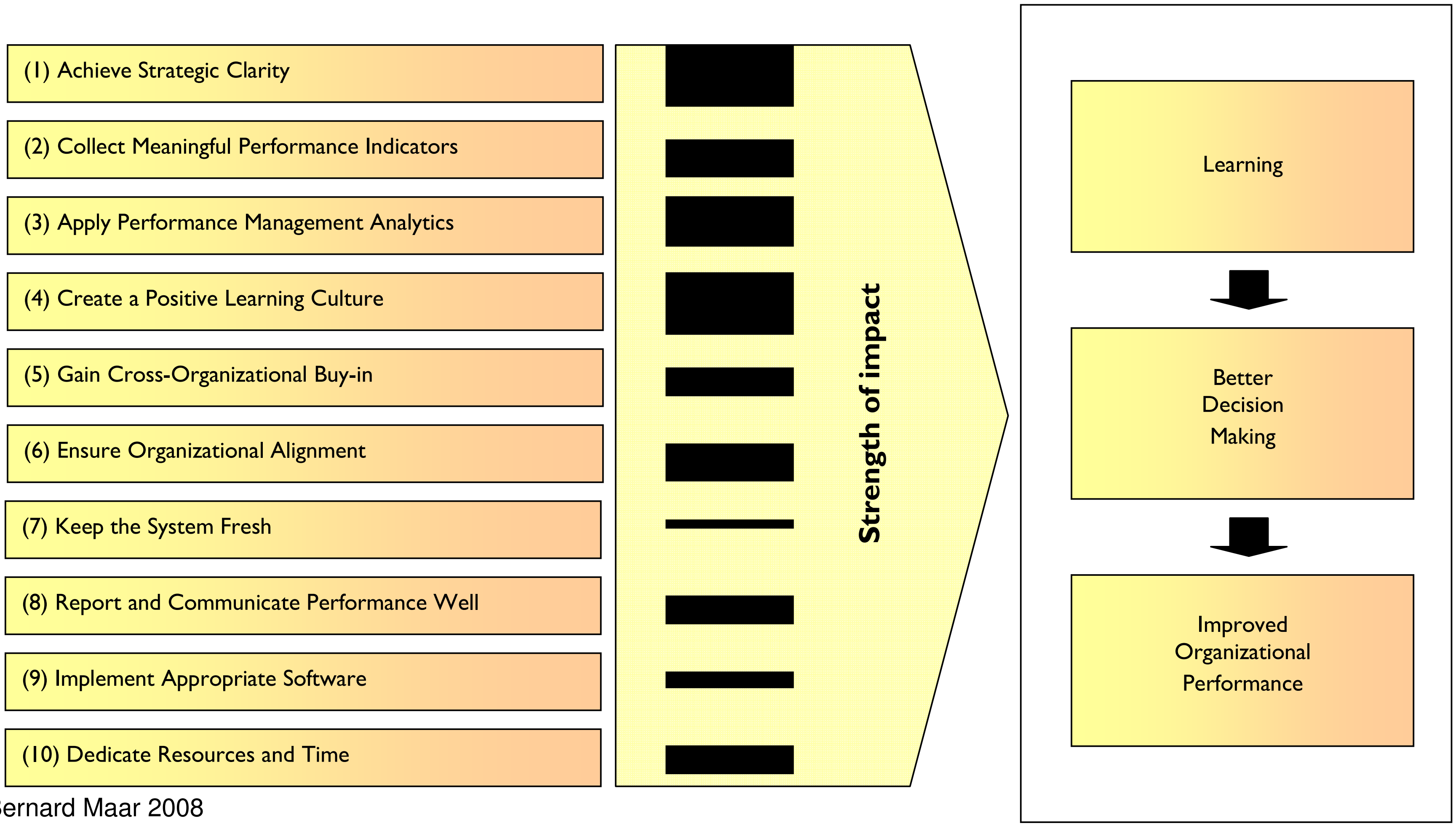
Annex 1: 10 Principles of Good Performance Management and their Impact on Performance



Source: Bernard Maar 2008

Annex 2: Country Policy and Institutional Assessments (CPIA), 2004

A. Economic Management

1. Macro economic management
2. Fiscal policy
3. Debt policy

B. Structural Policies

4. Trade
5. Financial sector
6. Business regulatory environment

C. Policies for Social Inclusion/Equity

7. Gender equality
8. Equity of public resource use
9. Building human resources
10. Social protection and labour
11. Policies and institutions for environmental sustainability

D. Public Sector Management and Institutions

12. Property rights and rule-based governance
13. Quality of budgetary and financial management
14. Efficiency of revenue mobilization
15. Quality of public administration
16. Transparency, accountability and corruption in the public sector

Source: World Bank (2006)

Annex 3 The Big Six: Computer Skills for Information Problem-Solving

Stages	Competencies
Task Definition	The public servant must know how to use e-mails, blogs and groups over the internet and how to use efficiently e-documents applications inside the organisation network.
Define the information problem	
Identify information needed	
Information Seeking Strategies	The public servant must know what are the hardware solutions for collecting and keeping data, like hard drives or CD-ROMs, as well as software solutions, on line or off line databases, and of course, how to work with them.
Determine all possible sources	
Select the best sources	
Location and Access	The public servant must know how to search and find information in the organisation network along with other databases outside the network, in which he has access, and to relate information that he finds to the references.
Locate sources (intellectually and physically)	
Find information within sources	
Use of Information	The public servant must know to download, read, print, burn CDs, use word processors and spreadsheets, analyze and filter the information that he needs for the task that he must complete.
Engage (e.g., read, hear, view, touch)	
Extract relevant information	
Synthesis	They must organize and distribute the results of their work. This is done by using tables, charts, presentations and web pages.
Organize from multiple sources	
Present the information	
Evaluation	They must be able to auto evaluate their work along with evaluating others' work. This is done by understanding and accepting netiquette when posting information on the web or sending them by email, to use the spelling check and also to pay attention to the final form.
Judge the product (effectiveness)	
Judge the process (efficiency)	

Source: Eisenberg and Johnson (1996)