Helpdesk Research Report: Monitoring and Evaluating Civil Service Performance
Date: 11.11.2010

Query: Summarise recent research findings and intellectual debate on how to best monitor and evaluate civil service performance, including international best practice and issues around standardised indicators (along the lines of the PEFA framework).

Enquirer: DFID

Contents

1. Overview

There continues to be debate as to how best to monitor and evaluate civil service performance. This debate relates to what to measure, the best indicators to use, whether such a framework is appropriate and how best to implement a chosen framework.

When creating evaluation procedures for civil service performance it is important to clarify the level of evaluation. Is it at an individual level, a team level, an institutional level, or at system level? There is currently no performance appraisal system which has been widely considered objective and effective for assessing performance at an individual level. At a team level, Chile, for example, has developed a performance pay mechanism rewarding teams. The ministries or agencies divide themselves into their units or working teams and suggest indicators, which are validated by the Minister. These indicators tend to be related to processes and outputs rather than outcomes, and are fully within the control of these teams. At the institutional and system level there are a number of tools which have been used to assess performance.

UNDP (2009) currently provides the most comprehensive guide to measuring public administration performance. The first part of the guide consists of guidance based on feedback from users of assessments tools and a distillation of good practices. The second part provides detailed information on public administration assessment tools, with nine assessment tools provided for assessing Public Human Resource Management. Many of these tools derive their indicators from private sector practice. The World Bank's Actionable Governance Indicators Instrument is arguably the most comprehensive in terms of breadth of indicators.

The Human Resource Management (HRM) Actionable Governance Indicators Instrument, a subset of the World Bank Actionable Governance Indicators (AGI), assesses the institutional arrangements and organisational capacity of a HRM regime. This assessment is based on generally agreed principles of good HRM design and effective practice. This instrument is designed to diagnose potential areas of concern, assess the problem, provide feedback to initiate or further reform, and provide learning on good HRM practices. The term 'actionable' denotes that they can be used to identify weaknesses or areas where action can and should

be taken to improve performance. The HRM AGI Instrument indicators are themselves based on eight other instruments used for assessing HRM performance and have so far been piloted in 11 countries.

The institutionalisation of monitoring and evaluation (M&E) systems to improve public sector management is not without difficulty. In the case of Africa, for example, common challenges are the reliance on often poor administrative data, an excessive volume of underused data, and many uncoordinated sector and sub-sector data systems (using different data definitions and periodicity, for example) (Mackay, 2006).

Case Studies

Following a request from the Government of Zimbabwe (GoZ), the World Bank assisted in implementing the AGI HRM indicators. The report produced (Aziz, 2010) does not highlight implementation issues, although the fact that these reforms were driven by GoZ suggests political buy-in – something crucial for effective reform (Clarke and Wood, 2010). The current system (both 'in law' and 'in practice') has a number of strengths and weaknesses. In particular, the report identified weak accountability for HRM practices, recruitment procedures which lack credibility and competition, HRM policies that fail to ensure retention of the best staff and poor wage bill management.

AGI indicators have also been used in Uganda to assess HRM systems in relation to education and health. A draft report with provisional findings and conclusions deems that the HRM system is complex, fragmented and not linked to performance in service delivery (Beblavý and Mukasa, n.d.).

Public sector reform has been effective in Tanzania, arguably more effective than in most African countries (Morgan et al., 2010). This can be attributed to its organisational positioning, its development of a range of required competencies and capabilities, and its sequencing of the reform activities of the PSRP. Clark and Wood (2001) highlight a series of obstacles for public service reform in Tanzania and Uganda. For example, the culture and characteristics of the public service in both countries is hierarchical and centralised. There is little familiarity with the concepts of management autonomy or empowerment of the workforce by allowing more agency to middle management. The political acceptability of introducing such arrangements can be doubtful and demand-led governance is non-existent. In Tanzania this is the legacy of one-party rule. In Uganda it is the result of tight political control needed while emerging from conflict. Such factors may make implementing an M&E system or responding to recommendations produced by such assessment a difficult, highly context-specific process.

Criticism of M&E in Public Management

Some authors criticise the approach of improving public administration through externally-driven reform. Andrews (2010) argues that there should be less focus on pushing reform technicalities and more on creating 'space' in which reform can take place. There should be greater engagement with a larger set of actors and there should be a better understanding of what context-appropriate reforms look like. Andrews (2009) had previously criticised the goal of 'institutional isomorphism' of public administration. This, in general, would be the objective of attempting to produce institutions in developing countries identical to those in developed countries. The paper argues that there may well be 'natural limits' to the degree to which institutions in developing countries change, and that these limits should be respected.

Hume and Wright (2010) posit that the system of evaluation with targets and goals is not always the best to ensure performance progress. Their paper suggests that an organisation's teams or units should be provided with information on how they compare to others and what processes work best – that providing the resources with which to make changes and develop staff is sufficient to promote progress in performance. This approach would empower teams to drive their own progress on performance.

There are a number of determinants of performance in public administration, including socioeconomic constraints and management. The use of M&E would be one factor affecting performance, but not necessarily the most influential (Boyne and Walker, 2005).

2. Civil Service Performance Indicators

UNDP, 2009, 'A Users' Guide to Measuring Public Administration Performance', UNDP Oslo Governance Centre, Norway
http://www.undp.org/oslocentre/docs09/MeasuringPublicadministration.pdf

This publication provides guidance on the multiplicity of tools and methods that are being used to measure, assess and monitor the performance of public administration (PA). The Guide does not provide either a new measurement or assessment methodology or a specific blueprint for conducting such assessments. Instead it offers practical guidance to those seeking better ways to measure PA at the country level, including government officials, donor agency staff, reform practitioners, civil society, and researchers. It outlines: how to select from amongst the existing PA indicators (or when to decide to design a new set of indicators); how to prepare and launch an assessment; how to secure national ownership of an assessment process in order to ensure that results are both useful and used by national actors; how to ensure that the assessment is rigorous and methodologically sound; what to do with the result; and how to address problems of sustainability.

The first part of the Guide critically reviews the existing assessment tools and information sources and sets out practical guidance for users. The guidance is based on direct feedback from users of assessment tools and from a distillation of good practices. The second part is the Source Guide – an inventory of extant assessment tools and methodologies. The Source Guide provides detailed information on each tool including: history, objectives, measurement focus, types of information generated, methodology used, strengths and weaknesses (including gender and poverty focus), and the website from which a user can access the tool.

In relation to Public Human Resource Management there are nine assessment tools in the Source Guide, including the World Bank's HRM Actionable Governance Indicators (under development at the time of publication). Three assessment tools measure policies and processes covering the full range of human resource management activity. In addition, the MSH tool examines the capacity of the organisation to manage its people. These tools all derive their indicators from good private sector practice which is arguably applicable to public sector organisations. Indeed, they provide a more comprehensive coverage of HR practices than the purpose-built tools. However, there are some important differences between HRM in the public and private sectors. Three assessment tools recognise the distinctive nature of human resource management for the civil service. These are the World Bank's Evaluation Matrix of Civil Service HRM in the EU, the Support in Improvement for Governance and Management (SIGMA) Programme's Control and Management System Baselines, and the Asian Development Bank's Country Governance Assessment tool. All of these pay attention to the legal framework, the institutional arrangements for managing the civil service, and the conduct of civil servants. They also cover key HRM policies and procedures. These all provide a broad range of indicators, but the World Bank tool is arguably the most comprehensive.

Human Resource Management Actionable Governance Indicators (AGI) Instrument, World Bank http://go.worldbank.org/75FQZYP9D0

The Human Resource Management AGI Instrument seeks to assess the institutional arrangements and organisational capacities related to six core objectives for a human resource management (HRM) regime:

➢ Attracting and retaining required human capital
➢ A fiscally sustainable wage bill
➢ Depoliticised, meritocratic management

> ➢ Performance-focused management
> ➢ Ethical behaviour by members
> ➢ Effective collaboration across cadres

This instrument has been developed based on generally agreed principles for what constitutes good HRM design and effective HRM practice. 'Actionability' implies greater clarity regarding the steps governments can take to improve their scores on an indicator, i.e. if the government successfully undertakes reforms in certain areas, relevant indicator(s) will respond in a favourable direction.

The AGIs are targeted at country-focused operational work in order to identify "actionable" entry points for reforms, as well as to foster greater accountability for impacts in the Bank's support of governance reforms. They are designed to serve four purposes:

> ➢ **Diagnosis**: To capture systematic evidence on both the "in law" and "in practice" characteristics of the institutional arrangements (rules of the game) and organisational capacities of a country's HRM systems for particular cadres of public employees, so as to permit detailed diagnoses of those HRM systems.
> ➢ **Assessment**: To capture systematic evidence on the extent to which core HRM system performance objectives are being met.
> ➢ **Feedback**: To facilitate continuous feedback, through repeated use of the instrument, on the implementation and immediate impacts of reform efforts.
> ➢ **Learning**: To facilitate continuous, evidence-based learning about which elements of HRM system's design (institutions), capacities and practices contribute most consistently and significantly to the performance of a given HRM system.

The HRM AGI indicators are based on eight existing instruments for monitoring HRM. These instruments are:

> ➢ Global Integrity HRM Design Features AGIs
> ➢ Global Integrity HRM Performance AGIs
> ➢ CPIA HRM Performance AGIs
> ➢ Datagob HRM Performance Indicators
> ➢ Evans and Rauch HRM Performance AGIs
> ➢ HRM Diagnostic Instrument
> ➢ HRM Performance Indicators
> ➢ Web-based HRM AGI Instrument

The last three indicators in this list can be employed when data is poor or absent. So far the HRM AGI has been piloted in Tajikistan, the Kyrgyz Republic, Guatemala, Paraguay, Zimbabwe, Laos, Uganda, Tonga, Peru, Ghana and Tanzania. Findings from application of the HRM AGI instrument have informed country dialogue in the Kyrgyz Republic, Tajikistan, Paraguay and Uganda.

Mackay, K., 2006, 'Institutionalization of Monitoring and Evaluation Systems to Improve Public Sector Management' Independent Evaluation Group, World Bank, Washington, D.C. http://www.worldbank.org/ieg/ecd/institutionalizing_me.html

This paper draws together the extensive and growing body of experience in the institutionalisation of government M&E systems, particularly in developing countries. Each country's situation is unique, in terms of both its starting point and its goal; M&E system design will be informed by the different purposes for which information is required. A number of lessons and success factors are identified, as well as a number of mistakes to avoid.

The paper considers international trends and influences on country efforts to institutionalise M&E. These include the demonstration effect of rich countries which have achieved such institutionalisation, pressures on governments to provide more services in a climate of fiscal constraints, and the greater emphasis of international donors on measurable results. Finally, the paper discusses the special case of Africa and the types of M&E issues which countries in

that region face. The paper provides a large number of references to studies on the institutionalisation of M&E systems.

In Africa, some governments such as those of Uganda and Tanzania understand well the importance of reliable and comprehensive performance information. However, they rely heavily on administrative data whose quality is often poor and an excessive volume of underutilized data is collected. One estimate for Uganda is that their management information systems included a total of 1,000 performance indicators, requiring about 300,000 data entries by the typical service facility each year. In addition, there is often a plethora of uncoordinated sector and sub-sector data systems using different data definitions and periodicity, for example. These are not trivial barriers to an efficiently functioning monitoring system. Their importance has been recognised by the Ugandan government, which is setting up an integrated national M&E system to improve coordination.

3. Case Studies

Aziz, N., 2010, 'Zimbabwe AGI HRM Instrument Application Analysis' World Bank, Washington DC

The Government of Zimbabwe (GoZ) requested the World Bank to provide support for streamlining the payroll audit process as a key government priority. Deliberations were initiated on how to assess and diagnose the broader issues of human resource management in Zimbabwe's Public Service, as a first step in creating a reform agenda based on evidence and sound analysis.

The Ministry of Public Service used the HRM Instrument, which were recommended by the World Bank, as a tested methodology to extract empirical evidence on the state of the human resource management system in Zimbabwe's civil service. This report is based on the data that was captured as a result of the application of HRM AGI in Zimbabwe.

The report consists of three parts: (i) institutional arrangements, i.e. the legal framework (laws, decrees and other subsidiary legislation) and in-practice features such as procedures and assignment of responsibility; (ii) organisational capacities, i.e. whether the agents assigned HRM responsibilities are able to carry out their functions regarding the core objectives of HRM and (iii) HRM system performance, i.e. the extent to which core HRM objectives are being achieved.

This report aims to: (i) highlight where key problems exist; (ii) provide options for addressing each of these problems; and (iii) clarify issues requiring judgment calls that are posed by each option (advantages and disadvantages, risks and options for addressing each risk, trade-offs). This "options paper" can then be used to frame a series of deliberations by key stakeholders regarding the HRM challenges faced and how to address them.

The report finds that the Zimbabwe civil service is characterised by a plethora of instruments, regulations and procedures that govern various dimensions of the management of its human resources. Although the instruments cover most aspects of HRM, there are numerous and sometimes serious gaps where policies and procedures are inadequate to guide sound practice and instead lead to ad hoc decisions on specific issues. The political and socio-economic crisis that Zimbabwe has experienced over the past several years has also contributed significantly to deterioration in the functioning of the rule-based system.

The current HRM system has several positive features, which could support the objectives of ensuring equitable, fair and just management of the national government's human resources. There is considerable delegation to line ministries to carry out day-to-day management of civil servants. Although wage bill control systems are beset with problems, they contain some good 'in law' features such as third party reviews for several HR actions and internal and external audits. The metrics employed for measuring organisational and individual performance are quite extensive and if applied and monitored regularly can yield good results. Promotions are competitive and subject to checks.

The assessment also points to a number of areas where the system often fails to support these objectives. There is weak accountability for HRM practices, with high levels of discretion afforded to both politicians and senior civil servants without the necessary checks and balances. There is considerable confusion of roles between the Ministry of the Public Service and the Public Service Commission (PSC). Redress of grievances can be problematic. Recruitment procedures are often not openly competitive and selection stages are monopolised by the PSC. Most senior positions are only open to officers who are already in the system. There seems to be considerable confusion regarding selection procedures, which could contribute to unethical conduct among those selecting candidates for promotion. Conditions of service, particularly uncompetitive remuneration, contribute significantly to attrition among civil servants. Although there is widespread use of performance appraisal, there is limited evidence of it improving employee motivation – such as through strengthening the link between performance and career growth prospects. There is poor wage bill management and regular audits have not been effectively linked to meaningful management of the wage bill.

Beblavý, M. and Mukasa, S., n.d., 'Report on Findings and Recommendations of the Review of the Ugandan HRM System for Education and Health Based on the Actionable Governance Indicators' World Bank, Washington, DC

This draft report contains provisional findings and recommendations from a review of HRM in Uganda's education and health systems. The findings indicate:

- ➢ A complex and fragmented HRM system not linked to performance in service delivery.
- ➢ Strong safeguards of due process, but low scores on effectiveness and efficiency.
- ➢ Difficulties in recruitment and retention, coupled with lack of understanding of labour market dynamics.
- ➢ A need to properly conceptualise and implement a holistic hard-to-reach HRM policy.
- ➢ Performance appraisal used unevenly and with a high degree of formalism.
- ➢ Structural barriers to the use of the disciplinary mechanism to punish malfeasance.
- ➢ Span-of-control issues and lack of managerial training combining to create significant managerial challenges.

Recommendations include:

- ➢ Streamline the division of roles and responsibilities for HRM in health and education systems, linking accountability for overall performance with control over HRM.
- ➢ Increase the efficiency and effectiveness of the recruitment and retention process.
- ➢ Improve policymakers' understanding of the labour market situation, including alternative employment opportunities (especially in healthcare), and improve the flexibility of the salary system to react appropriately.
- ➢ Design a specific and holistic policy response to HRM problems in hard-to-reach areas.
- ➢ Improve incentives to conduct performance appraisal and customise it to better fit needs of each profession.
- ➢ Reform the disciplinary system to improve its relevance for HRM.
- ➢ Resolve span-of-control issues and build managerial capacity.

Morgan, P., Baser, H., and Morin, D., 2010, 'Developing capacity for managing public service reform: The Tanzania experience 2000–2008', Public Administration and Development, vol. 30, no. 1, pp.27-37
http://onlinelibrary.wiley.com/doi/10.1002/pad.553/abstract

Public service reform has been more effective in Tanzania than in most African countries. An important contribution to this relative success has been the growing capacity of the Government of Tanzania to design and lead complex reform programmes such as the Public

Service Reform Program. This article looks at how and why this capacity developed and the possible implications for other efforts at public service reform in Africa. Its focus is on the Public Service Management Department in the President's Office (PO-PSM), (the unit designated to manage the PSRP), and the emergence of its capacity to lead and energise the change process. A variety of factors have accounted for the effectiveness of the PO-PSM. This paper argues that three factors have been particularly important: its organisational positioning, its development of a range of required competencies and capabilities, and finally its sequencing of the reform activities of the PSRP.

Clarke, J. and Wood, D., 2001, 'New Public Management and Development: The Case of Public Service Reform in Tanzania and Uganda', in 'The Internationalization of Public Management: Reinventing the Third World State', McCourt, W. and Minogue, M., (eds.), Edward Elgar, Cheltenham

This chapter evaluates the experiences of Tanzania and Uganda in implementing New Public Management Approaches. Both countries pursued reform with multiple objectives. Common motives were: the reduction and control of staff numbers to improve salaries and conditions of service; improvement of central government efficiency; greater discretion over resource allocation: and rooting out corruption. Civil service reforms in both countries have been successful at addressing structural problems such as overstaffing and low pay, as well as strengthening basic administrative systems including personnel and payroll checks. They have been less effective at eradicating poverty and improving service delivery. New approaches in public management have been successful where they involve results-oriented management, performance budgeting, and delegation of control and decision-making within the public service. Both countries have been cautious about creating new executive agencies, privatisation, and contracting out, but Tanzania is progressing faster. These reforms are more politically sensitive because of the potential loss of government control. Constraints have been:

- ➢ The culture and characteristics of the public service in both countries is hierarchical and centralised. There is limited capacity to manage new arrangements in both countries.
- ➢ There is little familiarity with the concept of management autonomy or empowerment of the workforce by allowing more agency to middle management. The political acceptability of introducing such arrangements is in doubt.
- ➢ Demand-led governance is also non-existent. In Tanzania this is the legacy of one-party rule. In Uganda it is the result of tight political control needed while emerging from conflict.
- ➢ Obstacles to enhancing citizen voice and accountability are illiteracy, lack of information about service standards, and a limited range of alternative providers.

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4. Criticism of M&E in Public Management

Andrews, M., 2010, 'How Far Have Public Financial Management Reforms Come in Africa?', Harvard Kennedy School Faculty Research Working Paper Series RWP10-018
http://web.hks.harvard.edu/publications/workingpapers/citation.aspx?PubId=7295

This paper asks how strong African Public Financial Management (PFM) has become, after over a decade of reform. The paper argues that existing reforms face limits that can only be overcome with adjustments in reform approach. There should be:

- ➢ Less focus on pushing reform technicalities and more on creating 'space' in which reform takes place.
- ➢ Less of a concentration on engagements with small sets of actors and larger and wider engagements.
- ➢ Less emphasis on reproducing the same reform models and more on better understanding what context-appropriate reforms look like.

Andrews, M., 2009 'Isomorphism and the Limits to African Public Financial Management Reform', Harvard Kennedy School Faculty Research Working Paper Series RWP09-012.
http://web.hks.harvard.edu/publications/digest/citation.aspx?PubId=6596

Many reform results fall below expectations in the development arena, especially in the public sector. Do the reforms just need more time to work better, or should we adjust our expectations? This article poses the argument that even with time, reforms might face systematic limits given that change in the development field is motivated more by the need for legitimacy than efficiency. In identifying the mechanics of change, there are potential limits of such change. Such limits could be change of organisational dimensions that are visible, peripheral and involve concentrated sets of professional agents. Isomorphic change may indeed face natural limits, something the development community should consider when thinking about how it goes about facilitating and motivating reform in its client countries.

Hume, C. and Wright, C., 2010, 'You Don't Make a Pig Fatter by Weighing It - Performance Management: The Experience of the Youth Justice Board', Public Money & Management, vol. 26, no. 3, pp.189-192
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=902149

The authors describe a new approach to successfully delivering sustained performance improvement. The approach, developed by the Youth Justice Board (YJB), offers a number of lessons for other public services. The YJB approach attempts to blend the best of local ownership and innovation with central direction based on best practice emerging at the local level. Individual youth organisations can benefit from lessons learned in different parts of the youth justice system. Whereas a national agency may not be able to improve the performance of a locally-managed service, it can remove a lot of the excuses used for lack of improvement, such as:

> ➢ We don't know how we compare with others.
> ➢ We don't know what works best.
> ➢ We don't have the resources to make the changes required.
> ➢ We don't have the ability to develop staff.

This gives the responsibility for improvement to local managers.

Boyne, G. and Walker, R., 2005, 'Introducing the "Determinants of Performance in Public Organizations", Symposium Journal of Public Administration Research and Theory, vol. 15, no. 4, pp. 483-488
http://jpart.oxfordjournals.org/content/15/4/483.full

Research on the performance of public organisations has typically emphasised the external environment: public agencies are seen as trapped by their socioeconomic contexts and the rule of administration and law. Empirical evidence supports this contention and indicates that the external context constrains the performance of public agencies. However, an approach based solely upon the external environment is misplaced. A growing number of studies show that management does indeed matter. This paper shows there are a number of factors which influence performance in public organisations. Monitoring and evaluation would thus play only one part in this.

5. Further Resources

Other GSDRC Helpdesk queries of relevance are:

GSDRC, 2010, Critique of Governance Assessment Applications: Identify the key literature that critiques the use and application of governance assessments.
http://www.gsdrc.org/go/display&type=Helpdesk&id=609

GSDRC, 2009, Political Economy of Civil Service Reform: Please provide recent literature on the political economy of civil service reform, with a particular focus on how civil service reform is subject to political considerations, ethnic and regional factors, and the power and interests of bureaucrats and politicians. Please include empirical examples from Asia, Africa and Latin America.
http://www.gsdrc.org/go/display&type=Helpdesk&id=558

GSDRC, 2009, Civil Service Reform in Rwanda: Please collate the key literature on civil service reform and capacity development in the public sector in Rwanda in the past ten years, summarising the main debates, successes and current challenges.
http://www.gsdrc.org/go/display&type=Helpdesk&id=553

6. Additional Information

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Selection of websites visited
World Bank Independent Evaluation Group, World Bank Data, UNDP Oslo Governance Centre, GSDRC Document Library, DataGob, Google, Google, Scholar, World Health Organization, Social Science Research Network, Wiley Online Library, Elsevier, Harvard Kennedy School Publications, K.U. Leuven, University of Birmingham IDD, University of Manchester IDPM, University of Manchester School of Environment and Development, London School of Economics Centre for Economic Performance, Liverpool School of Hygiene and Tropical Medicine, SpringerLink, Pakistan Institute of Development Economics, Air University, UK Senior Civil Service Performance Management System

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