

Department of Economic and Social Affairs
Division for Public Administration and Development Management

**Leadership and Social Transformation
in the Public Sector:**
Moving from Challenges to Solutions



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Notes

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Preface

Leadership is clearly one issue that public sector organizations have to realistically address if they are to survive and succeed in today's turbulent environment. The public service, in particular, needs a corps of individuals who, while operating within the framework of the rule of law, are able to apply visionary leadership skills in tackling extraordinarily difficult challenges. These challenges have been critically analysed by scholars, exhaustively discussed at conferences, and deemed important enough to warrant lengthy coverage in the United Nations Millennium Declaration. They include the challenges associated with globalization, state and public administration reform, the growing quest for popular participation, widening income disparities, religious conflict, ethnic diversity, and the rapid pace of technological change. Anticipating and responding to these challenges call for rare competencies, especially those of strategic visioning, partnership building, resource mobilization and management, as well as ethical evaluation.

However, the attention so far accorded to public service leadership is in inverse relationship to its importance. While the New Public Management school acknowledges the role of leadership in promoting innovation and steering the public service away from bureaucratic conformity to entrepreneurial, customer-satisfying, modes of operation, it does not fully account for the special, non-business circumstances prevailing in the public sector. This is the void that I hope this latest publication will fill. Besides attempting to define the nature and essence of leadership, it focuses on the institutional and legal framework within which the critical public service leadership roles will be performed. I am especially delighted to note that the theme of the publication is in line with the Department of Economic and Social Affairs' normative work in the area of governance and public administration as well as with the requirements for the attainment of the United Nations Millennium Development Goals.

I wish to take this opportunity to commend our partners for supporting this worthwhile endeavour. I refer in particular to the International Association of Schools and Institutes of Administration which worked closely with our Division for Public Administration and Development Management on the design and implementation of the public service leadership development programme, and the United Nations Staff College which provided logistical support at the Expert Group Meeting held on the theme of public service leadership in Turin, Italy in September 2002.

I must also thank the other institutions that directly or indirectly contributed to the successful conduct of the Turin workshop and the publication of this text. Among these institutions are the Africa University (Mutare, Zimbabwe), the Brazilian School of Public Administration, the Centre for Global Studies (University of Victoria, Canada), the Ecole nationale d'administration (ENA) of France, the Faculty of Social Sciences (Budapest University of Economic Sciences and Public Administration), the German Federal Academy of Public Administration, the Graduate School of Public Affairs (University of Colorado), the John F. Kennedy School of Government (Harvard University), the King Prajadhipok Institute (Thailand), the Network of Institutes and Schools of Public Administration in Central and Eastern Europe, the President's Office of Tanzania, the Public Administration Institute for Turkey, the University of the West Indies (Mona School of Business), and the Wharton School. Leadership capacity enhancement for meeting the challenges of public sector transformation and poverty reduction requires building strong partnerships. The participation of all the above-mentioned organizations in the activities that provided material and

insight for this publication is indeed illustrative of strong and commendable partnerships built with the United Nations Department of Economic and Social Affairs.

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Introduction

This publication represents an important stage in a journey that began in Turin, Italy on 19 September 2002. On that day, an Expert Group Meeting was held on the theme “New Challenges for Senior Leadership Enhancement for Improved Public Management in a Globalizing World,” jointly organized by the United Nations Department of Economic and Social Affairs (UNDESA) and the International Association of Schools and Institutes of Administration (IASIA). As the United Nations principal agency for the conduct of high-level capacity-building programmes, the United Nations Staff College was closely associated with the organization of the workshop.

Some of the papers appearing in this collection were first presented at the Turin workshop, with the rest coming from other events sponsored solely by UNDESA or in collaboration with external partners. All the papers, regardless of where they were first presented, grapple with the issues of dominant concern in Turin, i.e., the essence and role of leadership, the competencies that leaders need to acquire to succeed, and the methodologies to apply in recruiting and enhancing the impact of public service leaders.

The purpose of this introduction is two-fold: first, to summarize the conclusions and recommendations of the Turin workshop, and second, to present the broad thrust of arguments in the contributions to this volume.

The Turin Workshop

Before capturing the essence of this publication, it is necessary to start with the antecedents, paying particular attention to the aims, objectives and achievements of the workshop held in Turin in September 2002. The workshop was organized against the background of the adoption of the United Nations Millennium Declaration and the importance that the Declaration accords to the strengthening of public administration capacity. It was felt that if the United Nations Millennium Development Goals (MDGs) were to be achieved, it was imperative that the senior leadership cadres in each country’s public service take an increasingly pro-active view of their role. Proceeding from this basic premise – that visionary leadership is critical to the realization of the United Nations Millennium Development Goals and to the future of humankind – UNDESA’s Division for Public Economics and Public Administration (as it was then known) and the International Association of Schools and Institutes of Administration collaborated on the formulation of a long-term programme aimed at developing the critical capacities needed to prepare public service leaders for the multiple and complex challenges facing the world.

The link between the MDGs and the theme of the Turin workshop was brought out clearly in a letter addressed to the workshop by the Chairman of the United Nations Expert Committee on Public Administration (who is also the Prime Minister of Uganda), His Excellency Professor Apolo Nsibambi. The Prime Minister underscored the need to sensitize public service leaders to the unfolding global challenges and to reflect on how to strengthen their capacities to meet those challenges.

The Turin workshop might not have met this expectation in its entirety, but the participants made a serious effort at dissecting the key issues and proposing the way forward. In their discussions at the plenary sessions and in small working groups, the participants focused on different aspects of the workshop theme and outlined measures aimed at ensuring that public service leaders acquit themselves creditably when confronted with novel and complex challenges. The workshop benefited from the participation of a balanced combination of practitioners and researchers – all highly knowledgeable and experienced individuals who have at one time or another grappled with the challenge of public service leadership development.

Only three papers were presented at the workshop. The first presentation, titled “Five Themes of Concern in the Area of Senior Leadership Enhancement Activities,” was made by Allan Rosenbaum. The second, “Senior-Level Executive Training: Coping with Emerging Complex Global Issues,” was by Gordon Smith, while the third was a paper by Gordon Draper titled “Strengthening Senior-Level Executive

Training: a Perspective from the Developing World.”¹ In addition to the three formal presentations, other participants commented on their experiences in leadership development. Among the short presentations were those from the Administrative Staff College of Nigeria, the Commonwealth Association for Public Administration and Management (CAPAM), the ENA and the Institut Européen d’Administration des Affaires (INSEAD) (France), the German Federal Academy, the Kennedy School of Government, Harvard University (USA), and the Wharton School of Management (USA), as well as from the Caribbean, Eastern Europe, Mozambique, Rwanda and Thailand.

Discussions at the workshop focused on five themes: (i) the definition of the concept of leadership and the target groups for leadership enhancement initiatives; (ii) challenges facing top government leadership; (iii) critical competencies required by top-level government leadership to function effectively in a globalizing world; (iv) techniques, modalities and strategies to facilitate effective competency enhancement initiatives for senior government leaders; and (v) development of a plan of action for implementation under the UN/IASIA initiative.

One theme that recurred through all the discussions is that relating to the attraction, selection and recruitment of leaders in the public sector. In addition to examining leadership recruitment options, participants at the workshop stressed the need for a constant exchange of talent between the public and private sectors.

The workshop achieved its underlying objectives, mainly to: (i) attain a broad measure of consensus on the meaning and essence of government and public service leadership; (ii) reach an understanding on the leadership competencies that need to be acquired by public service leaders and on the target groups for leadership development programmes; and (iii) agree on the steps to take to design leadership training programmes, mobilize needed resources and link the UN/IASIA leadership development efforts with parallel initiatives at regional and international levels.

By the time the workshop came to an end, the term ‘leadership’ emerged neither as a panacea for society’s myriad ailments, nor as a totally feeble and environmentally determined object, but as a structure of action falling between the two extremes. As we shall later discover, this pragmatic view is shared by contributors to this volume – regardless of whether or not they were at the Turin workshop. Overall, therefore, leadership is viewed as

“a concept that encompasses personal or group attributes, organizational structural arrangements, positions, functions, responsibilities, knowledge, skills, actions and attitudes that are shaped by the past and current socio-politico-economic and cultural conditions in pursuing a shared common vision/goal/purpose/objectives. Thus, it is a road as well as a vehicle leading from the past through the present into the future.”

Leadership is essentially an action-oriented concept, rather than a personality or a structure dominated by a few personalities. It exists at various social layers – in small, tight-knit communities, in professional associations, in the church or mosque, in big multinational corporations and in central and local governments. Its underlying attributes are vision, the search for the greater good, craving for excellence and perfection, and an undying will to go where no one has ever been before. These are among the topics exhaustively discussed in Turin and taken up for further in-depth treatment by contributors to this volume.

The Turin workshop did more than furnish the participants with conceptual tools: it ignited the passion to apply the tools to unravelling the mysteries of globalization and to the development of the competencies needed by public service leaders as they seek to steer a steady course in a turbulent environment. While realizing that additional studies were required, the participants were of the view that both UNDESA and

¹ These are the original titles of the papers delivered at the Turin workshop, which have been modified for this publication.

IASIA were on the right track regarding the attention given to the subject of public service leadership enhancement.

Turin aftermath: Contending views on public service leadership in a period of rapid transition

The Turin workshop highlighted the challenges confronting government leaders worldwide. Globalization is one clear example. Government leaders, particularly those in developing countries, have to institute measures that either fall in line with, or at least take account of, the unrelenting march of technology and its impact on cultures, the economy and the environment. The clamour for popular participation and democratic governance is another indication that public administration is no longer “business as usual” – that internal governmental processes which had served societies for ages would now have to adjust to the demand for the expansion of the “democratic space” and for the accommodation of civil society and private sector stakeholders. These and other challenges were thoroughly examined in Turin and are further interrogated in contributions to this volume.

If governments are confronted with novel challenges – challenges that do not respond easily to “tried and tested” methods – should leaders not give serious consideration to the total dismantling of old values, institutions and practices and the construction of new ones? This is a question that kept coming up at the Turin workshop and is now addressed by most of the contributors to this volume. While some are of the view that the New Public Management’s (NPM) contempt for conventional notions of public administration is right on target, others argue that wholesale adoption of “business” methods at best misunderstands the essence of public administration, and at worst risks diluting and corrupting public administration’s underlying values. Critics of NPM argue that the “goods” produced by public administration institutions – e.g., law and order, justice, respect for the rule of law, observance of human rights, national honour and prestige and human dignity – are neither tradable nor quantifiable. The “supply” of such goods is rarely dictated by market demand, but rather by deep-rooted moral, political, ideological, and possibly religious values (Dunleavy, 1994; Moe, 1994; Nash, 1996; Pagnato, 1997; Pollitt, 1990; Raine and Willson, 1996). Preservation of human life and dignity is the *raison d’etre* of government – a role that cannot be likened to “commodities” that are bought on the open market and sold to the highest bidder.

Still, NPM proceeds, undaunted by the clear conceptual and methodological hurdles on its way. It sees itself at once as a new powerful paradigm, a watershed in the theory and practice of public administration, and a revolutionary way of conceptualizing the role of public service leadership (Self, 1999). This so-called “new powerful paradigm” owes its origin largely to the neo-liberal intellectual onslaught on the role of the State – in specific terms, to the advent of public choice theory. The theory’s underlying assumptions are as follows:

- (a) Political behaviour is analogous to economic behaviour;
- (b) Understanding both (political and economic behaviour) requires the application of a common methodology – the microeconomic analytic methodology;
- (c) The individual (rather than the group or society of which he/she is part) is the only unit and object of analysis;
- (d) This individual is a rational, economic being – one who looks out for her/himself, and whose unrelenting pursuit of “self-interest” neither threatens nor cancels out the interest of others;
- (e) The self-seeking individual is more rational than the State, even though the latter most frequently pretends to be rational by hiding behind false altruism;
- (f) Democracy (based on majority rule) is an illusion, in so far as the method applied in obtaining the mandate of this majority is, at best, suspect, and at worst, grossly irrational;

- (g) When decisions are taken *collectively*, there is plenty of room for mischief-making – that is, for oligarchic monopoly of access to information, for the exploitation of mass ignorance and/or apathy, for misuse/abuse of power and bureaucratic authority, and for gross misallocation of resources; and
- (h) In light of the ‘imperfections’ in the system, the less the decision-making power entrusted to it the better for the cause of ‘rationality’.

By the same token, the market (made up of ‘rational’, ‘economic’ and ‘competitive’ individuals) should have an increasing share of powers for resource allocation decisions. It is this “rational, economic” logic that NPM stretches to the borders of public administration to arrive at a new formula – the formula of managerialism. The core assumptions of managerialism are:

- (a) Government, like private business firms, supplies goods and services in response to “customer demand”;
- (b) Government outputs are, like their private sector equivalents, fairly well-defined, change in response to demand, and are quantifiable;
- (c) The citizen, as a ‘customer’ of public goods and services, has a choice/preference which she/he expresses during elections and routinely at the market place;
- (d) Inputs into government operations are scarce, and this dictates the need to produce more with less;
- (e) If a performance cannot be measured, it cannot be managed;
- (f) The structure and process of government can easily be adapted to respond to consumer demands and cater to changing tastes; and
- (g) To ensure that public management is able to respond to challenges as or before they unfold, government leaders must be empowered to make decisions and to allocate resources.

Highlights of contributions to this volume

It is possible that some assumptions of NPM about the role of public administration and the need for an empowered leadership cadre are valid. However, questions have been raised about the presumed similarities between “public” administration and its “business” counterpart. Some of the contributors to this publication (in particular, Demetrios Argyriades, Jide Balogun and José Oscar Monteiro) have taken a critical view of the central planks of public choice theory and of the empowerment premise of NPM. Let us examine the various contributors’ views on the nature of public administration and the calibre of leadership needed to overcome obstacles and achieve a variety of objectives. The contributions are in two parts. Part I consists of five chapters written by Demetrios Argyriades, Gordon S Smith, John-Mary Kauzya, Jide Balogun and José Oscar Monteiro, and Part II comprises four chapters representing the contributions of Allan Rosenbaum, Morton R. Davies, Gordon M. Draper and Yolande Jemiai.

In Chapter One, Mr. Argyriades notes that the campaign against the State went in tandem with attacks against the public service. The civil service, he continues, has been denigrated as a “bureaucracy”, and criticized for being “rules-bound”, ineffective, inefficient and, worst of all, slow. The answer to the ills plaguing the civil service was found in NPM, a new paradigm that preaches privatization, outsourcing and conversion of the government to private sector ways. Predicated on assumptions which discounted such conceptions as “public spirit”, “general interest”, “common good”, etc., the new paradigm insisted, “that government should not only adopt the techniques of business administration, but ... also adopt the values of business,” notably, economy, efficiency and effectiveness.

Mr. Argyriades does not underestimate the importance of these values, but insists that they need to be reviewed within the broader context of principles and guidelines that promote objectives conducive to the

public good. The United Nations Millennium Declaration was a forceful reaffirmation of such values and objectives – particularly, those of *freedom, equality, tolerance, respect for nature and shared responsibility*.

According to Mr. Argyriades, complex organizations (including those operating in turbulent environments) need sound institutional structures – structures that are an essential prerequisite of competent personnel management, human resources development and organizational change. Not only do such structures offer a truly *enabling environment*, they also create conditions for both continuity and change. Institutional reinforcement for human resources development needs to be seen in this light – as a systemic drive characterized by *consistency, credibility* and *predictability* and, for that very reason, it lends purpose and *legitimacy* to the outcomes in terms of policies, programmes, laws, regulations and rules.

Mr. Argyriades also comments on the managerial empowerment pitch of NPM. In his view, leadership in the public sector is not like that in business. In the former, considerations of the rule of law, accountability, justice and equity take precedence over profit making. Whatever power or authority the public service leaders exercise must, therefore, be placed within the context of these abiding values. The power and the authority must, at the very least, be part of the tools that the leaders apply “to attract, retain, develop and motivate the right people and to direct their energies towards the public good.”

In the second chapter, Mr. Smith builds what amounts to a case for the empowerment of public service leaders. However, he does not advocate empowerment for its own sake, but for the purpose of enabling the public service to respond adequately to the mounting socio-economic, technological, environmental, and security challenges. His experience in the Canadian public service informs his conclusions. He recalls that foreign ministries in particular used to deal with *foreign* policy. The assumption then was that relations with other states could be managed in a relatively compartmentalized manner – that is, separately from *domestic* policies. During the latter half of the twentieth century, foreign ministries increasingly dealt with economic issues, bringing them closer to domestic matters, however, not always harmoniously with other ministries in government.

Besides the constant interaction between internal and external affairs, Mr. Smith observes a tidal wave of global issues that were impacting directly on national policies – e.g., environmental issues such as climate change, transnational organized crime and the spread of infectious diseases. These were not the traditional issues that foreign ministries were equipped to handle.

Technology is another factor in the increasing interdependence. Information and communication technologies have evidently been major driving forces in economic globalization. Genetic technologies raise profound global questions: intellectual property, equity issues, the potential for massive health benefits to poor countries, possible good or bad effects on ecosystems, security issues, ethical puzzles, etc. Energy technologies have the potential to either throw the earth’s atmosphere into disarray or to heal it, to poison poor people or to lift them out of poverty. Advances in gene research have, on the one hand, raised hopes of cures for hitherto incurable diseases and, on the other, particularly with growing revelations on human cloning efforts, posed formidable moral and spiritual questions. The technologies that promise farmers bountiful harvests may also release genetically modified (and harmful) organisms into the environment.

All these developments confront public management with momentous challenges. The substance of public policy is complex – issues are interlinked and policies are difficult to explain in a manner that the public can easily understand. In addition, there is occurring an important fragmentation of power – up to higher levels of governance in international organizations, down to (supposedly) subordinate levels of government who demand a bigger say and out to civil society and the private sector.

Proceeding from the challenges facing public service leaders, Mr. Smith advocates an innovative approach to leadership training. He cautions that the very word “training” may be an impediment to

obtaining senior-level participation, and he suggests an alternative term, “policy workshop”. The first challenge is to get people to participate in the programmes designed to plug the gap between knowledge and skills. This, however, runs up against the unfortunate reality that the urgent always seems to push aside the important. He observes that many senior officials either do not believe they need training (which, in any event, they may not have time for) or have doubts about the relevance and appropriateness of training courses being offered.

To deal with the resistance to “training” at the senior policy levels, Mr. Smith recommends that high-level public management leadership training take the form of short, highly focused courses. It is important to build training programmes using principles of adult learning such as: building on the experience of the learner, working in group settings, making use of a variety of teaching and learning approaches in addition to the lecture model, and incorporating flexibility for programme modification and change.

It is important to have, as much as possible, people who have had experience in public policy and management to deliver modules and lead discussions in the training courses. Other participants must be at the same level or very close to the same level, in order to maximize the benefits of exchange of experience and to be more attractive to the participants.

In contrast to the two previous chapters that focus on broad socio-economic challenges, the third chapter by Mr. Kauzya highlights the role of government leaders in reconstructing public administration systems in countries emerging from civil conflict. He begins by arguing that no country can survive and develop without an effective public administration. He cites the United Nations General Assembly resolution 50/225 of 1996 which recognizes the need for sound, efficient and well-equipped public administration systems.

Mr. Kauzya further notes that while public administration reform is an appropriate term and strategy for some countries, it is not for others. In countries that have been devastated by prolonged conflict, public administration systems are likely to be non-existent. In such circumstances, the appropriate response would be to build or reconstruct from the ground up, or, at the very least, revive and rehabilitate a few institutions that could still be salvaged. In other words, ‘reform’ is certainly out of the question for countries reduced to rubble by conflict and large-scale destruction. He cites the example of Rwanda, where no aspect of life was spared the trauma of violence and destruction – neither the people nor their possessions, and neither the public administration system nor the physical and infrastructure facilities that were meant to keep it going. It is only recently – after the broken pieces were put back together and the traumas gradually healed – that reform was re-inserted on the policy agenda.

Mr. Kauzya’s analysis highlights the phases that the reconstruction of public administration systems in post-conflict countries generally goes through, i.e., emergency and relief, rehabilitation, reform and reconfiguration. The last phase is the intensive socio-politico-economic and cultural self-examination and development strategic planning of the country. He adds that while emergency and relief re-establishes the existence of a country and its people, rehabilitation restores the basic structures of administration, reform strives to make public administration efficient, and reconfiguration repositions public administration for the challenges of democratic governance.

The fourth chapter by Mr. Balogun concerns the relationship between the prevailing leadership style and the performance of public institutions. He begins with the conventional assumption of performance management – i.e., that the clarification of corporate objectives, the institution of measures in pursuit of the objectives, and the empowerment of managers are all it takes to energize organizations and orient them towards incremental productivity, cost reduction and “customer” satisfaction. He then argues that regardless of the attention given to performance management in formal bureaucratic organizations and in contemporary New Public Management literature, performance is highly unlikely to improve in any meaningful sense until government leaders give sufficient attention to the underlying agency governance issues.

Mr. Balogun joins Mr. Argyriades in questioning the performance improvement claim of NPM. Like the previous management fads, he continues, NPM fails to come to grips with the mammoth challenge – the challenge of social transformation – facing the public service. Worse still, by sneaking in hierarchy through the backdoor, NPM reinforces oligarchic control in public agencies, thereby frustrating public choice and defeating the very purpose of performance improvement.

The model advocated in Mr. Balogun’s paper is one focusing on agency governance. As presented in the fourth chapter, agency governance rests on four pillars, i.e., the role of civil society in holding public agencies to account, the pattern in the exercise of political power, the professional and ethical basis of managerial authority, and the credibility of the prevailing rules regime.

According to Mr. Balogun, power is a factor that is frequently equated with the ability to choose from a range of goals. It is a weapon that its custodian deploys to make those things happen which he/she wants to happen regardless of what the powerless may feel on the subject. In much the same way, as energy propels objects into action and sustains momentum in the physical world, power in the political arena enables those entrusted with it to translate their dreams into concrete achievements.

While “power” may be conscripted into the service of the good or the bad – depending on the prevailing circumstances – authority is, at least in theory, meant to serve only worthy causes. Mr. Balogun holds that this abiding faith in the “rationality” of formal bureaucratic authority accounts for the double-talk and the conceptual muddle now associated with NPM. On the one hand, adherents of the school view management as a rational process (making happen what policy says should happen). On the other, NPM confuses, or lumps this process with the exercise of raw political power (that is, with the “mandate” that electors confer on their accredited “representatives” to govern and to determine policy choices).

The last key variable in the construction of the agency governance model is the prevailing rules regime. Mr. Balogun observes that as a trust-engendering mechanism, the rules enable all parties to form a compact to fulfil their obligations, confident that no party would exit without paying a price.

Mr. Balogun acknowledges that some of NPM’s conclusions on the performance-inhibiting effects of rules are valid. As a matter of fact, unless decisive action is taken, the rules may offer precisely the excuse the indolent official needs to refrain from tackling a problem, or a pretext for arbitrary action. Officials looking for absolution from moral responsibility always hide behind hierarchy and “the rules” when implementing abhorrent decisions. However, he cautions against investing the public service leaders with too much power and authority without providing for checks and balances and for accountability under the rules.

In addition to testing his basic hypotheses against empirical data (on the challenges facing the public service and the reform measures adopted over the past four decades to respond to the challenges), Mr. Balogun concludes by recommending the formulation of national strategic directions and the reconstitution of public service agencies into ‘learning organizations’ – i.e., organizations with the capacities and the motivation to distil the strategic objectives into programmes of action and serve the “citizen-customer”. The new focus on *agency governance*, he warns, is not synonymous with “corporate governance”, although attributes of the latter are subsumed under the former. As conceived in the fourth chapter, agency governance goes beyond corporate governance. It entails, at the very least, focusing on the interplay between the learning organization’s quest for excellence and the spoiler’s role of internal bureaucratic “politics”. Research in agency governance will, on the basis of some predetermined indicators, focus essentially on *how* public agencies are internally governed – instead of how they are “managed.” An agency governance approach will tend to be organic, in contrast to the mechanistic focus of management.

The fifth chapter, by Mr. Monteiro, is in four parts. The *first part* presents the lessons learned and assesses the reasons why certain reforms turned into best practices while others had consequences contrary to the objectives. The *second part* discusses the complexity of the challenges and pressures

facing public service in developing countries. The *third part* describes the advent of NPM as a paradigm, the hopes it generated and its main differences from the traditional models of administration. The merits of New Public Management are also assessed. In *part four*, Mr. Monteiro examines some notions about the core functions of the State and addresses the issue of optimizing institutions, focusing on the widening of the realm of the public sphere to encompass other actors such as associations, communities and sometimes the private sector in providing public goods. Finally, in the *conclusion* he presents options for the institutional and organizational restructuring of the civil service in developing countries.

Developing countries, Mr. Monteiro argues, have to find their own solutions and not stick to outmoded models of the so-called developed countries or be lured by fashionable new trends. Intellectual independence in conducting the reform process should be regained.

Independent thinking means more exchanges between developing countries, globally or on a regional basis. It means being humble and determined to learn from all experiences, taking whatever is useful, recruiting external advisers only when necessary and implementing new experiences at the right moment and at the right pace. On the relevance of NPM, Mr. Monteiro observes that whenever countries were capable of applying old and new lessons and adapting them to their own environments, they tended to be successful. However, when things were done because it was trendy, the results were less than satisfactory.

Part II begins with the contribution of Allan Rosenbaum, President of the International Association of Schools and Institutes of Administration. In this chapter, he states that while leadership capacity enhancement may be an issue of much concern in a number of countries, it tends to be relegated to the background in many places – due to financial, institutional and organizational constraints. In other cases, factors ranging from the complexity of the task to the reluctance of the programme designers to sensitize government leaders to the need for leadership capacity-building also inhibit their development. When these factors are combined with the demand that training places on people in leadership positions, and the reality that many individuals who have achieved such positions feel that they have already demonstrated a considerable knowledge and understanding of the most important dimensions of leadership, it is not surprising that this is an area that does not currently receive adequate attention.

The purpose of Mr. Rosenbaum's contribution is to provide an overview of five themes related to any effort to enhance the skills and knowledge base of top-level government leadership. The themes covered are:

- (1) The concept of leadership and the target groups for leadership enhancement initiatives;
- (2) The key issues facing top-level government leadership;
- (3) Areas of competency enhancement necessary to better equip top-level government leadership to function effectively in a globalizing world;
- (4) Techniques, modalities and strategies to facilitate effective competency enhancement initiatives for top-level government leaders; and
- (5) Developing a plan of action for future activities in the area of top-level leadership competency enhancement.

He cites James MacGregor Burns' award-winning book, *Leadership*, in which Mr. Burns singled out compelling and creative leadership as one of the most universal cravings of our time. Mr. Burns had further noted that the crisis of leadership was the mediocrity or irresponsibility of so many of the men and women in power. The fundamental crisis underlying mediocrity is intellectual. If we know all too much about our leaders, we know far too little about leadership. We fail to grasp the essence of leadership that is relevant to the modern age and hence we cannot agree even on the standards against which to measure, recruit or reject it.

After defining leadership, Mr. Rosenbaum discusses the novel challenges that public service leaders are expected to anticipate and/or respond to. Among these are a growing income gap within and across

countries, an increasing clamour for democratization and civil society participation in governance, an increasing reliance on market solutions to policy problems, the growing acknowledgement of cultural diversity in the public decision process, the critical need to address issues of gender equality, the growing interest in decentralization and strengthening of local governance capacity, the gradual weakening of state capacity, the growing emphasis on public integrity and the rapid pace of multinational integration.

Mr. Rosenbaum concludes by noting that in almost every profession new circumstances require the development of new skills or the redefinition of existing skills. Like those in virtually all fields of human endeavour, government leaders must be prepared to adapt in response to the changing tasks and problems with which they must deal and the changing world in which they work. This, in turn, requires that those who work with government leaders in the areas of competency and skill enhancement adapt their methods to reflect the new demands and realities facing those who are and will be guiding the public sector now and in the future. This does not mean rejecting that which has been important in the past, but rather adding to or redefining the past practice in such a way as to accommodate new needs and developments. In truth, that process must always be a continuing one.

The seventh chapter, by Mr. Davies, focuses on strategies that political leaders frequently apply in promoting excellence in public administration. He cautions against a wholesale imitation of strategies perfected in and for external environments. This, according to him, is not a reason to delay seeking excellence in the public sector, but rather a caution of the need to give full cognizance to the political, legal, social and cultural environments within which governmental systems operate. There can be no single transferable package that can be exported from one country to another that will guarantee the achievement of excellence. In fact, measures that are meaningful in one country may well be dysfunctional or of little significance in another. Excellence must be defined in relation to the unique configuration of circumstances, capacities, priorities and values of the society or community. Inevitably, excellence, and what is to be pursued in the name of excellence, will differ from one society to another.

How excellence is perceived and the way it is to be approached must (a) be amenable to measurement, (b) resonate with the dominant political and social values, and (c) secure the support of the public administrators and public managers responsible for the delivery of public services and the implementation of public policy. In these respects, the contemporary emphasis on 'excellence' is not fundamentally different from the approach of previous generations.

Another criterion – the support of public administrators – requires us to differentiate between their support for the values underlying the political/governmental system on the one hand, and the values of the particular regime that holds power at any point in time on the other. In democratic systems the former might variously involve, for example, support for and commitment to the outcome of elections as the prime determinant of governmental authority, or the willingness of career public servants to serve any legitimately constituted regime, and to provide full and fair advice to that regime. Additionally, in such systems they must show a firm commitment to limiting their own power and authority to that which is sanctioned by law and convention.

However, scrutiny was but the first step towards an excellence regime. Subsequent developments involved the introduction of compulsory schemes of market testing, benchmarking, contracting out of services where possible, and the compulsory deregulation, liberalization and marketization of selected services. All of these changes were introduced in the name of seeking 'value for money', identified uncritically with 'excellence' by their more enthusiastic supporters. Subsequent governments, in an attempt to broaden the criteria beyond mere financial considerations, modified the goal to seek 'best value'.

Later developments in this search for excellence have involved the introduction and publication of comparative league tables of performance for all major public services. For example, schools are ranked in terms of their academic successes, and these are loosely linked to programmes of inspection and qualitative assessment by professionally qualified teams of peripatetic inspectors. Similarly, hospitals and

health care centres are ranked according to selected measures of patient care, such as mortality rates, length of waiting lists, etc.

Leadership is one of the most significant items on the agendas of private and public sector organizations in both the developed and developing worlds. The explanation for this, as Gordon Draper observes in Chapter Eight, lies in the challenges facing organizations as they manoeuvre in rapidly changing environments. He refers to a survey undertaken by CAPAM in 2001 that identified the following priorities for senior public service management development in the developing Commonwealth countries:

- Strategic visioning, planning and management;
- Leadership skills (to include political directorate);
- Managing change;
- Strategic human resource planning;
- Performance management;
- Political/administrative interface;
- Values and ethics;
- Financial management;
- Managing horizontally;
- E-government;
- Measuring public service performance; and
- Policy analysis.

According to Mr. Draper, effective leaders need to demonstrate the following attributes/capacities:

- Environmental sensitivity. Leaders must be aware of both their internal and external environments. Leaders must also be clear about the implications of environmental changes for the future of the organization.
- Constant interrogation of the *status quo* and “conventional wisdom”. Leaders must be prepared to question prevailing assumptions and to create the organization space to facilitate dialogues about norms and the *status quo*.
- Prevision and strategic visioning. Leaders must develop and articulate a vision of the future. In the creation and communication of the vision, it becomes also an appeal to improve on current standards and to venture “where no man has ever been before”.
- Human/people-focus. Leaders must create the environment that allows people to explore new possibilities and to develop their potential. They must value and support people. This must include recognizing, rewarding and celebrating the accomplishments of others.
- Partnership/coalition-building. Leaders need to foster the involvement of people who have the resources, knowledge and political clout to make things happen.
- Performance and results-orientation. Leaders must ensure an alignment of performance with vision. Leaders must demonstrate a performance orientation.
- Accommodation and tolerance of diversity and dissent. Leaders must demonstrate styles which are inclusive and which utilize the skills, knowledge and ideas of all. They must be able to integrate different cultures, points of view, styles, sectors and disciplines.

- Continuous learning. Leaders must be learners. They must be receptive to information from outside the current framework, and to be open to feedback.
- Team-building. Leaders must build support teams, being willing to select the best talent and support the work of teams.
- Entrepreneurship and risk-taking: The growing challenges facing public service organizations have highlighted the need for a leadership group capable of maintaining a steady course in a turbulent environment.

Mr. Draper cites examples of comparative experiences in the design and implementation of senior-level capacity-building programmes. He also identifies best practices in the conduct of leadership training workshops.

The last chapter, by Ms. Jemiai, concerns the relationship between culture and the design of leadership training programmes. She begins by noting that experiences abound of circumstances in which charismatic leadership changed the course of history in developing countries. The examples she cites include Nelson Mandela, Mahatma Gandhi and Che Guevara. All of these remarkable historical figures come from developing countries. In Ms. Jemiai's view, what they have in common is that they appealed to many people on an emotional level. She argues that by raising awareness about cultural values, training programmes are capable of enhancing the leaders' capacity to appeal to their followers' emotions, causing the latter to behave in certain ways. The objectives of her chapter are three-fold:

- (a) To raise awareness about cultural aspects of leadership as a key factor in administrative reform;
- (b) To increase public administrators' understanding of cultural differences; and
- (c) To enhance the effectiveness of training programmes by integrating the cultural element.

She maintains that an enlightened leader should be able to demonstrate:

- Attributes such as vision, capacity for strategic thinking and planning, and respect for the rule of law; and
- Managerial skills such as communication, coordination, human relations, and conflict management skills.

A successful leader will also, in all probability, be fair-minded, honest, transparent, and tolerant of diversity. She then goes on to ask a few fundamental questions, among them:

- (1) Why have administrative reforms not been quite successful and what does leadership have to do with it?
- (2) What do we mean by cultural differences and work-related values?
- (3) How can cultural values be taken into account when designing leadership training programmes?

According to Ms. Jemiai, when a group of well-intentioned and realistic experts get together to try to find an accurate diagnosis, the consensus that emerges is that internal factors are as important as, if not more so than, external ones, in explaining the failure of reform efforts. Among the lessons learned from years of investment in administrative reform is that success hinges on circumstances that are largely internal rather than external to the reforming societies. These factors are discussed in the chapter.

On the relationship between cultural values and leadership training, Ms. Jemiai's analysis highlights three types of values:

- *Universal values*: such as love, honesty, truthfulness, compassion, penitence, and sanctity of life;
- *Cultural values*: which are essentially a particular community's interpretation of universal values. Examples of universal values that have been "adapted" to local conditions are respect for elders,

deference to authority, class/gender stratification, family honour, group solidarity, filial piety, faith in God or Providence versus faith in science and human ingenuity, tolerance (or rejection) of different sexual habits, observance or disregard of religious codes and stipulations, hedonism/consumerism (versus abstinence); and

- *Individual values*: which represent an individual's "take" on universal and local cultural mores. Examples are the "value" that specific individuals attach to competitiveness, achievement, success, advancement, and personal recognition.

In conclusion, Ms. Jemiai observes that American theories of leadership are written for middle-range power distance background: they all advocate participation in the manager's decisions by his or her subordinates. However, the initiative towards it is supposed to be taken by the manager. In countries with still lower power distance such as Israel or Sweden, there is considerable sympathy for initiatives coming from subordinates. American leadership theories have been widely exported to all parts of the world, without taking into account if they were appropriate to the cultural context. They are taught in schools using training kits and books which are culturally biased for a North American audience. She agrees with G. Hofstede's contention that "*when US theories are taught abroad.....the theory taught is not practiced.*" At best, wise managers learn to perform a cultural transformation of the ideas to make them fit the values of their subordinates. Many countries try to adopt modern technology, which is not neutral with regard to values. Making them work means that people will have to shift their values.

She contends that cultural values and attitudes are an important and neglected factor of human progress. Far from preaching that one culture is superior to another, she believes that realism must prevail and that ignoring one aspect of development is not going to make the task easier but will only result in further failures. She recognizes that culture is not the only factor in the equation but it is detrimental not to integrate it in the analysis from the start. Future interventions for development should be designed not to "promote cultural change", as Huntington *et al* are advocating, but to adapt development strategies in order to have a real impact on society and to achieve results.

Next Steps

We have noted how the Turin workshop of September 2002 spurred the idea of keeping open the debate on public service leadership development. The decision to assemble papers focusing on the theme of public service leadership and disseminating their contents to a wider audience is in line with the original thinking.

However, UNDESA and IASIA do not intend to stop with the publication of the present collection of papers. Both hope to collaborate with other partners in following through on the key recommendations emanating from the Turin workshop and from the latest published material. Among these are the recommendations regarding the design of a comprehensive programme of action on the development of core competencies for public service leadership, the development of suitable training modules and training material, and the mobilization of the required resources. Both UNDESA and IASIA welcome ideas from interested organizations on how to link the planned initiative with the existing ones.

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Part I

Public Service Leadership, Globalization and Social Transformation

Chapter One

Institutional Reinforcement for Human Resources Development: How to Implement the Goals of the Millennium Summit

Demetrios Argyriades

“Tell me and I’ll forget.
Show me and I’ll remember.
Involve me and I’ll understand.”

– *Chinese Proverb*

The United Nations Millennium Declaration: values and goals

The United Nations Millennium Declaration¹ marked a symbolic passage. Issued in September 2000, it was meant to signal the end of a century and the dawn of a new millennium. Remarkably, however, it is mostly a sober document, uncommonly unadorned by the type of celebratory phrases which abound in other statements issued on such occasions. It is a clarion call occasioned by an assessment of the overall world situation, which may leave room for optimism, but none for complacency. A hopeful reaffirmation of faith in the United Nations Charter and the Organization, which are portrayed in it as “indispensable to the foundation of a more peaceful, prosperous and just” community of nations, the Declaration is also an invitation to Member States to join forces and *take charge* of events, which a well-known commentator of the contemporary scene has described as a “runaway world”².

In the meaning of the Declaration, the dangers that beset our world may be summed up as follows:

- Persisting high levels of poverty, inequality and human insecurity;
- Exacerbation of lawlessness, random violence, corruption and organized crime;
- Emerging threats from pandemics of the type of HIV/AIDS; and
- A deteriorating global physical environment.

A similar diagnosis appears in the reports of the recent Meetings of Experts on the United Nations Programme in Public Administration and Finance³, and the UNDP⁴. Implicitly, these documents leave it to be understood that such disturbing phenomena are not simply freak accidents, but rather the result of policies pursued in the 1980s and 1990s and, arguably, the doctrines which underpinned these policies. More explicitly, a study jointly published by UNDESA and the IIAS⁵ attributed these trends to the retreat of government from the area of social policy – what others have described as the “hollowing out of the State”.⁶

The campaign against the State, which at least one prominent statesman in recent times described as “the source of our problems ... not their solution”, went *in tandem* with attacks against the public service. Denigrated as “bureaucracy”, it has been criticized as “rules-bound” and ineffective, inefficient and slow. A new paradigm was mooted to combat the ills of bureaucracy. It combined privatization, outsourcing

¹ A/RES/55/2 dated 18 September 2000.

² Anthony Giddens (2001), *Runaway World, How Globalization Is Reshaping Our Lives*. London: Profile Books.

³ Especially E/1997/86 and E/2000/66.

⁴ *Human Development Report 1999*.

⁵ Bernardo Kliksberg (2001), *Towards an Intelligent State*. Amsterdam: IOS Press.

⁶ E.g., Carol Harlow. “Public Administration and Globalization: International and Supranational Institutions”. *Interim Report of the first Regional International Conference of the International Institute of Administrative Sciences (IIAS)*, Bologna, Italy, 19-22 June 2000.

and conversion of the government to private sector ways. Predicated on assumptions, which discounted such conceptions as “public spirit”, “general interest”, “common good” etc.,⁷ the proposed new paradigm insisted, “that government should not only adopt the *techniques* of business administration, but ... also adopt the *values* of business.”⁸

Topmost among these values are the 3Es (economy, efficiency and effectiveness),⁹ to which the novel paradigm subordinated all others. While no one underestimates the importance of these values, they need to be reviewed within the broader context of principles and guidelines which favour and promote a set of objectives conducive to the public good. The United Nations Millennium Declaration was a forceful reaffirmation of such values and objectives, which it considered necessary *for international peace and sustainable development*. According to this document, such “fundamental values” – fundamental, one may add, to national, domestic, as well as international relations – include:

- Freedom;
- Equality;
- Solidarity;
- Tolerance;
- Respect for nature; and
- Shared responsibility.

Consistent with these values was a set of long-term goals, which the drafters of this document identified and to which they have “assigned special significance”. Foremost among these goals are *peace and the rule of law; development and poverty eradication; protecting our common environment; democracy, good governance and human rights*.

Human resources development and capacity-building

The implication of these values and overarching objectives for public administration and governance are far-reaching. They deserve to be explored in detail. Indeed, this was a task attempted in the Report of the Secretary-General, published one year later. Entitled *Road map towards the implementation of the United Nations Millennium Declaration*¹⁰, the Report was the point of departure in the deliberations of the Committee of Experts on Public Administration convened at Headquarters, New York (22-26 July 2002), to review and make recommendations on the United Nations Programme in Public Administration. Human Resources Development has always represented a principal component of this programme, which goes back 55 years, and all capacity-building in any part of the world.

The term *capacity-building* has been central to debates on socio-economic development and globalization over the past decade. It has featured prominently in the United Nations report on measures to implement the United Nations Millennium Declaration¹¹ and in the preparation of the Johannesburg World Summit on Sustainable Development.¹² It loomed large in the reports of recent Meetings of Experts on the United

⁷ John M. Kamensky (1996), “The Role of the ‘Reinventing Government’ Movement in Federal Management Reform.” *Public Administration Review* 58 (3): 251.

⁸ Linda de Leon and Robert G. Dernhardt (2000), “The Political Theory or Reinvention.” *Public Administration Review* 60 (2).

⁹ See Carol Harlow, *op. cit.*

¹⁰ A/56/326, 6 September 2001.

¹¹ Road map towards the implementation of the United Nations Millennium Declaration A/56/326, 6 September 2001.

¹² See Conf/199/10, report of the Regional Workshop on Capacity-Building in Governance and Public Administration for Sustainable Development in Countries with Economies in Transition, held in Thessaloniki, Greece, from 29-31 July 2002.

Nations Programme in Public Administration and Finance.¹³ Finally, it held centre stage at the First Meeting of the Committee of Experts on Public Administration established in accordance with the ECOSOC decision 2002/206. The Committee explored the measures that are needed in order to enhance “the capacity of public administration” to implement the Declaration. In line with the reports of previous Meetings of Experts, the new Committee considered capacity-building as truly the co-efficient of inter-dependent pursuits, which could be broadly clustered under the following headings:

- Human Resources Development;
- Institutional reinforcement; and
- Upgrading technological capacity.

Of these, arguably, the first might be rated most important for, as Rensis Likert put it several years ago:

“All activities of any expertise are initiated and determined by the persons who make up the institution. Plants, office computers, automated equipment, and all else that a modern firm uses are unproductive except for human effort and direction. Human beings design or order the equipment; they decide where and how to use computers; they modernize or fail to modernize the technology employed; they secure the capital needed and decide on the accounting and fiscal procedures to be used. Every aspect of a firm’s activities is determined by the competence, motivation, and general effectiveness of its human organization. Of all the tasks of management, managing the human component is the central and most important task, because all else depends upon how well it is done.”¹⁴

Ideally, convergence and complementarity mark the necessary relationship of the above dimensions in any functional system. A sound institutional framework integrates and synergizes all organizational members in the pursuit of the objectives that have been set. To be sure, the best institutional set-up with limited human capacity is as of little use as a million-dollar racing car with a timid, incompetent driver at the driver’s wheel. However, the reverse is probably even worse. Nothing is more conducive to disaffection and alienation than the antics of a complex, antiquated and dysfunctional administrative structure, which frustrates the best designs and corrupts the most efficient and motivated staff.

For complex organizations operating, as most do, in a turbulent environment, a sound institutional structure represents an essential prerequisite of competent personnel management, human resources development and organizational change. Not only does it offer a truly *enabling environment*, conducive to the accomplishment of organizational goals and personal self-fulfilment; it also creates conditions for both continuity and change. Institutional reinforcement for human resources development needs to be seen in this light; as a systemic drive which is characterized by *consistency*, *credibility* and *predictability* and, for that very reason, lends purpose and *legitimacy* to the outcomes in terms of policies, programmes, laws, regulations and rules.

A sound institutional framework gives *unity* and *coherence* to measures which might otherwise remain dispersed and, for that very reason, without the hoped-for impact. A sound institutional framework for human resources management and development can serve to galvanize a group of men and women into action, raise loyalty and morale and, consequently, improve the image and prestige both of the group itself and of the organization which it serves. Sprucing up the public image of the public service profession represents a pressing concern of administrative reform and capacity-building for sustainable development in most developing countries and countries with economies in transition. It is an essential

¹³ Report of the Meeting of Experts (2000), E/2000/66; Report of the Meeting of Experts (1998), E/1998/77; Report of the Meeting of Experts (1997), E/1997/86.

¹⁴ Rensis Likert, *The Human Organization*, McGraw-Hill Book Company, New York, 1967, p.1.

prerequisite of any attempt “to attract, retain, develop and motivate the right people and to direct their energies towards the public good.”¹⁵

The institutional dimension of human resources development: two complementary models

The purpose of this paper will be to explore and hopefully highlight the institutional aspects of human resources development. It needs to be remembered that human resources development, properly understood, encompasses important institution-building dimensions, which must not be overlooked. These are the very measures which add sustainability, as well as credibility, to activities purporting to build up human capital. They also represent an indispensable instrument in the creation, sustenance and internalization of values. The institution-building dimension of human resources development is founded on the assumption that, as already argued, an enabling “framework of public personnel structures, policies and career paths” is needed “to attract, retain, develop and motivate the right people and to direct their energies towards the public good”.¹⁶

As with oxygen, the value of this enabling framework is felt mostly in its absence. Over the past decades, nothing has undermined the public service profession more than the porousness, inadequacies and obsolescence of institutional structures. In the absence of such structures and with flaws in the system at large, investments in human resources, whether in the form of training or bonus and incentive schemes, seldom prove of any avail. Rather, they suffer the fate of water in a leaking reservoir. Hence, the importance of reinforcing this institutional framework for sustainable development.

In the past twenty years, two models have been offered in answer to this challenge. The job-oriented model favoured by New Public Management (NPM) and the more traditional career-oriented service. Both come with strengths and weaknesses, but need not be considered as totally incompatible and may be used judiciously in the public sector at large. It must be recognized, on the other hand, that these two different models rest on distinct assumptions and, on some crucial issues, conflicting value systems. They offer distinct approaches. Consistent with these approaches are two contrasting *profiles* of “model public servants” and *policies*, each with a values system suggestive of the competencies and skills that need to be developed. To be sure, both have their merits, but the antecedents vary, as do the ends or targets to which they lead us.

One draws its inspiration from liberal democracy and the *état de droit*. It comes to us essentially from the Age of Enlightenment. The other is more recent and basically hostile towards the State. It has been given prominence in the contemporary literature, drawing support primarily from the radical right. As has been pointed out, it lacks “a clear notion of governance and especially the role of the civil service”¹⁷. Its narrow view of the law and public service ethics goes *in tandem* with essentially negative perceptions of government and of the State. Indeed, one might be allowed to wonder whether the very concepts of “public service”, or “common good” have a place in the NPM universe, which as already stated, was founded on the precepts of Public Choice. Public administration, as a distinctive field, barely receives an acknowledgement from the advocates of NPM. The new paradigm ignores public administration not only because “management is management” and the same in both the public and private spheres, but also, in the words of one of these advocates, because it is “obsolete” and “effectively replaced” by new and superior models¹⁸. Such implicit belief in the failure of “bureaucratic” structures and the superior virtues

¹⁵ United Nations: “*Work of the XVth Meeting of Experts on the United Nations Programme in Public Administration and Finance*” E/2000/66, Recommendation 19, p.7.

¹⁶ *Ibid.*

¹⁷ Joel Aberbach and Tom Christensen, “*Translating Theoretical Ideas into Modern State Reform: Economic Reform Theory and Competing Models of Governance*”, Michiel De Vries, “The Changing Functions of Law and its Implication for Government and Governance.”

¹⁸ Owen E. Hughes (1998), *Public Management and Administration: An Introduction*. 2nd Edition, New York: St. Martin’s Press, p. 242.

of market mechanisms have underpinned the programmes of privatization and corresponding policies of marketization, downsizing of public services, offloading and outsourcing, which gained currency during the 1980s and 1990s.

After the many failures of “big bangs” and “shock therapies” in both developing countries and countries in transition, the errors of these ways have become increasingly apparent even in Western countries. The sudden implosion of Enron Corporation, Worldcom and other private firms, including the colossus among consultant agencies, Arthur Andersen, has questioned the validity of the premises underlying NPM. Second thoughts are beginning to emerge on the wisdom of *privatization of the public domain* and what Professor Newland, in his keynote address to the annual convention of the American Society of Public Administration, described as the “seamlessness of politics, business and government”¹⁹.

We may conclude, accordingly, that a degree of *separation* is necessary in order to safeguard the public interest and that private-public “partnerships” have virtue on condition that “*public*” is represented by strong and virtuous States, fully equipped with legal frameworks and served by competent officers. Developing a cadre of such competent and dedicated officers is not a simple task, but as experience shows, one that must be undertaken with a great sense of urgency. A long-term perspective is needed and this, in turn, demands commitment on the part of the political leadership or chief executive structure to stay the course. Communicating congruence, inspiring trust, giving a sense of direction and unity of purpose may rightly be regarded as one of the principal functions of a sound institutional framework, as well as a major objective of institution-building for human resources development. It is also a precondition for the emergence and consolidation of a healthy management culture, one that sustains a consensus in favour of reform, combats defeatist attitudes, preempts the wastage of efforts and generally supports constructive new departures.

Clearly *structure* and *culture* play complementary roles. The former could be defined as the sum of *expected behaviours* prescribed in formal documents and setting expectations regarding objectives and outcomes for given courses of action. Organizational *culture*, by contrast, has been defined as the *actual behaviours* observed in organizational life – the values, standards and norms, which are actually put into practice, albeit through informal means. Compliance is elicited from organizational members, either through the force of example or as a result of tradition and habits deeply ingrained.

Though congruence with behaviour observed in society at large represents the shared experience of many organizations, it must be emphasized that leadership, good management and sound institutional structures can have a marked effect on organizational culture, even in “problem countries,” and spur staff members on to higher performance. Leadership with good management and an enabling framework of policies and rules – one that instills respect for due process and the rule of law – can greatly help sustain veritable *islands of excellence*, even in the context of a generally unfavourable socio-economic environment.

It would be fair to argue that, while a clash of cultures between the external environment of an organization and the values it seeks to promote might add to the complexities that management must face, it is the lack of congruence between the formal structure and the prevalent management culture that frequently signals the existence of major problem areas in an organization. A striking disconnect between expected and actual behaviours is the sign of a dysfunctional organization. Bridging this gap effectively may be the way to start the daunting task of reform, including *capacity-building*. Approaches may well differ, because the value systems on which they are predicated and socio-economic conditions which they must fit also vary extensively from place to place. *One size does not fit all*. With the wisdom of hindsight we may question the merits of an approach which played down the importance of the institutional facets of human resources development, arguably on account of its overall hostility to what it criticized as “bureaucratic structures” and “rules-bound administration”.

¹⁹ ASPA National Convention, Phoenix, AZ, 23 March 2002.

The job-oriented model

Avoidance of extremes might be one lesson to draw from the failures of the past. There are also other lessons, as we shall venture to show. The job-oriented model, market-inspired reforms and NPM in general certainly have their place in the broad public sector, but must be applied advisedly having regard for the context, the overall management culture and nature of the functions to be performed. Examples of departures in these directions exist in Eastern Europe, as well as in the West²⁰. It must be borne in mind, on the other hand, that situations differ from place to place, and that in a real sense “there is no single profession of government, but many. Governments employ all kinds of persons – such as doctors, meteorologists, public security personnel, as well as those whose field does not easily fit under any single heading”²¹. There is reason to believe that successful application of the job-oriented model, as opposed to career structures, is largely predicated on the existence of certain prerequisites:

- A properly organized and versatile market for high-level skills;
- Notification of vacancies, coupled with systematic, transparent and objective procedures and methods for the selection and recruitment of candidates;
- Relative absence of nepotism, political clientelism or patronage of any type; and arguably also
- A culture of geographical and occupational mobility.

Even where these conditions are present, this job-oriented model may stand a better chance in occupational groups, which exist in both the private and public sectors, and where conditions of service as well as functions converge. Culture is a potent factor and must be taken seriously into account. For example, the relevant weight attached to job security affects developing countries, as well as advanced economies, albeit in different ways. As a most recent survey in the US suggests, “job security may still be the strongest attraction of government jobs. However, it mostly appeals to veterans, and such less favored segments of the populations as minorities and older Americans”²². *Recruitment* is affected in many ways. In developing countries, by contrast, and countries in transition, *retention* is the problem. Braindrain and emigration have reached alarming proportions in certain States, with technical, scientific and other specialized groups (e.g., computer specialists) particularly affected.

For cutting-edge technologies and other high-level skills, a market has developed which knows no national boundaries and is extremely competitive. Known for its volatility, the market works in ways that place a hefty premium on speed, adaptability and flexible response. This places many governments at a distinct disadvantage. The countries in transition especially have seen this trend accelerate the flight of their best people to more advanced economies. Even developed countries, burdened with legal constraints, political considerations, as well as trade union pressures, can often barely cope. Globalization may not be entirely new, but in the employment area it has caught many governments less than adequately prepared to meet the emerging challenges. In several parts of the world, adverse socio-political and economic conditions and a barrage of criticism have put the public service in an unfavourable light,

²⁰ See Joachin Hesse (2000), *Public Sector 2000: Central and Eastern Europe: Report to the XVth Meeting of Experts of the United Nations Programme in Public Administration and Finance*; also Chester Newland (1996) *Transformation Challenges in Central and Eastern Europe and Schools of Public Administration in Public Administration Review*, 56 (4). See also Tiina Randma (2001), *Civil Service Careers in Small and Large States*, Baden-Baden Nomos, Verlagsgesellschaft.

²¹ Naomi Caiden (1999), “Public Service Professionalism in Performance Measurement and Evaluation” in *Public Service in Transition: Enhancing its Role, Professionalism, Ethical Values and Standards*, United Nations, DESA/SEM/97, P. 80.

²² Gregory Lewis and Sue Frank (2002), “Who Wants to Work for the Government?” in *Public Administration Review*, Vol. 62, pp. 395-411.

thus compounding the recruitment-retention problem. Once a prestige profession, it lost its competitive edge and tends to be perceived as only second best to business.

The issue is far too serious to overlook, too broad in its implication and complex in its nature to address with patchwork measures and improvisations. Moreover, both the reality and perceptions of the problem must be faced. In the past twenty years, a *values shift* has occurred, more pronounced in some countries than in others, which dimmed the public image of government employment and turned the private sector into the avenue of choice. *However, this can be changed, if the issue of material rewards, and also inspirational and motivational factors are properly addressed.* These vary quite extensively across the occupational spectrum. However, though the issue of pay is fundamental, especially in regard to scarce high-level skills, it is reassuring to hear a senior government officer reaffirm that there is a “lot of people who join the public service and do so because they see it as a chance to serve the country. They generally feel, almost altruistically, that they can make a contribution, which transcends the job. For them it is a calling, not just a job.”²³

The governments and NGOs must tap into this reservoir of idealism, which exists in all countries. They may do so, however, only on condition that they project a better image of themselves as employers – one that wins the public’s confidence. This, in turn, depends on the adoption of truly *professional standards* in public service management and human resources development. Responding to expectations is hardly an easy task, given the wide diversity of occupations. It calls for varying strategies to attract, recruit, retain and use good people productively. While some prefer stability, for others motivation is paramount. This often comes with *challenge, mobility and change*. As Peter Drucker put it, there are people who need the organization less than it needs them. *“To keep them, respect them and put responsibility on your good people.”*²⁴

The job-oriented model, with a frequent recourse to the market to fill emerging vacancies, may be the right approach in order to secure people with high-level skills, who are much in demand and whom governments need to attract in order to compete with NGOs and the private sector. Of paramount importance, in this regard, is the need for *transparent procedures* in the selection, recruitment and remuneration of staff. Realistic needs assessment, job analysis and evaluation and strict performance benchmarks must be established in all cases in order to dispel the all-too-rampant impression of “politics as usual”. The risks of corruption and jobbery are too formidable to ignore.

Career development paths : where are they still required?

Though traditional career structures have come under much criticism during the past decades, they arguably provide not only the most prevalent but, under certain conditions, also the best available framework for the recruitment of skills and human resources development in several critical areas. The following, in particular, fall into this category:

- Areas of expertise and tasks where government has a *monopoly*, or where the private sector plays no significant role;
- Functional areas requiring a high degree of *discretion* and *confidentiality*.
- Functional areas requiring a high degree of consistency or where *institutional memory* is an important factor, arguably more important than mastery of technique; and
- Functional areas where the need for *neutral competence, objectivity and impartiality* calls for a high degree of *separation* from both partisan activities and profitable pursuits.

²³ Mr. Mel Cappe, Head of the Canadian Public Service, quoted by Eugene Aucoin (2001), “The Changing Positions of Civil Servants: Changing Markets for Skills and Their Effects on the Public Service”, in *Report to XXV International Congress of Administrative Sciences*, p. 9.

²⁴ *Ibid.* p. 8.

Such, typically, are the following:

- High-level policy analysts and policy advisers;
- High-level programme managers;
- High-level resource managers, a category encompassing capacities in human, financial, material and information resources management; and
- Judges, auditors and controllers.

Noting their relative scarcity, the XVth Meeting of Experts, in its report, recommended “that all governments, but especially those of developing countries and countries in transition, should accord priority to strengthening capacity in public policy formation and public service management.”²⁵ One facet of the employment of such high-level skills, which adds to their importance, is that they are used pre-eminently to articulate, defend, promote and represent *the public or general interest*. During the 1980s and 1990s, the concept was critiqued by advocates of Public Choice and the New Public Management, who doubted its existence.²⁶ More recently, the concept has made a significant comeback.

The fight against corruption has helped trigger, but only partly accounts for, this development. It must be recognized that the *concept of public interest* is the cementing factor that holds the several pieces and occupational groups within the government service together. It is the point of reference which underpins all ethical injunctions and values common to all – what makes the public service a profession. This public service concept applies to all levels of government: the national, subnational and international²⁷. Increasingly, however, it also applies to major NGOs. Indeed, several schools of government and public administration around the world include, in their curricula on public service management, courses on NGOs and civil society organizations in general.

The trend, in other words, has been in the direction of differentiating between those categories of persons who work strictly *for profit* from those who are engaged in non-profit pursuits and work for the general interest. Distinction may also be made between categories of staff discharging *ad hoc* tasks of a temporary nature and those assigned to duties of a continuous character, great importance and visibility because, in a real sense, they touch the very core of governance, the government and the State. Such service of the “common good” is an essential component of the *psychological contract* binding together all members of the public service profession. Naomi Caiden expressed it in these terms:

“Government professionals have certain attributes in common. They work in a common institutional and legal framework, which offers its own constraints and opportunities. They share a commitment to use their skills for the public good, in public service as against private gain, for a fixed remuneration. They are subject to public accountability for their actions.”²⁸

These particular exigencies and institutional framework under which public servants function add an important dimension to human resources development and modify substantially the configuration of needs, which it must seek to address. If pay rates are not comparable to those in private business and the profit motive is absent, how can the public service effectively recruit, retain and motivate? How can it develop? Security and predictability, coupled with generous leave and various added benefits, provide a partial answer, but not without some downsides. Suffice it to mention a few: lack of sufficient challenge, which too much security breeds, a certain risk avoidance reinforced by many years of subordination to authority, addiction to routines, complacency and indifference and the effects of anonymity on accountability.

²⁵ E/2000/66, June 2000 Recommendation 18, p. 7.

²⁶ Douglas Yates (1987), *The Politics of Management*, San Francisco, Jossey-Bass, p. 4.

²⁷ E/2000/66, *op.cit.*, Recommendations, p. 19.

²⁸ Naomi Caiden, *op. cit.*, p. 80.

There are no easy answers. Sound management is needed, but this is stating the obvious. Against top-heavy patterns of centralized control, which were preferred in the past, current approaches have favoured placing the responsibility squarely in the hands of the *programme manager*. This carries many advantages, but also can lead to abuse. Leadership training is needed, as several reports of the United Nations have emphasized, but in the last analysis, *leadership and initiative* must be exercised within an overall framework, which safeguards the identity, prestige and major purposes of the public service as a whole. Accordingly, everything points to the importance of this legal and institutional framework, which sets both the parameters within the rule of law and the tone of public service policies, programmes and practices.

The strengths and limitations of in-service training

Nothing better illustrates the importance of this legal and institutional framework than the outcomes of training activities conducted on a large scale in many public services throughout the world. The well-known Chinese proverb, which introduces this paper, also aptly encapsulates the limitations of training unaccompanied by measures of sound career development.

Training and education are valuable, but not enough. However well conceived, their impact will be limited and their effects reduced, indeed frittered away, unless the relevant programmes are set in a broader context and conducted in the framework of human resources development and capacity-building in general. The value of such a framework is that it brings to light the rationale of training and serves to reinforce the effectiveness of outcomes. Refinement of knowledge and skills, both in the public service and the other great professions, takes on specific value when it leads to behavioural change and is translated into action which serves the public good. Where this does not take place, such training is in danger of really missing the mark and remaining a largely decorative, academic exercise.

There is reason to believe that much of current training amounts to little more than that: rich in attractive gadgetry, mostly focused on techniques, it has been *supply-driven* – the work of entrepreneurial private sector management consultants in search of opportunities. Frequently, such opportunities are offered in the framework of staff development programmes, where training has been featured as a distinct component with corresponding budgets that must be used and spent within prescribed time limits, or else risk being forfeited. The consequence is a range of training courses designed, in many cases, to appeal to as wide an audience as possible and to be easily replicable on subsequent occasions.

Although they may not lack intrinsic merit, many such courses can hardly be described as tailor-made. In terms of their responsiveness to clients' real needs, they are hit-or-miss at best. Here a word of explanation on what is meant by "training needs" may not be out of place. In fact, this term encompasses a wide range of contingencies:

- Emerging or pressing requirements arising in the process of organization development, the expansion of old functions, creation of new units, the overhaul of processes, adoption of new technologies, etc.;
- A recurrent need of practitioners to distance themselves from their tasks, to question old assumptions, revisit traditional methods, refresh their knowledge and receive *feedback* on their performance from experts, clients or outsiders;
- The need to help career progression, facilitate mobility, provide a needed complement of higher-level skills, reinforce professional values and strengthen bonds of fellowship among colleagues or partners.

This third category of needs is, arguably, the most complex, the most diversified and also, on this account, most difficult to meet. To design well-targeted programmes, one needs to address the following questions:

- *Who* are the targeted group;
- *What* do its members need; and
- *How* best to impart the complement of requisite knowledge and skills, or otherwise create a helpful learning environment in which this can be accomplished.

It must be borne in mind that situations differ from place to place and that, as argued earlier, in a sense, “there is no single profession of government,” but many.

One size does not fit all. Still, as Naomi Caiden²⁹ argued in her report to a United Nations conference on public service professionalism, there are some common attributes and shared requirements which may be addressed in common. *How* this is done will vary from case to case, depending on the background of the individual officers, their tasks and task environment, the organizational structure(s) to which they may belong and the career prospects which may be made available. Two models have been offered to address the staffing needs of public organizations. *These two contrasting models* – the job-oriented model favoured by New Public Management (NPM) and the more traditional career-oriented service – make very different claims on public organizations. Their training implications may also vary greatly.

Consistent with the former, the government goes to the market in order to recruit the requisite high-level skills. By contrast, for the latter, *recruitment* is but part of a continuum of tasks, which also includes *retention, development and motivation*.³⁰ The job-oriented model puts the stress on task performance. It targets short-term needs. Its sights are set, accordingly, not merely on the requirements of discrete programme functions, but on the “here and now.” The more traditional model, by contrast, emphasizes the common thread running through these discrete functions. It takes a long-term view of public service needs and sees training as development not only on the individual level, but also on the level of the public service as a whole. Promoting service values takes on special significance for training in this light, because it helps the accomplishment of certain major goals: enhancing the morale, performance and professionalism across the board and fostering an *esprit de corps* throughout the public service. For job-oriented training, refinement of skills is the objective. For the traditional model, on the other hand, preparing for what Dror³¹ has called “higher order tasks” represents a paramount goal.

Seen through the eyes of its advocates, the job-oriented approach “represents a paradigm shift from a bureaucratic model of administration to a market model of management closely related to that of the private sector.”³² The market forces, accordingly, are seen as the decisive as well as reliable factors in shaping *contractual relationships* in the public sector. Not so for those who adhere to most traditional patterns, where stress on service cohesion entails greater emphasis on *status, career opportunities and continuity of service*. Therefore, by implication, far more attention is paid to training and development, on the one hand, and to internal relativities in the public service profession, on the other. Given its size and importance, the profession is seen as unique, and this makes it incumbent upon the State to be a “*model employer*”.

As has been already said, both models have their place in the public sector at large. Indeed, with increasing recourse to “outsourcing” or “contracting out”, and the frequent use of consultants and other short-term appointments, it would seem fair to argue that, for important segments of public sector employment, the job-oriented model not only is here to stay, but may well be regarded as the preferred solution. For lawyers, engineers, medical doctors, chartered accountants and others recruited mainly by reason of their specialized credentials and accomplishments in certain valued spheres, the job-oriented

²⁹ Naomi Caiden, *op. cit.*, p. 80.

³⁰ United Nations: *Work of the Fifteenth Meeting of Experts on the United Nations Programme in Public Administration and Finance: Report of the Secretary-General*, E/2000/66, June 2000.

³¹ Yehezkel Dror (2001), *The Capacity to Govern: A Report to the Club of Rome*, London, Frank Cass.

³² Owen E. Hughes (1998), *Public Management and Administration: an Introduction*, 2nd edition, New York, St. Martin’s Press, p. 242.

model may well represent the “best way”. Still, a complement of knowledge and the refinement of skills *in-service* will be necessary in the majority of cases.

However, though the stress is placed on their specialized functions, such government professionals may still be in need of training on what sets them apart from their colleagues and counterparts in the private sector. In Naomi Caiden’s words, they need to internalize the attributes they share with other public servants. They also need to learn something about the “common institutional and legal framework” in which they work. They need to understand the numerous “constraints and opportunities” it offers. Perhaps more than anything else, in light of recent trends in several parts of the world, they need to be reminded about the shared commitment they are expected to make to use their skills for the public good *and not for private gain*, and be accountable for their actions.³³

Such training represents a necessary briefing, induction and guidance for all people in the employ of government and paid from public funds. Its relative importance, however, varies greatly for different categories of employees. It is directly proportionate to their level of responsibility, intensity of involvement in decision-making processes, but in the last analysis, also to the expected length of their period of service. For large categories of staff, relationship to government is tenuous and ephemeral. The nature of their duties is virtually indistinguishable from that of their opposite numbers outside the public service and subject to standards and norms whose source likewise lies elsewhere than in the sphere of governance. It is arguably otherwise for women and men *in the profession of government, whose tasks and responsibilities touch the very core of governance, involving them directly in the design, development, implementation, enforcement, inspection and evaluation of public sector policies and programmes*. To quote Professor Dror, one needs to ask: how can one best prepare or “gear” such men and women for these “higher-order tasks”?³⁴ What is required for governance which, in his words, is “moral, knowledge-intense, future-committed, consent-based, high-energy but selective, deep-thinking, holistic, learning, pluralistic, and decisive”?³⁵

Training as lifelong learning

As clearly indicated in Professor Dror’s important study, the need is hardly new. It has been at the centre of political discourse for more than two thousand years. It has produced such classics as Macchiavelli’s “Prince” and Plato’s “Republic” and “Statesman”. Manifestly, over the centuries, responses to this question have varied widely, reflecting sharply different ideological stances. They signal distinctive positions and often clashing viewpoints on the role and scope of government, the nature and importance of public service professionalism and on the rule of law.

In light of this remark, it may not be surprising to find that the campaign to “hollow out the State”³⁶ and “deprivilege” the Service,³⁷ in the past two decades, occasioned a reassessment of public service careers and public service training. Rooted in Public Choice and supply-side economics, NPM took the lead in this movement. “Entrepreneurial management” was glamorized.³⁸ Although lip service was paid to ethics and the rule of law, both have been reinterpreted in rather narrow terms and clearly subordinated to the overarching goal of promoting efficiency and effectiveness.³⁹ Two often-quoted slogans of the New

³³ *Op. cit.*

³⁴ Yehezkel Dror (2001), *The Capacity to Govern, op. cit.* ch. 6.

³⁵ *Op. cit.* 71.

³⁶ Expression borrowed from Carol Harlow, “Public Administration and Globalization”, IIAS Interim Report, *op.*

cit.

³⁷ Expression by Mrs. M. Thatcher.

³⁸ D. Osborne and T. Gaebler (1992), *Reinventing Government: How the Entrepreneurial Spirit Is Transforming the Public Sector*, Reading, MA: Addison Wesley.

³⁹ Karl-Peter Sommermann (2002), “The Rule of Law and Public Administration in a Global Setting”, in International Institute of Administrative Sciences, *Governance and Public Administration in the 21st Century*, Proceedings of the XXVth Congress of Administrative Sciences, Athens, p. 77.

Public Management, “results over process” and “let the managers manage”, as well as its critique of “rules-bound administration,” made this message loud and clear.

Ostensibly pragmatic and technocratic, it furnished the underpinnings and served the political ends of the anti-welfare-state campaign of the radical right. Founded on the ideology of “Public Choice,” it helped articulate a powerful counter-culture that, since the 1980s, has sponsored an assault on fundamental principles of democratic governance. By now, it is well established that the New Public Management (NPM) is nothing of the sort.⁴⁰ Particularly targeted were social responsibility, solidarity, equality and the *état de droit*. Frontal attacks on government, conducted in defence of individual freedom, have sought to redefine the role of the State in nineteenth century terms, to “roll back its frontiers” and sharply reduce its activity in health, education and welfare.

With private sector consultants conspicuously in the lead, NPM and “reinvention”, its North American variant, aggressively promoted a “market” model of government in which privatization, “outsourcing” and “downsizing” stood out as major instruments of public sector reform. Richly-endowed with terminology suggesting firm commitment to progress, innovation and modernization, NPM and reinvention rejected traditional policies and institutions as “outmoded” and “obsolete”.⁴¹ Soon, not only “administration” was replaced in its vocabulary by the more trendy “management,” but public service itself was declared a thing of the past. In the words of H.G. Frederickson, past President of ASPA,

“In the reinventing government movement, ‘service’ is the enemy to be defeated by empowered citizens making choices and empowered public servants arranging public choices.”⁴²

In the New Public Management and the reinvention movement, democracy is a market. Citizens are consumers and governments reduced to the delivery of services. “One size fits all” consumerism dispenses with the need for public debate on principles. The focus is on the means. With management equated to applied economics, efficiency and effectiveness become the measuring rod of public sector performance and top all other values. With normative concerns ostensibly in decline, the market model of government obscures the role of the law, philosophy, psychology, sociology and ethics. In the words of Professor Dror:

“Instead of renewing the idea of the ‘noble science of politics (Collini et. al., 1983) and working out its implications for governance in the twenty-first century (modern western political theory) ... is captive to fashions, genuflexions before the idols of the market, and is passive in the face of the declining quality of much of politics.”⁴³

The implications of these trends for human resources management in the broad public sector were far-reaching. The relevance of training to staff career development especially appeared extremely doubtful in the context of approaches to public personnel policy, where the very concept of “service” and with it of long-term commitment and loyalty had waned. As a statement of intent on the individual level, *lifelong learning* gave expression to a noble aspiration as old as pre-classical Greece. It was aptly articulated by

⁴⁰ This point was also made by Lawrence Lynn Jr. (2001) in “The Myth of the Bureaucratic Paradigm: What Traditional Public Administration Really Stood For”, in *Public Administration Review*, March/April 2001, 61(2), pp. 144-157. See also David H. Rosenbloom, “History Lesson for Reinventors”, in *Public Administration Review*, March/April 2001, 61(2): pp. 161-165. Rosenbloom concludes: “The reinvention movement’s key literature is deeply flawed....They claim to favor democratic values. But they also disparage elections, representative institutions, and legal requirements for representation, participation, transparency, and fairness in administrative decision making.”

⁴¹ Owen E. Hughes (1998), *Public Management and Administration: An Introduction*, 2nd edition, New York, St. Martin’s Press, p. 242.

⁴² H.G. Frederickson (1996), “Comparing the Reinventing Government Movement with the New Public Administration” in *Public Administration Review*, May/June 1996, 56 (3), p. 265.

⁴³ Yehezkel Dror (2001), *Capacity to Govern, op. cit.*

Solon, law-giver of Athens, in these terms: “*I age forever learning*”.⁴⁴ Today, as in antiquity, it makes eminently good sense. By contrast, as a goal of public service training, it frequently flies in the face of policies and practices with narrowly short-term perspectives and sharply conflicting objectives.

From a service-wide perspective, all training is an investment. The yield from lifelong learning can be exceedingly rich, but also mostly long term. From a government standpoint, its benefits are needed, but can only be garnered if certain conditions are present. The first of these conditions may be described as a *psychological contract of trust in the public sector*.⁴⁵ This, in turn, is predicated on a higher degree of professionalism in human resources management and an institutional framework of policies and rules exemplifying the virtues of the 4Cs.

- Coherence;
- Credibility;
- Consistency; and
- Continuity.

The learning organization

Against a backdrop of failures during the past two decades, one may venture to suggest that building such a framework and restoring to professionals the field of personnel management must become the starting point of any serious effort of administrative reform and capacity-building towards the implementation of the United Nations Millennium Development Goals (MDGs). The rigours of bureaucracy and centralization need no elaboration. It should be said, however, that neither blanket forms of decentralization nor the NPM assault on “rules-bound administration” are the answer to such ills. It may be asked, for instance, to what extent the tendency of “*letting the managers manage*,” surrendering, in other words, all decisions on personnel matters to the programme managers can help create conditions which foster the 4Cs, thus enhancing the prestige, performance and professionalism of the public service as a whole. Likewise, it may be asked whether the only antidote to the total predictability of seniority-based systems and the complacent passivity which they all-too-often breed is the absence of all safeguards, leaving the field wide open to patronage, clientelism and the capricious use of discretionary authority.

Finding a proper balance, avoidance of extremes, safeguarding continuity, consistency and coherence in human resources management, and legitimating its outcomes account for the significance of a sound institutional framework in this regard. The latest meeting of the United Nations Committee of Experts on Public Administration highlighted its importance in its report. The Committee drew attention to certain major trends occasioned, in its view, by globalization and the emergence of a knowledge-based economy. *Inter alia*, it discerned the shifts:

- From individual tasks to the performance of the overall organization;
- From training to lifelong learning;
- From employment for life to employability with safeguards; and
- From an inward to an outward orientation towards all segments of society.⁴⁶

⁴⁴ Solon (640-558 BCE); in Greek: “Gerasko aei didaskomenos”.

⁴⁵ Ewart Woodridge (2001), *Understanding the Psychological Contract in the Public Sector*, paper presented at the XXVth International Congress of Administrative Sciences in Athens, 9-13 July 2001. See also D. Argyriades (2002) “General Report” in *Proceedings of the XXVth International Congress of Administrative Sciences*, published by the International Institute of Administrative Sciences, p. 58.

⁴⁶ *Report of the First Meeting of the Committee of Experts on Public Administration*, E/2002/26 July 2002, para. 18.

These shifts are universal, but how particular countries respond to the challenge they pose can vary quite significantly. The range of valid options brings into sharp relief the importance and complexity of human resources management in our days and, therefore, also the urgency of building public capacity to take care of these tasks. Human resources development has been described as a necessary complement to human resources management. Its rising importance is discerned in the growing importance of knowledge, skills and positive work attitudes, and in the rising costs of recruitment, employment and training of personnel. It has been pointed out that human resources development is much more than a “service” to staff. It is an essential tool for organizational change, which management must use to optimize the effectiveness and maximize the scope and potential of its resources.

The focus on “development” is vital. Its importance draws strength from the notion that, for “higher order tasks” in the broad sphere of government, a career in public service, marked by *movement, continuity* and *progression*, may still be the best preparation. Arguably, for most countries, it represents the best available “strategy” for the State “to recruit and to retain its fair share of the best talent”⁴⁷, but also to ensure that governance be “moral, knowledge-based, future-committed, consent-based, high-energy, but also selective, deep-thinking, holistic, learning, pluralistic, and decisive.”⁴⁸ This belief is very old. It has been traced to China and Ancient Greece.⁴⁹ Its relevance today is heightened by the experience of many developing countries in the past two decades.⁵⁰ It also adds substantially to the meaning and importance of two related concepts, to which the Committee of Experts repeatedly referred in its Report:

- “learning organization” and
- “lifelong learning”⁵¹

The two are obviously linked. They condition one another. A “learning organization” has been described as one that is “*strong and strategic*”⁵², one that fosters capacity-building by harnessing the power of information, knowledge and effective communication in the service of innovation. By being open, receptive to criticism, tolerant of dissent and accepting of diversity, a learning organization in the public sector at large provides an *enabling environment* for men and women of talent who wish to dedicate their knowledge, skills and energies, not to profit-making pursuits, not to self-regarding ends, but first and foremost to the common good. The recent Committee of Experts identified some of the signal accoutrements of “learning organizations”:

- A learning infrastructure, including sector-specific systems for R & D in areas such as health, education, etc.;
- Connectivity and networks; and
- A legislative framework conducive to innovation and constructive private sector initiatives.⁵³

A learning organization is the type of work environment where *lifelong learning* can flourish. As opposed to traditional training, where the expert and communicator are cast in the pivotal roles, *training as lifelong learning* sets the focus on the environment and the onus of responsibility on the individual staff member.

⁴⁷ *Ibid.*

⁴⁸ Yehezkel Dror, *op. cit.*, p. 71.

⁴⁹ Max Weber, “Bureaucracy,” in *Max Weber: Essays in Sociology*, translated by H.H. Gerth and C. Wright Mills, New York: Oxford University Press, 1962, 196-244.

⁵⁰ A report by Professor Moses Kiggundu referred to public services in sub-Saharan Africa as understaffed at the top and overstaffed at the bottom. The report, entitled “Public Sector Reform in Sub-Saharan Africa: Background, Progress & Challenges Ahead”, was prepared for the XVth Meeting of Experts on the United Nations Programme in Public Administration and Finance, New York, May 2000. For countries with economies in transition, see J. Hesse, *op. cit.*

⁵¹ Report, E/2002/26 July 2002, *op. cit.*, p. 1 and pp. 6-7.

⁵² *Ibid.*

⁵³ *Ibid.*

No longer a passive receipt of information or know-how, the task of lifelong learning becomes the reasoned response to stimuli emanating from the staff member's environment. He/she must take the initiative not only as a prerequisite to making career progress, but also as a condition for the effective discharge of his/her assigned duties. In a fast-changing world, this process represents a *sine qua non* of both continued relevance and professional advancement. Of course, it should be a process which touches every facet of a professional's profile. Values, attitudes and standards must mature and be developed with increased responsibility and authority commensurate to newly acquired knowledge and more refined techniques.

Learning, which is continuous, proactively undertaken and part of the work-a-day life, can be profoundly enriching and often prove conducive to the advancement of knowledge. The best of universities and research institutions provide such a learning environment. Bureaucratic structures, by contrast, frequently lead to stagnation through excessive risk avoidance, indifference to competence and addiction to routines. *Stasis* is the result of total predictability coupled with the absence of challenge and innovation. It cannot be denied that public personnel systems in several parts of the world exemplify these traits. In all too many cases, the practice of clientelism, advancement by seniority with no regard to performance, and the effects of lifelong tenure combined with the execution of standard repetitive tasks are enough to neutralize the beneficial outcomes of any training programme, however well-conducted. Spurts of training, by themselves, can have no lasting impact. To bring forth good results in terms of behavioural changes and a sustained enhancement of performance or productivity, *training as lifelong learning* needs to be firmly embedded into a *coherent programme of staff career development and fostered in the framework of a learning organization*.

Away from “hero-worship” to democratic management

Devaluation of government and of the rule of law⁵⁴ entailed devaluation of formal structures in general. Consistent with the principle of “letting the managers manage” was the notion that structures should be reduced, their rigours attenuated and strictures disappear, lest they should interfere with the overarching values of *efficiency and effectiveness*. The cult of flexibility, which swept throughout the world during the 1980s and 1990s, the slogan “all powers to managers”, and the quest for “results over process” which these brought in their trail, are arguably at the source of many of the phenomena with which the world is confronted. The surge of crime and corruption during the past decade is hardly a happenchance. The antics of Enron, Worldcom, Cisco and Arthur Andersen are only the tip of an iceberg of truly titanic proportions. They represent a problem which touches every facet of public life, national and international. Deep down, one may discern a signal disregard for concepts like the rule of law and public service ethics,⁵⁵ as if they were outmoded or represented hurdles to the single-minded pursuit of efficiency and effectiveness.

Related to this attitude is the culture of *unilateralism* in international relations, as countries “*go it alone*,” often in violation of treaty obligations and fundamental principles of international law (e.g., “*pacta servanda sunt*”). There has been a decline of public trust, heightened by revelations of massive corporate scandals, but also the observable gap between the official rhetoric and palpable reality. Last but not least, in all too many countries, supply-side economics and NPM have carried in their trail disappearance of democracy from the workplace, a return to sweatshop practices and wanton exploitation of vulnerable groups (e.g., children and migrant workers), all in the name of freedom. Disparities have grown exponentially. As if to explain them away, corporate power and its apologists have assiduously fostered the cult of the superhuman executive. Two letters to the editor, published on 1 July 2002 in the New York Times, captured the essence of what has been described as the “*Imperial Executive*”.

⁵⁴ Karl-Peter Sommermann (2002), *The Rule of Law and Public Administration in a Global Setting*, *op. cit.*, pp. 67-81.

⁵⁵ See Karl-Peter Sommermann, *op. cit.*

In the Cult of Business, Icons Fall

To the Editor:

Thank you for reminding us that corporate governance is about democracy after all (“The Imperial Chief Executive Is Suddenly in the Cross Hairs,” front page, June 24). For far too long, we have had the cult of personality, the great helmsman in charge of thousands of employees and empires of assets; his thoughts of wisdom published everywhere, his face on every TV screen, the raging struggle to succeed him, the nomenklatura enjoying self-awarded prosperity while the employees had to make do, the five-year plans to nowhere, secrecy, defectors telling us about the inner workings and now the fake financial health. Fortunately, we know with certainty that all that can’t last for too long anywhere.

Zino Vogiatzis, Timonium, Md., June 24, 2002. The writer is a management consultant.

The Imperial Chief Executive Is Suddenly in the Cross Hairs

To the Editor:

For years we’ve been told that high prices are attributable to the small increase that working people get on meager salaries. But it is evident now that the responsibility lies with the executives whose greed bleeds their companies of billions, while the rest of us, including their employees, pay the freight.

Ann Nelson, New York, June 24, 2002

This form of hero-worship was also given prominence by Dr. Rakesh Khuruma, assistant professor at the Harvard Business School and author of “*Searching for a Corporate Savior: the Irrational Quest for Charismatic C.E.O.s*”. In an article entitled “Good Charisma – Bad Business”,⁵⁶ Dr. Khuruma exposes the “spectacular perks” bestowed on “charismatic leaders” of industry, even after their retirement. The wisdom, cost-effectiveness and probity of such gifts is now being called into question. A dubious practice at best, even for business leaders, however “charismatic,” it is totally unacceptable in the public sector at large. Far more than entrepreneurs and corporate executives, public servants must not merely be honest, but really beyond the suspicion of dishonesty and greed.

We cannot escape the fact that, in the world at large, public sector personnel, the top grades, in particular, very often represent a role-model and a catalyst of corporate behaviour. The government remains the single largest employer of high-level skills, in particular. For instance, a recent survey of the OECD⁵⁷ revealed that, of its Member States, a number could still claim sizeable public sectors – 25 per cent or more of the total labour force, in some cases. What had substantially changed, in several OECD countries, was the contractual status and terms and conditions of service of public employees. Diversity of conditions and greater flexibility were gradually replacing the past employment practices, which had been marked by tenure, career progression, uniformity and predictability.

As already pointed out, this move has gone *in tandem* with decentralization and *devolution* of decision-making power on all the relevant issues to the *programme manager*. Significantly, some countries with large-scale public employment (Denmark, Sweden and Finland) also distinguished themselves as being

⁵⁶ New York Times, September 2002, Op. Ed. Page.

⁵⁷ See “Les fonctionnaires francais se distinguent plus par le statut que par le nombre: une etude comparative des fonctions publiques europeennes met a mal quelques idees recues” in *Le Monde* VIII, Mardi 3 September 2002 (Management).

the most advanced in the adoption of flexible employment patterns. There is reason to believe that this greater elasticity of terms and conditions of service may well be the way to the future. It may be not only a fit response to the challenge of growing specialization in most fields of activity, but also to the emergence of highly volatile, increasingly international markets for high-level skills. With rising expectations combined with growing mobility within the labour force, and confronted with an exodus of highly skilled professionals, the government may have no other option than to diversify its policies and practices in an attempt to offer competitive terms and conditions of service.

In the public sector, however, this need for flexibility should not lead to opportunism or to knee-jerk reaction to changing circumstances. Accordingly for governments, response to volatile markets and a heterogeneous, as well as often turbulent work environment, may well consist in striking a proper balance between opposites:

- Between respect for *diversity* and a measure of *consistency* for the public service as a whole;
- Between short-term expediency and the long-term good of the service and the country as a whole.

It is hardly accidental that the countries which, according to the recent OECD survey, have moved more boldly forward, and also most successfully, on the road to flexible employment patterns are the Nordic social democracies. These are OECD countries best known for their adherence to democratic principle, respect for the rule of law, *belief in public service* and the primacy of the common good; all of the above combined with a high degree of *integrity* in public life.⁵⁸ Adherence to the values of *democratic governance and the pursuit of equity* should not be sacrificed to the quest of the 3Es (economy, efficiency and effectiveness), important as these are. In societies plagued by corruption, promotion of integrity under the rule of law should be accorded priority. Governments need to keep their options open and, in their own long-term interest, also foster public trust by subscribing to the view that principles must be observed (*principia servanda sunt*). What is more, governments must practise what they preach.

A lesson from the experience of the past twenty years is best expressed in the dictum that policies are best *home-grown, demand- and owner-driven*.⁵⁹ Still, countries need to learn from global trends and carefully scrutinize the lessons of international experience. The long-term implications of technological progress and economic forces cannot be ignored by anyone. A “*learning organization*” is one that scans the environment for emerging opportunities and possible constraints – one that learns from past mistakes. To accomplish this, however, government organizations need to build *home-grown capacity*, which enables them to absorb and internalize the messages that come from the external environment, to adopt and to adapt constructively and to participate in the global quest for progress and innovation.

Serving the needs of the present must be balanced with the tasks of paving the way to the future and the goals identified by the United Nations Millennium Summit. A *learning organization*, in the meaning of the Report of the Committee of Experts, is one that serves as a linking pin between these two critical functions. “Training as lifelong learning” takes on special significance in light of this pivotal role. It should not be overlooked, on the other hand, that training yields few benefits outside the broader framework of human resources development, which is part of capacity-building. Institutional reinforcement must, therefore, be seen in this light: *as the creation and sustenance of a supportive environment and an enabling framework for lifelong learning in the service of a learning organization*.

⁵⁸ “Finland is reckoned to be the least corrupt country in the world, according to the annual index of perceptions of corruption compiled by Transparency International, a Berlin-based organization that aims to fight corruption worldwide”, *The Economist*, 31 August 2002, p. 78.

⁵⁹ Demetrios Argyriades, “General Report”, op. cit. p. 50.

Concluding remarks

There is need for continuity and change, and for diversity and specialization in sound career development. Both must be satisfied, but can be met through skillfully designed personnel and policy frameworks, which bring together merit, mobility and progression with a degree of stability and motivation consistent with prerequisites for both professional growth and the internalization of strong ethical values – integrity, commitment and dedication to excellence. The needs are not the same in all professional groups or geographical areas. *One size does not fit all*. But what size fits the needs of which particular country is properly a decision for its national leaders to take, based on its long-term needs. It is a critical choice and a fundamental decision on which many others rest.

Democracy means options. It means empowered citizens presented with real alternatives and willing to exercise their right to choose. One of the chief prerequisites of democratic governance, which also represents the most demanding task that senior public servants are called upon to perform, consists in their support of the often arduous process of *preparation, design, elaboration and articulation of policies*. This quintessential input of knowledge and advice, on which informed decisions so very largely depend, is what adds sustainability to democracy and development.

The fact that, for two decades, this major contribution was mostly ignored and barely ever mentioned in the public management literature flags yet another lesson from our recent past. *It clearly demonstrates that, contrary to the claims of the New Public Management, management is not just that, but often an expression of dominant ideologies*. Richly endowed with buzz-words highlighting neutral competence and democratic credentials, it nonetheless has served as a vehicle to advance political objectives of the radical right. It also helped promote a style of personnel management which seriously undermined the rights, safeguards and welfare of ordinary employees. It was a clarion call demanding more authority for people in authority, more power to the privileged and discipline for employees.

What we have tried to argue, in light of this experience, is that the goals and values proclaimed two years ago by the United Nations Millennium Summit may call for types of management of a very different nature, less prone to hero-worship, certainly more democratic, inclusive and collegial. In tune with conditions and needs in a world of growing complexity, diversity and rapid change, these should be types of management open to varied inputs from a plurality of sources, intellectual disciplines and points of view. In today's turbulent international environment, the learning organizations which can best contribute to solving the world's most pressing problems and shape a brighter future for humankind are arguably the ones which build on credibility and *public trust*. They are open to debate, respectful of dissent and tolerant of ambiguity. Equipped with listening skills, they practise negotiation, accommodation and compromise, avoiding confrontation, whenever this is possible. They favour consensus and peace with solid long-term progress over the short-term success that "winner-takes-all" tactics may occasionally secure.

Promoting such a cadre for "higher-order tasks" is a challenge that has been neglected. It needs to be restored to its rightful place among the top concerns of public service reform and capacity-building. Preparing such a cadre, by imparting the deep knowledge and profound understanding of issues, and cultivating the high-level skills and attitudes which this entails, is an ambitious task. Experience demonstrates that training future leaders and dedicated managers and using them effectively to serve the common good cannot be accomplished successfully through piecemeal, fragmented endeavours. Its complexity brings into focus the importance of a *holistic approach* – a constellation of policies, programmes and institutions with consistent methods, transparent processes and mutually supportive long-term goals. A series of brief courses, sandwiched between assignments of uncertain duration and prospects, cannot be counted upon to bring forth the needed results. To produce sustainable outcomes, training must be embedded in a coherent system of policies and programmes. To make this operational, an institutional framework must be securely established, endowed with needed resources, politically supported, valued and duly maintained.

Chapter Two

New Challenges for High-Level Leadership Training in Public Management and Governance in a Globalizing World

Gordon S. Smith

This long title covers a broad range of issues. I welcome this initiative of the United Nations Department of Economic and Social Affairs and the International Association of Schools and Institutes of Administration. To situate where I am coming from in this paper, I shall begin with a few words about myself. It may help explain why I emphasize some points and (apparently) ignore others.

After obtaining a Ph.D. in Political Science, focusing on policy development and international issues, I spent over 30 years in the Canadian Government, mostly working directly with Prime Ministers and Ministers. It has led me to reflect and write about what information they require to take decisions, how one can best ensure the consequences of specific decisions are clear and, particularly difficult, whether there are ways of persuading people who are elected every four or five years to think for the longer term.

Throughout much of this period, Canada had a Prime Minister, Pierre Trudeau, who understood that the really big issues confronting Canada and the world increasingly required thinking ahead, acting before the problems became overwhelming. Yet, with the widespread conviction that markets were the only way to ensure efficiency, there was and continues to be a tension. The private sector is ruled by quarterly reports. Governments cannot be, as they have the responsibility to prepare their countries for what is coming down the road in the years ahead. Senior officials have to listen to the people as much as to their political masters whose only concerns are re-election, although this is easier said than done.

Prime Minister Trudeau wanted issues debated in a rational way, was interested in how his Government could set priorities and was prepared to innovate. I advised him for a period on “machinery of government questions” – in other words, which minister should be responsible for what subjects, how the departmental structure of government should be organized and what was the most effective way of organizing decision-making at the ministerial level. These are the Prime Minister’s prerogatives, although in order to implement them, legislation may be required. He wanted to ensure the organization of government was responsive to the challenges facing it.

I was also responsible during part of this period for advice on senior appointments and human resource policy, generally for the most senior levels of government. We introduced better succession planning and career development. We tried to relate this function as well to emerging priorities.

Prime Minister Trudeau believed that there needed to be a conscious setting of priorities, and that these priorities needed to be reflected in expenditure decisions and legislative priorities. While I would not want the reader to be left with the impression that everything worked exactly as it was supposed to, some real progress was made. There was success in looking at the longer term, in working on issues which cut across departmental lines and in bringing domestic and international issues together.

In short, Pierre Trudeau understood that we live in an increasingly interdependent world; and this is the basis for my ideas about the training of senior public servants which follow.

For the last 15 years of my career in the Canadian Government, I was either a Deputy Minister or an Ambassador in a major post abroad. As Deputy Foreign Minister from 1994 to 1997, I was responsible for policy advice as well as management (8,000 people, \$1B US). I will draw heavily on that experience in what follows.

Foreign ministries used to deal with *foreign* policy. Relations with other States could be managed in a relatively compartmentalized manner – that is, separately from *domestic* policies. During the last century, particularly the latter half, foreign ministries increasingly dealt with economic issues, bringing them closer to domestic matters, though not always harmoniously with other ministries in government.

What struck me eight or nine years ago, as I contemplated my new assignment as Deputy Foreign Minister, was that there was a tsunami (or tidal wave) of global issues that were increasingly at the core of international discourse – environmental issues such as climate change, transnational organized crime and the spread of infectious diseases, to cite three examples. These were not the traditional stuff of foreign policy. Our foreign ministry was not well equipped to handle them. The inter-departmental machinery was weak. Yet these were the issues which were increasingly on leaders' minds. I created a major bureau to focus on these global matters in the Canadian foreign ministry, and transferred resources away from some more traditional pursuits in order to support it.

It was also clear that the information revolution was going to have profound implications. Email and the Internet were going to change the way people communicated and information could be accessed. There were clear benefits, but also pitfalls. It was not just new technology that was arriving. The hierarchical organizational form of the ministry was going to be challenged by the flattening effect of these technological changes. The investment costs were high, and in many cases, those in senior management positions were not sufficiently conversant with the technology to decide what was needed and what was not.

We made major investments, even at a time of severe budget cuts, in information and communications technology, the benefits of which now are being reaped. There were many objections. But we persevered. We also thought through what all this meant for the way in which we did business. I tried to provide leadership in managing change.

Defining a “globalizing world”

There are many definitions of the words “globalizing”, “globalization”, “globalism” and “globalist”. Too often globalization is seen only in economic terms. While economic globalization is an important reality, there is much more going on.¹

There is, for example, a very important cultural dimension. Many fear that economic globalization is leading to cultural homogenization. That indeed is a danger. But new technology and increased migration are also leading to a potential for new networks and exposure that can facilitate cultural retention and development. There are both negative and positive dimensions of globalization.

As with economic globalization, the key is to have the capacity to shape globalization so that market forces do not determine everything. I shall return to this proposition later in the paper.

Critical environmental issues can obviously only be addressed at the global level. The two clearest examples are climate change and biodiversity. Some environmental issues must be addressed at the local level. Others require a national or regional commitment.

Security issues are nothing new at the global level. Ever since the development of nuclear weapons and their inter-continental means of delivery, we have become, more or less, used to living under that particular Sword of Damocles. We know our survival depends on events and decisions made far away from us.

¹See David Held and Anthony McGrew, David Goldblatt and Jonathan Perraton, *Global Transformations*, Stanford: Stanford University Press, 1999. Held is the most important thinker writing today on the breadth of issues concerning globalization. He also puts them in historical perspective.

Technology is at the heart of this increasing interdependence. Information and communications technology have evidently been at the centre of economic globalization. We are living in a time of technological revolution, with no end in sight.

Genetic technologies raise profound global questions – intellectual property, equity issues, the potential for massive health benefits to poor countries, possible good or bad effects on ecosystems, security issues and so on. Energy technologies have the potential to throw the earth’s atmosphere into disarray or to heal it, to poison poor people or to lift them out of poverty.²

Globalization suggests a world in which integration is occurring. Increasing numbers of us – but by no means all – can easily talk to each other, read or watch the same news, invest in the same companies, listen to the same music and dress with the same logos on our shirts and running shoes. But at the same time, the world is also fragmenting, in part as a response precisely to the perceived threat of homogenization – the need for a feeling of identity with others perceived as similar. James Rosenau has invented a word for this apparently contradictory but in fact understandable and consistent state of affairs – “framegration”.³

Mr. Rosenau has invented another word to describe an equally important phenomenon – the increasingly blurred boundary between international and domestic policy. That word is “intermestic”⁴, and interestingly it was picked up by the organizers of this year’s major symposium for senior executives in the Canadian public service as its main theme. No one, to the best of my knowledge, took exception to this characterization of what is going on. Yet the disappearance of the previously relatively clear boundary between domestic and foreign policy has major implications for public management.

The same U.S. Political Scientist has come up with a third new word to describe changes in global politics – “multi-centric”. The old world had a politics which was state-centric. States were virtually the only actors on the stage. Now, increasingly, there are other non-state actors, the most important being transnational corporations and international non-governmental organizations. The state-centric world still exists, but it now co-exists with a multi-centric world with new actors whom States ignore at their peril.⁵

In short, we live in a world in which interdependence is significantly increasing. Of course, it is less apparent for those who have never made a telephone call, for those without electricity, and those whose livelihoods (if any) don’t depend on developments half a world away. But for the rest of the world, increased complexity is a major consequence for those charged with public management.

Governance

Governments are no longer the only players in governance. Those simpler days have gone. So-called “non-state actors” now have an increasing part to play. In some areas, such as the management of the Internet, they have played the dominant role. More often, governments work with international organizations, the private sector and representatives of civil society, and new forms of governance are arising. Non-state actors are increasingly being asked to deliver public services but often feel that their views on policy are not solicited.⁶ As former Canadian Finance Minister Paul Martin has pointed out, governance has lagged in globalization.⁷ Mr. Martin, who has chaired the G20 Finance Ministers, has said at the meetings our Centre has organized that there is no greater challenge than managing our increasing interdependence in the world.

² P.J. Simmons underlined these points to me, and I appreciate them.

³ Rosenau describes this phenomenon in virtually everything he has written in the last decade. His conceptualization of changes in the international system is without peer.

⁴ *Ibid.*

⁵ *Ibid.*

⁶ I am grateful to Elizabeth McAllister of the World Bank for making this point to me.

⁷ For further amplification, see Gordon S. Smith and Moises Naim, *Altered States* (Ottawa: International Development Research Centre, 2000).

Governance at the global level is, of course, much more complicated than at the national level. At the national level, institutions gain legitimacy through political processes that involve citizens. There is really nothing comparable at the global level; nor is there a “social compact” that works at the global level, something that at the national level is essential to cushion change.

Important work is now being done in analysing how global governance actually works. The path-breaking work by P.J. Simmons and Chantal de Jonge Oudraat is worth underlining. Their book uses a number of excellent case studies to produce a comparative analysis of, for example, how agendas are set, how negotiations lead to agreements and how decisions are enforced (if at all) in a way that a practitioner can draw out what would be the most appropriate regime in other areas. It helps answer questions as to what works and what does not.⁸

In simpler times, policy could be made at the level of the state on most issues of the day. However, now something that Wolfgang Reinicke has called “global public policy” is increasingly required. The problem is, of course, that there is no such thing as a global government, nor is there likely to be for a very long time. There are international institutions – the United Nations being the most universal – but there is nothing resembling a “global democracy”, although some have advocated developing precisely that.⁹

Another development has been the proliferation of networks of many kinds. They may be exclusively of business, civil society or governments, or they may be mixed. They may include individuals as well as institutions. They may be more or less formal. They may or may not be time limited. Information technology obviously facilitates the growth of such networks.¹⁰

Democracy

Democracy is increasingly widespread. People have become more accustomed to electing those who make decisions which affect their lives. They believe that what they want should significantly determine what their “governors” decide. If they don’t, they “can throw the rascals out”. That fact helps ensure those elected listen to their constituents, or suffer the consequences if they don’t.

That is not to say that democracy always functions well.¹¹ It takes time to develop appropriate rules for political parties, a regime to manage corruption and a legal system based on the protection of human rights, to cite but a few examples of what is needed. Institutions need to grow and a culture needs to develop. Nonetheless, expectations develop, the culture does change and institutions evolve, even if by fits and starts.

Expectations of international organizations, therefore, have also gone up, all the more so as the impact of the World Trade Organization, the World Bank and the International Monetary Fund on the lives of people has never been greater. It is difficult to apply concepts of democracy developed at the national level to them, as their “constituents” are their member states or, more precisely, the relevant ministries of those states.

The Centre for Global Studies at the University of Victoria, Canada, has recently carried out a survey of “best practices” to enhance transparency, participation and accountability in international organizations.¹² The degree of innovation is impressive, but so also is the remaining degree of dissatisfaction in civil

⁸ P.J. Simmons and Chantal de Jonge Oudraat, *Managing Global Issues* (Washington: Carnegie Endowment for International Peace, 2001).

⁹ David Held et al, *Ibid*. The argument Mr. Held and his colleagues make is overly optimistic in my view. Richard Falk has also written on this subject.

¹⁰ Wolfgang Reinicke, *Critical Choices* (Ottawa: International Development Research Centre, 2000). Note also the work of Anne-Marie Slaughter.

¹¹ United Nations Development Programme, *Human Development Report 2002* (New York: UNDP, 2002).

¹² The Centre for Global Studies, *“Rethinking Governance” Handbook* (Victoria: University of Victoria, 2001).

society as manifested in the continuing series of anti-globalization demonstrations. The most often repeated criticism is that it is the corporate agenda which dominates, and that governments have neglected their responsibility to shape globalization so that enough people benefit and the environment is not devastated.

These concerns about corporate priorities and the role of government are important and need to be addressed. It is, in the end, through elected governments that citizens will have an opportunity to do more to shape globalization. The voices of civil society being heard through NGOs are important, but not sufficient in themselves.

International institutions are in a particularly difficult situation. Their constituents are national governments – actually, specific departments of national governments. International institutions must and do respond to these constituents. This, however, does not occur through a transparent process, one that is open to civil society. More frustrating, the process is sometimes more open to business than civil society. That is a problem. As a consequence of the information and communications revolution, it is now easier for private citizens to know what is going on and for groups or even individuals to work with others in a strategic or even a tactical way. They are aware of and can respond to this perceived problem.

The “withering away” of the state is not, however, near. States remain the key actors in international negotiations and institutions.¹³ What has changed is that states, and hence their senior officials, need to operate in significantly different ways. They need to be prepared to share the stage and to work with other kinds of actors. This will require new wide-ranging knowledge as well as skills for senior government officials.

Challenges of globalization to public management

There is no question that a significant number of people have reservations about globalization. There are too many people being left behind. There are too many people who feel left out. More people need to benefit. The environment needs to be protected. Issues of peace and security need to be high on the agenda. Even so committed a “capitalist” as George Soros has said that markets cannot provide for global public goods, such as protecting the environment and assuring security. There has to be governance at the global level which manages challenges at the global level and helps protect the interests of those who cannot fend for themselves. There needs to be a belief that other voices will be heard.

It is striking that at the 2000 United Nations Millennium Summit the leaders of the poorest countries in the world did not call for globalization to be stopped or reversed, as many of the protesters had been advocating. Instead they advocated a better shaping of globalization, a better managing of global issues.¹⁴ *The New York Times* recently ran a lengthy article on globalization which underlines that it is not more trade that has hurt the world’s poor but rather the “rigged system” that manages trade.¹⁵

There is a risk that the recent spate of corporate governance failures in the United States will feed the appetites of the truly anti-globalization protesters. The claim was already being made that it was corporate interests that dominated the global agenda, and that governments lacked the ability or will to play their proper role. Now, with what people are learning about Enron, Worldcom, and Arthur Andersen, to name but a few, this may well pour gasoline on the fires of opposition to globalization. Corporate governance and social responsibility will be increasingly closely scrutinized.

This presents big challenges to public management. The substance of public policy is complex, issues are interlinked, and policies are difficult to explain to the public. On top of this, there is occurring an important fragmentation of power – up to higher levels of governance in international organizations,

¹³ Gordon Smith and Daniel Wolfish (eds.), *Who is Afraid of the State?* (Toronto: University of Toronto Press, 2001).

¹⁴ I am grateful to United Nations Deputy Secretary-General Louise Frechette who emphasized this point to me.

¹⁵ *The New York Times Magazine*, August 18, 2002; the article was written by Tina Rosenberg.

down to (supposedly) subordinate levels of government who demand a bigger say and out to civil society and the private sector.¹⁶ All this is made worse by a seemingly insurmountable complexity. This creates huge problems for developing countries, particularly, but not only, smaller countries.

Nevertheless, within most if not all governments, “stovepipes” remain. By this I mean that individual government departments (sometimes even branches of departments) operate as if they were independent fiefdoms. Turf battles persist. Horizontal management of issues is tough.

Many people don’t recognize that this fragmentation at the national level has serious implications at the international level. The World Trade Organization (WTO) is “owned” by trade ministries. The United Nations Environment Programme (UNEP) is “owned” by environment ministries. The International Monetary Fund (IMF) and World Bank are “owned” by treasuries. In Rome, the Food and Agriculture Organization (FAO) is “owned” by agricultural ministries and the WFP by aid agencies among donors. The result is that the FAO can’t do development assistance programs and the WFP can’t do agricultural development, and yet the two are interdependent if not interchangeable.¹⁷ But the blame for the resulting lack of coordination cannot be laid at the doorsteps of the international organizations. It has deeper roots. Governments usually don’t speak with one voice, except when that voice is the head of government’s, and he or she cannot be everywhere.

While decision-making may be relatively straightforward at the sharply focused IMF, it is not necessarily good, balanced decision-making.¹⁸ Good decision-making is difficult, even for the most developed countries, as it involves balancing a number of conflicting objectives. Setting priorities and weighting them are difficult. The pressures are huge. In developing countries, there is a serious international negotiation fatigue. There are inadequate resources in the South to cover all the various negotiations of importance – ranging from climate change to the WTO.¹⁹ The result all too often is a “rigged system” as pointed out above.

Complications also stem from the need for longer-term horizons dealing with many global challenges. “Short-term pain for long-term gain” is not a good election slogan, yet it precisely reflects the reality in facing an issue such as climate change.²⁰ The complexity of linked issues makes resolution even tougher. Responding to climate change cannot be divorced from the need to bridge the growing gaps between the rich and poor in the world.

Improving governance has clearly arrived on the development agenda. Mark Malloch Brown of the UNDP recently stated that fully 60 per cent of the resources of that organization are being devoted to governance.

The demands on senior officials have never been greater. Although it has been tried, at the top levels, policy development and management cannot be separated. They need to be brought together. These are high-stress jobs – physically as well as intellectually demanding. Given this environment and the challenges it produces, what can be done to help officials at the most senior levels?

¹⁶ See Smith and Wolfish, *op. cit.*

¹⁷ My thanks to Jeremy Kinsman for pointing out the problems in Rome as an excellent example of the point I am making.

¹⁸ Joseph Stiglitz does not hide his feelings on this subject in his recent book, *Globalization and Its Discontents* (New York: Norton, 2002).

¹⁹ Adil Najam of Boston University is an authority on this subject, with an impressive capacity to combine persuasive analysis and humour.

²⁰ David Victor and I have a chapter dealing with this issue in a forthcoming book edited by Harold Coward and Andrew Weaver, to be published by the press of Sir Wilfrid Laurier University.

Training needs and opportunities

There clearly needs to be an innovative approach to high-level training. Indeed, the very word “training” may be an impediment to obtaining senior-level participation – something like “policy workshop” might be better.²¹ The first challenge is to get people to come, to participate in the programmes offered. That runs up against the unfortunate reality that the urgent always seems to push aside the important. Many senior officials either do not believe they need training, which in any event they do not have time for, or have doubts about the relevance and appropriateness of the training courses being offered.

It seems senior levels of staff in the private sector are much more convinced of the utility of training. They certainly spend more time at it. In government, senior officials have more a sense of a state of siege, that if their finger is no longer in the dike, the water will pour through.

Therefore, what makes most sense are short, highly focused courses. It is important to build training programmes using principles of adult learning such as: building on the experience of the learner, working in group settings, making use of a variety of teaching and learning approaches in addition to the lecture model, and building in flexibility for programme modification and change.

It is important to have people who have had experience give as much as possible of the courses.²² Other participants must be at the same or very close to the same level, so as to maximize the benefits of exchange of experience and to be more attractive to those participating.

Effective leadership training needs a live link to the world of policy and implementation in order to attract people to learn and to shorten the feedback loop between learning and amending institutional machinery.²³

There is a great deal to be said for the case method. Cases should describe real situations. Discussion groups should enable participants to present cases from their own experiences which they could share with others in the course.

Timing is important, as certain periods during the year are always more busy than others. Weekends may turn out to be best.

I would propose courses in twelve areas, although they could obviously be combined or separated in a number of different ways:

1. Setting the Context
2. Leadership and Managing Change
3. Literacy in Economic/Business Concepts/Language
4. Understanding New Concepts of Global Governance
5. Negotiation and Dispute Resolution Skills
6. Cultural Differences
7. Dealing with the WTO and Regional Trade Bodies
8. Management of Horizontal Issues
9. Policy Analysis, Development and Mapping
10. Citizenship Engagement
11. Problem-Solving Skills

²¹ My thanks to Budd Hall, Dean of Education at the University of Victoria, for making this and other suggestions.

²² Shirley Walters (ed.), *Globalization, Adult Education and Training* (London: Zed Books, 1997).

²³ Elizabeth McAllister underlined the importance of this point to me.

12. Risk Management

Setting the context is a good place to begin, particularly in times of rapid change. This entails covering the developments listed above in this paper. It cannot be taken for granted that participants will have reflected on all the changes taking place in the world. They don't have time. Interesting work has been done on scenarios which could be of value.²⁴ Scenarios should underline that the future is not fully determined or determinable. Rather, it can and will be affected by choices that are made, choices over which senior officials have considerable influence. Globalization in the broad sense clearly needs to be understood, as do the debates about it.

Leadership skills and managing change are of critical importance. Good leadership has always been required, and it can be taught to a significant degree. However, the leadership needed changes as organizations become more flat and lower levels become more "empowered". People need to understand the reasons for change. Objective setting, delegation and accountability are key skills to be developed. So also is encouraging collaboration both within and among departments. Increasingly, leadership also requires reaching out to people outside government altogether.²⁵

Literacy in economic/business language/concepts is a fundamental requirement. Some senior officials have it as a result of their previous training and experience, but many typically do not. Economic policy cannot be left to the "experts" or those who perceive themselves to be exclusively responsible. A senior official in a social ministry needs to be able to talk to his colleagues in the finance ministry or representatives of the IMF. He or she needs to be able to explain the contribution his or her ministry can make and how to make new alliances, thus avoiding being or being perceived to be in a constantly negative role. Given the importance of markets, exports and investment, senior officials need to understand what drives trade and the flow of private finance. Another dimension could be transforming private sector concepts of demonstrating results into the development "business". There is very little research or shared learning about how to get a results-approach right – identifying mission-critical results and appropriate indicators.²⁶

It is important that senior officials *understand the new concepts of global governance*, and the existence of actors other than governments. Indeed, it is important that such officials be capable of negotiating and even designing new forms of governance that best suit the needs of their countries. The interests of developing countries are hugely dependent on the types of regimes that are being built internationally, and it is vital they be reflected in the construction process. The role of international law and other forms of rule setting need to be understood. Senior officials need to know how to relate to business and NGOs. Managing new forms of partnerships with these non-state actors requires a different outlook and skills from traditional public management. It is essential these partnerships succeed, but they raise challenges, for example, in assuring accountability.

Negotiation and dispute resolution skills can be taught. They include the ability to cross linguistic and cultural barriers. Individual developing countries will not likely have the numbers of trained negotiators ideally desired, but they need negotiators of quality. There are particular skills in the field of multilateral negotiation which, if employed, could significantly enhance the leverage of negotiators from the South. Dispute resolution techniques have advanced considerably over the last few decades, and could be of great value to senior officials if included in training programmes.

²⁴ The work of Shell International has for years been a leader in this area, and I have appreciated the continuing advice of Ged Davis of Shell. He has noted in a comment in a draft of this paper that "the experience of scenario building and use is that those who learn most are those who build scenarios and that use is enhanced when the users are better able to clearly envisage different possible futures."

²⁵ Tony Campbell who has had experience teaching a number of these subjects argues that leadership and managing change ought to be taught separately – he has a good point.

²⁶ My thanks again to Elizabeth McAllister.

The importance of understanding *cultural differences* is often not understood. Take the example of the photograph of Michel Camdessus, former head of the IMF, standing over Indonesian President Suharto, arms crossed. The message that photo conveyed to Indonesians with their cultural background was a superior force exerting total dominance over an inferior, exacting submission, in this case from their President. When then Vice-President Nixon arrived in Central America, he flashed an “OK” sign (making a circle with the thumb and forefinger with the other three fingers extended upwards). He was roundly booed. Was this Anti-Americanism? No, it signified to those waiting to greet him what can be described as “a carnal act of great agility”.²⁷ These may seem trivial examples, but they help show that for successful negotiation there must be good cross-cultural understanding.

The rules governing trade have increasingly broad application. *Dealing with the WTO and regional trade bodies* cannot just be left to trade officials. The rules may seem (and may be) arcane, but need to be much better understood, and by more people. The impact of trade on culture and social policy is immense. It is vital that most senior officials be familiar, and indeed conversant, with this area of global challenge.

There has to be serious consideration of the *management of horizontal issues*, including the role of central agencies and lead ministries. Both can be structured in a number of different ways. There are questions on what level the management should take place, how one deals with accountability and whether it makes sense to undertake government reorganization.

Policy analysis and development are something which senior officials will not do on their own, but they must be aware of what is required and be able to select, train and motivate their more junior colleagues. There is a new approach called *mapping* which is being developed in several places, including by the Centre for Global Studies.²⁸ This takes as its departure point the concept that even the best formulated policy proposal does not necessarily succeed. Mapping involves including an assessment *inter alia* of who will make the ultimate decision, what the timetable is, who and what are most likely to have impact, and what pressures can be brought to bear on the process. It is a very pragmatic process.

Non-state actors are clearly of increasing importance. New ways need to be found to enhance significantly *citizen engagement*. One sees this with the reaction in Africa to the New Partnership for Africa’s Development (NEPAD). It is no longer adequate for leaders to announce a new development strategy. Polling, focus groups, community meetings and other innovative techniques need to be found. Imaginative ways of describing policy choices are needed. Engagement should *not* occur only after government has made up its mind on its intended course. Note that I have not focused just on NGOs, the number of which at the international level and in Southern countries is dramatically increasing.²⁹ They can play a significant but not sufficient role. What is necessary and not so obvious is how to engage average citizens in discussions about policies and programmes that will have an impact on them. Their views may or may not be represented in established organizations.

Although it may sound very obvious, there is nothing more important than *problem-solving skills*. To a significant degree, they can be learned. I have often been asked if I could name the one thing that led to my relatively successful career in government. I have concluded that it was one quality above all else, or

²⁷ Howard Richler, *Take My Words* (Vancouver: Ronsdale Press, 1996), p. 76. In Germany, President Nixon would only have fared marginally better; this gesture signifies “you jerk”.

²⁸ Terry Smutylo, *Outcome Mapping* (Ottawa: International Development Research Centre, 2002); Analogous approaches of systematic decision-making exist in the public sector context (for example, “Policy Analysis in Government”, to be found at the Canadian Government site <http://learnnet.gc.ca/eng/lrncentr/online/policy.htm#Four%20Major%20Steps>. The “Decision Process Guidebook” of the US Dept of the Interior Bureau of Reclamation (IBR) is another example of a systematic approach on how to influence decisions in government. IBR’s Guidebook uses a ten-step “Decision Process Worksheet”. www.usbr.gov/Decision-Process/.

²⁹ Ann Florini, now of the Brookings Institution, has done some outstanding work in this area. See her book *The Third Force: The Rise of Transnational Civil Society* (Washington: Carnegie Endowment for International Peace, 2000).

at least so I have been told by my bosses – the capacity to solve problems. This takes one into the area of effective interpersonal relations, and more. It involves the need for both lateral thinking as well as “thinking outside the box”, in other words, unconventionally.

Risk management has always been required of senior officials, but never more than today. There is a natural tendency to be risk averse when in government. But that can lead at worst to paralysis and, less damaging but still unfortunate, important missed opportunities. If one thinks of the challenges ahead in the field of biotechnology, it is clear that senior officials around the world need to be able to rely on the most sophisticated techniques of risk assessment. The potential benefits in terms of food, security and health are enormous, but there are unquestionably risks. The choices that need to be made are supremely political, but need to be based on top-notch risk analysis and management techniques.

Training could also be offered in different ways of integrating *policy priorities with resource allocation*. It is one thing for a government to say what it wants to do; it is another to actually carry it out. Budgets tend to be built from the bottom up. Cuts are often made from the top down. Neither process is necessarily related to the policy priorities of the government.

Communication skills of senior officials are often deficient. It does not work to turn over to the “communications department” how to explain to the public what has been decided. Support needs to be mobilized from a broad community. Strategies are needed to deal with misperceptions and confusion. The media may well compound the problem. The “framing” of issues is critical and is very much a learned skill.³⁰ If issues are not framed correctly, the result is often the creation of seemingly insurmountable problems of communications.

Postscript: a further idea

This paper has focused on changes that are occurring in the world in order to set the context for the kind of training that would be of the most value to senior officials. This would be provided essentially through short courses. Another part of the UN/IASIA initiative is focused on the changes needed in schools of public policy, management and administration to train the next generation of senior officials. This is also most worthwhile.

There is an intermediate idea I would like to see discussed. This would involve support for the creation of degree programs for “Masters of Global Public Management”. These programmes would be for mid-career people who deal with international organizations, negotiations and other forms of global governance. Very few existing schools do this. It is a serious gap.

The best approach would be to follow that used by the Royal Roads University, Victoria, Canada, amongst others.³¹ Three or four-week residencies once a year for two years are combined with distance learning over the Internet. This makes it quite feasible for “learners” (they are not called students) to fulfil the responsibilities of their existing positions while obtaining the skills they will need in the next phases of their careers.

³⁰ See the excellent study, headed by Princeton Lyman, *From Values to Advocacy* (Washington: The Aspen Institute, 2002). The conclusion is that what is involved in successful communication is much more than presenting well the facts. Members of the public have, implicitly or explicitly, frames of reference, ways of organizing facts. Good communications often has to change the frame of reference in the first instance.

³¹ See www.royalroads.ca.

Chapter Three

Reconstructing Public Administration in Post-Conflict Countries: Leadership and Institutional Capacity Implications

John-Mary Kauzya

Introduction

Public administration can be conceptualized as an organizational structure, a system, a function, an institutional construct, procedures and processes or just a set of practices in the exercise of public authority. There has been considerable mutation of the concept of public administration moving from its traditional centralized neutral and controlled expert application of laws, rules and regulations to promote the general interest, to public management following the dictates of efficiency as practised in the management of private enterprises, and recently to governance with emphasis on the participation of the governed in the exercise of public authority. However, even within these mutations there remains a core concept of public administration as an instrument of state action (*l'appareil de l'état*), which must be sharp for effectiveness in overall development and public service delivery. Whether its sharpness can be strengthened by adopting management practices similar to those of private enterprises or through strong partnerships with stakeholders, involvement of service users, participation of the governed, or a combination of all of these, the fact will remain that so far no country can coherently and prosperously survive and develop without an effective public administration. The United Nations General Assembly emphasized this in its resolution 50/225 of 1996 by recognizing that:

“There is a need for public administration systems to be sound, efficient and well equipped with the appropriate capacities and capabilities through, inter-alia, capacity-building, promotion of transfer, access and utilization of technology, establishment or improvement of training programmes for public services, strengthening of partnership of the public sector with the private sector and civil society, as well as providing an enabling environment for private sector activities...”

Many countries have been for long devising means of ensuring that their public administration tools are sharp enough to meet the demands of development. The sharpening of public administration instruments has been differently conceptualized as restructuring, rehabilitation, rebuilding, reconstruction, reform, reconfiguration etc. But beyond the differences in nomenclature, the main aim has been to make public administration perform better in accomplishing the missions of the State.

As a consequence of this unceasing search for effective public administration, we find that these days public administration embodies several aspects, including institutions, structures, systems, functions, practices, norms, and values of the Legislature, the Executive, the Judiciary, and other government/public agencies including decentralized ones. These days with practices and mechanisms of public/private partnerships including contracting out as a means of private provision of public services, public administration has also included consideration of co-opting the private sector and civil society institutions to supplement its efforts to better deliver services to the public. In this presentation we will concentrate on rebuilding and sharpening public administration in countries that have emerged out of violent conflict and facing the challenges of reconstruction, rehabilitation and development.

Post-conflict countries: different challenges, unique responses

While reforming public administration for improved performance has been a preoccupation of most countries, it is considered an absolute necessity and prerequisite for sustainable development in developing countries, especially those that have just emerged from destructive violent conflict. The task is even more daunting because developing countries, even those that have emerged out of conflict, are not a

homogeneous entity. Some of them have had their public administration systems completely destroyed and are therefore in need of reconstruction from the ground up. This is mostly the case with countries emerging out of severe/violent conflict. Others have systems that are so archaic that they have to be remodelled to bring them to modern ways of public administration. There are also others that are so much out of tune with the environments they serve that they need to undergo substantive innovations to ensure that they are responsive to the needs of the public they are supposed to serve.

One more daunting issue in relation to reforming public administration in developing countries, especially those in Africa, is that while the countries are in the process of operating rudimentary systems of government, they are being required to introduce modern and probably more complicated ones.

It is clear that a lot will have to be done to make public administration an efficient, effective, responsive, transparent and accountable instrument of public policy, planning, implementation, monitoring, evaluation and overall sustainable development. In particular, programmes aimed at strengthening public administration in post-conflict countries have to resolve the problem of which concept to apply. Should such programmes aim at building new institutions, rebuilding and reconstructing existing ones, reforming and rehabilitating old processes to meet new challenges, or reconfiguring and re-engineering processes, practices and mindsets?

While public administration reform is an appropriate term and strategy for some countries, it is not for others. In countries that have been totally ruined by violence, there is simply no public administration system to reform. In such circumstances, the appropriate response would be to build or reconstruct from the ground up or, at the very least, revive and rehabilitate a few institutions that could still be salvaged. Reform is certainly out of the question for countries reduced to rubble by prolonged conflict and large-scale destruction. Rwanda offers an illustration. No aspect of life was spared the trauma of violence and wanton destruction – neither the people nor their possessions, neither the public administration system nor the physical and infrastructure facilities that were meant to keep it going. By 1994 when genocide had taken its toll, the entire country and the public administration system had started to feel the impact of the tragedy. No one who expected to be taken seriously could in such a situation even moot the idea of “reform”. It is not until recently – after the broken pieces have been put back together and the traumas gradually healed – that reform was re-inserted on the policy agenda. Another example is East Timor, where the United Nations had to intervene to establish a public administration virtually out of nothing. Here again, it would have been imprudent to begin with a “reform” agenda. Similarly, in Kosovo, the United Nations, through UNMIK, is trying to reconstruct the public administration system to cope with post-war challenges of reconciliation, rehabilitation and development. Reform would have to wait until public administration institutions have emerged out of the shadows of conflict and have matured enough to withstand the impact of change.

In contrast to countries devastated by conflict are those whose public administration systems are left intact even after years of military confrontation. Among countries in the latter category are Nigeria (whose civil service played a critical role in post-war reconstruction from 1970 on) and Ethiopia (where the Dergue was replaced by the EPRDF in 1991).

Therefore, post-conflict countries present peculiar circumstances, which require different approaches. It is important that depending on the circumstances of the past, present and future of the country in question, the issue of what to do with the public administration system be decided only after the facts and circumstances of each case have been fully ascertained. Unfortunately, the practice to date has been to start with reform packages even when there are no institutions in sight that could be reformed. It is thus not unusual that resources are mobilized in the name of public administration “reform” in countries whose public administration systems first need to be reconstructed – e.g., countries such as Somalia, Kosovo or Liberia. It is very much akin to prescribing a medication before an illness is fully and accurately diagnosed.

Phases in the rehabilitation, reconstruction and reform of public administration systems

Public administration systems in countries emerging out of conflict face at least four types of challenges, viz., those of emergency and relief, rehabilitation, reform and reconfiguration (see Figure A).

Programmes designed to respond to the challenges should ideally reflect the circumstances prevailing at any point in time.

Emergency and relief

At the stage of emergency and relief, the stakeholders are not yet organized in a stable way, emotionally and otherwise, to effectively participate in the re-thinking and re-design of the public administration of the future. At this stage the public administration itself is almost non-existent, the private sector is often equally destroyed and civil society is as in disarray as the society it represents. The social tempers from the causes and immediate effects of the conflict will be too high to permit rational debate of the way the public administration should be reconfigured. This is a stage of fire fighting, and whoever has a bucket of water is welcome to pour it on the fire.

Rehabilitation

This phase in most cases involves repairs on facilities such as buildings, putting back some form of structures and systems to permit orderly administration and decision-making. It also includes reassembling some human resources and training them to man the rehabilitated structures and systems. The rehabilitation stage should prepare the country to participate in a deep and engaged debate on how the future of the country's public administration should be. The problem with this phase is that in most cases it pre-occupies itself with putting back structures which may just a few years ahead have to be pulled down as reform and reconfiguration take place. In most cases a successful phase of rehabilitation will end with adequate administrative institutions and structures such as functioning legislatures, ministries, institutions of judiciary. However, these institutions and structures will be mostly inefficient with problems of inadequate human capacities and systems. Also the linkages among them will be weak because in the process of being rehabilitated there was very little collaboration among them. Sometimes the rehabilitation of some is done with support from one donor or development partner while another donor or development partner does the rehabilitation of others. Where these have not collaborated, it is possible to have two institutions in the same country following contradictory systems.

Reform

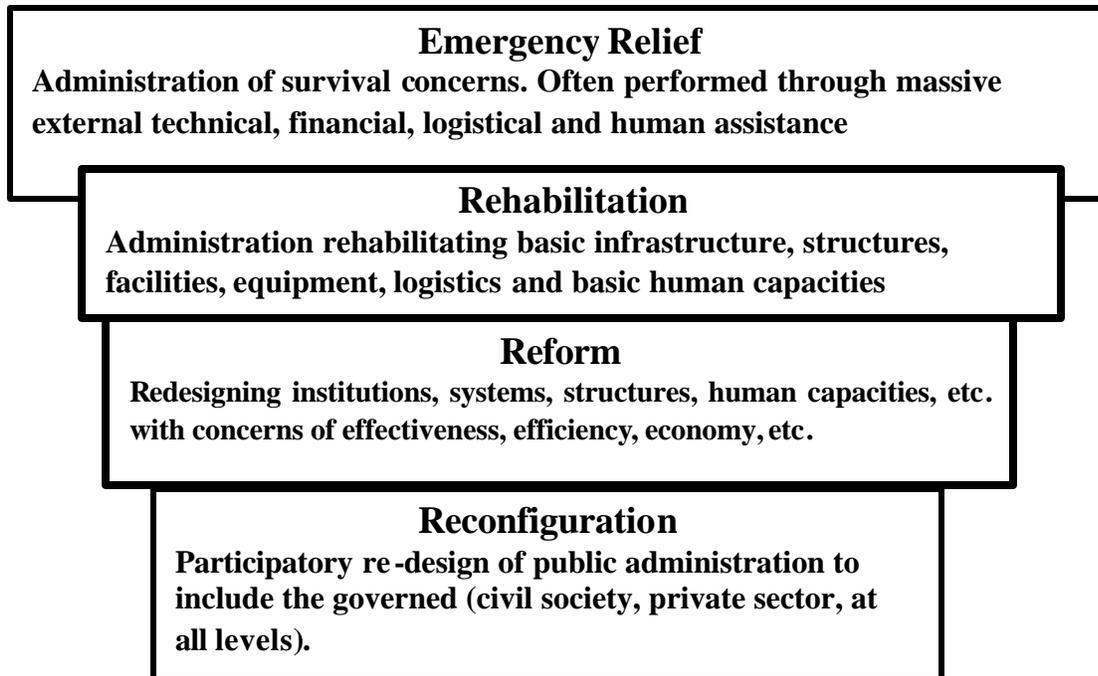
The phase of reform is more on the side of re-thinking systems, procedures, organizational structures, human capacities, information management, methodologies and institutional linkages as they relate to the entire process and needs of development. The biggest preoccupation of reform is efficiency. In most cases reforms have been coming as packages conceived from elsewhere and branded "best practices". Rarely have we seen reforms that are home grown to respond to the situation of the country in question. Consequently, there have been reform efforts, for example, geared towards downsizing the public service when the country has inadequate personnel even in terms of numbers. There have been cases where in the confusion surrounding rehabilitation some countries have been hurried to privatize enterprises in the name of reform even when the social ownership of such enterprises has not been sorted out.

Reconfiguration

This is the phase of intensive socio-politico-economic and cultural self-examination and development strategic planning of the country. It is the phase that lasts longest depending on the readiness of the country's leadership and people to engage in participatory re-thinking and re-engineering of the country's future governance and public administration. This phase will result in settlements on the issues such as decentralized governance, private sector development, the extent of involving civil society as a strong

partner in socio-politico-economic and cultural governance, and the extent of partnerships among government, private sector, and civil society at all levels involving the community, local, national, regional, and international actors. Reconfiguration reaffirms a country's acceptance of participatory governance as a shared responsibility and the critical role of global actors and the forces of globalization in the development process of the country. It also permits the country to be self-assertive and anchor governance and public administration on the premises of its own problems, needs and circumstances.

Figure A: Phases in the revitalization of post-conflict public administration systems



We need to reiterate that the phases strongly depend on the specific situations prevailing in each country, the impact of conflict on public administration, and the state of public administration institutions after conflict. The choice also depends strongly on how determined the in-country forces are to putting the country back on the road to development.

However, we can note that in a general way the phases mentioned above interlock with one another because the process of rebuilding public administration is not unidirectional. In other words, it is not possible to first complete emergency before starting rehabilitation; just as it is not possible to first complete rehabilitation before starting reform. Even the process of reconfiguring the public administration system to make it more participatory, responsive to citizens' needs, and accountable to the community it serves cannot wait until the reform is complete. They, however, need to be conceptualized as distinct because some aspects should not be mixed.

One can then say that emergency relief re-establishes the existence of a country and its people, rehabilitation puts back some form of administration, reform strives to make public administration efficient, while reconfiguration repositions public administration for the challenges of democratic governance. This can be recast as follows: rehabilitation places emphasis on the construction/reconstruction of basic public administration structures and norms, reform targets public management and "efficiency" issues, while reconfiguration is centred on governance. We need to add that what we are noting here is not a theoretical concept but rather a practice we have observed in post-conflict countries

where we have supported the rebuilding of public administration. Indeed, outside this box of stating what has been observed, there is nothing that stops activities of reform from being geared towards governance. Still, the point should not be lost that most reforms have tended to emphasize the introduction of public management styles and techniques to the neglect of equally important institutional rehabilitation and participative governance issues. An exception is the governance-strengthening programme implemented in Rwanda with the aim of reconfiguring, rather than merely reforming, governance and public administration (see Figure B).

Figure B: Rwandan National Programme for Strengthening Good Governance for Poverty Reduction



**Diagnostic situation analysis and systematic participative strategic development planning:
The genesis of reconfiguration**

The beginning of reconfiguring public administration as part of post-conflict reconstruction lies in making an exhaustive diagnostic situation analysis that would permit an informed participative strategic development planning for the country to establish an entirely new governance and public administration system that would avoid the mistakes that lead to the conflict.

Figure C: Diagnostic capacity analysis framework

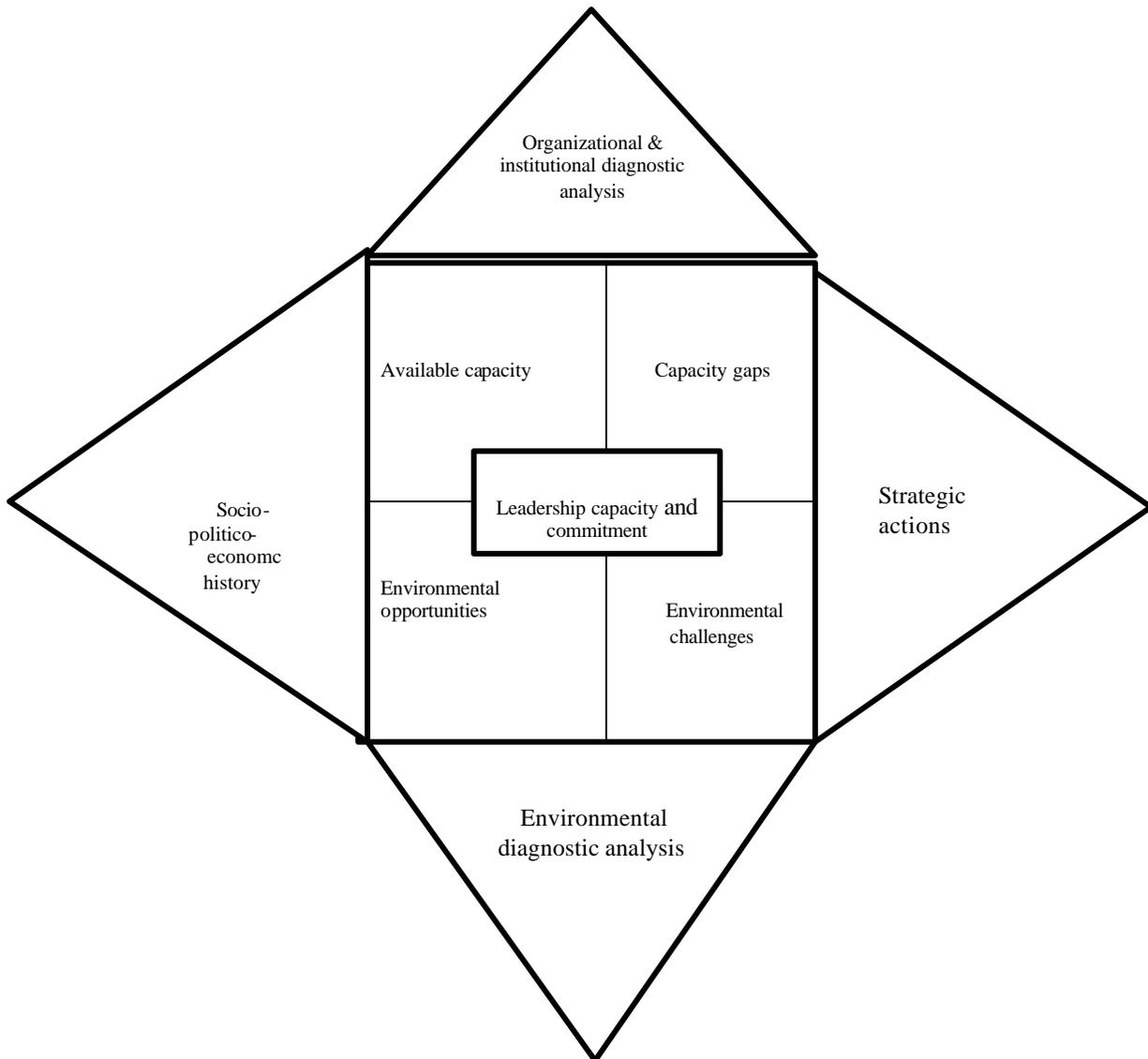
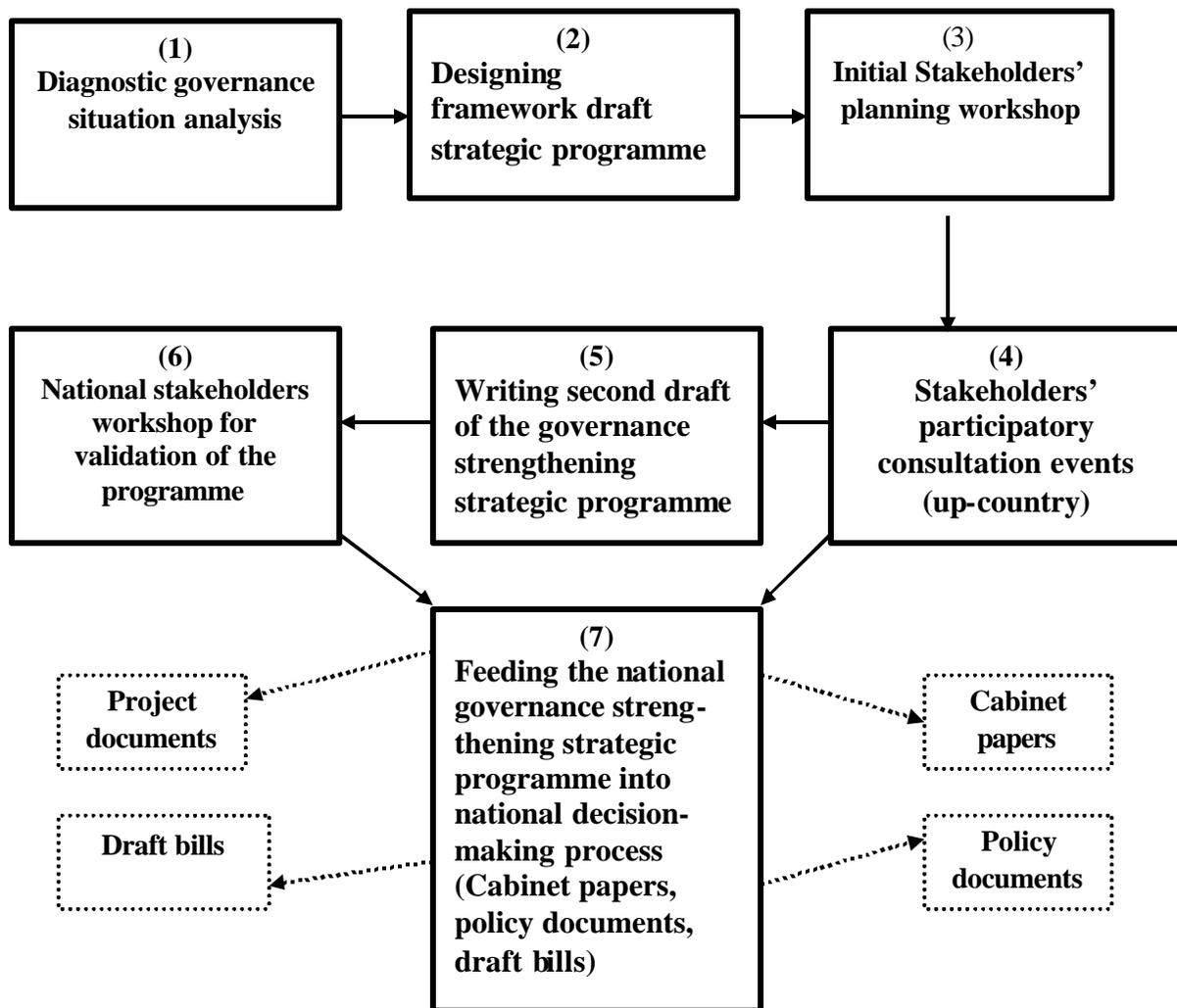


Figure C above summarizes what the diagnostic situation analysis would have to look at. The important thing to note is that it starts by an honest diagnosis of the past (see also Figure D). Without this the forces that lead to the conflict would not be understood and the planning of the future could easily leave the critical issues unsettled. The current capacities and the environmental challenges and opportunities would have to be exhaustively diagnosed and analysed. Finally the future needs to be projected clearly specifying the missions, objectives, strategic actions, and the programmatic activities to be undertaken to

reconfigure the whole spectrum of the state, public administration and governance in general. One important thing that is done during this planning phase is to review and re-state the missions of the state as they relate to the development aspirations of the country.

The process needs to be highly participative, involving government, civil society, private sector, international community working within the country, the academia and the press, as well as all political parties or forces. The process is long but worthwhile.

Figure D: Seven-step process in designing the national programme for strengthening good governance



The process is first and foremost participative. The basic assumption is that the entire country is undergoing a self-examination and assessment exercise. The first step (the diagnostic situation analysis) is best done with strong support from a team of people who are intellectually competent to do diagnostic and analytical research. However, even these have to be instructed to utilize methodologies that include

not only reading available documents but also holding consultations and discussing with a wide spectrum of stakeholders.

From this step one would expect a comprehensive report of the governance situation in the country as it stands and the historical socio-politico-economic and cultural forces that have shaped it. Most importantly, the issues and problematic concerns of the society have to be clearly articulated because basically they are the ones that the programme will address.

Based on this comprehensive diagnostic assessment of the situation, a team of competent socio-politico-economic strategic planners need to design a governance strengthening strategic framework that summarizes the situation, the missions that should be pursued, the strategic objectives and actions, the capacity strengths and gaps as well as the environmental opportunities and challenges.

This draft framework will be presented in a national workshop bringing together representatives of government, private sector, civil society, local government and the international community, who will enrich it with their inputs and discussion. Such a workshop needs to be facilitated by a person or persons highly competent in facilitating participatory problem-solving and strategic planning events. They must, in addition, and probably more importantly, command respect and acceptability from a cross section of the country not only because of their competence but also because of their known neutrality and intellectual objectivity. This is very important because some of the issues that will be handled are likely to be extremely sensitive and to be at the core of the origin of the destructive conflict in the first place.

The inputs from this national stakeholders' workshop should be used to prepare the second draft of the strategic programme, which is now not only richer but also more representative. Then this draft should be presented at a number of consultative planning events all over the country. In effect, these are structured in the same way as the national stakeholders' workshop, with the possible exception that they are taking place upcountry. The major aim is to reach as many stakeholders as possible.

When all the stakeholders' consultation workshops all over the country are completed, the inputs should be fed into the writing of the final draft of the programme. The draft would then be presented to a final national stakeholders' workshop to validate the programme. The stakeholders will discuss the draft, make whatever changes they wish to make and ultimately reach a consensus on a national governance programme.

After this validation, the implementation of the programme will take various forms. Some of its components cannot be implemented until enabling laws have been passed. Some can be immediately implemented but still have to first be transformed into projects. What we have found useful in this process is that it encourages most decision-makers to take decisions quickly concerning the various aspects of the programme. This is because the decision-makers have followed the design of the programme and are no longer in doubt as to its validity or its acceptability. There have been even cases where donors and development partners, having participated in and followed this process, immediately allocate funds to the components that are in their line of intervention. It is an effective resource mobilization process.

Benefits of the seven-step process

The temptation is to consider the process as useful only in as far as it helps to produce a national strategic programme for good governance. In fact, the benefits from this process go far beyond that and include the following:

Acquisition of participative planning skills

It is an effective tool in training for participative problem identification, analysis and solving, as well as strategic programming. When the process is well planned and followed, those who get involved in its implementation acquire invaluable knowledge and skills in participative situation analysis and strategic planning. They also acquire skills in facilitating participative planning workshops. This is why it is

always advisable to ensure that the consultants hired to do this job work to support national teams whose members will eventually acquire the skills.

Facilitating dialogue and reducing tension among conflicting groups

The process brings together different stakeholders and groups in an environment that is conducive to reconciliation of diverse interests. At least it encourages each point of view to be put on the table and be considered along with conflicting ones. In this sense it contributes a lot to reducing tension and conflict, and, if properly handled, it ultimately leads stakeholders to agree on the essential development needs. Even when issues are difficult to resolve, the mere act of providing a forum at which they could be discussed suggests ways of bridging gaps between or among groups. This is not a small contribution, for exposing interests is the beginning of efforts at addressing them.

Galvanizing commitment to the programme

It is an acknowledged fact that most well-designed programmes often meet problems in implementation stemming from the fact that they lack commitment from the stakeholders, especially those that hold influential and resource allocation positions. The seven-step process described above in most cases progressively galvanizes this commitment from even among the donors. At the very least, the process reveals very easily when the programme that is being designed has no commitment from the leaders. Normally this is reflected in the way the actual and the putative stakeholders participate in the process itself.

Resource mobilization

The process is probably the strongest tool we have seen for mobilizing resources. Normally because donors and development partners participate in the process, they easily judge how serious the government is with the programme as well as how the programme is composed of national priorities agreed by stakeholders. This quickly prepares them to commit resources to the programme.

Mobilization of political support for the government

The process illustrates to many stakeholders the fact that government respects their views and is ready to consult them even outside political forums to get their views. They see themselves telling their leaders what to do in order to develop the country. This strengthens their support for the government in power.

Factors in successful implementation of the 7-step strategy

We must point out that the process does not have an automatic assurance of success. We have used it in about six African countries. In three of them it was stopped mid-way before the programmes could not be completed. This was because the project that was supporting them ran out of money. It was not therefore possible to judge the success of the process. In the other three, the process was followed up to the end and the essential outputs were produced. However, in one of them, not a single component of the programme was implemented within the three-year period of its existence. In the remaining two, the programmes were implemented almost immediately with strong support from donors and development partners. From this scenario we are able to estimate the factors on which the success of the process depends.

Top leadership commitment to the process and to participatory approaches

If the top leadership does not show commitment to the process and the final outcome, two things will happen: the government will not take the necessary decisions and steps to implement whatever programme that will come out of the process, and the donors and development partners, having noted the government's lack of commitment, will not put any money into the implementation of the programme. It will remain a beautiful strategic design on paper. In the two countries where the programmes were

successfully designed and implemented, the national workshops included ministers, parliamentarians and judges, and they were declared open by the President, who participated at some substantive sessions. In one, both the President and the Prime Minister attended the workshop for the entire duration of three days within which it was held.

Highly competent and trusted participatory planning facilitators

The process will not be well followed if discussions are not moderated by competent and respected facilitators. The tendency is to look for this one from outside the country. However, this success factor is re-enforced if the facilitator is from within the country. It emphasizes the national ownership of the outcome.

Financial resources

The process is long and expensive for a country where spending one hundred US dollars means a lot. The process requires a minimum of two months and that is in a small country. In a big country the process would have to take longer because of the travel involved in making national consultations up-country.

Timing

Within the sequence of emergency, rehabilitation, reform and reconfiguration, as noted above, designing a governance strengthening strategic programme using this process falls within the phase of reconfiguration. If it is timed wrongly, for example, coming at a time when rehabilitation is still the main issue, it will not succeed because the society will not be ready to engage in deep objective debate. The donors and development partners themselves will sense that the process is getting into issues that are probably out of step with the development agenda.

Chapter Four

Leadership and Agency Governance: the Search for the Common Cause of Excellence in the African Public Service¹

M. J. Balogun

Introduction

The essence of performance management lies in its professed ability to focus the attention of organization members on a common objective and galvanize them towards the attainment of this objective. This presupposes that the internal and the external stakeholders, at the minimum, share a vision of the greatest good that demands the energies and commitment of all. It is this assumption of harmony of vision that underpins the New Public Management's faith in leadership and the school's favourable inclination towards managerial "empowerment".

This romantic view of performance management needs to be critically examined for at least three reasons. First, the term 'performance management' is yet to be precisely defined, and there is no consensus on an appropriate strategy for initiating and sustaining it. Second, the high degree of heterogeneity prevailing in Africa frequently militates against the unity of purpose required to make performance management programmes work in the public service. Third, the unpredictable nature of human character calls into question an agency governance strategy that trusts leadership with near absolute power. In essence therefore, understanding what makes an organization perform better entails going beyond technical, nuts-and-bolts management formulae to the complex field of agency governance.

In assessing the chances of performance improvement efforts in the African public service, this paper begins by raising a number of conceptual issues. The second section examines the challenges facing the African continent and identifies areas in which performance management – howsoever defined – could prove most beneficial to the African public service. The impact of Africa's diversity on performance management is another subject discussed in the section. The third section recalls past efforts at 'turbo-charging' the African public service, and wonders whether these efforts qualified as "performance management" or succeeded in repositioning the service for the governance and development challenges highlighted in the previous section. The fourth and the concluding sections look into the future and suggest measures aimed at promoting innovation and excellence in the African public service while at the same time reckoning with the miscellaneous obstacles.

I. Agency governance and performance improvement: the model and the context

In pursuit of the goal of performance improvement, the New Public Management (NPM) not only insists on the adoption of private sector practices in public institutions, but also advocates the "empowerment" of managers. By "empowerment" is meant vesting the public manager with the power and authority she/he needs to serve the citizen, and to strengthen the links between government and its diverse clientele in civil society (CAPAM, 1994). Underlying the empowerment premise is the assumption that the power or authority that is "delegated" to the average manager would not only be shared with the subordinates, but would also be exercised for public good (Osborne and Gaebler, 1992; Hope, 2001; Armacost, 2000).

The argument advanced in this paper is that the performance improvement claim of NPM rests on a tenuous foundation. Like the previous management fads, NPM fails to come to grips with the mammoth challenge – the challenge of social transformation – facing the public service. Worse still, by sneaking in

¹ Based on a paper presented at the 4th Pan African Conference of Ministers held in Cape Town, South Africa, May 2003.

hierarchy through the backdoor, NPM reinforces oligarchic control in public agencies, thereby frustrating public choice and defeating the very purpose of performance improvement.

The model advocated in this paper is one focusing on agency governance. As presented in the paper, agency governance rests on four pillars, i.e., the role of civil society in holding public agencies to account, the pattern in the exercise of political power, the professional and ethical basis of managerial authority, and the credibility of the prevailing rules regime. Before discussing the strengths of the model, it is essential that the key terms be defined.

Performance management and productivity gains: exploring the links

Performance management cannot escape the consequences of the identity crisis confronting the field of which it is a part – that is the field loosely referred to as “administration” or “management”. Whereas engineers, accountants, statisticians, surgeons or astronomers have little difficulty delineating the boundaries of their disciplines, administration (alias management) has been struggling since the dawn of history to define itself. While ‘to administer’ is sometimes equated with to ‘govern’, ‘rule’, ‘control’, or ‘direct’, it should not come as a surprise if the same term surfaces in another time and place as ‘operate’, ‘make something/someone work’, ‘relate means to ends’, ‘dispense’ (drugs) or ‘resort to trickery and deceitful contrivance’.

A definition that promises to get us quickly out of the quagmire and move us close to ‘performance management’ is that provided by John Vieg. According to him (Vieg, 1946), administration is “the systematic ordering of affairs and the calculated use of resources aimed at making those things happen which we want to happen and simultaneously preventing the developments that fail to square with our intentions”. This would appear to approximate the goal and essence of performance management. As a concept, performance management takes ‘management’ to a higher plane by anticipating everything that could possibly go wrong with corporate strategies, decision rules, institutions, processes and people. Performance management is not a mere routine activity, but a dynamic, momentum-gear, trouble-shooting, and impact-oriented process. In essence, therefore, performance management has to do with focusing the attention of an organization and its constituent parts on the attainment of specified objectives (corporate strategy) and on the application of constantly changing processes, techniques and technologies (tactics).

Where an organization is faced with competing demands and shrinking resources, productivity is most likely to be what it “wants to see happen”. In any case, the dominant concern of performance management in recent years is productivity improvement, or “the production of more and/or better services for each tax dollar and staff hour invested” (Halachmi and Holzer, 1986; and Greiner, 1986). Hence, the attention accorded to factors such as top management support (or what is often termed ‘political will’ and commitment), application of performance standards and indicators, installation of a performance measurement system, supervision and motivation of staff, staff training, performance budgeting and accounting, and community involvement. As Lee observes (Lee 2000:423), productivity management is an open system made up of three domains, i.e., the environmental domain (public/private partnership, marketing of public service delivery), the organizational domain (structural changes, labour-management relations, information and communications technology), and the individual domain (performance incentives, professionalism, and staff development and training).

If focusing on “what we want to see happen” is the defining attribute of performance management, we are still far from reaching a consensus on the concept’s real meaning. For one thing, the “we” in an organization stands for different entities and individuals whose world views are rarely in harmony. First, where the stress of performance management is on the measurement of achievements, the monitors will be hard put to find an indicator that is valid for all times and places. What passes for excellent performance one day may in fact belong to the mediocre category at a latter date when a new and more rigorous performance standard is applied. However, managers, being adept at what van Thiel and Leeuw

term "positive learning" (van Thiel and Leeuw, 2002:268-9), will always stick to the old, easily achievable standard so as to look good each time their performance is evaluated. Where managers submit themselves to a new standard, they are not unknown to resort to another trick. Specifically, knowing that their performance is under observation and their jobs are on the line, they are wont to shift resources to 'high profile' projects and activities – those that are of interest to performance auditors. The name given to this trick is negative learning (van Thiel and Leeuw, 2002:268-9).

Positive and negative learning are measures of differences in managerial perspectives. Both, at best, reflect the managers' conflicting notions of their role, and at worst, stand for cynical interpretations of "management" and "performance". Inconsistent as they both are with the real essence of performance management, the managers' positive and negative learning inclinations have a less devastating impact on performance and productivity than another type of conflict in perspective. This is the diversity triggered by the multiple and competing identities in the work place. In the classical scientific management literature, the conflict that receives a lot of attention is that between 'management' and the workers. In today's world of work, diversity or discord knows no hierarchical or socio-economic boundaries. It intervenes between or among races, ethnic nationalities, regions, cultures, religious beliefs and, increasingly, sexes.

The individuals and the groups operating in or benefiting from the services rendered by organizations bring to the three (environmental, organizational and individual) domains mentioned earlier prejudices, fears, insecurities and other attitudes that are capable of taking performance in unintended directions. As far as performance and its management is concerned, it is not the difference in the range of probable 'identities' an individual brings to the workplace that matters, but the interpretation given to, and the values placed on, the primordial loyalties vis-à-vis identification with formal organizations. Equally important is the 'price' the individual is prepared to pay to retain the cherished identities (Balogun, 2001 and 2002).

Diversity triggers conflict and tension, both of which may, in fact, help rather than hinder the cause of performance management. As noted by Lewin (1935), human beings do not live in a tensionless world. In fact, a minimum degree of tension is what human beings need to excel in their chosen fields and to find creative solutions to contemporary problems. At times, however, conflict becomes so mismanaged that the tension accompanying it ceases to be edifying and, instead, generates a lot of animus between or among individuals and groups. Rather than promote healthy competition, conflicts mismanaged divert the attention of actors away from corporate objectives and productivity, engender hate and distrust, and expose productive forces in the organization to "friendly fires". Evasion of responsibility, desertion of posts, offer and/or acceptance of bribes and other performance-inhibiting attitudes are all symptoms of mismanaged conflict, and they pose momentous agency governance challenges.

Successful management of performance hinges on the extent to which the formulators and the implementers of corporate strategies both in word and in deed align these strategies with the needs and aspirations of all the stakeholders. Specifically, whether or not conflict (and, in the final analysis, performance) will be properly managed is a function of the prevailing agency governance ethos. To the extent that the internal governance culture promotes, among all the stakeholders, a sense of shared values to that would the conflicting forces be harnessed for performance and productivity. This requires, at the very least, focusing on behaviour at four levels – i.e., the civil society, the political choice and empowerment, the formal and discretionary authority, and the rules interpretation and application levels.

Civil society and agency governance

Focusing narrowly on internal "management" processes to the exclusion of the momentum challenges taking place in the external environment will not take us very far – if the goal is to enhance the capacity of the public service to respond to growing and insistent demands from civil society. The role of civil society has undoubtedly received a lot attention in recent years. The DPMF has organized a series of

workshops focusing on the role of non-state actors in extending the democratic space and promoting sound governance practices and development (Bujra and Adejumobi, 2002; Bujra and Buthelezi, 2002). To date, however, this *democratization* role has not extended to the sphere of the management – nay, the governance – of public agencies. It is true that the flowering of civil society has compelled many a government agency to review its internal management mechanisms with a view to meeting “customer demands” (Balogun, 2001a; Kyarimpa, 1996). However, until the interface between civil society participation and agency governance is strengthened, the performance of the agencies would continue to fall below public expectations.

Politics, power and performance management

The political class has a major role to play in articulating as well as aggregating civil society “demands” and in fulfilling public expectations. This underscores the importance attached to the quest for the people’s mandate or for political power. Power, after all, is a factor that is frequently equated with the ability to choose from a range of goals. It is a weapon that its custodian deploys to make those things happen which she/he wants to see happen regardless of what the powerless may feel on the subject. In much the same way as energy propels objects into action and sustains momentum in the physical world, power in the political arena enables those entrusted with it to translate their dreams into concrete achievements. It enables taxes to be collected, dams and bridges to be constructed, factories and residential units to be connected to the national grid, law and order to be maintained, and national airlines to fly to distant destinations laden with passengers and cargo.

If this is all there is to power – making good things happen – many of those struggling to acquire it would be glad to leave it in other hands. However, power serves objectives other than the noble ones. With it, dissidents are kept in preventive detention, the mint is placed on overtime saturating the economy with valueless currencies, favours are sold or purchased under the counter, and grand corruption is permitted to thrive along with its petty associate. It is this potential of power to make for the good as well as the bad that turns the struggle for it into a do-or-die affair for politicians in different parts of the world, sub-Saharan Africa included. The powerless one is unlikely to submit meekly to the abuse and the humiliation that come with his/her underclass status and will, over time, begin to give serious thought to power transfer options. The fierce and intense competition for power has been known to degenerate into bloody confrontations, and into full-scale civil or military conflict – particularly, in societies where the “rules of engagement” are blurred.

Where political differences assume an ethnic, racial, regional or religious character, the key actors are likely to be more interested in bringing the crown to the “homeland” than in deploying power to promote qualitative change in governance, stem economic decline, alleviate poverty, secure productivity gains or, at the risk of sounding trivial, “improve public service performance”. Indeed, instead of seeking common cause on national development, ethnic advocacy groups may not be averse to throwing spanners in the opponents’ works. Ake (1994) puts all this down to “political anxiety”, i.e., the fear of the consequences of power gravitating towards and remaining with “outsiders” and “enemies”. Elsewhere, the author also wonders whether the clamour for “power shift” or “rotational presidency” in Nigeria would not lead to the “rotation” of clientelism and corruption (Balogun, 1997).

If the aim is to improve the lot of the ordinary citizen, politics would have to show increasing interest in policy – specifically, in the cost, benefits and long-term developmental implications of intended courses of action. This is where it (politics) sorely needs analytic inputs and research support – resources that are only available in institutions of higher learning, within think-tanks and in the policy analysis units of the career civil service. However, because of the unstructured nature of political competitions, serious intellectuals are more likely to stick to what they know best than show the slightest interest in “mundane” matters like politics. For their own part, career civil servants generally find the political terrain too rough and too hazardous, and would in all probability perish the thought of “dirtying” their hands working with political cadres.

If career officials do not think highly of partisan politics, the feeling among the politicians tends to be mutual. The latter cannot understand how anyone could be trusted with power (or even authority) who has taken no risk seeking grass-roots support, and who, for that very reason, is out of touch with the “reality” on the ground (Soneye and Balogun, 1981, Wamalwa, 1986:66-68). From the point of view of agency governance and improved performance, the two sides need each other more than they realize.

Authority, institutional governance and performance improvement

Whereas power is most often associated with the ‘lawless’ world of politics, authority would, at least on the surface, appear to be meant for the cultured and the rule-abiding public service environment. Legal-rational authority, after all, prides itself on the interposition of order in the place of chaos, and of reason where whims, caprices and emotions might have once reigned unchallenged. While “power” may be conscripted into the service of the good or the bad – depending on the prevailing circumstances – authority is, at least in theory, meant to serve only worthy causes. It is this abiding faith in the “rationality” of formal bureaucratic authority that accounts for the double-talk and the conceptual muddle now associated with NPM. On the one hand, adherents of the school view management as a rational process (making happen what policy says should happen). On the other, NPM confuses, or lumps, this process with the exercise of raw political power (that is, with the “mandate” that electors confer on their accredited “representatives” to govern and to determine policy choices). Hope (2001), for instance, sees no difference between the “delegation” of formal authority to career officials and the “devolution” of (political) power to elected bodies. According to him (Hope 2001:125),

“Devolution is the granting of decision-making powers to lower (elected) authorities or (professional) managers and allowing them to take full responsibility without reference back to the authorizing government....Devolution is the strongest form of decentralization. Its essence is discretionary authority....”

There are legitimate reasons for trusting the professional manager with authority and power simultaneously. If the politician does not care about performance improvement, productivity is supposed to be the *raison d'être* of the manager's interventions within the “legal-rational” bureaucracy. In place of the shocks, surprises and upsets encountered in the political arena established rules and procedures intervene to render behaviour predictable in the manager's world. The formal authority of the career bureaucracy thus makes those things happen which every reasonable and rules-guided person would like to see happen – notwithstanding the interference of a major “stumbling block”, politics.

In theory, therefore, career managers not only find “politics” distasteful but also operate in a setting that frowns on capricious and arbitrary behaviour. In practice, the line separating “politics” from administration or management is so fine as to be invisible (Lungu, 1998:3; and Mainzer, 1973). While their oath of office forbids them to participate in partisan politics or to canvass for votes, career managers participate in another – the bureaucratic – kind of politics, with the passion, energy and belligerence normally associated with the real thing. Within their own space and in their own time, civil servants can be as political, if not more so, as the politicians that they barely tolerate and seek so much to keep at a distance (Ciroma, 1981).

The *political* inclination of career managers takes different forms. First, career officials are not beyond passing on to their political masters a few rule-bending tricks, if only to gain the latter's confidence. Secondly, the “authority” that the career officials exercise in their own right – but which springs from the power or “mandate” of the government of the day – offers the career officials a wide “political” latitude. The authority (say, that of a police commissioner, a customs officer, factory and trade premises inspector, personnel officer, or executive assistant to the boss), is, after all, not only of the formal and statutorily defined type, but can also take the *discretionary* form. Executive or administrative discretion may be all that is needed to move staff from one office to another, to promote (presumably loyal and dedicated) staff, to award contracts to one firm rather than another, to demolish “illegal” structures, and to apprehend and

detain a suspect. Indeed, as far as the developing countries of Africa are concerned, the average senior civil servant was long “empowered” before NPM came up with the idea.

Like power, the formal and the discretionary authority exercised by the public manager may serve good or evil ends. It is under the cover of discretionary darkness that the official most frequently unleashes his/her frustrations on real and imaginary enemies, and bestows favours on clients and trusted lieutenants. Naturally, those in the official’s favour would always band together to retain their privileges, and the “outsiders” will gravitate towards “opposition” or adversarial roles. How performance could, under such an environment – one characterized by mutual suspicion and distrust – be “managed” to achieve enhanced productivity and guarantee “customer” satisfaction is anyone’s guess.

The rules regime

Depending on the degree of consistency and transparency with which they are applied, the rules may serve as an arbiter in conflict situations. As a trust-engendering mechanism, the rules enable all parties to a compact to fulfil their obligations confident that no party would exit without paying a price (Rowthorn, 1999:661-691).

It may be argued that by “tying the hands” of officials, the rules only make the organization lose the momentum needed to manage performance and to record productivity increases. As argued by the NPM adherents, the manager knows what she/he wants, and the rules merely intervene to slow him down and to prevent him from taking precisely the action that is necessary to beat the competition. Where nothing gets done until the rules are consulted, so the argument goes, authority will reside, not in the producers of goods and services but in rules interpreters and enforcers – who are probably minor officials hitting back at hierarchy from below. These guardians of the rules will not be interested in performance or productivity, but in making internal and external “customers” bow and cringe to have their problems solved. Rather than confine themselves to substantive legislation, the new de facto bosses will elevate every inconsequential procedure or work flow arrangement into “rules” so as to justify their own existence, inflate their importance and expand their scope of influence – most often, beyond the statutory limits.

Some of NPM’s conclusions on the performance-inhibiting effects of rules are valid. As a matter of fact, unless decisive action is taken, the rules may offer precisely the excuse the indolent official needs to refrain from tackling a problem, or a pretext for arbitrary action. Officials looking for absolution from moral responsibility always hide behind hierarchy and “the rules” when implementing abhorrent decisions. It is this excessive deference to hierarchical rules that explains the decision of Zambia’s chief of intelligence to, on his own admission, act on a presidential order to divert state and external donor funds to the coffers of a leading political party. If this claim is subsequently confirmed, the intelligence chief’s blind obedience would have constituted serious interference with the electoral process – an act that is capable of inhibiting Zambia’s democratic advance (<http://www.cnn.com/2003/WORLD/africa/01/30/zambia.graft.reut/index.html>).

Even then, to argue that the cause of performance management dictates total dismantling of the rules may be pushing the argument to extreme limits. To begin with, the assumption of an all-knowing manager will not stand close scrutiny. Modern organizations are too complex to be successfully run as personal fiefdoms. They require a whole range of knowledge, skills and aptitudes that are clearly beyond the reach of a single individual or a narrow circle of officials. Needless to add that a system whose fate hangs on personalities rather than on institutions and rules is bound to disintegrate on the exit of its “strong man” (Balogun, 2003). In any case, it is not unlikely that the authority given to a manager to override the rules may in fact be applied towards unwholesome ends. The Zambia case cited earlier is of “empowerment” gone out of control. To allow individuals the freedom to decide when to comply with the rules is to confer unlimited licence on buccaneers without a prior guarantee of successful or beneficial innovation (Balogun

and Mutahaba, 1999). Besides, the conflict that a despotic, rules-defying exercise of power frequently triggers cannot be successfully contained no matter what performance miracle cures are tried.

Indeed, one challenge that NPM is yet to fully address is how to hold the empowered manager accountable – to the internal and external stakeholders, and to the rules (Kernaghan, 1992; Haque, 2000; Argyriades, 2002, and 2003). Until the issue of accountability is fully and satisfactorily addressed, empowerment can only spark intra-agency conflict and turf wars, and divert attention from issues of concern to the public (Balogun, 2002a: 537).

Managing performance and conflict

The upshot of the preceding analysis is that performance management must go hand in hand with conflict anticipation and management. While focusing on pure managerial variables (i.e., the environmental, organizational and individual variables), particular attention should be given to the analysis of the impact of intra-agency politics and governance, and of the prevailing rules regime on conflict, and therefore, on performance. Unfortunately, as indicated later, previous attempts at reforming the public service and making it performance-oriented have underrated the significance of politics in the process. Instead of applying a holistic and organic approach to public service reform, governments have settled for partial and mechanistic solutions – solutions that are less than adequate to the challenges discussed in the next section.

II. The African public service and the challenges of governance and development

Despite the risks attendant on performance management, it constitutes the single most important item on the public sector management reform agenda today. The momentous changes taking place in recent years in Africa and in other parts of the globe dictate the need to revitalize public service institutions and enhance their capacities to collaborate with civil society and the private sector on value-adding ventures. No matter under what label the revitalization process is launched, the accent will have to be on performance improvement and on the elimination of barriers to productivity.

The challenges facing the African region on the socio-economic and political fronts clearly point to the need for a sustained effort in the area of performance management and agency governance. In subsequent paragraphs, attention will focus on the efforts made in recent years to reform state and civil society institutions. The conclusion emerging from the analysis of these efforts is that while much has been achieved to promote the cause of democracy and representative government, Africa cannot afford to relent on the democratization efforts, or to ignore the socio-economic consequences of the change for the internal governance of public service institutions.

Governance reform: a balance sheet

Since the 1990s, a number of countries have implemented far-reaching governance reform programmes. The core elements of these programmes are:

- (a) The legalization of multi-party competition in place of the erstwhile one-party or military rule (as a result, 42 out of 48 Sub-Saharan African countries have organized multi-party elections since the early 1990s);
- (b) The gradual expansion of the political space to accommodate civil society participation in the governance and development process;
- (c) The apportionment of power among the three state institutions – i.e., the legislature, the executive and the judiciary – and strengthening of checks and balances;
- (d) Substantive devolution of power (and resources?) by the central government to provinces, districts and local communities;

- (e) Creation of an enabling environment for private sector participation in the economy and protection of individual property rights;
- (f) Enhancement of the capacity of the judiciary to act independently of the executive, and to promote the rule of law;
- (g) Enactment of anti-corruption laws, establishment of watch-dog bodies and enforcement of ethical and accountability codes;
- (h) Reactivation of the civil service's professional values and inculcation of the ethos of responsiveness, transparency and accountability in service-delivery agents.

Overall, therefore, a lot of progress has been recorded in efforts at reactivating the institutions that had earlier succumbed to decades of one-party rule and/or military dictatorship. In fact, it is safe to conclude that things are beginning to work again in Africa. A few years ago, only Botswana and Mauritius were frequently touted as success cases. Today, an increasing number of African countries are leaving relics of bad governance behind and bracing themselves for the challenges of development and technological transformation.

However, the governance reform task is far from completed. While the conduct of elections is a plus for representative government, much more needs to be done to ensure that the emerging civic culture takes root. Besides, as efforts are made to sustain the on-going reform momentum and to consolidate the gains, due attention should be paid to diversity and its impact on peace and security.

It is gratifying to note that countries emerging from conflict (among them, Somalia, Rwanda and Sierra Leone) are taking the measures necessary to rebuild their economies, rehabilitate the damaged infrastructures and reconcile the erstwhile warring parties. Developments in a few other countries need to be kept under observation to ensure that threats to peace and stability are contained. Above all, and as the subsequent paragraphs on the economy indicate, the capacity of the revitalized governance institutions to respond meaningfully to the growing clamour for "democracy dividends" is a topic that cannot be put off indefinitely. This entails according the governance (as different from the "management") of public (and private) institutions greater attention than has been the case up to now.

Turning the economy around: a major priority

The effectiveness of the on-going governance reform will be judged largely by its impact on the socio-economic deficits accumulated over the past decades. Mazrui's observation captures the gravity of the situation. In his view (Mazrui, 1986),

"Things are not working in Africa. From Dakar to Dar-es-Salaam, from Marrakech to Maputo, institutions are decaying, structures are rusting away."

While the decaying structures and institutions are gradually being rehabilitated, the challenge ahead remains daunting. In terms of total income, the 48 countries in Sub-Saharan Africa are at about the same level as a single European economy, Belgium. The region's median income of approximately \$2 billion puts a whole country's output at par with that of a rich north American town of 60,000 inhabitants. Between 1960 and 1990, whatever was left of the miniscule output shrank by as much as 50 per cent (World Bank, 2000:7).

Despite the modest gains recorded between 1990 and 2000, SSA's economy has not bounced from stagnation to accelerated growth (see Table 1).

Africa's share of world trade accounts for less than 2 per cent. The region has over the past forty years lost opportunities for industrial expansion, and now risks being totally excluded from the global information revolution. It is still highly dependent on the export of primary products. With a few exceptions, the SSA economies are "aid dependent and deeply indebted" (World Bank, 2000:9). By the

end of 1997, foreign debt stood at \$315.2 billion and represented a burden of over 80 per cent of GDP in net present value terms. Africa has the lowest savings rate in the world. Rapid population growth and environmental degradation have further depressed the savings rate.

Table 1: Africa: Macroeconomic indicators, 1990-2000
(Except where indicated, amounts in millions of UA)

Indicators	1990	1995	1996	1997	1998	1999	2000
Real GDP growth rate (%)	1.9	3.1	5.3	3.2	3.2	2.7	3.2
GDP per capita (US\$)	760	717	689	693	664	657	646
Inflation (%)	16.7	31.5	27.0	14.1	11.2	12.0	12.7
Fiscal balance (% of GDP)	-4.4	-3.5	-2.6	-2.7	-3.6	-3.4	-1.0
Gross domestic investment (% of GDP)	20.1	19.1	18.1	18.2	20.2	20.4	19.9
Gross national savings (% GDP)	18.9	16.8	16.9	16.3	16.0	16.9	18.7
Real export growth (%)	17.4	5.7	4.7	3.6	0.0	0.6	7.3
Trade balance (% GDP)	1.8	-0.8	0.9	0.4	-3.2	-1.9	2.0
Current account (% of GDP)	-1.3	-2.9	-1.0	-1.2	-4.5	-3.4	-0.3
Terms of trade	5.0	3.0	4.8	0.6	-11.3	8.6	15.7
Total external debt (% GDP)	63.1	68.5	63.4	60.0	61.3	61.4	58.0
Debt service (% of Exports)	13.7	24.6	22.9	19.2	20.4	19.3	16.2

Source: African Development Bank/African Development Fund, *Annual Report 2000*, Abidjan, March 2001, p. 97.

The SSA economy's free fall has brought in its wake untold human suffering and triggered a large-scale social crisis. While the UNDP's Human Development Index (HDI) provides a fair measure of human welfare across countries, one should, for reasons stated elsewhere, be wary of reading too much into it (Balogun, 2002a). Still, and in the absence of a more reliable cross-cultural comparison of human welfare, the scores provide a rough indication of the gravity of Africa's social situation. Poverty, for instance, appears to be the region's lot – after more than four decades of independence and the implementation of countless development plans and projects. More than 40 per cent of the continent's 600 million people live below the internationally recognized poverty line of \$1 a day, with incomes averaging just \$0.65 a day in purchasing power parity terms. The number of poor people has risen rapidly, causing Africa's share of the world's absolute poor to jump from 25 to 30 per cent in the 1990s. In the 25 years between

1975 and 1999, 22 countries have suffered setbacks in the human development index. Of this number, 13 (i.e., 59 per cent) are in Africa (See Table 2).

Table 2: Countries suffering setbacks in the human development index, 1999

HDI lower than in 1975	HDI lower than in 1980	HDI lower than in 1985	HDI lower than in 1990	HDI lower than in 1995
Zambia* Nigeria *	Romania Russian Fed. Zimbabwe*	Botswana* Bulgaria Burundi* Congo* Latvia Lesotho*	Belarus Cameroon* Kenya* Lithuania Moldova Rep. of South Africa* Swaziland* Ukraine	Malawi* Namibia*

* Sub-Saharan African countries

Source: UNDP, *Human Development Report 2001 Making New Technologies Work for Human Development*, Oxford University Press, New York, p. 10 (and author's own calculations).

In the past 30 years, all the world's regions (with the exception of Sub-Saharan Africa and South Asia) have made progress in "human development" (measured in terms of access to material resources). South Asia and SSA lag far behind other regions "with human and income poverty still high" (UNDP, 2001:10). The adult literacy rate in Sub-Saharan Africa is 60 per cent, well below the developing country average of 73 per cent. Life expectancy at birth in SSA is pegged at 48.8 years, compared to over 60 in all other regions. The share of people living on less than \$1 a day is as high as 46 per cent in SSA, compared with a mere 15 per cent in East Asia and the Pacific and in Latin America. Access to electric power supply, internal telephone and external telecommunications services, potable water and basic sanitation remains highly restricted.

At a time when the health sector has not been adequately funded, the Africa region is confronted with the AIDS pandemic. Of the approximately 36 million people living with HIV/AIDS worldwide at the end of 2000, 95 per cent were in developing countries, and 70 per cent in SSA. In six countries – Botswana, Burundi, Namibia, Rwanda, Zambia and Zimbabwe – HIV/AIDS accounted for significant drops (up to 7 years) in life expectancy (UNDP, 2001:13).

With widespread poverty have come disparities in income distribution. In 16 of the 22 SSA countries with data for the 1990s, the poorest 10 per cent of the population had less than 10 per cent of the income of the richest 10 per cent, and in 9, less than 5 per cent. It is also becoming increasingly difficult to leave poverty behind and move on to affluence. Let us take for instance South Africa. Up to 63 per cent of households in poverty in the country in 1993 were still there five years later (i.e., 1998), while 60 per cent of households in the highest income category in 1993 were still there in 1998, indicating limited income mobility (UNDP, 2001:18). The majority of households in other African countries have given up hope of moving out of poverty having been trapped there for generations.

A "development" that is threatening the social fabric of SSA countries is unemployment. With the rate of unemployment standing at between 30 and 55 per cent, and within the global environment of "downsizing", the region cannot escape the pathologies frequently associated with this socio-economic malaise – high divorce rates, high suicide rates and high incidence of alcoholism (Stiglitz, 2001). The increasing crime wave in many SSA countries is itself a symptom of a deeper malaise, i.e., loss of hope on the part of many able-bodied men and women with plenty of time on their hands but without the

slightest clue as to what to do with it. Still, if the formal or informal sector of the economy appears too saturated with skills, school graduates are not unwilling to take their skills elsewhere – mostly to under-world “recruiting agencies”. Among the potential “recruiters” are masterminds of ethnic and religious riots, drug barons, leaders of armed robbery gangs, con-artists and go-betweens in bureaucratic scams. Even in countries not at war, crime and violence can be a serious drain on the economy. In South Africa, the cost of both (crime and violence) equals an estimated 6 per cent of GDP. In other countries, crime and violence stand as clear obstacles to domestic and foreign investment.

Economic depression and social distress have stirred pent-up grievances and threatened peace and stability in a number of countries. In the first quarter of 1996, 50 per cent of SSA countries enjoyed stable political conditions and good governance, while the remaining 50 per cent were embroiled in prolonged political crises or armed conflict. By the end of 1998, the situation had taken a turn for the worse, with only 39 per cent (i.e., 19 countries) enjoying stable political conditions, 23 per cent (11 countries) facing political crises and turbulence, and 38 per cent (18 countries) engaging in armed conflict (Adedeji, 2000:3). Armed conflict has impacted negatively on human capital development in different parts of the continent, claiming over 2 million lives between 1992 and 1997. Africa’s refugee population is currently estimated at more than 12 million people – putting it at well over 40 per cent of the world total. The continent further holds the dubious record of recruiting a disproportionately high number of child-soldiers – children who have been abducted by military gangs, and under the influence of drugs and *voodoo*, assigned direct combat roles or posted as sentries and spies. The child-soldiers are not only exposed to unspeakable traumas, but also deprived of opportunities to grow under normal conditions.

We have so far focused on the challenges facing the African public service. As noted in the next section, the reform strategies adopted in the past were far from being equal to the challenges.

III. Performance management and the development challenge: the search for excellence, impact and results

Ever since the 1960s when many African countries attained independence, the preoccupation of governments has been the reform and revitalization of the public service. While performance improvement was the underlying objectives of the various reform programmes undertaken from the earliest period to date, there is no concrete evidence that the efforts had any significant impact on performance or yielded substantive productivity gains.

At least three broad reform tendencies are discernible. The first is represented by the comprehensive review undertaken between the 60s and 70s of organization structures, management practices, and incentive systems. The second wave of reform began in the late 1970s up to the 80s with the implementation of belt-tightening structural adjustment measures. The disappointing performance of structural adjustment reforms led in the 1990s to the adoption of a variety of “home-grown” institutional reform strategies.

First-generation reforms and performance management

Let us start with the administrative reform measures instituted in the early post-independence period. The declared objective of the first-generation reform was to equip the public service institutions inherited from the colonial administration for the post-independence challenges of nation building and economic modernization. The real aim was to refocus the loyalty of the civil service and ensure that the service fully acknowledged the leadership of the elected representatives of the people. As noted by Wamalwa and Balogun (1992:29-30)

“For many years, (the) bureaucracy had served as the main instrument which the colonial authorities utilized to coerce and regulate the society, and in a few cases, to victimize the nationalist leaders. The new rulers were not about to forget their experience under

colonial rule, and were highly unlikely to acquiesce in the continued hegemony of the civil service.”

To be sure, the various review bodies (the Ndegwa, the Udoji, the Mills-Odoi and the Wamalwa Commissions in Kenya, Nigeria, Ghana and Swaziland respectively) were given broad mandates to examine the organization and structure of, as well as management processes in, the entire public service. Job evaluation and grading, salaries and conditions of service, staff training, accounting and budgeting systems, plan formulation and implementation machinery – these and other issues were part of the terms of reference of the public service review commissions.

All the review commissions without exception found the civil service organization structure wanting in terms of performance and productivity. The Ndegwa Commission for instance noted that the structure of the Kenya civil service constituted a serious barrier to efficient performance (Republic of Kenya, 1971). By failing to focus on objectives and results, the structure encouraged the following negative tendencies, among others:

- (a) Defective utilization of human resources;
- (b) Little or no delegation of operational responsibilities;
- (c) Misunderstanding by some junior officers of their job purpose;
- (d) Poor communication and lack of coordination; and
- (e) Over-centralization of authority at the Ministry headquarters in Nairobi.

All these pathologies were discovered over thirty years ago – that is, in 1971. The chances are that they are still very much around today. This constitutes a major public service leadership challenge.

Whether or not it was pure coincidence, the Udoji Commission too spotted weaknesses in the structure of the Nigerian civil service and in performance management practices. There is nothing to suggest that any substantial change has taken place since the Commission submitted its report in 1972.

According to the (Udoji) Review Commission, the ‘sterile’ debate on the relative importance of generalists and specialists

“illustrates the fact that the (civil) service is at present organized to suit an outdated concept of class and educational qualifications, whereas it should be organized around the achievement of objectives.”

To focus the attention of all cadres on objectives and performance, the Commission proposed the introduction of a “unified” grading and salary system in place of the multiple grades. It further advocated the adoption of a “business model” of departmental organization – meaning, the abolition of the post of ‘permanent secretary’ and its replacement with that of ‘director-general’ or ‘general manager’. Above all, the Commission recommended the installation of the following management programmes:

- Programme and Performance Budgeting (PPB);
- Management by Objectives;
- Management Survey;
- Organization Development (OD);
- Matrix/Project Management; and
- Planned and Preventive Management (PPM).

It goes without saying that all the “latest and best” management practices proposed by Udoji in 1972 have since joined their ancestors in the graveyard of imported techniques. The administrative reform

experience of Nigeria (and that of other African countries) suggests a clear correlation between, on the one hand, the restricted income mobility as well as the socio-economic imbalances reported in the previous section, and, on the other, public sector management's aversion to change. It is difficult to see how the widening socio-economic crisis could be successfully contained by the public service whose only weapon is a philosophy of management frozen and belonging in the past. In general, the abortion of the Udoji Commission's (and similar) reform plans could be attributed to the following factors, among others:

- (a) Dependence of reform initiatives on external push and inspiration;
- (b) The disconnect between the reform programmes' performance, productivity and efficiency thrusts, on the one hand, and the indigenous leaders' preoccupation with the capture and retention of power and authority, on the other;
- (c) Failure to construct a performance and productivity management infrastructure to support and sustain reform efforts.

According to Adedeji, the decision by a number of African countries to institute administrative reform measures in the 1970s was not locally inspired but was very much a reflection of the "international demonstration effect" of the Fulton Report (Adedeji, 1972). Great Britain, having embarked on a comprehensive reform of its civil service, was in effect sending signals to its erstwhile colonies that the administrative systems that the latter inherited were not perfect after all. While the African leaders might have felt an independent urge to shake up their public services and prepare these services for the post-colonial challenge, it was the wish to be seen as copying the "best practices" from the former metropolitan powers that drove the administrative reform efforts of the 1970s.

If this assumption is valid, it should not come as a surprise that regardless of pronouncements to the contrary, the hearts and minds of the domestic sponsors of the first generation of civil service reform programmes were not in these programmes. At best, the commitment to change was half-hearted, at worst, non-existent. In any case, the reform programmes' dominant concerns (for organizational tidiness, mission objectives, performance and productivity) rarely squared with the conflict management, damage control, and survival preoccupations of the indigenous political and administrative leaders. Needless to add that until the mainstream political parties are sufficiently convinced about the importance of public service productivity to incorporate it in their manifestos and to engage one another in a serious debate on the subject, the effort invested on "turbo-charging" the civil service will not be fully rewarded.

The reform measures might still have had a chance of succeeding if a performance infrastructure had been in place to sustain the momentum and provide a platform for latter-day incremental gains. An observer of the reform scene could not but marvel at the amount of attention given to issues of "restructuring" relative to the utter neglect of substantive issues of performance or productivity, target setting, ethics and accountability, "customer satisfaction" and the underlying agency governance issues. In theory, there is nothing wrong with "organization engineering". The danger is reading too much into organigrams, procedure manuals and formal behavioural guidelines when politics, administrative discretion and mischievous rules interpretation could, in their own ways, substantially change the nature and direction of organizational performance. As the Ndegwa Commission (Republic of Kenya, 1971) noted,

"Reshuffling of boxes and lines on charts, or transferring functions from one part of the organization to another can be mere exercises in paper work, and too often politics."

An auditor that sets out to evaluate the costs and benefits of politically oriented reforms is likely to be misled by glossy performance reports into assuming that all is well with the "reformed" and "re-energized" organization. The plain fact is that these reports serve no purpose except to put the best spin on an otherwise troubled and non-performing agency. By masking internal organization deficiencies and playing up little achievements, the reports are no more than an elaborate exercise in public relations. The

seekers after the truth would have to await the reports of ad hoc commissions of inquiry and, in the case of institutions of higher learning, reports of visitation panels. It took the establishment of such bodies to expose the devastating internal governance crises that a combination of hierarchy, secrecy and rules manipulation concealed in public agencies. Examples abound of organizations that were presented as models of excellence, but whose internal governance arrangements could not stand close scrutiny (Report of the Coker Commission, 1962; Report of the (Ife) Visitation Panel, 1974; Report of Durlong Committee on the NNDC, 1967; and Report of the Joda Committee on the Northern Nigeria Marketing Board, 1967, and reports of commissions of inquiry established by military regimes in the 1960s in Ghana and Sierra Leone).

SAP and public service performance

With the generally unsatisfactory returns on “investment” in the first-generation public service reform, the stage was set for the introduction of sterner measures. The structural adjustment programmes (SAP) undertaken in the 1960s and 70s at the instance of the World Bank and the IMF were strictly speaking – and at least, at the initial stages – not geared towards performance improvement in the civil service. As a matter of fact, the structural adjustment reforms would seem to have given up on the hope of the civil service taking, or supporting, any initiative in the direction of performance and productivity improvement. The civil service was, in the view of the SAP advocates, far more interested in expanding its empire than providing quality, cost-effective service. Rather than respond to citizen demands, the civil service was, according to SAP advocates, busy acquiring and wasting productive assets – assets that the private sector could have put to good use. This would not have been too much of a disaster if resources were inexhaustible and the economy could absorb the effects of extravagance. Unfortunately, the resources were in limited supply, and the economy needed every bit of these resources to get out of the quicksand into which it had been dumped by productivity losses, profligacy, and executive indiscretion.

What choice did Africa have? None, argue the SAP advocates. The external and the internal accounts were in the red, external debt was growing and the debt overhang had dire consequences for short-term economic recovery and long-term growth. Therefore, bitter as the pill might have tasted, the continent had to swallow it. With immediate effect, the civil service had to be “downsized” – with many agencies being shut down, unproductive personnel being retrenched, and needless expenses being slashed. That was not all. State-owned enterprises were to be privatized, price subsidies and controls were to be eliminated, the “over-valued” currencies had to be devalued, and the money market had to be deregulated.

This (SAP era) was clearly not a good time to be a civil servant. For one thing, the take-home pay did not take the average civil servant home. Still, one who retained his/her job must count him/herself among the fortunate. An increasing number of government officials were either retrenched or sent into premature retirement. The private sector that could have provided alternative sources of employment was itself reeling from SAP-related ailments – notably, capacity under-utilization, production cutbacks and plant shutdowns.

SAP did accomplish something – it shook the public service to its foundation. It, at the very least, moved the latter from the secure fortress of government monopoly to the competitive setting of the market (Wamalwa, 1989). Of course, it also had a devastating (some will argue, negative) impact on public service performance. First, by starving public agencies (particularly, those responsible for health, education, employment generation, law enforcement and justice administration) of resources, SAP made it difficult to maintain tolerable standards in the delivery of the services. Secondly, besides destroying the incentives and motivation structure, the cost-cutting aspects of SAP aggravated the ethics and accountability crisis confronting the African public service. It was at the height of SAP reform that the service witnessed increasing cases of moonlighting, inflation of contract prices, bribery and corruption (Nti, 1989; Mulokozi, et al, 1989). SAP has also been accused of dismantling public service institutions without leaving behind any viable alternatives (Adediji, 1992a).

Internally driven reform programmes

It was as a reaction to what was perceived as SAP's inadequacies that a number of African countries (e.g., Ghana, Uganda, Tanzania, Namibia and Zambia) embarked as from the 1990s on inward-oriented strategies of public service reform (Dadoo, 1996; Ntukamazina, 1996; Kyarimpa, 1996). The core elements of the third wave of reform are:

- Resuscitation of the basic ethos of professionalism, loyalty, dedication, accountability and transparency;
- Restructuring and streamlining of central government agencies (to ensure that they are well-focused, customer-oriented, as well as cost- and time-conscious);
- Review of personnel policy and practices (with emphasis on the introduction of new performance appraisal systems, review of personnel rules and regulations, application of ICT to personnel management functions, and in the case of Zambia and a few other countries, appointment of permanent secretaries on fixed-term contracts);
- Rationalization of pay and grading structures, and the introduction of performance- and productivity-related pay (including the conduct of organization and efficiency reviews);
- Labour redeployment and redundancy management;
- Improvement of records and information management systems;
- Launching of comprehensive decentralization and devolution programmes.

South Africa has also demonstrated that under effective political and administrative leadership, it is possible to implement a comprehensive programme of public service innovation. Under the country's Citizen Access to Government programme, public service clients would have access to a variety of service delivery channels, among them, the Gateway Service Points, the use of smart cards ("Smart Plug-in"), reliance on mobile telephones (M/Services), "GovernmentOnline", and use of plain old telephones to "talk to the Government". A pamphlet has also been compiled (titled Batho Pele) serving as a directory of public services (South Africa, 2003).

In effect, therefore, signs are beginning to appear that performance management is becoming an issue of interest in the African public service. The question is whether the momentum can be sustained, and if the prevailing political atmosphere in some countries will help or hinder the cause of excellence in public sector management.

The diversity factor in performance management

Africa's diversity in particular poses a tremendous challenge to the unity of purpose required in embarking on, and sustaining, a comprehensive and impact-oriented programme of reform. As noted elsewhere, the problem is not with diversity as such, but with what the various actors make of it in the public realm (Balogun, 2002). Individuals with their own private agendas have capitalized on ethnic, religious, linguistic, cadre, and other differences (as well as differences in professional exposure) to promote intra-organization tension.

Arbitrary behaviour on the part of political functionaries and senior managers has not helped matters; it has instead aggravated the tension brought on by diversity. Consequently, in place of the cooperative action frequently associated with making good things happen, there is inter-personal and inter-group resistance and resentment. It does not matter whether it is termed "friendly fire" or "own goal", but the reality remains the same: public officials can do with a stronger will to work in harmony. Until the political and the administrative leadership group begins to apply a combination of power, authority and enacted rules to advance common causes, troops that should be out there fighting poverty, ignorance and

disease, will probably refuse to advance – for fear of being fired on from the rear and/or on the flanks by one of their own. At any rate, meeting the challenges discussed in the next section requires that the past preoccupations with bureaucratic restructuring and “re-engineering” be supplemented (or even replaced) with critical review of internal governance processes and constraints.

IV. Governance and economic restructuring: performance management implications

A carefully articulated performance management strategy is indispensable to the success of efforts not only at sustaining the on-going democratization process but also at turning the African economy around. If the performance of the economy has remained lack-lustre, it is because the governance of the public (and private) institutions has not adapted rapidly enough to the on-going challenges. The power entrusted to political executives, the Higher Civil Service, the board and management of state-owned enterprises, as well as presidents and rectors of universities and the like would of necessity have to be tied to some specific obligations. While systematic empirical studies are needed to identify the corporate governance constraints facing the public service, the evidence available suggests that a combination of centralized decision making, ineffective management of diversity and dissent, and occasional manipulation of the rules has produced consequences other than those anticipated in official mission statements. Even academic institutions have not escaped the devastating effects of despotism, in-discipline, and arbitrary behaviour at the senior executive levels.

Still, whatever evidence there is in support of conclusions on agency governance failures belongs under the heading of the anecdotal, and needs to be interrogated by rigorous empirical research. In other words, we know very little about agency governance practices in the African public service. To plug this knowledge deficit, it is recommended that regional and international institutions collaborate on the design and implementation of an inter-African research study aimed at directing the searchlight on the governance of public institutions and proposing ways of rectifying the main weaknesses. The study will be expected to go beyond the narrow confines of “administration” and “management” and set its sight on the wider field of agency governance. It will, at the very least, look into the issue of “democracy in the work place” against the background of the momentous changes taking place in civil society at large. The study will also focus on the strategic planning framework currently in place, and on how the conduct of agency leaders as well as their subordinates impacts on the attainment of corporate objectives.

Investment in research on agency governance will not yield tangible dividends unless and until there is a consensus on the operational indicators. This paper has suggested at least four parameters within which the indicators could be developed. These are the parameters focusing on:

- The influence exerted by civil society on agency governance;
- Patterns in the deployment of political power;
- Patterns in the exercise of formal and discretionary authority; and
- The prevailing rules interpretation and application regime.

Among the indicators suggested by the first parameter (civil society influence on agency governance) are:

- Civil society actors’ knowledge of internal agency governance practices;
- Public perception of the competence, integrity, and effectiveness of agencies;
- Channels of civil society-agency communications;
- Leadership and organizational capacity of civic bodies.

The indicators that need to be formulated around the second parameter (deployment of political power) include:

- Diversity and representativeness of the policy-making group (by gender, ethnicity, region, world-view, etc.);
- Degree of importance accorded to data collection and analysis in the policy formation and implementation process;
- Extent to which relations between the political and the career wings of policy is characterized by mutual trust and confidence;
- Significance attached to policy inputs by external stakeholders (the private sector, professional associations, trade unions, civic bodies, etc.);
- Respect for the rule of law at the policymaking level;
- Placement of the policy-making group on the “rectitude scale” (i.e., the importance that members of the group attach to public integrity, ethical choices, and accountability to internal and external oversight bodies).

With regard to the exercise of formal and discretionary authority by career officials, attention would need to be given to the following indicators, among others:

- Diversity and representativeness of the senior management group (by gender, ethnicity, region, world-view, etc.);
- Degree of importance accorded by career officials to data collection, archiving, retrieval, analysis and application to key management decisions (finance, personnel, procurement and inventory, work scheduling, work flow planning, transportation, routing, and warehousing, and productivity management etc.)
- Responsiveness of decisions to internal and external “demands”;
- Respect for the rule of law at the senior management level;
- Observance of human and civic rights in the implementation of policies and programmes;
- Placement of the senior management group on the “rectitude scale”;
- Capacity for the management of change, diversity, and dissent;
- Implications of the prevailing “management culture” for morale, motivation and esprit de corps; and
- Scope for rank and file participation in decisions, and for internal, within-agency democracy.

The indicators normally association with rules interpretation and application include:

- Transparency;
- Consistency;
- Fairness and impartiality;
- Cost-consciousness and effectiveness;
- Responsiveness to “customer” demands for equity, equal treatment, courtesy, prompt delivery of services, etc.

V. Managing performance for good governance and development: a summation and a proposal

The way forward lies in promoting a broad measure of consensus on national strategic directions, and reconstituting public service agencies into ‘learning organizations’ – organizations with the capacities and the motivation to distil the strategic objectives into programmes of action and serve the “citizen-customer” (Gavin, 1993; Balogun and Mutahaba, 1999). Unlike the regular bureaucracy, a learning organization not only stores but, as a matter of practice, pulls together, and acts on, information on all the key aspects of performance (personnel, budgeting, accounts and finance, inventory systems, work flow arrangements, performance standards and data, etc.). The learning organization also monitors developments responsible for performance variations over time, be these political, managerial, financial, technological, attitudinal, or ethical.

As a step towards reconfiguring the African public service into a learning organization, it is essential that attention of researchers shift from “management” to internal agency *governance*. Useful as it is, the current predominant emphasis on management is too narrow to capture the dynamics of inter-personal and inter-group relations in public agencies.

The new focus on agency governance is not necessarily synonymous with “corporate governance”, although attributes of the latter are subsumed under the former. As conceived in this paper, agency governance goes beyond corporate governance. It entails, at the very least, focusing on the interplay between the learning organization’s quest for excellence, and the spoiler’s role of internal bureaucratic “politics”. Research in agency governance will, on the basis of some pre-determined indicators, focus essentially on how public agencies are internally governed – instead of how they are “managed.” An agency governance approach will tend to be organic, in contrast to the mechanistic focus of management.

At practical policy level, the adoption of the agency governance approach entails involving other stakeholders (besides the executive branch of government) in the inauguration and monitoring of a comprehensive performance management programme. Public administration training institutions should accordingly find ways of disseminating best practices in performance and productivity management, focusing on target groups such as the African legislative assemblies, political parties, civic bodies, private sector umbrella organizations, as well as professional associations with interest in public sector management and governance. Sensitization workshops on performance management and agency governance would prove particularly useful in promoting a dialogue among the interested parties on the way forward.

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Chapter Five

Civil Service Restructuring in Developing Countries

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Introduction

The paper is in four parts. As an *introduction*, we thought it useful to briefly describe our understanding of the basic concepts that underpin this paper, i.e., civil service reform and development, as well as a recall on how the notion of the developmental state emerged, namely the origin of the new developing countries, most of them former colonies, and the rapid expansion of services that accompanied independence, and how it culminated in a crisis of service delivery and State legitimacy. In a *first part* we present the lessons learned and assess the reasons why certain reforms turned into best practices while others got stuck or had consequences opposite to the objectives. In a *second part* we discuss the complexity of the challenges and pressures facing public service in developing countries. The *third part* describes the advent of NPM as a paradigm, the hopes it generated and its main differences from the traditional models of administration. The merits of New Public Management are also assessed. In *part four*, we examine some notions about the core functions of the State and address the issue of optimizing institutions, focussing on the widening of the realm of the public sphere to encompass other actors such as associations, communities, and sometimes the private sector in providing public goods. Finally, in the *conclusion* we present options in the institutional and organizational restructuring of the civil service in developing countries.

Conceptual framework

Two concepts are central to our theme: civil service and development. When we discuss the civil service in developing countries it is always based on the assumption that the civil service does have a casting voice in the development debate. The entry point is the civil service; the outcome is to be development. The civil service and its institutional and organizational restructuring are not ends by themselves, but rather means to improve the quality and quantity of development outcomes, both physical and spiritual. Therefore, we have to consider the civil service in the broader framework of the state.

We define the state as a set of organized institutions (of which the civil service is one) with a certain level of cohesion operating in a given spatial territory. The state has the socially accepted (i.e., legitimized) function to define and enforce collectively binding decisions and can claim sovereignty over all other institutions and must be recognized as such by other states.

This complex governmental form has evolved slowly throughout history and was preceded by and competed with other systems of government for centuries. The universal spread of the state as government system is fairly recent as is demonstrated for example by the increase of United Nations Member States from 51 in 1945 to 191 in 2002.

The state has manifested itself in many different appearances and with greatly varying strengths and weaknesses. As we will see further on, globalization has induced a strong tendency towards standardization as communication technology permits faster and wider exchange of information. We can also refer to the increasing number of international meetings where government issues and techniques are discussed and to the gradual spread of universal values and principles about the 'res publica' (e.g. human rights, free-market, etc.).

We will use the terms state, government, civil service, public sector and public administration colloquially and interchangeably although we are aware of the conceptual differences and nuances.

The conceptual pluralism can be extended to the debate on reform, as there will be references to civil service reform, public administration reform and public sector reform. Narrowly defined civil service reform is limited to human resources, while public administration reform would also imply structural reform and process re-engineering. In both cases it is inward looking. In public sector reform the civil service is considered not only inward looking, but also, or even mainly, in its relations with other institutions (civil society, private sector, etc.) or other dimensions of the organization of society (judiciary, executive, legislative, etc.). Also here, we opt for the broad interpretation. If we part from the assumption that the civil service in developing countries primarily has a development function, then we cannot consider it isolated from other political, social and economic institutions.

Throughout the paper there will be references to the different models or organizational paradigms that have influenced public administration over the last century. The *first*, traditional bureaucracy model refers to public administration organized as theoretically outlined by Weber. This model was the conceptual framework for the development of administrations in what is generally referred to as the Western world. The *second*, developmental State is typical for countries that gained independence as from the 1960s. The *third*, New Public Management model emerged in the 1970s and was mainly applied in the “developed” Anglo-Saxon administrations, but some elements of it have spread more widely. The *fourth* paradigm mentioned is that of Good Governance as it developed from the early 1990s, mainly referring to the developing world. Characteristics of the four models will be presented in the paper, but with particular emphasis to the traditional bureaucracy and the New Public Management.

The development phenomenon is as recent as the spread of the state system. It took shape through the new dynamics in international relations post-World War II and in particular through decolonization. The basic idea behind development is the belief and conviction that all states can be enabled to create the welfare conditions that exist in what now became the developed world. International mechanisms were developed to assist developing countries in creating those conditions. The discussion about “how” this transformation could be brought about in the rather short term resulted in several paradigm shifts and in some cases even in the denial of the development concept itself. We do not want to enter this debate, but realize that, whether effective or not, the state has been and continues to be the main channel for efforts to grant an increasing number of people rights and freedoms and the means to use them.

We consider that public administration can make a difference in this process (both in a coercive or emancipative way), so it is more than worth looking into the possibilities of how the administration can be optimized.

Before explaining the context in which the defined concepts operate, we would like to refer to a few landmark publications of the United Nations in which changing views and approaches over the last 50 years are reflected: *Standards and Techniques of Public Administration* (1951), *Handbook of Public Administration: Current Concepts and Practices with Special References to Developing Countries* (1961), *Development Administration: Current Approaches and Trends* (1975), and *Rethinking Public Administration: an Overview* (1999). A special reference also needs to be made to the World Bank’s *World Development Report 1997: The State in a Changing World*.

The emergence of the developmental state

At the eve of independence most countries were facing daunting tasks of building a country and an economy geared to the needs of the common man. A new feeling of citizenship had emerged as well as a sense of identification with the State, which in turn put strong pressure on public administration to deliver. This magic word was most often interpreted as meaning that the State had to deliver rather than that “we” have to deliver together. The magnitude of the needs was underestimated: most people thought that the capacity of the State was limitless in providing services. This was not the case even for the basic needs. In the cases where participation was attempted, it was more in the consultative process and not in an empowering way, i.e., letting the communities decide for themselves. A crucial element was missing:

financial reform that would allow a closer assessment of needs and local decision making on priorities. On the contrary, in some cases, given the departure of qualified personnel, many functions, both administrative and financial, were centralized.

As a result the State had to do more with less financial resources and far less qualified personnel. The full potential of the independence movement, as far as the willingness of citizens to contribute and participate, was exploited to a certain degree, but not many countries managed to sustain citizen participation for a long period or to rely enough on local communities. The structure left was extended to cater for larger areas and larger groups of people.

On the one hand, the effect was that the gap between the modern State and the communities only became wider. On the other hand, it became difficult to adapt what had been inherited from the colonial period to the larger scope of the State. As a rule, colonial administration was in a certain way minimalist as far as it was mainly concerned with the interests of domination and exploitation, and only concerned with welfare of the people to the extent that was instrumental to the aims of the administration. The upsurge of needs and demands in the aftermath of colonial rule in the independent states placed a heavy burden on the state machinery that was not prepared to cope with it.

In many cases, after independence, administration engaged in direct production under strong ministerial control (often with monopoly) either to cater for the needs that the weak or even nonexistent market could not deal with, as a result of political orientation. Often too it was forced into it in order to keep abandoned production units working. Although this entailed a change in the nature of the function and style of management inherited from the colonial bureaucracy, the structure and methods of the State remained basically the same. It was not the economy changing the management style of the State – it was the other way round.

The assumption by the State of many of these functions first led to the introduction of State administrative practices – the only ones known to the new elite – in the productive sphere. The weight of the State it carried along was useful at first to get things done and in some cases large and effective projects were promoted, but the method was unable to deal with the specific demands of economic management at productive level. The new kind of States fared much better on the delivery area, and in some countries achievements were made in particular in education and health. Namely in health, at grassroots level wherever State capacity, professional commitment and citizens participation were harmoniously blended, notable and pioneering successes were achieved.

Overall, many new State services were created – the trend today as well as at that time is still to create an institution for every identified need – and the number of public servants increased manifold. This was even more so in countries where the economy did not take off as expected and the State was, and remains, the largest single employer.

At a certain point, the new States realized, one by one, that the level of service provision was not sustainable and with the increase in demand, partly due to increases in population growth rates. However, caught in the turning wheels, the new States did not know how to stop. Deficits were on the rise: the first measure was to resort to foreign aid, the second to increase the supply of money. All this led ultimately to a situation of increasing and un-payable debt at international level and an explosive social situation at home.

Civil service reform became in the first place part of the international agenda and was to be realized through projects and conditionalities.

Lessons learned from civil service reform

Probably the most widespread consolidated set of recommendations are the “Guiding Principles on Civil Service Reform” prepared by the Civil Service Working Group of the Special Programme of Assistance for Africa (SPA) in 1992. The document deals with the overall approach to reform; the programme

design; implementation, monitoring and evaluation; and donor assistance. This index doubtlessly reflects the absorption of civil service reforms by the international cooperation agenda.

Here we enter the territory of the practitioners. Frontline reform planners and experts, national and international, have often been confronted with disappointing or partial results of reform efforts. A 1999 World Bank survey of 124 reform projects in 32 countries rated 2 out of 3 projects as unsatisfactory and even where positive results were identified, there were often no guarantees for sustainability beyond the project.

Similar previous records had already resulted in a search to improve instruments, approaches and techniques to bring reform about. Various agencies analysed their experience and tried to distil lessons and best practices attempting to improve the success rate of reforms.

Some overviews specifically try to identify successful reforms or so called best practices with the intention to see whether these successes can be replicated in other settings. Other reviews look for common characteristics in successes and failures and aim to formulate guidelines, “prescriptions”, that should minimize failure and increase the success rate.

Over the past years, comprehensive overviews have been carried out by several United Nations agencies (UNDESA, UNDP, UNRISD), the World Bank, the Commonwealth Secretariat, the OECD, ECDPM and also by independent academics (e.g. Peters, Bekke et.al.). Further down we will give an overview of the diverse conclusions and recommendations that resulted from these reviews.

But first we would like to raise some questions.

Is it clear what we are *measuring*? The priorities and instruments of reform programmes have changed over time, making it difficult to measure success on the basis of today’s standards. Do we evaluate the intended outputs of a certain project with or without measuring their impact? And what are the criteria? For example: in Mozambique the Government has tried to respond to the pressure to speed up the procedure of obtaining a land title. If we measure the output (the number of title procedures completed and the time they were under way) there has been unequivocal progress. The output of this process re-engineering is even impressive. Yet, the outcome may be less positive: an essential part of the land legislation defines that local communities need to be consulted about land title requests, no doubt something which is a time consuming process. Under the pressure to become more efficient, the administration is now more and more overlooking public consultation. By a measure of efficiency the reform is a success, but by a measure of participation the results are absolutely negative.

The literature reflects growing consensus that it is more important to look at outcomes, i.e., real impact, than at outputs. Moore, Leavy et.al. (1999) have tried to quantify the outcomes of governance through the RICE (Relative Income Conversion Efficiency) index. For a sample of 61 developing countries, over the period 1980-95, they calculated a measure of the efficiency with which national political-economic systems convert a given volume of material resources (GNP per capita) into human development (longevity, education and literacy) for their citizens. Their general conclusion is that aid or mineral dependent countries tend to perform badly, while governments that are dependent on their own citizens for critical resources appear more effective. The resource dependency situation of a country will thus have an impact. In fact, this has implications for the potential outcomes of civil service reform. In other words, it is difficult to define what constitutes a success and if so, what the exact cause of that success may be as the literature increasingly attributes success to context rather than to the intrinsic qualities of reform interventions.

In terms of lessons learned, we organized the information from the literature in two parts: 1) WHAT reforms seem to be most successful and 2) HOW are reforms best implemented, i.e., process advice. We will attach to this second part some conclusions that are directly linked to the standard modality of implementing reforms: externally financed projects.

Regarding what reforms prove to be most successful or most apt to fail:

- One fairly generalized lesson is that institutional reproduction and replication (so-called “administrative mimesis”) has rarely been successful but in fact often had disastrous consequences as existing institutions disintegrated while governments failed to replace them with new and better structures.
- The more reforms are demand driven, the higher the success rate. If reforms are mainly the brainchild of some overseas development agency with local decision-makers going along solely to avoid denying their country aid money, reforms are likely to fail.
- Clearly defined and realistically planned reforms have a higher success rate. It is important that reform initiatives are based on proper political, financial and capacity analysis. That, rather than some blueprint or example from another country should be the basis for reforms. This implies that one would have to accept and go along with less than ideal reforms. In this sense, the saying that “the perfect is the enemy of the good” is fully applicable. However, this is not obvious as governments are not likely to accept second rank solutions and it is usually in those countries where the need for change is greatest that one has to be most restrained and unambitious.
- Stimulating innovation initiatives by special rewards and competitions, demonstrable and tangible quick wins (usually process re-engineering exercises of administrative services) and visible and audible reform champions or pioneers all helps to take reforms forward.

Regarding how reforms are most successfully implemented:

- Political will and effective leadership are absolutely essential Without these features reform will be a mere formalistic exercise in window-dressing.
- Reforms have been most successful if implemented in a consistent and incremental way, rather than a revolutionary shock therapy, but at the same time real or perceived crisis is usually beneficial for reforms. Reforms triggered by problems and conflicts should be given priority.
- Problems in the administration are often considered as technical issues that can be resolved by a sequence of almost critical interventions while they cannot be isolated from wider political and financial parameters. A technocratic approach is bound to fail.
- Capacity-building should not only be technical, but also process-oriented.
- Both directive (centrally guided and decided) and participative approaches can be effective, depending upon the situation. Participation can, however, also serve as a tool to slow down or undermine reforms.
- Potential and real opposition and resistance should be anticipated and properly taken into account at any time. Resistance not only emerges when vested interests (political, bureaucratic or private) are at stake, but is also due to bad previous experiences with reform.
- Negative unintended consequences and poor results of earlier reforms hamper new reform initiatives.
- Traditionally, the reward for reform initiatives taken by civil servants themselves are very uncertain, while failure may have a disastrous impact on someone’s career.
- Focus on principles and values (public interest, responsibility, efficiency, etc.) rather than specific results.
- It is crucial to have a consensual, comprehensive vision or purpose for the reforms, but in terms of implementation an organic approach can be more suitable. As the differences are so large between countries, but also within countries, experience teaches that one has to combine a unity

of principles with a diversity of implementation methods. In other words the operational aspects need to be based on raw empiricism and practical knowledge, rather than a set of guidelines. Interventions need to take into account local routines, tacit beliefs and informally organized interactions.

- Civil service reform is a political process. Politics need to be taken seriously and not as a disinfected notion of management, governance or administration.

There are no obvious, easy lessons that can be learned. This is confirmed by the multitude of attempts to identify a breakthrough common denominator that can facilitate reform efforts. But if we have to summarize the key lessons learned as reflected in the literature of the last few years we suggest that they are: 1) politics is at the heart of reform and 2) dogmatism is never helpful. Rather, the focus should be on diversity and eclecticism in the search for solutions. The People's Republic of China for example, is moving towards both NPM (more professionalism and efficiency) and traditional bureaucracy (rule-based instead of politics-denominated system).

Going through the lessons learned the most striking point though is not the vastness and diversity of recommendations, but rather the fact that all those lessons continue to be ignored time and again. Reform strategies and projects may refer to good and failed practices, but only rarely do they seem to be taken into account during the formulation of implementation plans and the proper execution.

Context: increasing challenges and pressures in developing countries

Defining policy and management has always been a difficult challenge. Doing so in a developing country has become increasingly difficult as developing countries sit in a web of tensions of many, and most often conflicting, if not contradictory, demands and capacity to deliver.

The first tension stems from *a growing demand for services and a proportionally weaker capacity of States to deliver*. The pressure is partly the result of past achievements – generalization of education and information, enforcement of rights – even when imperfectly achieved in comparison with other countries standards. The ongoing process of democratization and its drive for more equalitarian societies is putting extra pressure on the administration.

The tension is exacerbated by the pace of growth of these demands, which is unrivalled by anything that happened in the previous centuries and even during the first half of the twentieth century. While developed countries have had time to put their institutions in place over a period of centuries, developing countries have been going through periods of disruption, curtailment of institutional development or its subjugation due to colonial domination. Models of organization have been basically foreign and very often a degeneration of the system prevailing in the colonial country has been superimposed or suffocated local institutions.

The second tension, between *the basic (modern) model of the State and the societal forms of organization*, to which no satisfactory link has yet been found stems from this situation. The modern state, based on formal rules, has not been able to merge completely with the traditional forms of societal organization that are often based on informal rules and relations. One can even say that in many aspects more traditional forms of organizations have prevailed and still dominate formal state structures. It is sufficient to refer to previously existing systems of patronage that have successfully captured the state and resulted in deeply engrained patrimonialism.

The third tension results from the *increasing pressure for a growing regulatory role and a diminishing capacity of the State*. An expanding private or non-state economy puts tremendous pressure on the State to negotiate and regulate ever more complex issues when it has less and less capacity to do it in terms of qualified personnel, equipment and access to knowledge. The painstakingly managerial capacity developed when the State was managing large economic and social sectors was absorbed by the private

sector. This has led to situations where negotiators on the private side of the table know more about State issues than their counterparts.

The fourth tension lies in the much more *complex nature of regulatory role than direct management*. The trend for a more regulatory and less interventionist role is fraught with surprises: it was easier to manage enterprises and services directly than it is to formulate policies, define regulatory frameworks, exercise control through indirect mechanisms such as taxation, interest rates, independent regulators, legal regulatory frameworks, monitoring and evaluation and inspection. This kind of activities requires a number of capacities of a different nature – including more provisional capacity. Even in developed countries that undertook these reforms and did so in a more predictable environment, implementation of regulatory frameworks brings everyday surprises and gaps in the regulations.

The fifth tension arises from a *trend to standardize the organization of public administration and need to look more into the basics of the State*. There is widespread recognition of the fact that the State emerging from a model, which is in many cases alien, must find its own personality and legitimacy in the societal forms of organization that get ever more differentiated as they reach their grassroots. The trend to use international models, at times under international pressure exacerbates the tension between modernity and tradition.

Directly linked to this is the fact that many intended improvements can not be implemented in a structured way as policies tend to get split up in individual projects. James Ferguson proved for Lesotho how these projects tend to reinforce the coercive side of state bureaucracy while at the same time projects depoliticize issues. Problems are turned into technical matters while they are often political by nature.

The sixth tension is linked to the *increase in resistance in people and organizations rooted in established traditions as pressure for change increases* – the greatest single decision-maker in any country is the past. One result is that formal systems actually operate on the basis of unwritten rules as referred to under the paradox between modernity and tradition.

The seventh tension is that *between centralization and decentralization and devolution*. Many developing countries used to be former colonies. The structure of colonial power was highly centralized. This centralization reflected in some cases a tradition and always a necessity: Tradition when the colonial model was itself centralized in the mother country reflecting historical needs to build national consensus and practices and with a lasting influence of the Jacobin model; necessity, since the very character of the system of domination imposed from outside, in order to meet external needs, determined this centralization. But having inherited a centralized system of administration whose roots stem from the colonial past, developing countries face the double pressure both to globalize and to decentralize. This results often in a homogeneous model for decentralization usually copied from developed countries, progressive as it may be, in theory. Guy Braibant (2002) refers to this double phenomenon as “glocal government”.

The eighth tension stems from the *need to achieve fiscal balance and the growing need to provide services of better quality* to a large number of citizens which results in a tension between financial reforms (requiring expenditure control) and institutional reforms (requiring investment in staff and equipment). This credo of sound economic policy, at least for recipient countries, means having to do more with less.

A ninth tension stems from the *need to develop an efficient system of tax collection* (the modern State started with army and taxation) *and the growing “informalization” of the economy*, where more and more people tend to abandon the formal economy in order to avoid regulations they find cumbersome and taxes whose payment they don't see as part of their citizenship. While big traders sell their wares through informal vendors and avoid taxes, new and more efficient tax systems will affect mainly the formal economic sector, which may become thinner and thinner.

The tenth tension is that *between long-term requirements of reform* – it requires a long-term perspective and may not always be popular – *and short-term political pressure* due to the relatively small short cycle of political life – four to five years, in particular in countries where an alternation of power is a real possibility, i.e., the democratic cycle of elections does not always enable long-term reforms.

An eleventh tension comes from the *difficulty for States in crisis to cope not only with traditional functions, but to confront relatively new trends*: new types of crime which are transnational and for which there is not yet an efficient system of transnational governance; the huge profits generated by certain types of organized crime, and correlative capacity to infiltrate, corrupt or even capture the State. Developing countries face the challenge of having to reconcile security of honest citizens with respect for the rights of suspects and criminals, requiring skills and resources new countries seldom have.

The twelfth tension lies in the *loss of the traditional monopoly of State functions*. Whether it led or not to better service delivery, it has weakened the state either per se or in its relations with other entities. The State had a certain aura attached to it and generalized criticism of its bad performance has led to a decline in morale which has resulted in further bureaucratization at the expense of efficiency, decline in labour ethics and motivation, and has provided a “justification” – at least for the perpetrators and often their social entourage – for entrenched patrimonialism and patronage.

Developing countries have also come under increased pressure to introduce and apply new technologies (mainly within ICT, rather than in production). This pressure does not only come from the outside as the local elites often demand top of the line solutions without properly verifying whether the conditions for use and maintenance exist. It is often a question of principle that is decisive: accepting less advanced solutions can be interpreted as sustaining underdevelopment by maintaining a technology gap. On the other hand, donors have often opted for the simple import of technology inconsiderate of the context in which it had to be applied. Unstable energy supply, humidity and other external factors have frequently resulted in under use and short lifespan of equipment. Besides the wastage, these failed changes have a demotivating effect. To all this we must add the general loss of national sovereignty as a result of globalization, without the accompanying emergence of significant supragovernmental bodies at world level. All these tensions and challenges are fundamentally reflected in a highly incoherent, fragmented development, devoid of synergies and distrusted by the people.

New Public Management as a possible solution

Criticism of the bureaucratic model has centred on the fact that it concerned itself more with proper procedures than with objectives, put respect for rules above efficiency, and that addressing citizens’ interests was an effect of the work of administration and not the driving force and *raison d’être* of public administration. Tenured employment, which by then had become the rule within the State, was seen as encouraging inertia and stifling innovation as well resistance to change.

During the early 1990s *New Public Management* emerged, bringing in market-inspired solutions that could solve the problems of bad management of the State. As the Gore report on Reinventing Government put it, “good people were trapped in bad systems”. Efficiency was the new credo, deregulation a recommended tool.

The main features of NPM are deregulation of line management, conversion of civil service departments into freestanding agencies or enterprises, performance-based accountability through contracts, and competitive mechanisms such as outsourcing (Aucoin 1990; Hood 1991). Various authors also include privatization and downsizing as part of the package (Ingraham 1996; Minogue 1998).

While there is no exact definition, the main characteristics of NPM can be described as (Jemai, 2000): result (output) oriented (performance management), customer driven (decentralization, accountability) and efficiency focussed (competition, outsourcing, cost-benefit). Greater efficiency and responsiveness

was imposed by the introduction of market principles under increased fiscal pressure since the early 1970s.

Several models developed to make public administration more business-like (Ocampo, 2000), i.e., more efficient: reinventing government (mainly in USA), process re-engineering (applied in advanced economies because of the high use of IT, inward looking and performance oriented character, i.e., looking at speed, cost, quality and service) and NPM (mainly UK, Canada, Australia and New Zealand; to a lesser extent also in other OECD countries and some, mainly Commonwealth, developing countries). Common for these models was that a large margin of freedom was given to managers with regard to HR and remunerations were linked to performance.

NPM and public values

For specialists like François Xavier Merrien (1996), the main aim of NPM is to instil within public service management techniques adopted from the private sector, but he also notes that this does not offer a recipe for success: all depends on the circumstances and the context. The same success stories of NPM are told over and over again, but one hears less about the failures. In comparison, the balance of failure and success in classical administration is far better. According to Merrien, the private sector pays particular importance to financial outputs, while public service is mainly concerned with procedure: rule of law, impartiality, and continuity of public service. And at the heart of public service there is a specific ethos: serving the common good.

On the other hand, NPM postulates some requirements to be successful:

1. NPM is based on contracts that require a developed judicial system that can offer guarantees and manage conflicts in an objective and independent manner.
2. It is based on responsibility, while in most developing countries labour ethos is weak and the negotiation and management of complex contracts requires skills that are not readily available within the government.
3. The blurred and complex relationship between politicians, senior civil servants and executive agents in developing countries is highly problematic. NPM requires a clear delineation between policy formulation (politicians) and implementation (managers of public and executive agencies; other staff are service deliverers). The latter is convenient for donors as it apparently keeps them away from politics. In a presidential system it is even more complicated to separate bureaucrats and politicians. The relationship is mixed and interactive, fluid and integrative, not dichotomous or hierarchical.

Limits to where NPM can be implemented must be stressed since NPM principles cannot be applied across the board. For instance, revenue collection cannot be competitive while regulation cannot be entirely customer driven; on the other hand it is difficult to measure impact of reforms (controllable results are not necessarily meaningful results). The NPM model creates some problems for governance insofar as it develops the perception that managers of public services are driven by personal motivations rather than by a sense of duty to the common good (Terry, 1995).

Kelly (1995) stresses that NPM is good as far as provision of services is concerned but have doubts about the broader goals. In a way, it could be said that NPM marks the emergence of the individual as the counterpart of the administration. The jargon reflects the change – customers, clients, users, of a service rather than citizens in the full use of their rights and obligations (Cook, 1996).

One of the vexing questions is that NPM did overestimate at the time of its inception was the role of the market. It was assumed that all deficiencies in service provision could be solved through giving a larger role to the market. It was thought that experiences from developed countries could be easily replicated with success in developing countries. It was too easily assumed that market forces did not emerge in

developing countries because State monopolies were stifling the flowering of an indigenous or foreign entrepreneurial class. Current status varies: in some cases there was a sudden increase in service delivery, in others the market proved unable to go too far for lack of human resources, capital and skills to increase service delivery or to develop itself. In all cases the question remains: who benefited from the successes?

What is the reality of NPM reforms?

Some positive elements can be identified such as the development of an agency model as seen in the case of tax and customs administration and health sectors. This started in Africa and is being extended elsewhere. The model of National Health Service existed in other countries but without real financial autonomy. The new models of corporatization in tax and customs and in health provide the opportunity to solve problems that plagued old bureaucratic administration such as low salaries and staff retention, while introducing rewards for measured performance. While the former can also be seen just as an expedient to circumvent general statutory relations and pay scales, the latter represent an innovation in line with NPM philosophy. Some suggest that these models could become a spreading blot of good performance gradually extended to larger areas of government.

There are also positive results where service delivery becomes more focused on citizens – such as stating goals, setting up consultative or management committees with users and communities at large from health services to school management to policing. Even so, this should not result in repeating the mistake of developing a cult for participation as a panacea. Rather, it is necessary to take participation as a process where the various participants have to be increasingly knowledgeable on the issues discussed and not mere articulators of demands. Participation either through NGOs or CBOs can become a part of a model of the State, and training of citizens to deal with State matters from a citizens' point of view should be seen as part of this process.

Customer focus has shown the potential to adjust constantly to the differentiation and personalization in needs that traditionally large public services were unable to provide. Experiences with the learning organization model where the front line workers are prepared to listen and observe the reaction to service performance and the degree of satisfaction of the citizen offer a more permanent monitoring mechanism than traditional reporting and complaints systems. This type of practice can be replicated to all areas of activity where the State will continue to play a role.

We referred earlier that the novelty of NPM led to a unilateral focus on new practices of which retrenchment and privatization monopolized most attentions and passions. However not enough was done to improve the traditional systems that are not prone to osmosis from private practice because they perform unique functions, which represent the core of State sovereignty: how do institutions work, are they efficient in relation to the inputs, what decision-support mechanisms have been developed, what kind of administrative support do they need, how should security forces be managed. Most of all, career paths have not deserved the level of attention and modernization despite of the fact that they concern those in leadership positions. Cynics would say that it so happens because pay and careers are not that important as revenues are generated from other sources. Some authors uphold the view that in countries with a traditional Weberian model there is more rhetoric than reality in the implementation of NPM. (Charles Polidano, 1999).

Moreover, labelling – NPM or else – can be misleading. The use of labels attributes a degree of uniformity to reforms that in reality does not exist. At the same time, there is no evidence that NPM style of reforms succeeded more than failed. And implementation of NPM is usually partial, even in its heartland.

In general, the application of NPM in developing countries was focused on a few elements: decentralization, performance contracting (very limited), outsourcing, the introduction of user fees and downsizing. But as mentioned before, these reforms suffered from resistance and lack of capacity to effectively manage contracts. Additionally, these complex reforms were often implemented in a difficult

governance and institutional environment (Larbi, 1999). Other elements of NPM, such as managerial autonomy, were often unsuitable for implementation as it further eroded accountability in an increasingly corrupt environment.

In fact, practice shows that a contingent, rather than a dogmatic approach to NPM reforms proved to be more widely applied as such an approach reduced risks and increases chances for successful reforms.

However, as we will see further below, the determining factors for reforms to succeed do not seem to be the chosen model or paradigm. Rather, experience shows that it is much more crucial whether organizations are dynamically reformist or just passive and moribund. We would like to emphasize that the attitudes vis-à-vis reforms occur at all levels of government. It is definitely not so that local governments are reformist and central level resistant. A dynamic environment, i.e., willingness and conviction, and the right political backing seem to have been of more importance than the fact whether a certain reform was NPM or traditionally inspired. This leads Polidano (1999) to conclude that successes and failures depend on localized contingency factors: reformers watchwords must be open-mindedness and eclecticism!

What about the policy environment?

While all these reform initiatives and experiments were taking place, a specific set of relatively new problems emerged in the developing countries:

- Areas of service delivery were not taken over by the market;
- The dire need to rehabilitate infrastructure required to make privatization attractive, something that could only be done with foreign assistance;
- Increasing imbalances in wages between the public and private sector, leading to a brain drain from the public sector;
- Falling morale within the civil service;
- Unprecedented crisis of ethical values, with one aspect of market values – profit – pervading public sector through (ab)use of State power; and finally
- A crisis in privatized sectors providing public goods inter alia because of a lack of infrastructure investment.

In some cases, the demise of the role of the State reached such proportions that at first parallel structures were put in place and in extreme cases essential parts of the public service were captured by private interest groups or mafias, both through peaceful or violent means.

At this point in time, critics of the tenets of neoliberalism were joined by a larger body of practitioners and citizens doubtful of the capacity of the market (or unable to see its “invisible” hand) to fill in the gaps of public service incapacity. At a certain point what was at stake was no more the preference for one or other political party or philosophy or ideology. The issue at stake was the trust in the State itself. Somewhere along the line, things had gone wrong, carrying the risk of losing all aspects of NPM including those who had achieved success.

The State: role, functions, systems, structures and institutions

We already explained the increase in width and extension of the role of the State; its management of the economy resulting from the context of independence and the subsequent criticism of the role of the State with regard to the way it was handling the economy. Everything done by the State was deemed to be bad. Although it may have been true in some instances, the context – rise of the market, managerialism as a cure for all ills in the Thatcher-Reagan period – gave neither time nor possibility to search for alternatives on how the traditional State could be upgraded or improved.

The mid 1990s witnessed a renewed appreciation of the role of the state (e.g. by the WB) and calls for a modernized “developmental State” came from all sides (Leftwich, 2000), even from prominent economists (Sen, 2000; Soto, 2000; Stiglitz, 2002). Not less State but a *better* State is the new orientation. This was prompted by the void into which developing countries were falling. The State was doing less while areas previously covered by public administration were now abandoned. The discussion about the changing roles of the state has resulted in various classifications of which we present a few below.

Core state functions as viewed by multilateral agencies

1. SPA/CSR: revenue generation, financial management, personnel management, policy formulation, provide justice. Sector policies are non-core.
2. WDR 97: Minimal functions: defence, law and order, property rights, macro-economic management, public health, anti-poverty programs, disaster relief. Non-core: basic education, environmental protection, private sector regulation, insurance, consumer protection, social security, market fostering and asset redistribution.
3. UNECA: Core: enabling environment for economic growth, physical, institutional and financial infrastructure, development of human resources (education and health), efficient management of public enterprises, support economic and political reforms, promotion of regional integration and mobilization of productive and financial resources
4. UNICEF/UNDP: Core is: health care, education, water and sanitation, agricultural extension, law and order, tax collection, basic infrastructure maintenance.

Generically, within the realm of the State we can define some basic missions (Bangura, 2000): nation building, defence, maintain law and order, create conditions for wealth accumulation; and some core functions (taxation & monetary issues, security, environment, education, health, investment & trade and infrastructure). Some of these functions are traditionally the exclusive domain of the state, although these lines are now blurred in several developing countries where defence (companies delivering mercenaries), security (surge of private security businesses), taxation (outsourcing of taxation and customs) and policy formulation (consultants) are at least partly implemented by private agencies. Normal service provision functions (in particular, health and education) are usually non-exclusive.

Besides these more traditional core functions, the State can have necessary and unique roles in the promotion of technology (education, incentives...), stimulation and innovation of the production process (ICT infrastructure, relax red tape...), marketing (international promotion of investment and exports), the creation of financial incentives (facilitate credit, tax exemptions or reductions) and the management of policies (budget allocations, regulations such as property rights...). Nowadays the State is also put in charge of formulating a vision of the future based on participation and partnerships.

The function of the State as the main employer, undesirable as it may be insofar as it represents a distortion in labour market in terms of supply and demand, should not be ignored for the sake of standardized retrenchment policies. Retrenchments on the other hand should be practised avoiding the pitfall of losing the most capable staff or forcing the public service to re-recruit the same personnel at higher costs.

The State and the market: a diverse and ever-changing environment.

A key challenge nowadays is to find the right balance between state and market; this balance will be different for every country, with options more and more based on context instead of ideology. State and market cannot be seen anymore as separate entities, as they overlap and exert mutual influences (contrary to what was dictated by neoliberalism). At the same time one has to keep a realistic view of what the State can achieve and avoid being carried away by unrealistic expectations both from donors and citizens.

Clearly, there is no longer a case to be made for outright statism. Instead of the ideological reasons that founded abhorrence of public intervention during the neoliberal era, there is a case for avoiding excessive intervention by the State in developing countries. Given its limited capacities, the State should only act where it can perform reasonably well. Instead, it should try to look for other partners who have emerged because of its collapse in certain areas: associations, civic movements, who are de facto authorities, but lack among other things minimal physical and financial resources.

One way of examining the respective roles of each is through an analysis of public goods (World Bank, 1997). Traditionally these are divided in four categories according to two criteria: rivalry and excludability. Rivalry refers to whether the consumption of a good by one citizen (or group) limits the possibility of another citizen (or group) to consume that good. Excludability is about the fact whether a citizen (or group) can be excluded from the good if they do not comply with certain conditions (e.g. if one does not pay). The four categories that appear are thus:

- Public goods (non-rival and non-excludable);
- Private goods (rival and excludable);
- Common property goods (rival and non-excludable) and;
- Club goods (non-rival and excludable).

This division can vary from country to country, so in each case one could assess a. the kind of public goods which the market cannot provide, b. identify non-competitive markets and c. the existence of externalities. Whenever information is imperfect and markets incomplete, government intervention is to be considered legitimate.

Developing countries often lack regulatory and monitoring capacity to direct markets (Pillay, 2002); markets tend to under- or not provide certain public goods (e.g. environmental conservation) or are imperfect (partly formal and partly informal). State intervention in the economic sphere can therefore be legitimate in order to promote development of a shared vision to transform the economy; guarantee skills development, provide financial incentives, define tariff policies and marketing and stimulate investment in infrastructure where returns are not promising for entrepreneurs because of their non-exclusive or long term nature and even production when markets are uninterested. With globalization, the rule that market forces will automatically emerge to fill voids is no longer true and many countries embarked in privatizations that transformed factories into sheds or churches for proliferating evangelist cults for the desperate. The State has to provide social protection (housing, education, health, etc. and enhance access to assets and skills (land, social capital, etc.).

As for the provision of services, there could also be a division based on what reality shows already: middle class can be served by private or private-public partnerships, while poor will be served by supported civic/state partnerships or in some cases by the public service alone. The challenge here is to provide quality and capillarity so that society, and in particular the poor, will feel that they have equal opportunities to access higher levels of education and social achievement, given the effort and talent required.

One final word of caution about the need for change on the way the regulatory function is performed: rules and restraints are ways of enhancing state capability but can be counterproductive as is known by Goodhart's Law: specific rules foster 'rational' behaviour on the part of the public to evade those rules. Nowadays, more than ever, when issuing regulations, governments should be attentive to win sufficient support to implement the legislation and to the capacity required to do so. Very often, a lot of time is spent discussing drafting minor issues, while scant attention is paid to the mechanisms and capacity to implement decisions. One additional danger facing the traditional administrative model is overburdening users with laws, which cannot be understood or implemented.

On systems, structures and institutions: NPM and traditional bureaucracy

For the exclusive functions, Traditional Bureaucracy seems to have a comparative advantage over managerialism, as they require neutral, loyal, highly trained, competent and honest staff that benefit from fixed career and tenure provisions. The army, police, tax collection agency and the agencies that finance, foment and control social services and social security cover exclusive activities: these should be fully owned by the state and ideally management should be decentralized. Non-exclusive activities might be carried out by the administration, but also by non-governmental or private sectors. Here management should be autonomous. Ownership is public non-state (e.g., universities in the US), and agencies are not profit oriented. In some cases social organizations can be subsidized by the state. Service and goods production can be done by state-owned enterprises, but private ownership is preferable where market principles can be applied.

How to improve efficiency in classical administration

Deviations from the classic model occurred in cases where the one-party state bureaucracy was based on other solidarities (loyalty, allegiance, ethnic affinities) rather than neutrality and when ancient or recent systems of patronage turned career positions into political functions, perpetuating one-sided party approaches. Botswana and Mauritius are somehow exceptions and accidentally also the countries that perform best economically, but one may ask to what extent and which components of these experiences can be replicated in the rest of Africa (Hwedi, 2001). Common problems during this period were endemic overstaffing, misaligned structures, low capacity and poor accountability and credibility with ensuing lack of legitimacy.

In order to regain efficiency the current public service must address its main challenges:

- Debureaucratization (re-engineering);
- Democratization (decentralization, accountability and participation);
- HRD (career and remuneration systems, training, meritocracy);
- Regulatory capacity.

Part of the task can be undertaken resorting to traditional tools (Kaul, 1996): restructuring (streamlining, managerialism, performance improvement, outsourcing, decentralization); reform of planning and budget mechanisms; capacity-building (training and institutional development) and improving accountability (participation, dialogue, communication, information). This should be done in a coordinated way because often these instruments are developed unevenly based on external and internal pressures.

Redefining the boundaries of civil service

Despite the fact that traditional tools are still applicable, more creativity is needed, as we would like to illustrate for improvement in civil service organization, leadership, career systems and training. Most recently, Adamolekum (2002) launched some interesting and feasible proposals, including:

- A clear separation of political from career administrative and technical appointments (political appointees should be clear, limited in number and having minimum requirements);
- The introduction or increased use of contract appointments at managerial and technical professional levels (transitional arrangement);
- De-linking local governments and parastatals from the civil service;
- Establish a small (200-500) but strong elite corps of senior executives; and
- Remove non-career officials (support staff) from the civil service.

The idea of redefining the boundaries of the civil service had already been developed by other authors, namely Bresser Pereira (1996), and was the object of a debate at the recently held meeting of the United Nations ECOSOC Committee of Experts on Public Administration (July 2002). In order to reform traditional civil service we have to redraw the boundaries of the civil service properly. Currently the rule is the Statute and although contracts are increasingly accepted they tend to be the exception and not the rule. One of the reasons why this tradition still prevails is that both the State and the employees tend to think that by providing statutory guarantees for those on the State payroll, it will be possible to secure the employees and stabilize them in their jobs. However this has not been the case. Currently, in Mozambique as well in South Africa, it is frequent that new entrants (graduates from University) work for the State until they get some experience and establish professional networks and then leave for better jobs. Only the very few committed ones remain. It is a unilateral situation: the Statute binds the State but it is unenforceable towards those who leave the State.

In our view, it is necessary to link the concept of civil service to the core functions of the State or alternatively create a special cadre for those who take the main decisions. In this issue we deal with two concepts: institutions and persons. In institutions performing core public services, there are staff performing core functions and staff who not performing core functions. Usually we tend to consider Parliament, the Cabinet, the Army, and the Police as typical core institutions. But in these institutions not everyone performs a core public function. In a recently created Police Academy in Mozambique, an institution whose objectives rest at the heart of public service, preparing officers to perform such public duties and deliver such public goods as security, human rights, crime prevention, and civic education against domestic violence, the establishment committee identified only a few people who actually performed core public activities: basically leadership functions who fell within the civil service or police statutes. Lecturers have to perform according to approved curricula but they are neither civil servants, nor necessarily police officers and therefore work under individual contracts. Library management, reprography, logistics, including boarding, lodging and transportation was contracted out. The case shows that it is possible to undertake new activities without increasing the size of traditional civil service.

The issue was addressed in South Africa from another angle, but with the same objective, through the creation of a cadre of senior civil servants who will enjoy special status, which include among others adequate remuneration and stronger rights in exchange for improved performance and impeccable ethics.

Remuneration is part of the package but social recognition also plays an important role. In a survey of six thousand teachers carried out in Mozambique in 2002 showed that the major demand was for recognition for the service rendered to the public. Other important features are change of institutional culture and opportunities for advancement, efficiency and modernization – no one wants to be linked to an obsolete or non-performing organization – but to be part of a greater national or local endeavour. When the Governor of the Gaza Province in Mozambique, after consultations with the population, embarked on a program to provide cattle for farming under a simple credit scheme, the team involved with implementation had no more than five civil servants. When owners took possession of the cattle, the impact of the project given its symbolism was such that every civil servant in any Department was proud to be a member of the civil service.

Using training as a tool for institutional reform rather than staff capacity-building

Training on public issues cannot be reserved exclusively to civil servants. New methods of training on policy choices and management of public affairs have to be devised both jointly and separately by State and civil society. As State matters are no more a preserve of civil servants; the training component should concern all partners and users of the public service. Training has been frequently recommended as a cure for all ills. As things do not improve, training is being decried and donors are wary of it. A closer look shows that it is not training that is at stake; it is the wastage that accompanies it. Training is traditionally organized by grouping a number of people who exercise the same function, usually in different institutions, at different territorial levels or in different areas. After the training, the trainees remain

isolated in their respective institutions and the possible impact of the training dissipates. The training may have improved the individual, but it has not influenced institutional performance at all. At best, it added to the frustration of the individual who often decides to leave.

To make real improvements within the public sector, the paradigm has to change from training individuals to training whole institutions – complete, well-defined units or if possible full institutions – using tailor-made curricula that are based on specific needs assessments. The training would thus involve managers, support staff, frontline service providers etc. and aim at creating or changing an organizational culture and a sense of mission. This approach to training may turn out to be the effective way to reform organizations.

Institutional diversity

Another practical challenge is the conflicting need between a standardized system of organization for the government departments and the diverse nature of organizations. For instance, Ministries or Departments who are more of a coordinating nature do not necessarily have the same organizational structure as ministries who are more vertical in their activity.

Following the decision by heads of State at a world summit to concentrate attentions and to link higher education to science and technology in order to develop synergies who could justify the high investment in higher education, Ministries or Departments for Higher Education, Science and Technology have been created. The conditions in Mozambique are not different from other countries: the Ministry is coordinating a peculiar brand of institutions both of higher learning and research that enjoy academic and intellectual autonomy as well as interest groups that include academia, employers and students. Such a Ministry has to work through councils and coordinating committees rather than through Directorates. Its main functions are to coordinate, to encourage and promote, to fund and to study issues.

The approach to make the organization as lean and as performing as possible was as follows: coordination was entrusted to just an Executive Officer, promotion and funding was to be done through a fund geared to become on time an autonomous self sustained institution, policy proposals were drafted through ad hoc groups and task forces including experts working both in academia as well as in other institutions. Legal advice is provided by an external law firm working also with a selected group of specialists appointed by the Ministry, together with one permanent legal advisor within the Ministry. The new structure comprises far less permanent civil servants than usual and was initially greeted with some disbelief. How could you work without “first setting up the Department” in other words without following the traditional way, with National Directors, Heads of Departments, Heads of Sectors and so on. The fact that there were no Heads of Directorates was a blasphemy – but the Minister was adamant that there should be none. Once the initial shock subsided there was a common endeavour within the Civil Service Council to stand by this model of organization and make a pilot case out of it. The litmus test will be the capacity to manage effective coordination and to produce results. In fact, results start to show a high level of commitment, intellectual joy and pride in achievements. Strategic documents were approved through a highly participatory consulting process and a new law for Higher Education has been approved.

The myth that everything had to be carried out through the traditional big, complex and square shaped organizations was dispelled. Horizontal type of organizations is possible within the civil service. There are variants that blend traditional functions with efficient practices. However, things shouldn't be stretched to the point where contractors do everything. A civil service structure, albeit minimal, has to be put in place in order to capitalize on experiences gained and provide institutional continuity, both in terms of substance and routine.

Finding new legitimacy

In a certain way, the collapse of the legitimacy of the current constitutional and administrative setups can be traced to this lack of search for a new legitimacy and for new institutions. This can be addressed in two

ways: one is by associating the modern State with emerging actors, the second goes further into the heart of the legitimacy of institutions staying with the State itself.

Slowly but surely, new actors have emerged on a scene that was previously dominated exclusively by the State. Some of them started competing with the State to provide better services, some have demanded to participate in decision-making processes, and some have even substituted the State while others plainly opposed it. Depending on the dynamic and their respective levels of organization, different from country to country, the following groups can be discerned: businessmen (and women), labourers, churches, regional associations (all or not with an ethnic background), rural communities, political parties, media and a plethora of non-governmental development organizations. Often ignored or plainly forgotten are the excluded, those without voice. History has demonstrated that exactly this group can have a catalysing effect on social and/or political conflicts. All of these groups have their own characteristics, compositions and forms of organization, so that we can really speak of a plurality of civil societies. This trend of diversifying actor's forces the State to be inclusive, as this will eventually determine the stability of the system.

The time is also gone that governing is a unilateral exercise: to govern is also to be governed, i.e., it is crucial that ownership is built into government programmes. People should actively participate in the planning and implementation of government programmes. In this sense poverty alleviation programmes should have a strong component of civic education and advocacy and must support community networks and associations. Legal obstacles to this movement should be removed.

The valorization of local problem solving capacities and the appreciation of collective efforts to confront problems is a largely unexplored area. This existing social capital is traditionally not highly regarded, as it does not fit into the generally accepted idea of progress. Yet, the reality is that local communities deal with conflicts and organize their lives in the absence of state institutions in different parts of the world. Thus there is a capacity present that does not need to be created, but that needs to be acknowledged and recognized.

Re-founding the State

This brings us to the heart of the main issue: the nature of the modern State in Africa. Up to now all major reforms have concerned only the modern part of the State, while criticising its centralized nature. The State as we usually see it has that modern structure – Head of State, Parliament, Cabinet, civil service which has proved invaluable in maintaining stability, preserving respect for borders, preventing disintegration. However as it is proving less and less apt at providing these goods (in some cases States have even collapsed), it is about time to wonder whether we have not made a mistake in centring too much of our efforts in what was a necessary but incomplete part of the State. In other words whether we have looked and polished the tip of the iceberg and forgotten the large masses underneath.

In most of Sub-Saharan Africa, the modern formal State still follows an *external* model. Even with a complete change in staffing – through a normal process of Africanization or through the adoption of affirmative action policies – it is still seen as something that comes from *above*, not as the culmination of a process of political integration of still larger communities. For some time Zimbabwe, with its formal functioning institutions seemed to prove that the modern State and modern economy would gradually incorporate the excluded social groups and communities. The same can be said of South Africa. However we now know that there exist other realities. An analysis of the latest elections in Mozambique showed that in areas where opposition got most of the vote, still in the small towns where modern economy was at work (mills, factories, and modern plantations) the majority of the votes went to the party in power. This means that the efforts of the party in power were probably rewarded, only that its focus of action was too narrow and left aside large social groups, namely peasants or the common man in the countryside in a subsistence economy. This has implications larger than party politics. Is that what we view as the State

the same as many of our fellow citizens see as the State? Or are we dealing with what Mahmood Mamdani refers to as a division between ‘citizens’ and ‘subjects’?

These are historical facts and we cannot go back on them. But we cannot ignore them either. The way ahead is to link the State with the communities it was supposed to have evolved from. It is a problem of legitimacy and stability, but it goes beyond that. No civil service will ever be able to cope with the constantly growing demands of the society. We have to look elsewhere: either outside, which means more external aid – or deep inside our countries, looking und unlocking unutilized potential.

In a way this calls for a reconstruction of the societal basis of the State. It challenges our notion of civil service and reform, seeing it as a whole which comprises the traditional formal structure, the communities integrated with statutory rights over land natural resources, mining, right to levy taxes and obligations to perform their duties, modern type municipalities more concerned with urban issues, deconcentrated governments, forums for consultation and decision and increasing cooperation with institutions of the civil society.

The moment is favourable because the crisis of the State favours the emergence or appearance of these structures and demonstrates its capacity to take over some of the functions formal public service was not providing anymore. We therefore have before us a unique opportunity to do something new. Improvements, changes in the modern structure of civil service remain important and must be sustained, but they are not at the centre or in any case not the whole reform agenda anymore.

Of course as communities are not homogeneous and as their capacities differ, the organizational model has to be flexible so as to accommodate the different organizational situations. This entails both a level of complexity and runs against the traditional trend of uniformity so prized by bureaucratic organizations.

Conclusion

Developing countries have to find their own solutions and not stick to outmoded models of the so-called developed countries or be lured by fashionable new trends for the sake of conservatism or all-out innovation. Intellectual independence in conducting the reform process is to be regained. Developing countries have enough brainpower to find their own solutions. Of course, as we have seen one way of keeping independence is the make-believe process we see in place in many countries, where rhetoric replaces action.

Independent thinking by government leaders in developing countries means promoting and sustaining exchanges among the countries. It presupposes a certain degree of humility as well as the willingness to learn from experiences that are not only relevant but also useful. It entails recruiting external advisors only when necessary and implementing new experiences at the right moment and at the right pace. At the end of the day, the responsibility falls on the shoulders of the political or administrative cadres of the country long after the foreign advisers might have gone.

Our conclusion on the debate on the influence and merits of NPM vs. traditional administration falls within this framework. Whenever countries were capable of adapting lessons from both sides, were capable of finding the best solution, things improved. When things were done because it was trendy, the past returned. In Guinea and many other countries, retrenched personnel came back through the back door. *Chassez le naturel, il revient au gallop*, goes a French saying.

Summing up other conclusions:

- Analysis of public goods according to criteria of rivalry and excludability will help us determine the nature of public goods.
- State intervention in the economic sphere can be legitimate in order to promote development within a shared vision to transform the economy.

- Overburdening users with laws may widen the gap within the society.
- Traditional Bureaucracy seems to have a comparative advantage over managerialism as far as exclusive functions of the State are concerned.
- Upgrading civil service requires redrawing the boundaries of the civil service.
- Remuneration is important to retain competent civil servants but equally important is the ecology of the civil service: social recognition, change of institutional culture and opportunities for advancement, efficiency and modernization and participation in a greater endeavour.
- Training in the civil service must include other partners than civil servants.
- Training should address whole organizations instead of isolated individuals. Training becomes then one instrument of reform.
- Systems must allow for institutional diversity.
- Interaction with new actors will provide better – more consensual – solutions and enhance institutional legitimacy and stability.
- Reform must not concern only the modern component of the State. Rethinking a division of roles between modern State and communities, finding the right meeting point between State and communities are the new focal points of reform.
- Communities should link with the State while developing their own rights and responsibilities and unleashing potential.

Drawing on the points mentioned in this paper, we would now like to propose a few key issues that can guide the discussion in this workshop.

- How to restructure state institutions and organizations in such a way that they can complement, and be complemented by, existing social capital? What are the dimensions of such restructuring (vision, leadership, political will, decentralization)? What are the main tasks ahead? How the lessons drawn from the past can be transformed into something useful?
- Did civil service reform focus on what was most important? Does our vision of the State need to be widened?
- What administrative mechanisms can be used to restore ethics and the sense of dignity to the civil service?
- How can we give the need for more diversity, for a contingency approach rather than a model-based approach, the necessary tools and resources to develop? What are the implications of fishing with hooks, rather than nets?
- How to reconcile diversity and history with the uniform models favoured by international governance?
- How can we change the nature of organizations and how can training be used as an instrument for reform?
- How can citizens participate in the civil service reform?

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Part II

Strengthening Public Service Leadership Capacity

Chapter Six

New Challenges for Senior Leadership Enhancement for Improved Public Management

Allan Rosenbaum

Introduction

In places as diverse as Canada, the People's Republic of China, Malaysia, South Africa and the United Kingdom, programmes have been initiated which are designed to enhance the competencies of one or another sectors of governmental leadership.¹ In some cases, these efforts have involved working with elected officials and in other cases, appointed officials and senior civil servants. Likewise, in some instances, they have involved national officials and, in others, subnational officials.

While leadership capacity enhancement may be an issue of much concern in a number of countries, in many places financial, institutional and organizational factors often serve to inhibit the initiation of significant efforts to address this subject. In other cases, factors ranging from the complexity of the task to the reluctance on the part of the programme designers to sensitize government leaders to the need for leadership capacity-building also inhibit their development. When these factors are combined with the demand that training places on people in leadership positions, and the reality that, with some good reason, many individuals who have achieved such positions feel that they have already demonstrated a considerable knowledge and understanding of the most important dimensions of leadership, it is not surprising that this is an area that does not currently receive adequate attention.

The purpose of this paper is to provide an overview of five themes related to any effort to enhance the skills and knowledge base of top-level government leadership. The themes covered are:

- 1) The concept of leadership and the target groups for leadership enhancement initiatives;
- 2) The key issues facing top-level government leadership;
- 3) Areas of competency enhancement necessary to better equip top-level government leadership to function effectively in a globalizing world;
- 4) Techniques, modalities and strategies to facilitate effective competency enhancement initiatives for top-level government leaders; and
- 5) Developing a plan of action for future activities in the area of top-level leadership competency enhancement.

Definition of leadership and target groups of leadership development programmes

Leadership is one of those qualities which is easier to recognize than define. Certainly one important reason for this is that very often the nature of leadership will vary greatly depending upon the needs of the particular situation or context within which it occurs. As Douglas MacGregor, a long-time student of organizational leadership has noted, "it is more fruitful to consider leadership as a relationship between

¹ See, for example, Malcolm Dawson, "Leadership for the 21st century in the UK civil service", *International Review of Administrative Sciences*, *op. cit.*, pp. 263-272 and Chen Weilan, "Action Learning Practice in Chinese Public Management Training: A Case Study of Training and Development for Senior and Middle Civil Servants in Western Provinces", in *State Modernization and Decentralization – Implications for Education and Training in Public Administration: Selected Central European and Global Perspectives*, edited by Allan Rosenbaum and Ludmila Gajdosova, forthcoming.

the leader and the situation than as a universal pattern of characteristics possessed by certain people.”² Yet another reason for the difficulty of defining, in a precise way, the nature of leadership, is that leaders themselves are such diverse individuals. As Peter Drucker, another prominent student of organizational leadership, has noted:

Among the effective executives I have known and worked with, there are extroverts and aloof, retiring men, some even morbidly shy. Some are eccentrics, others are painfully correct conformists. Some are fat and some are thin. Some are worriers and some are relaxed. Some drink quite heavily and others are total abstainers. Some are men of great charm and warmth; some have no more personality than a frozen mackerel.³

Regardless of the difficulty in defining it, there is no question that leadership is a quality that is very much in demand. Almost a quarter century ago, James MacGregor Burns began his award-winning book, *Leadership*, by noting that “One of the most universal cravings of our time is a hunger for compelling and creative leadership.” He goes on to indicate that:

The crisis of leadership today is the mediocrity or irresponsibility of so many of the men and women in power, but leadership rarely rises to the full need for [addressing] it. The fundamental crisis underlying mediocrity is intellectual. If we know all too much about our leaders, we know far too little about leadership. We fail to grasp the essence of leadership that is relevant to the modern age and hence we cannot agree even on the standards to which we measure, recruit and reject it. Is leadership simply innovation – cultural or political? Is it essentially inspiration? Mobilization of followers? Goal setting? Goal fulfillment? Is a leader the definer of values? Satisfier of needs? If leaders require followers, who leads whom from where to where, and why? How do leaders lead followers without wholly being led by followers? Leadership is one of the most observed and least understood phenomena on earth.⁴

Mr. Burns goes on to note that there is a considerable difference between the exercise of power and the exercise of leadership and what distinguishes them is the moral element involved in the exercise of leadership. Thus, he defines leadership in the following way:

Leadership over human beings is exercised when persons with certain motives and purposes mobilize, in competition or in conflict with others, institutional, political, psychological and other resources so as to arouse, engage and satisfy the motives of followers.⁵

He further suggests that there are essentially two forms of leadership – transactional and transforming. Transactional leadership is driven by an exchange relationship in which the leader receives the support of followers in return for delivering certain things that the followers crave. The implication of this is that once the transaction is completed, the relationship between the leader and the followers either will have little meaning and/or may well end. In contrast, Mr. Burns suggests the concept of transformational leadership, in which a bond between leader and followers is created on the basis of the joint effort of both to achieve “higher levels of motivation and morality.”⁶

Other scholars who have addressed such matters have also been very concerned about what Mr. Burns characterizes as the moral dimension of leadership. For example, in a recent extensive study of leadership renewal, Korac-Kakabadse and Kouzmin suggest that “a leader must believe in a set of values and

² Douglas MacGregor, *Leadership and Motivation*, Cambridge, MA, MIT Press, 1966, p. 73.

³ Peter F. Drucker, *The Effective Executive*, New York: Harper and Row, 1967, p.22.

⁴ James MacGregor Burns, *Leadership*, New York: Harper Colophon, 1978, p.1

⁵ *Ibid.*, p.18.

⁶ *Ibid.*, p. 21 and Ch.2

principles and must have a vision.”⁷ Warren Bennis, who has devoted much of his distinguished career to the study of organizational leadership, emphasizes the importance of knowing oneself and one’s values. In addition, as Berkley and Rouse have noted:

Leaders can be endangered by limiting their analysis of a situation in terms of previous successes, by failing to integrate new data and by losing their sense of humility. The most effective leaders view their positions as opportunities to constantly learn, accept its situation on its own terms, and remain open to new ideas.⁸

Regardless of how one defines leadership, whether as a concept or on the basis of its principal characteristics, the reality is that any effort aimed at improving the quality of leadership must find an easily operational way of defining it in order to determine to whom one would direct one’s efforts. Certainly, in any attempt to develop programmes of leadership enhancement for people involved in government, one must decide whether to focus attention upon elected political leaders, appointed senior government officials, senior civil servants or all three groups. Clearly, all three groups of individuals can have a very powerful impact on the directions which government takes. In a similar vein, one can also raise the question of if it makes sense to bring together, in a single group, officials of both national government and subnational government – not to mention leaders in the public, private and non-profit sectors.

Obviously, there are certain aspects of the roles of each of these groups that are relatively specific to that particular group. For example, one could certainly argue that issues of managing a diverse work force are a great deal more relevant to senior civil servants than to elected members of a legislative body. On the other hand, one could also argue that it is the members of the elected legislative body who pass the legislation, or shape the policy that requires the creation and maintenance of a diverse workplace organization. Consequently, a better understanding of this topic is equally relevant for them. In addition, one of the benefits of organizing programmes that involve individuals from all three groups is that it helps to enable each group to better understand the other and the dilemmas which they face in carrying out their responsibilities.

Furthermore, bringing representatives of the three different groups together will undoubtedly contribute to encouraging more integrated approaches to problem-solving. As John O’Brian, the managing director of Hanover Executive, a leading international leadership development consulting firm, suggests, “integration” is the new paradigm for effective leadership. While Mr. O’Brian is focused principally on the private sector, the point is equally well taken in the governmental sector. Consequently, if the integration of disparate groups is an important value, then leadership development activities that integrate the three key governmental leadership groups represent a useful and beneficial approach to governmental leadership development. The logic of such an approach is reconfirmed in the comments of Ruth Hubbard, who notes that “the huge increase in complexity and interconnectedness that faces elected officials, faces public servants as well – and the same kind of questions arise regarding capacity to handle the complexity.”⁹

The key issues facing top-level leadership in government

The contemporary world is both a more complicated and interconnected one. Consequently, top-level governmental leaders – whether they be elected, appointed or senior civil servants – have to be increasingly understanding of the wide array of issues that impact upon government at all levels –

⁷ A. Korac-Kakabadse, N. Korac-Kakabadse and Kouzmin, “Leadership Renewal: Towards the Philosophy of Wisdom”, p. 207.

⁸ George Berkley and John Rouse, *The Craft of Public Administration*, Eighth Edition, Boston: McGraw Hill, 2000, p. 204.

⁹ Ruth Hubbard, “Societal Leadership and Good Governance: Strengthening Learning, Values and Consent”, *International Review of Administrative Sciences*, *op. cit.*, p. 233.

supranational, national and subnational The understanding of such issues is critical to senior level governmental leaders in at least two ways. First, such issues often are the source of the everyday problems that governmental leaders must attempt to solve. Second, even when they are not the direct source of the problems facing governmental leaders, they create the context within which such individuals must operate on a day-to-day basis. This means that for contemporary government leaders, inevitably one of their highest priorities is the better understanding of the many complex issues which impacts upon them and their countries. Indeed, without an understanding of such issues, they will find it difficult, if not impossible, to institute policies and programmes which produce outcomes reasonably parallel to the intended goals of the programmes or policies. Among the key issues confronting governmental leaders are the following:

Globalization and associated developments

Globalization is the result of many developments, including innovation in communication and information technology; greatly expanded and new approaches to trade, commerce and finance; and the increasingly rapid transmission of cultural values from one country to another. Taken together, all of these phenomena raise many significant issues for government leaders – both in terms of creating new problems with which they must deal and impacting upon the manner in which they approach almost all of the traditional activities in which governments engage.

Of particular relevance to governmental leaders is one of the key factors that have encouraged globalization – the rapid development of information technology. As the United Nations *World Public Sector Report* notes, “There is no field of technological progress which has evolved more rapidly in the past twenty years than information technology.”¹⁰ This process of evolution has had at least two significant consequences for governmental leaders. First, it makes information that in the past may have been very limited in its distribution much more readily available to citizens and middle managers alike. Second, in so doing, it helps to flatten the nature of most public organizations.

Novel challenges in governance and public administration

Whether it is a highly technical problem, such as estimating the causes of global warming, or one rather more susceptible to ideological interpretation, such as the impact of rates of taxation upon economic productivity, contemporary policy problems are increasingly difficult to understand, let alone solve.

Moreover, the unfortunate reality of contemporary life is that there are rarely simple solutions (and sometimes not even complicated ones) to complex problems. In part this is because efforts to solve many of today’s multifaceted public problems often must rely upon the taking of collaborative action in many places and jurisdictions, the utilization of new and complex technologies and the changing of traditional values. The result of this is increasing pressure upon government leaders to solve what often appear to be, and sometimes really are, unsolvable problems.

Growing income gap within and across countries

As also noted in the United Nations *World Public Sector Report*, “Eradicating poverty and ensuring sustainable development should form the *raison d’être* of public administration. Half the world, nearly 3 billion people, lives on less than US \$2 a day while the richest 20 per cent of the global population receives more than 80 per cent of the global income.”¹¹

This phenomenon, which has been well documented in the United States of America and several western European countries as well, can conceivably serve to both encourage and discourage the development of social and governmental turmoil. On the one hand, growing economic discomfort can often lead to the

¹⁰ United Nations, *World Public Sector Report: Globalization and the State*, New York, 2001, p.10.

¹¹ *Ibid.*, p. 19.

emergence and growth of class-based organizations and movements designed to represent the interests of the poor and, in turn, place new and special demands upon governments. On the other hand, as the poor get poorer, it clearly lessens their capacity to participate, if not necessarily their interest in participating, in the processes of governance and, thus, makes them more susceptible to anti-democratic political manipulation.

Increasing clamour for democratization and civil society participation in governance

All across the world – from Latin America (where almost all countries have taken, during the course of the past decade, significant steps toward the building of viable, if still, in many instances, quite fragile, democratic governments) to the equally fragile, but emerging, democracies of Eastern Europe and the Commonwealth of Independent States, to Africa – institutions of democratic governance are significantly more prevalent today than they were two decades ago.¹²

From the growing independence of legislative branches, to the increasing mobilization of neighbourhood organizations, to the intensifying citizen demands for openness and accountability, progress is being made in making governments around the world more responsive to popular will. This, in turn, places significant new pressures upon government leaders. Increasingly, they find themselves having to respond to many more demands from many more constituencies who are often seeking conflicting goals. These demands routinely challenge the professionalism and, in some cases, even the ethical standards of both senior government officials and civil servants.

Increasing reliance on market solutions to policy problems

While governments all across the world have been taking important steps to lower trade barriers, privatize public monopolies and deregulate private sector activities, there has also been increasing experimentation with, and growing inclination towards, the use of private and non-profit sector organizations to deliver public services and address important policy problems. These initiatives range from the use of private companies to provide police and protective services to a dramatically increasing reliance upon non-governmental organizations and voluntary associations to provide basic government social welfare assistance to the citizenry. The implications of the increasing rolling back of the state need to be fully understood by government leaders.

The growing acknowledgement of cultural diversity in public decision processes

Whether it is a matter of tribal representation, or taking account of religious or ethnic origin, from Australia, to Belgium, to the United States of America, the demand for the acknowledgement of diversity is taking on increasing political and administrative saliency. Such developments inevitably create tensions within a society which must be addressed by government leaders.

The critical need to address issues of gender equality

One major policy success story of the past two decades is the gains made by poor people around the world in terms of access to primary and secondary education. As World Bank data indicate, primary school enrolments have shown very significant increases in most of the developing world. During the course of the past two decades, adult literacy has risen in developing nations from 46 to 70 per cent. At the same time, some progress is also being made on gender disparities with the ratio of females to males in secondary schools increasing from 7 to 10 in 1980 to 8 to 10 in 1993.¹³

¹² United Nations Development Programme, *Human Development Report, 2002: Deepening democracy in a fragmented world*, New York: Oxford University Press, 2002.

¹³ Allan Rosenbaum and Arne Svensson, *Responding to Citizens Needs: Local Governance and Social Services for All*, New York: United Nations, 2002, p. 40.

This is especially important since, in transitional and developing nations, education, more than any other single factor, determines an individual's level of economic success, and an individual's educational achievement is very directly related to his/her mother's educational achievement. This was one of the most important findings of the recent comprehensive study of income inequality in Latin America carried out by the Inter-American Development Bank (IDB). In the 1998-1999 Economic and Social Report, IDB researchers present the results of the study undertaken in 14 countries. In every case, they found a consistent relationship between the level of education and the level of income. Particularly important in this regard was the critical role of education for women. Increased educational achievement by women produced higher participation by them in the labour force, with higher economic returns for that participation and consequently, fewer children, which lead to a much higher level of educational achievement for their children.¹⁴

The growing interest in decentralization and strengthening of local governance capacity

From Bolivia, where the "Popular Participation Law" encourages the movement of the rural poor into the nation's political mainstream through the building and/or strengthening of local institutions, to the People's Republic of China, where the granting of greater degrees of local autonomy has produced major economic development (including in Shanghai, the largest amount of new construction activity in a single urban area in human history), one witnesses the emergence of new leadership and creativity in subnational government. Complicating this, however, is the fact that while there is new leadership and creativity at the subnational level, many of those becoming involved are relatively inexperienced and, as a consequence, a high level of professionalism is not always the prevailing way of operating for many of the world's rapidly emerging subnational governments.¹⁵

Gradual weakening of state capacity

From Canada, to Great Britain, to the Balkans, to much of Africa, and even to the People's Republic of China – there are signs that the nation state itself is becoming a much weaker and more vulnerable institution than at any time in the past 150 years. In several particularly notable instances, the disintegration of nation states has produced chaos and served to destroy the capacity to govern. In other less dramatic instances, however, the receding of state control has served to open civic space for the emergence of a variety of types of international non-governmental and domestic civil society organizations that serve to fill some of the vacated governance space. The non-governmental status of such organizations, however, further complicates the issue of providing a reasonable framework of accountability, performance standards, ethics and professionalism for these groups and the governments with which they work.

The growing emphasis on public integrity

From Beijing, through Miami, to Warsaw, political officials are under increasing pressure to clean up corruption and malfeasance. This requires government leaders, and all others involved in public service, to be increasingly sensitive to ethical and professional issues and standards of behaviour.

The rapid pace of multinational integration

Increasingly, at the same time that one witnesses some disintegration of the capacity of the nation state in many parts of the world, one also witnesses the integration of individual nation states into large international economic cooperation and free trading blocs with common rules and regulations and, even, in the case of Europe, a common currency. While this development has certainly progressed farther in

¹⁴ Inter-American Development Bank, *Facing Up to Inequality in Latin America, 1998-1999, Economic and Social Report*, Washington, D.C.: Inter-American Development Bank, 1998, pp. 17 & 55.

¹⁵ Rosenbaum and Svensson, *op. cit.*, Chapter 1.

Western Europe than in any other part of the world, one can see it occurring in many other regions as well – most notably in the Americas. This, in turn, has been accompanied by the development of increasingly permeable national borders and multinational institutions – both of which complicate even further issues of nation-state governance, public management professionalism, institutional loyalty and the maintaining of uniform, high ethical standards.

Identifying required competencies for government leadership in an age of globalization

Whether or not one wishes it to be so, the combination of globalization and growing technological capacity (and complexity) places increasing demands on the leaders of public organizations. These factors call for, among other attributes, the capacity to provide visionary, creative, problem-solving and effective leadership. On top of these qualities, the effective governmental leader of the future will of necessity need to be sensitive to, and aware of, all of the traditional skills of leading and managing a government. These include such skills as the ability to motivate others, an understanding of the basic mechanics of government (especially budget and financial management issues) and the development of a strategic vision for government. Indeed, the ability to enunciate an engaging and compelling vision for the future of one's organization, to focus upon long-term opportunities and goals, and to inspire others, remains among the most important abilities required of the current and the next generation of governmental leaders.

Certainly, one of the most rapidly developing responsibilities of both current and future governmental leaders is to manage relationships among governments, organizations and agencies (and even individual employees) to ensure that they have the necessary resources and skills to meet the requirements of the increasingly complex public sector. This is a significant change from an era in which, even though personal relationships were important, the public sector was hierarchically structured, and the principal role of government leaders and senior public managers was to effectively manage people, processes and procedures. Today, organizations simultaneously are becoming less structured, increasingly complex and, in many cases, highly fluid in nature, while the tasks which they seek to accomplish are becoming ever more difficult. Consequently, there is a need for much higher levels of individual adaptability and flexibility in contemporary government. This puts even more emphasis upon the ability to manage relationships (which often may be in a continual state of flux) as a key activity of the future. In order to meet these challenges, current and future government leaders will need to be better equipped in the following areas.

Conveying complex ideas orally and in writing

As public problems become more complex, demands for accountability (and greater equity) grow, and the challenges to the state become more intense, and the ability of public managers to effectively communicate information assumes an increasingly high priority. This means that greater attention must be given to written and oral communication skills. In particular, the ability to convey information about complex issues in clear and understandable ways is a critically important skill.¹⁶

Adapting rapidly to change and complexity

In the increasingly complicated, ever-changing current and future environment of government – especially at its upper levels – the ability to adapt rapidly in a world in which the right answer is becoming more difficult to determine is of critical importance. Issues such as economic development, global warming and cleaning up the environment, which were generally not even considered the responsibility of government half a century ago, now are constant concerns. It is clear these very complex problems require a level of adaptability and the capacity to respond in a new and creative way that was

¹⁶ See Gustav Puth, *The Communicating Leader: The key to strategic alignment*, Second Edition, Pretoria, South Africa: Van Schaik Publishers, 2002.

literally inconceivable only a decade or two ago. While adaptability and flexibility are certainly personal traits, they are also ones that can, to a significant degree, be taught and learned through creative education and training.

The growing complexity of public policy and the public sector itself is occurring at a time of increased emphasis upon intergovernmental collaboration and greater interaction between the public and the private sectors. Consequently, current and future government leaders must have an especially strong understanding of how to establish effective relationships between one's own organization and the many organizations, both within and outside of the government, with which it is increasingly necessary to interact in order to effectively deliver programmed activities. Moreover, the increasing emphasis on partnerships between the public, non-profit and private sectors in order to promote particular social goals and policies makes the ability to effectively interact with the broader community even more critical to the future success of public sector managers.

Fostering effective collaboration

Increasingly, public leaders find themselves engaged in activities that require some form of group participation and, as a consequence, require skills in team-building activities. In part, this is a result of the growing complexity of public problems and, in part, it is due to the fact that most public policy problems no longer fall solely within the purview of a single organizational unit, agency or department or even of a particular geographically-based government. Consequently, efforts to successfully solve many contemporary public policy problems frequently require the creation of teams of individuals drawn from different units, agencies, departments or governments. This, in turn, requires that government leaders place increasingly heavy emphasis upon techniques and processes that promote effective collaboration among individuals who may have quite different priorities and, in some cases, even very different values.

Seeing situations as others see them

Given the complexity and increasing interactiveness of the environment in which governments must work, it becomes critically important to see and understand the situation of one's own organization from the perspective of others, and especially those outside of it. This must include both one's allies and, even more importantly, one's actual and possible opponents in any bureaucratic or organizational situation. This means that the future leaders of government must be people who are able to assess the subtleties and complexities of the means by which their organizations are able to achieve major governmental goals and the nature of the environment in which this must be done.

Building democratic institutions

Building democratic government is not an easy task – especially in societies that face complex social and economic problems. Clearly, this requires competent leadership that understands and is committed to democratic institution-building. This is especially the case at this particular moment, when so many democratic governments are both relatively new and showing considerable signs of fragility in the face of intractable public problems. Ironically, very often, democratic government creates short-term complications in resolving complex public problems. Democratic systems that have institutional structures that provide checks and balances often tend to make the process of problem resolution slower than it might otherwise be. However, it is these checks and balances that sustain democracy. Consequently, the demands upon leaders are often much greater in democratic systems of government and in turn, leaders must be even more committed and effective.

Fostering ethical awareness and sensitivity

In part, because the stakes of government are constantly growing bigger and becoming more important, and the complexity of the problems with which government deals is escalating, the opportunities for compromises in ethical behaviour – both intended and, sometimes, not intended – have increased

significantly. This is especially the case with the growth in the use of the private sector to deal with public problems and the increasingly frequent use of market-based, competitive mechanisms in the public sector.

Obviously, issues of ethics are important at every level of government. However, it is the top leadership of any organization that sets the basic tone, or ethos, that influences its entire institutional life. This makes it increasingly incumbent upon government leaders to be more sensitive to these issues and the setting of an ethical tone, not only in terms of individual behaviour, but in terms of the activities and life of the organization as a whole. Clearly, this is an area of concern to which some leaders have already begun to respond, but it is important that this response be sustained and intensified.

Strengthening self-management capability

In a world overflowing with information and complex problems that continue to need to be solved, the ability to effectively manage one's own self and one's time (and, in so doing, to keep focused on the principal goals of the organization) becomes ever more important. It is critical that government leaders provide, through their ability to remain constantly focused upon the organization's principal goals, the sense of strategically targeted engagement that is increasingly necessary for success in all sectors of society.

Entrepreneurialism and risk-taking ability

In an environment in which organizational and institutional structures are becoming targets of criticism for their slowness to respond, and which is filled with ever more ambiguous tasks, the traditional managerial and policy guidelines and approaches of the past quickly grow less relevant to the solution of today's problems. Consequently, the ability of an individual leader to recognize the need to take calculated risks in a rational and considered way is crucial to the future success of most organizations. Likewise, the ability to recognize new opportunities and seize them – to engage in effective entrepreneurial behaviour – becomes equally critical.

Strategic planning capacity

At least two emerging trends will require public sector leaders to develop new skills in the area of strategic planning. First, the increasing emphasis upon responsiveness to client demands requires that government officials and senior public administrators have a better and clearer understanding of exactly what their clientele are seeking. One of the most effective means for obtaining this understanding is through the conduct of strategic planning exercises. Second, as both programme management and service delivery are increasingly contracted out, the need for government officials to develop longer term plans to guide and coordinate their activities will grow accordingly. It is for these reasons that one witnesses the growing use of such techniques in virtually every area of public and non-profit sector activity – from rural grassroots political and economic development initiatives, to long-term goal and agenda-setting by large and sophisticated national government agencies.

Ability to facilitate effective professional and personal development

It is self-evident that the success of government depends heavily upon the abilities of those who work in it. Consequently, it is ever more important that those who work in the public sector possess the highest levels of professional skill and the ability to understand and adapt to new situations. In a work place that will be increasingly characterized by rapidly changing job requirements, this means that employee skills must constantly adapt to new demands and technologies. More often than one might anticipate, individual employees fail to see this or are reluctant to adapt to such situations.

This places an important emphasis upon the ability of government leaders to encourage and support effectively the professional and personal skill development of the people with whom they work every day. This, in turn, also requires a realization that the funding of staff training programmes is a wise long-term

investment and that it is necessary to provide high-quality training opportunities for both current and future personnel. This will become increasingly critical in terms of maintaining and sustaining a supportive, encouraging and collaborative work environment.

Capacity to nurture harmonious multi-ethnic, multicultural, gender-equitable environments

Increasingly, worldwide migration and population movements are affecting even the most homogeneous and relatively isolated communities. Indeed, in many communities, and certainly in most countries, populations are becoming increasingly multi-ethnic and multicultural. All too often this creates new tensions, and in some cases outright conflict. Consequently, issues related to multiculturalism and the understanding of the skills, techniques and abilities necessary to hold multi-ethnic work forces and societies together must become increasingly central to those who lead government. Obviously, equally important is the matter of gender equity. As noted earlier, this has very significant consequences for the economic well-being of developing and transitional societies. Recent, highly unfortunate events in several countries have further emphasized the importance of governmental leaders directing attention to this issue and providing enlightened leadership.

Ability to focus in an increasingly diffuse environment

Not only are the problems facing government leaders becoming more complex, but the knowledge and technical skill necessary to address them are becoming ever more diffuse, complicated and even ambiguous. As a result, the number of elements and potential alternatives that must be considered in attempting to address a typical public problem, and the consequent amount and type of information which one might need to process in order to deal with it, is continually growing. Indeed, even before the emergence of the Internet and the World Wide Web, the amount of information available in terms of any given issue or situation was increasing by leaps and bounds. Now, with new electronic technologies information, alternative options grow even more rapidly. In the face of ever-mounting information, it has become exceedingly important that government leaders sharpen their ability to focus directly on the most critical elements of the task at hand and the precise information necessary to accomplish that task.

Strategies for implementing competency enhancement initiatives

Often, many of the leadership skills and competencies required by government leaders are ones that seem, at first glance, to be more like personal, psychological traits rather than skills that can be learned and developed. However, that is not necessarily the case. Through the use of case methods, individual and group simulation techniques, and other new and more effective approaches to traditional teaching and training methods, it is possible to enhance the ability of people to cope more effectively with their leadership responsibilities.

Nevertheless, there are no absolute, or even very clear, guidelines regarding techniques and approaches to carry out training for high-level government officials, except perhaps to note that one should never characterize training for them as “training.” Indeed, the reality is that the use of the term often appears to produce a negative reaction among high-level governmental officials who sometimes perceive training as something that is necessary for, and only relevant to, mid-level or lower-level government employees. In organizing events for governmental leaders, the usage of terms like competency enhancement initiatives, workshops, roundtables, working groups, policy dialogues or retreats, etc., have much less negative connotations.

Another point that seems to be relevant is that competency enhancement activities involving upper-level government officials and senior-level administrators are best carried out by involving at least some individuals who have had experience at a comparable level of government service. These can be individuals who have held such positions or who have had experience in working with those who have. Thus, if a group is going to comprise individuals holding ministerial or equivalent positions, it is advisable to engage the services of at least one facilitator with current or former ministerial-level

experience in the providing of guidance to the group. The same would be true if one would be dealing with a group of parliamentarians or senior career officials.

Another critical factor often is the attractiveness of the location in which the activity is being carried out. The reality, good or bad, is that, whether they acknowledge it or not, upper-level officials and senior administrators expect to be treated as such and, consequently, are much more likely to participate in an activity when it is carried out at an attractive site. It is also important to structure the activity in such a manner as to provide opportunity for social activity and for networking purposes.

One particularly good strategy is to organize activities around a specific task or policy. A good example of this has been the establishment of the biennial meetings of the African Civil Service Ministers with its focus upon the development of the Charter for the Public Service in Africa. Another very good approach, especially for newly elected policy-makers, is the creation of orientation sessions or seminars at an early point in their elected terms. Another important point to keep in mind is that such activities need to be limited in their time demands. Most senior-level policy-makers are reluctant to spend more than a couple of days on such activities. If a longer time frame is necessary, it is probably useful to divide the activity into different segments and spread it over several months.

Developing a plan of action for top-level leadership competency enhancement

The first step with regard to future activities in this area should involve additional efforts to better understand the processes of working most effectively with top-level government leadership in the area of competency enhancement. Initially, this might be done in two ways – through some semi-controlled experimentation and the gathering of additional information.

In terms of the experimentation, it would seem useful to initiate certain key relevant activities. These might entail organizing, on a regional basis, working groups to engage in policy dialogues on one or two key issues of concern to top-level government leaders. In some cases, these could involve a mixture of elected legislative and executive branch officials, as well as senior government administrators. In other instances, the activity might be organized in such a way as to have separate events for each of the three groups of key participants. These activities might well provide further insights into both the principal areas of concern and the most effective ways to encourage competency enhancement for government leaders.

Another possibility that might be pursued is to attempt to systematically gather additional information on initiatives that have already been carried out by various countries – especially those in developing and transitional regions. This information could be collected both with the assistance of regional associations and through the review of materials on the United Nations Online Network in Public Administration (UNPAN) at www.unpan.org. This review of information should provide additional valuable insights. Subsequent projects building on this prior experience could be initiated in conjunction with the most relevant regional organizations.

Conclusion

In almost every profession, new circumstances require the development of new, or the redefinition of, existing skills. Like those in virtually all fields of human endeavour, government leaders must be prepared to adapt and change in response to the changing tasks and problems with which they must deal and the changing world in which they work. This, in turn, requires that those who work with government leaders in the area of competency and skill enhancement adapt their methods to reflect the new demands and realities facing those who are and will be guiding the public sector now and in the future. This does not mean rejecting that which has been important in the past, but rather adding to or redefining past practice in such a way as to accommodate new needs and developments. In truth, that process must always be a continuing one.

Chapter Seven
Seeking Excellence in Public Management:
Persuading Reluctant Public Managers

Morton R. Davies

The contemporary debate about seeking excellence in public management has, at times, shown a preoccupation with new needs, new information and technologies, new modes of shared governance such as public/private partnerships, and the demands and imperatives associated with the phenomenon known as globalization. Important though these are, exclusive concern with such developments will not enable us to define or otherwise identify what excellence is. However, the new technologies with their almost infinite capacity to handle and process data will enable us to measure, compare and assess our efforts to approach excellence once we have established what precisely we mean by that concept. Moreover, that meaning is likely to differ from one society to another, and from one age to another even in the same society.

Excellence refers to a level of attainment. It is defined in the Oxford Dictionary as ‘surpassing merit; thing in which person excels’. The verb to excel means ‘to be superior to others or oneself previously in quality, in doing. To be pre-eminent in ...’ As such it is not a goal or objective which has meaning outside the context of a previously and separately identified goal(s) or objectives(s). In the field of public management these are likely to reflect the dominant values of society, or the priorities of the government of the day. Such is the complexity of modern public management that it is conceivable that excellence may be pursued in relation to different, even contradictory, goals in different parts of the public service. Insofar as excellence means simply being better than others and as proficient as possible in pursuit of the goals of public policy, all governments are likely to be receptive to the goal of excellence in those issues and policy areas to which they give precedence. In the past, however, the major focus of philosophical debate about government has not been about whether excellence *per se* should be sought. Rather, it has concentrated on what the role of the state is, or ought to be, on what limitations that places on the government and what obligations follow for citizens.

Historically, the idea that the state or government should exist to provide a range of social services for its subjects is a relatively new idea, developing fully only in the late nineteenth and twentieth centuries. In this period political and philosophical debate addressed the questions of: which services should be provided by the state? To whom? For what? And in what quantities? In Europe, the exchange of ideas encompassed the views of both the political right and the political left. Substantively the arguments ranged widely. At one extreme, it was felt that the state should provide all the services necessary for the individual throughout his/her life, from the cradle to the grave. At the other extreme, it was argued that the role of the state was merely to facilitate competition among the various economic forces in society, and that the state existed merely ‘to keep the ring open’ for economic competition. The only constraint on the state in this view was to treat all major participants in the ‘economic game’ in a sufficiently even-handed fashion to ensure their continued allegiance to the governmental system itself.

The dominant view to emerge from this debate was a broadly liberal-democratic interpretation of the state’s role, which was that the state should provide such social services as are necessary for human beings to have the opportunity to develop themselves to their full potential, irrespective of class, colour or creed. Such thinking provided the rationale for the welfare-state programmes that were a dominant feature of European governments of the late nineteenth and twentieth centuries. It established the *raison d’être* for the provision by the state of, for example, education, health and welfare services. Although political debate continued about the minutiae of legislative programmes, the underlying premises of welfare statism received almost unqualified endorsement from the major political parties of Europe at this time.

Whilst the above debate about the purpose and parameters of state action proceeded, thinking about public administrative organizations and bureaucratic procedures developed later in the nineteenth century. It attracted far less public reaction, and discussion among scholars and professionals tended to be dominated by the legalistic, structural and formalistic approach of Max Weber. In his works, the epitome of bureaucratic organization was characterized as exercising 'legal rational' authority; whilst the norm of individual bureaucratic behaviour was to slavishly follow rules and to operate entirely within the framework of a hierarchy. In this way it was assumed that administrative tasks would be accomplished effectively and efficiently. It was but a short step to extend this type of analysis to public organizations, and to explain how the administrative machinery of the state could deliver public services based upon public policy decisions. These explanations varied from one society to another and were dependent upon the legal, cultural and political environments surrounding public administration. In broad outline, there were three alternatives.

First, there was the view that public servants were appointed on the understanding that in the performance of their duties they would act in a politically neutral fashion, and provide the best possible advice to the government of the day, no matter what its political complexion. In return, they were appointed to permanent official positions with every expectation that no member of the civil service would be dismissed when changes of government occurred. Moreover, civil servants were afforded a high degree of protection from the glare of publicity insofar as all their actions in relation to the implementation of public policy were done in the name of their minister who, without exception, was answerable to the legislature and the public. These three principles of neutrality, permanence and anonymity, it was argued, enabled senior civil servants to serve any government; give advice, however unpalatable to ministers, freely and without fear of adverse personal consequences; and, over time, to implement contradictory policies for different governments. These assumptions characterized thinking in the United Kingdom.

Second, public administrators in most continental European countries work within a framework of administrative law that not only guides their actions but imposes upon them a personal duty to implement public policy in accordance with its tenets and to be mindful of the common good in all their official actions and decisions. This means that, unlike their British counterparts who act only in the name of their minister, European administrators act on their own behalf and can be held accountable for their actions in the administrative law courts.

Third, the assumption in the United States of America and elsewhere has been that public administration at the highest levels involves overtly political considerations and that successful government requires the appointment of supporters of the political regime to occupy the highest administrative echelons. In practice this means that each incoming government appoints a relatively large number of its own nominees for senior administrative office. In regard to appointments to the central secretariats at state and federal levels, implicit in this practice is a distinction in the work of public administrators between providing policy advice upward to the elected executives, and the routine, day-to-day implementation of established public policy. The political appointees concentrate on the former, whilst the latter is attended to by career public servants.

Which of these systems best suits a particular society depends to a large extent on the environments within which it is to operate. Over time, as the strengths and weaknesses of the different systems have become apparent, hybrid practices have emerged. For example, in recent decades in the United Kingdom there has been increasing reliance on the use of political advisers by ministers. This is a fairly clear case of adopting or adapting the French or U.S. practice. These appointees are given the status of temporary civil servants.

Up to the 1980s there was no overt debate, and only coincidental reference to, the attainment of excellence in public administration. Instead, there was an assumption that good quality services would be assured if (a) the appropriate administrative structures were in place; (b) adequate resources were provided; and (c) appropriate procedures to ensure public accountability and responsibility were

established. Perhaps it is not too much of an exaggeration to say that an underlying premise of much early thinking on the subject was that if probity and rectitude could be engendered within the public administrative system, all else that was desirable would follow.

The combination of democratic political institutions and the various administrative arrangements outlined above provided ever expanding and reasonably efficient social services in most developed countries up to the 1970s. In the United Kingdom, for example, notwithstanding heated political debates about the relative priorities of different services, or the most appropriate ways of combating poverty and other social deprivations, or whether services, especially health and education, should be provided exclusively by the public sector or by a combination of public and private sector provision, there was a general consensus about the appropriateness of welfare statism. Despite changes in government, services continued without interruption, and they expanded in number, variety and complexity. Expenditure increased year after year, and the size and complexity of the bureaucratic organizations responsible for delivery increased enormously. Little, if any, attempt was made to measure the performance of public organizations or of individual public servants during this early period, nor was there any attempt to assess systematically the quality of the services being provided. Nevertheless, shortly after the end of World War II, clear signs of concern appeared amongst scholars and practitioners regarding the growth of 'big government', the unabated expansion of the public bureaucracy, perceived shortcomings in the provision of public services, as well as the ever popular criticisms of the slowness and 'red tape' which were thought to characterize the work of public servants.

In the United Kingdom, for example, Royal Commissions of Inquiry were established to reform, *inter alia*, the management of local government and the structure of central government. Their reports were received but their recommendations made little impact on the concerns that were beginning to break surface. At the same time, during the 1960s and 1970s, new techniques of calculation and control, such as programme budgeting (imported largely from the United States of America), were introduced. Except for a very few enthusiasts, they found little resonance among British public managers and, in consequence, were treated with spectacular indifference by professional administrators and elected politicians alike. Mainly, this was because the actual measurement of performance and the delivery of services were, at that time, alien to the British administrative culture.

Despite the limited success of those attempts at systematic reform and the introduction of quantitative techniques, their significance should not be underestimated. Those developments ushered in a debate about ways to improve the capacity of the governmental and public administrative systems (at local and national levels) to provide better services. During the following two decades, a series of reforms was introduced to these ends. These included the amalgamation of ministries or departments working in cognate areas, the creation of Giant Ministries to promote more effective planning, reform of departmental committee structures, and the creation of a Civil Service College to provide the necessary training for officials. None of this series of reforms achieved spectacular results, and some of them were abandoned after a relatively short time. There were, however, two factors that would have to be addressed in any future quest for excellence. First, in none of the reforms was there any suggestion that they were designed to achieve anything that might be described as 'excellence'. The immediate concern was more simply to improve existing arrangements, without challenging in any fundamental way the current assumptions about how the systems of accountability and responsibility worked, or should work. Second, many of the reforms received a cool reception from senior civil servants, and action on their implementation was, at best, slow, and not infrequently, non-existent. The public servants were emerging as major obstacles in these early attempts at reform of government machinery.

In addition, governments and commentators alike became increasingly aware of the changing demographic profile of British society. In particular, the birth rate was very low, and age expectancy had increased dramatically in the period after 1945. Moreover, employment rates in traditional industries, like coal mining and steel production, was falling, creating significant pockets of unemployment. Overall, the picture that was emerging was of a society in which fewer and fewer economically active persons were

having to support through their taxes an increasing population of the economically inactive, comprised of the young, elderly, sick and unemployed. This was to be a major factor providing the imperative during the 1980s and 1990s to reassess the dual foundations of British public administration. On the one hand, this involved determining which services were to be provided, to whom, and on what basis; and on the other, what were the appropriate administrative arrangements for delivering those services, and the predominant values and administrative culture necessary to make those arrangements work. It is this latter aspect that constitutes the search for excellence in contemporary public management in Britain. However, it must be stressed that searching for excellence in the delivery of public services is likely to be a futile exercise when there is no clear vision of what should be delivered, to whom and under what conditions.

Historically, the desire to achieve 'excellence' was not prominent in the debate about public sector reform. This only appeared in the annals of academe and elsewhere in the 1980s, following the publication of an influential study of organizational performance in the private sector by two American scholars, Thomas Peters and Robert Waterman, under the title 'In Search of Excellence'. This was a study of the most successful business corporations in the United States of America to try to establish patterns of behaviour and/or organization that might explain the secret of their successes and thereby enhance understanding of business success *per se*. Implicit in the title and throughout the work is the equation of business success with excellence. This may, or may not, be an appropriate approach to the study of business organizations. Businesses can, to an extent, define their markets, modify their products and alter their prices in order to realize a fairly discrete set of objectives, prominent among which are simply staying in business *per se* and maximizing or optimizing their profits.

Such an approach is fraught with much greater difficulty in the public sector, which, in most societies, is bigger and more complex than any entities in the private sector. Its structure and performance are subjects of political debates in which potentially all citizens and groups may participate, and which culminate in periodic electoral competitions for the electorate's allegiance. Moreover, the policy proposals and decisions that emerge usually gain their authority as much from an underlying set of political and cultural values and norms as from the strictly financial or economic arguments and quantitative data that establish their viability.

This is not a reason to delay seeking excellence in the public sector, but rather a caution of the need to give full cognizance to the political, legal, social and cultural environments within which governmental systems operate. There can be no single transferable package that can be exported from one country to another that will guarantee the achievement of excellence. In fact, measures that are meaningful in one country may well be dysfunctional or of little significance in another. For example, in the provision of children's services, any assessment of public sector performance that took no account of the particular structures and norms of family life would be unlikely to produce meaningful results. Excellence must be defined in relation to the unique configuration of circumstances, capacities, priorities and values of the society or community. Inevitably, excellence, and what is to be pursued in the name of excellence, will differ from one society to another.

Howsoever excellence is perceived, the way it is to be approached must (a) be amenable to measurement, (b) resonate with the dominant political and social values, and (c) secure the support of the public administrators and public managers responsible for the delivery of public services and the implementation of public policy. In these respects, the contemporary emphasis on 'excellence' is not fundamentally different from the approach of previous generations. The liberty pursued in the name of the welfare state, or the government interventions promoted by socialists, or even the Rightist programmes of central European governments of the 1930s, all required measurable outputs and managerial techniques in order to facilitate the calculation and control that characterizes modern public administration and which provide the basis of justification for government actions. In turn, the legitimacy of government decisions and the administrative actions that follow are the easier to establish the more they reflect the values of the society to which they apply.

The third criterion – viz – the support of public administrators – requires us to differentiate between their support for the values underlying the political/governmental system on the one hand, and the values of the particular regime that holds power at any point in time on the other. In democratic systems, the former might variously involve support for and commitment to, for example, the outcome of elections as the prime determinant of governmental authority, or the willingness of career public servants to serve any legitimately constituted regime, and to provide full and fair advice to that regime. Additionally, in such systems they must show a firm commitment to limiting their own power and authority to that which is sanctioned by law and convention.

The necessity for the public managers' commitment to particular regimes is complicated, and, as described earlier in this paper, practices differ from one governmental system to another. However, irrespective of these differences, there appears to be consensus among practitioners and scholars that best administrative practice involves, when necessary, giving advice that governments do not wish to hear. In other words, *administrators are under an obligation to exercise their best professional judgement no matter how unpalatable this may be to their political masters*. It follows that career public servants may, at times, not share a regime's political priorities, especially where social and political cleavages, and/or the electoral mechanics, result in frequent changes of regime. In this respect, the German system has institutionalized a flexible means of dealing with such a situation. Senior public servants in Germany develop a somewhat higher public profile than their counterparts in many other systems. They frequently appear in the press and on television to explain and defend the policies of their ministry. They become identified with those policies and the values of the Government that introduced them. Whilst there is no large-scale movement of senior personnel after a general election in Germany, it is the practice, however, that officials in politically sensitive ministries who have become publicly identified with the policies of the outgoing government are moved to less sensitive positions.

The practices adopted to ameliorate clashes of values and preferences of this nature are likely to have some influence on the policies pursued by the government. They are also likely to have an influence on the processes adopted for the pursuit of 'excellence' in governmental administration. Excellence is a goal that is not directly related to the substantive priorities of a government. It is a methodologically oriented goal, an attempt to find ways of improving performance irrespective of the substantive goal. Moreover, it is to be achieved across all administrative units and structures, and the results must be measurable and demonstrable. Furthermore, the pursuit of excellence requires comparison of one unit with another, using common yardsticks and procedures.

Excellence, by its very nature must be a medium to long-term goal. It cannot be achieved immediately, or simply by introducing a piece of legislation or ministerial order which public managers will implement routinely. It involves significant changes in the working practices of public servants; changes in attitude, and, sometimes in their roles; and is likely to be seen by some as undermining the traditional autonomy of the public service to organize its functions without interference or significant scrutiny by outsiders. Unsurprisingly, proposals to introduce schemes to promote/pursue excellence have met with resistance from public servants, just as, in the past, earlier attempts to reform civil services had met with resistance or benign neglect.

In the United Kingdom, for example, proposals to reform the British civil service were largely ignored by civil servants throughout the 1960s and 1970s. However, the changes that have been introduced since the 1980s have been successful largely because they received the sustained support of the top political leader, the Prime Minister, who promoted the ideas associated with excellence both publicly and in private meetings with senior civil servants. The Prime Minister's support, however, was not confined to statements of encouragement, or general speeches extolling the virtues of reform in the name of excellence.

The strength of the resistance to change among British civil servants was such that a strategy had to be devised to reconfigure their thinking about their work practices. Initially, this involved the public

criticism of civil service performance by leading ministers who not only criticized their inefficiency, ineffectiveness, slowness and their generally over-laden bureaucratic approach, but, at the same time, extolled the virtues of private organizations. Secondly, prime ministerial interference in promotions to the most senior positions in the civil service broke with custom. This traditionally had been handled exclusively from within the civil service, with a final list of nominations for promotion being presented only for the formal approval of the Prime Minister. Now the Prime Minister insisted on interviewing all candidates for promotion herself, and her main concern was to ensure that those who were to be elevated were 'one of us'. By this she meant that they subscribed to the ideas underlying the new managerial reforms she wished to introduce. Thirdly, she introduced an Efficiency Unit, headed by an experienced, reforming manager from the private sector and attached directly to the Prime Minister's office.

The approach of the Efficiency Unit was to encourage rather than bully departments and units within the administration to introduce schemes to promote efficiency and 'value for money', and thereby excellence. It was their firm conviction that all public service organizations had to be involved in this programme of change, but, most importantly, in the early stages each unit could, to an extent, proceed at its own pace in introducing the reforms. For example, initially every ministry was required to select an aspect of their work, make an assessment of its strengths and weaknesses, propose improvements and submit a report to the Efficiency Unit within six months. Some ministries chose central and strategic functions to investigate for this exercise, others selected peripheral services, such as catering or portering for their scrutiny. The hallmark of the Efficiency Unit's approach was to be entirely 'non-threatening' in its dealings with the ministries, and to ensure that any significant lessons from the efficiency studies were shared throughout the service. This strategy appeared to work insofar as within a relatively short period the practice of regular and rigorous scrutiny of managerial functions became common practice throughout the British public service.

However, scrutiny was but the first step towards an excellence regime. Subsequent developments involved the introduction of compulsory schemes of market testing, benchmarking, contracting out of services where possible, and the compulsory deregulation, liberalization and marketization of selected services. All of these changes were introduced in the name of seeking 'Value For Money', identified uncritically by their more enthusiastic supporters with 'Excellence'. Subsequent governments, in an attempt to broaden the criteria beyond mere financial considerations, modified the goal to seek 'Best Value'.

Later developments in this search for excellence have involved the introduction and publication of comparative league tables of performance for all major public services. For example, schools are ranked in terms of their academic successes, and these are loosely linked to programmes of inspection and qualitative assessment by professionally qualified teams of peripatetic inspectors. Similarly hospitals and health care centres are ranked according to selected measures of patient care, such as mortality rates, length of waiting lists, etc. At the extremes, these performance tables had resource implications.

Programmes designed to foster excellence in the public services must be custom-built. They are highly unlikely to succeed if grafted *in toto* from one society onto another. Each must be constructed to suit the particular needs, aspirations, traditions, values and circumstances of the society in which it is to be implemented. A combination of techniques and strategies that works in one environment could have entirely negative effects in another. Measures in pursuit of excellence, just like substantive policy choices, must be made by each government for its own particular culture. The wholehearted commitment of public servants is unlikely to be gained if they are to be assessed against a set of essentially foreign yardsticks. As Lord Lindsay opined many years ago in a somewhat different context, 'only the wearer knows where the shoe pinches'. It is to be expected that if the shoe was originally made by foreigners for foreigners, it is likely to be judged too crippling to wear as well as sartorially unacceptable.

Chapter Eight
**Strengthening Public Service Leadership Capacity:
Perspectives from the Developing World**

Gordon M. Draper

Introduction

Leadership is one of the most significant items on the agendas of private and public sector organizations in both the developed and the developing worlds. The explanation for this lies in the challenges facing organizations as they manoeuvre in rapidly changing environments. A survey undertaken by the Commonwealth Association for Public Administration and Management (CAPAM) identifies the following priorities for senior public service management development in the developing Commonwealth countries (Draper, 2002):

- Strategic visioning, planning and management;
- Leadership skills (to include political directorate);
- Managing change;
- Strategic human resource planning;
- Performance management;
- Political/administrative interface;
- Values and ethics;
- Financial management;
- Managing horizontally;
- E-government;
- Measuring public service performance; and
- Policy analysis.

As noted in subsequent paragraphs, many Commonwealth countries are acknowledging the role of leadership and are now working towards the development of a leadership development model focusing on the following elements, among others:

- Strategic visioning;
- The establishment of an institutional framework for integrated human resource management and development;
- The adoption of good practices in leadership development;
- The identification of a focal point for leadership development;
- Improved curriculum design and delivery;
- Policy and research integration; and
- Leadership development for ministers.

Besides highlighting contemporary trends in leadership development, this paper stresses the need for leadership development programmes to give special attention to the following measures:

- Strategic visioning and planning;
- Integrated management and human resource management;
- Competencies-based human resource management;
- Facilitating the learning needs of ministers and politicians;
- Strengthening of the capacity of training institutions;
- Conduct of training needs analysis;
- Revitalization of public service organization systems;
- Adoption of a mix of leadership development approaches; and
- Integration of ethics and values in leadership development programmes.

Contemporary issues in public service leadership capacity-building

Leadership is without doubt one of the critical issues confronting private and public sector organizations in both the developed and the developing worlds. The reason for the growing importance of leadership is not far to seek. Operating as they do in rapidly changing environments, contemporary public (and private) sector organizations have to devise strategies that are most likely to assist them in navigating through stormy weather and achieving their basic objectives. Some of the environmental forces impacting on organizations and creating challenges for leadership are:

- The pace of technological change – particularly information and communication technology;
- Globalization;
- Rising expectations of citizens and consumers with respect to quality service, and demands for inclusion in decision-making;
- Increasing diversity in our societies, and growing acceptance of the need for organizations to be more inclusive in their approaches to people;
- The demands for more performance-oriented organizations;
- The growing recognition of the importance of alliances and partnerships, and the consequent need for networking among institutions;
- The need to lead significant transformation in organizations; and
- Economic/fiscal pressures.

Public services face all of these challenges. In addition, one of the major strategic issues facing Commonwealth countries is the need for poverty alleviation. The poverty alleviation issue challenges both the policy and the service delivery cadres of the public service. The growing need for more comprehensive approaches to development away from the one-dimensional economic emphasis also presents new challenges for public service leadership.

The Commonwealth Secretariat and the Commonwealth Association for Public Administration and Management (CAPAM), in recognizing the critical importance of leadership for public management and reform convened a Technical Group in 2001 to consider issues relating to leadership in Commonwealth public services. This group reviewed good practices in leadership development, and proposed some approaches for Commonwealth countries. These approaches were subsequently tested in countries in

Africa, the Caribbean and the South Pacific. The suggested approaches have generally been endorsed by these countries. This paper will explore the issues addressed by the technical group and discuss the general directions that were recommended.

CAPAM has also recently completed a survey to identify some of the most significant challenges that public services will face over the next five years. Leadership development has been identified as one of the most critical challenges (Draper: 2002).

The most significant lesson learned from the studies undertaken on leadership and leadership development in Commonwealth countries is the need for a systems approach. This approach encompasses the following elements:

- **The strategic visioning element.** This underscores the importance of strategic visioning, and a clear identification of national strategic directions.
- **Leadership commitment to leadership development.** This concept of leadership includes political and career civil service leadership categories as well as their trade union counterpart. No matter where they are found, leaders must demonstrate in a tangible way that they are fully committed to programmes of leadership development.
- **Leadership competencies and the supporting development programmes.** It is not enough to identify leaders without reflecting on their distinguishing attributes and “success criteria”.
- **The learning and development needs of politicians.** Any investment in the development of the competencies of civil service leaders will not yield the expected returns until this investment targets the politicians as well. After all, the best trained civil servant cannot succeed if she/he is teamed up with the worst politician.
- **An integrated human resource management and human resource development policy and system.** Policies and systems relating to recruitment, training, compensation, competency models, performance measurement, career development and succession planning must be developed *pari pasu* and clearly integrated.
- **The “supply side” of leadership training and development.** The supply side could be a public service training facility or a group of external agencies. There is the need, however, to ensure that there is effective coordination and oversight of work carried out by these agencies. An institutional framework must be developed to ensure that the “supply” is preceded by “demand”, that is, by training needs that are objectively determined, and that the training institutes have staff that are up to the challenge – staff who are capable of applying appropriate (including adult learning) methodologies.
- **The public service learning environment or culture.** The subject of “learning organization” has been adequately covered in a separate chapter by Professor Demetrios Argyriades. Suffice it to add that some public service agencies are now adopting the concept to guide their development. The more of such agencies there are, the greater the chances that investment in leadership development would pay off handsomely.

The nature and essence of leadership: a conceptual framework

The first challenge we face is in defining the concept of leadership. This is how one observer puts it:

“A leader is the person who guides the efforts of a group toward a result beyond its current reach. Leaders are not necessarily managers – they can come from anywhere in the organization. And no leader leads all the time. They know how to follow the lead of others and rely on the strength of others. Human qualities – not position or title – make a leader.” (Bourgon: 1998).

Effective leaders therefore need to do and demonstrate the following:

- **Environmental sensitivity.** Leaders must be aware of both their internal and external environments. Leaders must also be clear about the implications of environmental changes for the future of the organization.
- **Constant interrogation of the *status quo* and “conventional wisdom”.** Leaders must be prepared to question prevailing assumptions, and to create the organization space to facilitate dialogue about norms and the *status quo*.
- **Prevision and strategic visioning.** Leaders must develop and articulate a vision of the future. In the creation and communication of the vision, it is also an appeal to improve on current standards and to venture “where no man has ever reached before”.
- **Human/people-focus.** Leaders must create the environment that allows people to explore new possibilities, and to develop their potential. They must value and support people. This must include recognizing, rewarding and celebrating the accomplishments of others.
- **Partnership/coalition building.** Leaders need to foster the involvement of people who have the resources, the knowledge and the political clout to make things happen.
- **Performance and results-orientation.** Leaders must ensure an alignment of performance with vision. Leaders must demonstrate a performance orientation.
- **Accommodation and tolerance of diversity and dissent.** Leaders must demonstrate styles which are inclusive and which utilize the skills, knowledge and ideas of all. They must be able to integrate different cultures, points of view, styles, sectors and disciplines.
- **Continuous learning.** Leaders must be learners. They must be receptive to information from outside the current framework, and to be open to feedback.
- **Team-building.** Leaders must build support teams, being willing to select the best talent and support the work of teams.
- **Entrepreneurship and risk-taking.** Transformation and change have become major leadership themes given the turbulence of our environment. Leaders must be willing to experiment and take risks to foster an environment within which others embrace new ways of doing things. Leaders must also demonstrate the emotional strength to manage anxiety caused by change.

In essence, therefore, organizations that hope to succeed will have to focus not only on their programmes, “products” and services, but also on the attributes of their leaders. Any dialogue about leadership and organizations must therefore focus on the following topics:

- **The importance of organization transformation.** This points to the importance of visioning a preferred future and creating the organizational environment to achieve it. It also highlights the importance of the ability and willingness adopt innovative approaches, and to develop shared visions, values and beliefs.
- **The importance of learning.** The concept of the learning organization has occupied centre stage in recent time, with both public and private sector organizations embracing the features, if not always the substance, of this paradigm.
- **The importance of collaboration.** Increasingly, organizations need to develop partnerships and alliances, which requires the breakdown of traditional organization boundaries. Within organizations there is also the requirement for increased collaboration and sharing. Traditional departmental boundaries within public services must be transcended to facilitate improved service

delivery and improve public access to the services. The concepts of “joined-up government” or “seamlessness” have therefore emerged as critical issues in civil service transformation.

- **The importance of accountability.** There has been a trend towards making managers manage and holding them accountable. In the public sector there has been an increase in performance contracts for senior managers. This calls for a new mindset at the leadership level. It further poses challenges as to how to bring this (new mindset) about.
- **The importance of responsiveness.** The demands for improved service delivery are also very evident, and point to the need for speedy response, as well as system and process transformation to ensure the delivery of quality service.

One of the challenges of change management is the determination of what we take from the past into the future. This issue of continuity and change is ever more compelling now, given the pace of change. There is a view – using rafting terminology – that we are in a state of permanent white water. This suggests that organizations must do more than adapt to current change. There is the requirement to be fast, agile, intuitive, innovative, and proactive. Organizations and their leaders must be alert to early signs of discontinuity, threat or opportunity.

Leadership in the public service of Commonwealth Countries: the challenges and the responses

The issue of leadership is central to the concerns of public service reformers across the Commonwealth. Public service leaders in the Commonwealth are facing new and ever changing challenges. It is important to note the context in which leaders will have to lead future public services.

Public Services have identified the challenge of globalization as a critical contextual issue impacting on public service management. With new trade and business environments, public service managers will face the need to develop and implement new rules and regulations and the emergence of new national alliances and agreements. African states have formed the New Partnership for African Development (NEPAD), to provide a vehicle for cooperation in part to deal with the challenges of globalization and the new emerging world order. Cyprus and Malta are working to gain membership in the European Union, a process that brings with it requirements for new systems and regulations. The Caribbean countries will see the emergence of a single market and economy and in 2005 the formation of the Free Trade Area of the Americas. Globalization will create challenges with respect to diversity management, understanding cultures and managing new interfaces.

A CAPAM survey of public service challenges over the next five years identified the following (Draper: 2002):

- The need for public services to provide quality service, that is, better integrated, citizen-focused service;
- The need for better horizontal management in public services. This improved working arrangement linking ministries and departments in a “seamless” network is important both for service delivery and policy formulation;
- The need to develop leadership competencies;
- Improved strategic visioning and planning;
- Harnessing of information technology;
- Learning to manage in the knowledge age;
- Creating learning organizations in public services;

- Managing in the age of globalization;
- Improving the political/administrative interface;
- Improved performance management and measurement;
- Increased focus on ethics and values; and
- Managing large-scale change.

These are the issues that public service managers must address and the kind of organizations they are now expected to lead. They feature prominently in President Thabo Mbeki's statement while launching the Presidential Strategic Leadership Development Programme for the Public Service of South Africa in July 2000. Espousing a leadership development strategy that could be described as professional and holistic, President Mbeki stated, among other things, that:

- The new strategy entails the training of a leadership which is equipped with functional competence within a particular area of work and at the same time is also able to understand the bigger picture, a leadership which can combine service delivery with strategic vision.
- This leadership must be schooled in the kind of skills that are necessary to encourage the conditions for our developing country to expand and modernize our economy, ensuring that we raise the standards of living of all our people.
- South Africa requires a leadership which fully and truly understands its responsibility to society at large and which embraces a value system underpinning its actions that will contribute to the accelerated transformation of the country, so that indeed "we build the caring society which we have spoken so much about".
- For this caring society to emerge and be sustained, above all, it falls upon our public service leadership, in partnership with civil society, to create a sense of community that must be cemented by the reality of people working together as a nation for a better life.
- Leaders in the public service will therefore have to be more imaginative in their thinking and more creative in their practice, remaining conscious at all times of the demands placed on them by the public, by business and civil society and as the implementers of decisions of their political principals in government.

A recent publication of public service reform in Malaysia also underscores the importance of leadership in past reform efforts and for the future. This review of the Malaysia Public Service notes (Rais: 1999):

"The New Malaysian Society will have to be led by leaders bonded by the ideal of a smart partnership between government, business and non-government sectors. Such a partnership must be able to accommodate the myriad linkages between the government, private and social sectors in what will inherently be a borderless world. The impact and demands of such interactive networks upon the new public service leadership will be immense...."

James K. Kalebo, Director of the Uganda Management Institute, in reflecting on the importance of leadership in Uganda, notes (Kalebo: 2000):

"The issue of leadership is critical to peace, progress and prosperity of Uganda. Therefore the calibre of leadership at various levels of government, church, corporations and civil societies will determine the future of our country. It is not only skills, competencies, knowledge and attitude of leaders that matter. Perhaps more importantly the mindset,

values and leadership styles have the greatest influence on the societies, communities and organizations they lead.”

Kalebo concludes that leadership training is of critical importance.

The case for effective public service leadership is articulated as strongly with respect to Singapore. A recent paper presented by Mr. Edie Teo, Permanent Secretary, Prime Minister’s Office (Singapore) states (Teo: 2000):

“In the last 35 years since Independence, the Civil Service has partnered the Singapore political leadership to develop Singapore through efficient implementation of rational policies. But globalization and technology have meant that this is no longer sufficient and the Civil Service has no choice but to anticipate and adapt to new challenges and find new ways for government to administer and manage. The expectations that we have of our public service leaders can be broadly grouped into the three categories of excellence, innovation and openness.”

Identifying leadership training and development gaps

A training needs assessment of the Public Service of Barbados, conducted by the Commonwealth Secretariat, identified weaknesses which included the following (Commonwealth Secretariat: 2000):

- Too many bosses are not people-friendly – do not listen/are not aware of staff’s emotional needs;
- Traditional approach – force and coercion;
- Lack of shared goals;
- Middle management not empowered; and
- Lack of meaningful feedback.

These all relate to leadership issues.

This Commonwealth Secretariat survey of Barbados public servants identified the following as important categories of competencies for top management:

- Strategic planning and management;
- Leadership;
- Interpersonal and communication skills;
- Managing people;
- Management of financial and other resources;
- Personal effectiveness; and
- Expertise and professional competence.

Of these, the three rated as highest priority were:

- Interpersonal and communication skills;
- Leadership; and
- Management of people.

Interpersonal and communication skills and management of people are also critical leadership competencies.

Within the leadership competency profile, the following were identified as high priority for the Barbados public service:

- Self-confidence;
- Mobilizing commitment;
- Performance orientation;
- Change management;
- Leadership style; and
- Teambuilding.

A similar survey conducted in Grenada, St. Kitts and St. Vincent and the Grenadines revealed identical results (Commonwealth Secretariat: 2000a).

Subsequent to the work by the Commonwealth Secretariat, a number of other needs assessments were carried out for the region's senior public service. Among these are the assessments undertaken by the Caribbean Centre for Development Administration (CARICAD), and a Caribbean Ministerial Sub-Committee. A high-level consultative meeting of public managers in Trinidad and Tobago in March 2002 also identified the following critical skill gaps for senior public service managers in the region (CARICAD: 2002):

- Strategic visioning planning and management;
- Leadership;
- Interpersonal and communication skills;
- Managing people ;
- Management of financial and other resources;
- Personal effectiveness;
- Negotiating skills;
- Performance management;
- E-government;
- Change management;
- Service delivery;
- Marketing;
- Procurement management;
- Diversity management;
- Knowledge management;
- Policy research and analysis;
- Project management; and
- Human resource management.

This list is somewhat extensive, but it reflects the absence of planned management development in public services in the region. CAPAM's experience suggests that this deficiency is not a uniquely Caribbean malaise but one that cuts across the developing Commonwealth countries.

CAPAM has completed a survey of Commonwealth public services' senior managers training needs. The survey tabulates responses from CAPAM's institutional members, and includes data from reform documents, reports and White Papers from Commonwealth countries. CAPAM has over the past four years held workshops for senior public service managers in thirteen Commonwealth countries, and four pan-Commonwealth workshops. Through these activities CAPAM has interfaced with approximately nine hundred senior public officials. In each of these workshops, training needs were identified. CAPAM's survey results suggest the following priorities for senior public service management development for the developing Commonwealth (Draper, 2002):

- Strategic visioning planning and management;
- Leadership skills (to include political directorate);
- Managing change;
- Strategic human resource planning;
- Performance management;
- Political/administrative interface;
- Values and ethics;
- Financial management;
- Managing horizontally;
- E-government;
- Measuring public service performance; and
- Policy analysis.

A Caribbean task force that has been developing an approach to senior management development for the region's public services has identified the problems and context of the public service environment in the following way (CARICAD, 2002a):

- Insufficient strategic thinking and visioning;
- Inappropriate leadership skills and styles;
- Inappropriate knowledge management;
- Low propensity of managers to re-tool;
- Public dissatisfaction with the quality of public services; and
- Inadequate management development and succession planning.

Good practices in leadership training and development

A few countries have adopted measures to anticipate or rectify the leadership capacity deficits reported in the previous sections. The Commonwealth Technical Group, in particular, has identified some bright spots in leadership development in Commonwealth countries. This section of the paper summarizes the Group's findings, with emphasis on the progress recorded in Canada, the United Kingdom and a number of the developing countries.

Focal Point for Leadership Development

A number of public services have now moved to establish their own centres of excellence for public service leadership development. These centres serve as a focal point for the design and delivery of a range of learning experiences for senior managers. There is the recognition that while each individual has personal responsibility for career planning and development, the organization must facilitate shared learning and the building of supportive partnerships, networks and strategic alliances.

In Canada, the Canadian Centre for Management Development (CCMD) is dedicated to excellence in public sector management, and has a mandate to support present and future public service managers through learning programmes, research and other leadership development activities. CCMD has developed its approaches to facilitate response to the current needs of public sector managers to become leaders capable of guiding a diverse workforce and achieving unprecedented outcomes.

In Singapore, the Civil Service College is the training institution for public officers. It comprises three units:

- The Institute of Public Administration and Management (IPAM), which facilitates the development of skills at work and personal levels. The institute also offers programmes that reinforce the core values of the Singapore public service as well as providing life and change skills.
- The Institute of Policy Development (IPD), which focuses on leadership development and aims to develop and nurture public sector leaders with the values, attitudes and traditions to ensure national success. It is interesting that while its programmes are meant basically for public officers, they are open to people from the private sector as well. This is important in forging partnerships and promoting understanding across the sectors.
- The Civil Service Consulting Group offers advice on training and development issues.

In Malaysia, the National Institute of Public Administration (INTAN) is the focal point for leadership skills and development. INTAN takes a holistic view of leadership. Leadership training therefore covers not only training for top management, but also involves the provision of leadership skills to the various levels of staff. This is achieved through the following eight centres of the institute:

- Centre for Technology Management
- Advanced Leadership and Executive Development Centre
- Training, Communication and Multi-media Development Programme
- Economic Development and Policy Management Programme
- Financial Management Programme
- Quality Management Programme
- Professional Development Centre
- Central Regional Campus (language Centre)

Each Centre has its area of specialization. The Advanced Leadership and Executive Development Centre focuses on training for senior and top management. Officers who attend these programmes are likely to have had at least 14 years of public service experience.

In the United Kingdom, the Centre for Management and Policy Studies (CMPS) was established in June 1999 as an integral part of the Modernizing Government agenda and is situated at the heart of the Government, within the Cabinet Office. CMPS works with partners from the Civil Service, the wider public sector, private sector and academia to ensure that the Civil Service is cultivating the right skills, culture and approaches to perform its task; to ensure that policy makers across government have access to

the most up-to-date and reliable research data and international experience; and to help the Government to learn better from existing policies.

CMPS provides support to Government through:

- *The Policy Studies Directorate*, which leads on the policy-making strand of the Modernizing Government agenda. It supports evidence-based policy-making through coordination of knowledge management initiatives, the development of Knowledge Pools and through a Resource Centre. It promotes and encourages excellence in policy evaluation and identifies and promotes best practice in policy-making through research and electronic dissemination of best practice information. It also advises overseas governments and individuals on the United Kingdom's public sector reform and arranges visits.
- *The Civil Service College Directorate*, which delivers a range of courses on modernization, managing change and formal skills training. The College Directorate is a training and development resource for the CMPS, for departments and for civil servants, particularly those at, or aspiring to, relatively senior positions. It provides management training, specialist training in key professional and policy-making areas and related consultancy and research in the wider public sector, the private sector and foreign governments. It also works internationally in partnership with emerging democracies and democracies in transition as they seek sustainable capacity to reconstruct and modernize their public administration and enhance governance institutions' poverty alleviation capacity.
- *The Corporate Development and Training Directorate*, which offers a range of programmes and seminars to support Ministerial and Senior Civil Service (SCS) corporate and professional development. The Directorate is also responsible for a programme of peer reviews to support departments in the implementation of the modernization agenda. The Corporate Development and Training Directorate (CDT) was created through the bringing together of the existing executive development activities of the Cabinet Office and the Civil Service College and the establishment of new activities flowing from the Modernizing Government and Civil Service Reform agendas. It is through CDT that CMPS delivers its senior-level leadership development.
- *The Business Resources Directorate*, which supplies support services to the other Directorates, including the development of CMPS' planning, finance, personnel, IT and property functions, and its marketing strategy. CDT provides a collection of programmes for leaders and future leaders of the civil service and wider public sector.

It is anticipated that members of the SCS will participate in at least one programme every 5 to 6 years.

Mix of leadership development initiatives

A review of good practices across public services points to the use of well-coordinated and integrated activities focused on leadership development. The mix usually includes the following:

Developmental Assignments. These assignments become important points for action, reflection and learning. The assignments facilitate exposure to a variety of jobs to maximize experiences and expertise. Through these assignments, officers are exposed to operational departments, frontline customer service situations and community organizations. In Malaysia, for instance, efforts are also made to provide opportunity for exposure to private sector operations.

Formal Coaching. In some public services, formal, trained coaches from the public service work with officers to help them in their performance and relationships.

Formal Mentoring. Mentors help officers to gain insight through personal development and professional support. In some cases, a core of retired public servants has been used as mentors.

Action Learning Groups. These are small learning communities who meet regularly, at times with a facilitator for collaborative inquiry and reflection, and are designed to help maximize learning and focus on work-related challenges.

Learning Communities. These are gatherings larger than the Action Learning Groups that also meet to facilitate sharing of experiences and reflection.

E-learning. The use of Information Technology is also a central feature of many leadership development initiatives. It can be used to provide resources, online training, self-assessment instruments and facility for sharing of experiences.

Classroom training. The use of focused classroom activity utilizing action learning and experiential processes continues to be a central feature of leadership development programmes.

Post-graduate training. Many public services also sponsor officers to attend university-based post-graduate programmes.

Special seminars and conferences. Many public services also sponsor executive roundtables and conferences led by subject specialists and leading thinkers. This facilitates discussion on current topical issues. These events are also important for networking, particularly when persons from outside the public service are involved.

Departmental peer reviews. Much learning from leadership could take place through peer reviews and feedback. Teams for peer review could be drawn from the public service, as well as the private and voluntary sectors.

Policy research. Policy research could form a vital input to leadership development curriculum. The United Kingdom's Policy Studies Directorate provides critical policy inputs, as does the Scenario Planning Office in Singapore, which helps organizations anticipate changes in their environment. Vision and strategic thinking are essential elements for effective leadership. Futuristic studies and research are therefore vital ingredients for leadership development initiatives.

Succession planning. Public services are also ensuring that effective succession planning systems are in place.

Competency-based leadership development

Many public services are now utilizing competency-based human resource management approaches. One use of this framework is the development of competency profiles for senior executives and leaders and the use of these competencies for training and development. "Competencies" are the knowledge, skills, abilities and behaviour that an employee applies to the work situation for achieving results that are relevant to the organization's strategic objectives.

Barbados, for instance, has identified seven competency clusters for the top management. The leadership element of the competency framework includes the following competencies:

- *Self-confidence:* positions self as leader, models desired behaviour;
- *Mobilization of commitment:* ensures people-support vision, mission and goals;
- *Integrity:* ability to act firmly, honestly and 'walk the talk';
- *Accountability:* accepts responsibility for the actions of the team;
- *Performance orientation:* possesses performance-oriented leadership;
- *Change management:* initiates and manages change in pursuit of strategic objectives;
- *Leadership style:* is transparent, visible, approachable and earns respect;

- *Team-building*: builds and supports high-performing teams; and
- *Risk-management*: Acts decisively, having assessed the risks.

Australia has also developed a Senior Executive Leadership Capability Framework. The framework was developed to establish a shared understanding of the critical success factors for performance in public service leadership roles. The following applications for the framework have been identified:

- Selection;
- Leadership development;
- Performance management;
- Short and long-term planning for the senior executive service; and
- Broader organization development initiatives.

The elements of the framework are:

- Achieves results:
 - Builds organizational capability and responsiveness;
 - Marshals professional expertise;
 - Steers and implements change and deals with uncertainty;
 - Ensures closure and delivers on intended results.
- Shapes strategic thinking:
 - Inspires a sense of purpose and direction;
 - Focuses strategically;
 - Harnesses information and opportunities;
 - Shows judgement, intelligence and common sense.
- Cultivates productive working relationships :
 - Nurtures internal and external relationships;
 - Facilitates cooperation and partnerships;
 - Values individual differences and diversity;
 - Guides, mentors and develops the capacities of people.
- Communicates with influence:
 - Communicates clearly;
 - Listens, understands and adapts to audience;
 - Negotiates persuasively.
- Exemplifies personal drive and integrity:
 - Demonstrates public drive and integrity;
 - Engages with risks and shows personal courage;
 - Commits to action;

- Displays resilience;
- Demonstrates self-awareness and a commitment to personal development.

The Canadian leadership competencies for Assistant Deputy Ministers and Senior Executives include the following:

- Intellectual competencies:
 - Cognitive capacity;
 - Creativity.
- Future-building competency:
 - Visioning.
- Management competencies:
 - Action management;
 - Organizational awareness;
 - Teamwork;
 - Partnering.
- Relationship competencies:
 - Interpersonal relations;
 - Communications.
- Personal competencies:
 - Stamina/stress resistance;
 - Ethics and values;
 - Personality;
 - Behavioural flexibility;
 - Self-confidence.

Identifying the right people

To ensure a steady supply of good and effective leaders in the public services, there is a need to attract and retain a fair share of leadership talent. In Singapore, the strategy is to pay highly competitive salaries, particularly to officers with the potential to hold leadership positions. Top civil servants are paid salaries that are comparable to the higher end in the private sector. Talent attraction is the first step, talent management and development are also vital issues.

Public services are working at a range of initiatives intended to enhance ability to identify potential and provide them with the skills and experience. Some of these approaches include:

- Using 360-degree assessments as one element of new performance measurement and management framework. The 360-degree Leadership and Management Development Profile was developed by the Civil Service College and utilizes competencies that a senior officer should possess. The profile provides insights into the officers' performance and indicates critical areas for development, gathered from the officers' self-assessment, and the assessment of the supervisors, peers, and subordinates;

- Acknowledging the need for fast-track streams for the “fliers”;
- Departments revisiting their internal development programmes to ensure better focus on developing leadership capability;
- Ensuring the development and implementation of individual learning plans which are linked to competency frameworks;
- Increasing the level of interchange between the public service and other sectors of the economy;
- Revamping recruitment into, and marketing of, the public service;
- The leadership development programmes in the public service centres target senior executives with well-defined experiences and competencies. This focus is a critical plank in the leadership development process.

Developing training programmes: examples

The public service leadership development focal points referred to earlier have evolved a range of training programmes. In Canada, for instance, these include:

Coaching for breakthrough and commitment: Coaching is a distinct way of communicating, relating and acting based on the commitments of human beings to accomplish more than has previously been accomplished. It is about breakthroughs – about producing unprecedented results in organizations and work in any field. Coaching is about working with people to show them new possibilities and assist them in taking actions previously not obvious to them. Coaching is the capability to alter or shift the structures of interpretation, the context within which people normally operate. In this sense, introducing coaching competencies into an organization is a very powerful strategy for modifying or creating a culture which is more adaptable to change and open to possibilities.

Living leadership: executive excellence. This programme is a group experience taking place over a 12 to 18-month period. It combines three four-day courses on leadership, citizen-centred service and advanced policy studies.

EX orientation: EX refers to the senior level within the Canadian public service and involves three days of exchange with colleagues, reflecting on the role as leader in a changing environment, dealing with new strategic and corporate directions, managing the political/administrative interface, and exploring public service values.

Leading policy: Combining site visit of one-day with classroom learning to engage with a ‘live’ policy issue, and concluding by making a presentation to policy leaders.

Leading transitions: This is a course specifically focused on those managing large-scale change. Experts involved in the running of this course are drawn from the Centre for Creative Leadership in Greensboro, North Carolina.

Leadership reflection and action: This programme aims to convey that “Leadership is an influence process and processes are observable and learnable”; it asserts that true ethical leadership cannot exist without significant reflection on the reality around us. “For leaders, as there are no magic recipes out there, reflection must become second nature, the ultimate leadership tool.” Lastly, there is action with which the leader demonstrates his or her beliefs and commitments to those beliefs.

Government-online/information technology awareness – the challenge of delivering services in the digital economy: This course is designed to provide an understanding of the opportunities, challenges and issues related to delivering services in an information technology/information management enabled environment. It also reviews the opportunities and challenges related to delivering services digitally

including partnerships, integrating across jurisdictions, human resources and sourcing and financing options.

In Malaysia, INTAN provides officers with training to equip them with the necessary knowledge and skills required to move up in the service. In addition, the Advanced Leadership and Executive Development Centre organizes a range of short courses covering various aspects of leadership. These include modules on:

- Creativity;
- Managing change;
- Crisis management;
- Strategic management;
- Ethics and values;
- Learning organization; and
- Islamic management.

In the United Kingdom, leadership development training includes the following:

Milestone Programmes, which offer members of the Senior Civil Service grounding in the issues they face as senior managers in their Civil Service career:

- Engaging with Government (all external entrants);
- Introduction to corporate leadership (entrants to the SCS at Deputy Director level); and
- The Cabinet Secretary's Programme (for experienced Deputy Directors).

Interchange Programmes, which offer the opportunity to share and develop approaches to leadership, and are aimed at senior managers across the Civil Service, wider public sector and the private sector:

- Developing top management (Deputy Directors and private sector peers).

A Case Study Programme (Deputy Directors and wider public sector peers) [forthcoming]:

- Top management programme (Directors and private sector peers);
- Leaders in the public sector (Directors and wider public sector peers);
- Winter forum (Directors-General and private sector peers);
- Chevening forum (Permanent Secretaries and private sector peers).

Specialized programmes get below the surface of complex issues such as:

- Insight Europe (Deputy Directors and peers from across Europe);
- Leaders@e-government (Directors-General).

Ministerial and joint ministerial and senior civil servant programmes

These programmes are designed to support new and more experienced Ministers in their leadership role. The United Kingdom is perhaps the first country to provide a systematic programme of development for Ministers, and also one of the few to train Ministers and senior civil servants together. (Similar programmes have also been conducted in a more sporadic way in a number of Caribbean countries.) The key aim is to support Ministers operating as part of the government team; managing the strategic policy and communication aspects of the job; and working through Parliament.

The programmes are offered at either occasional lunchtime seminars or in a series of seminars, which last between one and three hours each. The joint policy seminars, which bring Ministers and officials together to learn along side each other in policy development, focus on practical solutions in an environment in which Ministers, civil servants and others from Whitehall share experiences and discuss key issues in the development of policy. This sharp focus on specific issues of immediate practical concern, such as risk management, communicating policy and joined up delivery fully supports the modernizing agenda.

In its first year, the Ministerial Programme achieved wide coverage in terms of both subjects covered and departments and organizations involved. Ministerial “training” events have covered:

- Transposing EC directives into UK law;
- European Union;
- Corporate governance and IT projects;
- Human rights act;
- Bill team training (for Ministers and officials and for Ministers alone);
- National Health Service direct;
- Working with the regions;
- E-commerce and service delivery;
- Policy on asylum seekers;
- Key issues for government.

The Republic of South Africa is developing its Presidential Strategic Leadership Development Programme, linking a public service excellence model to senior management competencies and core development models. The public service excellence model is used for assessment of the performance of the organization and consists of the following elements:

- Leadership;
- Policy and strategy;
- Customer and stakeholder focus;
- People management;
- Resources and information management;
- Processes;
- Impact on society;
- Customer and stakeholder satisfaction;
- People satisfaction;
- Supplier and partnership performance; and
- Organization resources.

The identified senior management competencies are:

- Strategic capability and leadership;
- Policy formulation and implementation;

- Programme and project management;
- Financial management;
- Change management;
- Knowledge management;
- Service delivery innovation;
- Problem solving and analysis;
- People management and empowerment;
- Client orientation and customer focus; and
- Communication.

The Management Institute for National Development (MIND) in Jamaica has designed and implemented a Public Sector Senior Management Development Training Programme. The programme was designed after extensive discussions with the Committee of Permanent Secretaries, and identification of needs of senior managers. A cohort of public officers pursue a planned programme of 420 hours over a one-year period. This programme is designed around three modules as follows:

MODULE 1 (150 hours) The Public Sector Environment

- The constitutional framework;
- The structure of government;
- The operational environment.

MODULE 2 (150 hours) Management Technologies

- Public policy formulation and decision-making;
- Corporate strategic planning;
- Public sector financial management;
- Structuring an effective organization;
- Industrial relations;
- Human resources management;
- Information management;
- Marketing government and public relations;
- Project management;
- Managing inter-organizational relationships;
- Customer service;
- Ethics in government;
- Public sector accountability;
- Standards and monitoring.

MODULE 3 (120 hours) Conceptual Skills and Personal Competencies

- Legal and operational framework:
 - Mission;
 - Programme and structures;
 - Policies;
 - Customer and competition.
- Personal competencies:
 - Entrepreneurial skills;
 - Preparing Cabinet submissions;
 - Communication;
 - Team-building;
 - Delegation;
 - Stress management;
 - Managing organizational change;
 - Protocol and etiquette;
 - Choosing appropriate leadership styles.

Conclusion

Public service executive development is taking place against the background of rapidly changing environments. It is clear that the skill and competency needs of the present and future executives differ markedly from the past. Public services will continue to play a critical role in the transformation of countries. Sustainable development will depend then on the ability of countries to ensure that leaders are possessed of the right skills and mindsets. They must have a sense of history and an appreciation of the implications of the unfolding future. They must be good communicators and able to develop and maintain effective partnerships inside and outside the public service. They must be learners. They must be visionary leaders, because they will be required to lead an on-going process of organizational transformation.

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Chapter Nine

Sensitivity to Cultural Environment: Impact on Public Service Leadership Training

Yolande Jemai

Introduction

Globalization poses daunting challenges. In this complex world environment, implementing the United Nations Millennium Development Goals requires increased efforts from the international community aimed at alleviating poverty, promoting equal access to basic services, and guaranteeing global security. The role of national administrations and governments is critical to the success of the socio-economic development efforts. This explains the importance accorded to the reform of the state. Unfortunately, the resources expended on public administration reform over the past fifty years have not yielded impressive results. When experts reflect on the causes of failure, the single most important factor is lack of commitment by, and weak leadership from, policy-makers and senior level administrators.

Yet, experiences abound of circumstances in which charismatic leadership changed the course of history in developing countries. Some obvious examples are worth citing: Mandela, Gandhi and Che Guevara. All of these remarkable historical figures come from developing countries. What they have in common is that they appealed to many people on an emotional level. This paper argues that by raising awareness about cultural values, training programmes are capable of enhancing the leaders' capacity to appeal to their followers' emotions, thus causing the latter to behave in certain ways. The objectives of the paper are three-fold:

- (a) To raise awareness about cultural aspects of leadership as a key factor in administrative reform;
- (b) To increase public administrators' understanding of cultural differences; and
- (c) To enhance the effectiveness of training programmes by integrating the cultural element.

Leadership, culture and development: tracking the links

That leadership is critical to the success of development efforts is now generally beyond dispute. Goleman, Boyatzis and McKee (2002) summed it up this way:

“Great leaders move us. They ignite our passion and inspire the best in us. When we try to explain why they are so effective, we speak of strategy, vision or powerful ideas. But the reality is much more primal: great leadership works through the *emotions*.”¹

Leadership in the public sector is critical to the success of economic and social development efforts, and particularly, the achievement of the United Nations Millennium Development Goals, the maximization of the benefits of globalization, the effective mobilization of all the productive forces, and the promotion of equity. As argued in a subsequent section, leadership is also a critical factor in administrative reform. Leadership is essential for two main reasons:

- To promote institutional adaptations, and by so doing, the public interest; and
- To enhance organizational capacity for improved performance and service delivery.

¹ Goleman, D., Boyatzis, R., and McKee, A. (2002) “Primal Leadership: Realizing the Power of Emotional Intelligence”, Harvard Business School Press.

To this purpose, an enlightened leader will be able to demonstrate:

- Attributes such as vision, capacity for strategic thinking and planning, and respect for the rule of law; and
- Managerial skills such as: communication, coordination, human relations, and conflict management skills.

A successful leader will also, in all probability, be fair-minded, honest, transparent, and tolerant of diversity.

Although the concept of leadership has been defined in multiple ways, it is easier to say what it is not than what it is. First, it is not a concept with a universal meaning, as its nature and essence vary across organizations and cultures. Second, it also is not synonymous with hero worship. Successful leadership, after all, relies and thrives on inputs from various actors at all levels. Third, it is not about power and control but about making a difference and adding value. Above all, leadership has nothing to do with patrimonial behaviour or with the personalization of authority structures. By leadership we mean the ability to mobilize people and resources to accomplish a desired goal.

The leader's success depends upon the extent to which his/her assumptions could be reconciled with prevailing realities. As the economic and market environment changes and new technologies appear, the existing culture in the public sector may need to be quickly adapted to keep pace with the new developments. However, it is in the nature of culture to remain stable because people's daily routines, their habits of thinking and feeling, their basic assumptions about reality, their perceptions of the truth, etc., are rarely questioned. Any suggestion that "we must change our culture" will either be summarily dismissed or perceived as a threat to be vigorously resisted.

To meet this challenge, leaders have to base their actions on a deep knowledge of the local culture. This way, they will be able to pursue a fair degree of congruence between the exigencies of modernization and the aspirations of the existing society. Comparing the economic development of Ghana and the Republic of Korea (South Korea) between 1960 and 1990, Huntington explains the extraordinary difference in development by stating that "Cultures count" (Harrison and Huntington, 2000)².

Increasingly in the 1990s, social scientists turned to cultural factors (as they did in the 1940s and 1950s) to explain modernization, political democratization, military strategy, the behaviour of ethnic groups and the alignments and antagonisms among countries. Daniel Patrick Moynihan stated:

"The central conservative truth is that it is culture, not politics that determines the success of a society. The central liberal truth is that politics can change a culture and save it from itself". (Harrison and Huntington, 2000)³

The case of Lee Kwan Yew in Singapore proves his point. Nonetheless, the debate on the interface between culture and politics is not yet over. For one thing, the question whether politics is, by itself, capable of modifying culture, is far from settled.

In 1999, at the American Academy of Arts and Sciences in Cambridge, Massachusetts, Messrs. Huntington and Harrison organized a Symposium on "Cultural Values and Human Progress" to explore the following question: "To what extent do cultural factors shape economic and political development? If they do, how can cultural obstacles to economic and political development be removed or changed so as to facilitate progress?" One of the experts, Daniel Etounga-Manguelle (Huntington and Harrison, 2000)⁴ advocated the adoption of "a cultural adjustment programme" for Africa. He attributes Africa's major ills

² *Ibid.*, 1, page xv.

³ *Ibid.*, 1, page xiv.

⁴ *Ibid.*, page 66.

(poverty, authoritarianism, and social injustice) principally to traditional cultural values and attitudes such as:

- “Highly centralized and vertical traditions of authority;
- Focus on the past and the present, and not the future;
- Rejection of the “tyranny of time”;
- Distaste for work;
- Suppression of individual initiative, achievement and saving; and
- A belief in sorcery that nurtures irrationality and fatalism.”⁵

In almost all development institutions, cultural change is a subject that has become a taboo. It is only recently that social scientists have focused on culture as a factor in development. As noted by an observer (Harrison and Huntington, 2000):

“In the scholarly world, the battle has thus been joined by those who see culture as a major, but not the only, influence on social, political, and economic behaviour and those who adhere to universal explanations, such as devotees of material self-interest among economists, of “rational choice” among political scientists, and of neo-realism among scholars of international relations”.⁶

The central issue is whether political leadership can substitute for disaster in stimulating cultural change, that is, *how political and social action can make cultures more favourable to progress*. It is legitimate to ask what constitutes “progress”, and to follow up with a rider, “progress in what direction?” This paper argues that instead of imposing cultural change to achieve progress, howsoever defined, a more productive alternative would be to take cultural factors into consideration when designing programmes, in particular, leadership training programmes. The key is *not to attempt to “change” culture but to use culture to carry the message of progress more effectively*. For example, if the concept of time is different in a certain culture, it might be more productive to adapt the way activities are planned to the local attitude to time management. Also, as discussed later, it might be more productive to adapt curricula and pedagogical methods to the local way of acquiring knowledge.

Leaders have a key role to play because they are the link between their own culture and the outside world. They can translate foreign concepts to their followers and adapt these concepts to local cultures. The snag is the lack of a solid model with which to integrate culture in training programmes. As Robert Klitgaard (Huntington and Harrison, 2000) once noted:

“If culture is important and people have studied culture for a century or more, why don’t we have well-developed theories, practical guidelines, close professional links between those who study culture and those who make and manage development policy?”⁷

It is this challenge that this paper seeks to respond to. Specifically, the paper suggests the adaptation of a model that has been successfully applied by multinational corporations in integrating culture into leadership training programmes⁸. There is no reason why this model could not be applied to the public sector in developing countries. The goal is to give leaders the tools which will enable them to translate modern concepts to their own society in order to achieve social and economic development and to fight exclusion and poverty.

⁵ *Ibid.*, page 302.

⁶ *Ibid.*, page xiv.

⁷ *Ibid.*, page xvi.

⁸ www.itim.org.

Leadership training programmes for the public sector, in particular, would greatly benefit from the introduction of a cultural dimension. Such integration would, at the very least, enhance the impact of training on both current and potential leaders. The efforts to integrate this dimension have been limited because cultural studies are still regarded by many as lacking solidity and the methodology applied as controversial. However, pressed by its concern for more efficiency and profits, private sector organizations, in particular, multinational companies, have incorporated the cultural dimension in executive training programmes. The results have been evaluated as very positive. Therefore, it is time for the public sector to better tailor its leadership training programmes to its targeted audience, especially in developing countries. This approach will need new techniques and a redesigning of training material.

Leadership as a factor in administrative reform

The starting point is to look for ways of re-engineering administrative reform strategies in developing countries. Needless to say, without strong state administrations, developing countries will not be in a position to achieve the United Nations Millennium Development Goals or/and to implement the recommendations of the Global Conferences of the 1980s. This indicates the need to give attention to the reform of institutions, processes, and practices. Unfortunately, the experience over the last 50 years is that in several instances, the time and money invested in administrative reform have yielded disappointing results.

At the 4th Global Forum on Reinventing Government⁹, which took place in Marrakech, Morocco in December 2002, a group of experts reflecting on this issue came to the conclusion that *successful administrative reform is a combination of visionary leadership, genuine commitment, reasonable resources and sensitivity to the cultural environment*. It was also emphasized that importing foreign models had been, in most cases, unproductive. The question is whether integrating cultural values in leadership training programmes would make a difference.

In order to explore this possibility, we are going to look at the following three issues:

1. Why have administrative reforms not been quite successful and what does leadership have to do with it?
2. What do we mean by cultural differences and work-related values?
3. How can cultural values be taken into account when designing leadership training programmes?

In developing countries, it is generally agreed that administrative reforms have not been successful. Although reforms have been carried out in most countries since the attainment of independence, the situation has not improved, and in many cases, has continued to deteriorate. Several reasons have been suggested for the failure of reform efforts, among them, poor public management practices in the countries, the inappropriateness of the Bretton Woods institutions' reform solutions (and particularly, the stringent structural adjustment measures forming part of the reform packages), and the devastating impact of colonialism.

In reality, when a group of well-intentioned and realistic experts from the region get together to try to find an accurate diagnosis, the consensus that emerges is that internal factors are as important as, if not more so than, external ones, in explaining the failure of reform efforts. Among the lessons learned from years of investment in administrative reform is that success hinges on circumstances that are largely internal rather than external to the reforming societies. These factors are discussed in the succeeding paragraphs.

⁹ United Nations DESA/DPADM:
[www.http://unpan1.un.org/intradoc/groups/public/documents/un/unpan009012.pdf](http://unpan1.un.org/intradoc/groups/public/documents/un/unpan009012.pdf) and
http://www.unpan.org/conf_globalforumwkshop-A02.asp.

Wrong diagnosis; faulty prescriptions

In developing countries, with a few exceptions (such as the People's Republic of China, Singapore and Tunisia), reforms were undertaken in the framework of national planning influenced heavily by a neo-liberal ideology imposed by the Bretton Woods institutions. In effect, this meant proceeding on the assumption that a solution that worked in one developing country would work in another. This "one-size-fits-all" approach involved, in most cases, reducing the size of government, which was deemed bloated and inefficient, and transferring many of its responsibilities to the private sector – a sector which, in many developing countries, was either grossly underdeveloped or practically non-existent.

The blame for failing to acknowledge the uniqueness of each aid-receiving country's conditions lies at the doorstep of the donors. Coming from outside the developing countries, both multilateral and bilateral donors have largely been pursuing their own agendas – agendas that had little or nothing to do with the interests of the countries in which they were intervening. Instead of solving the complex and pressing issues, their actions often exacerbated the difficulties facing the developing countries. In a number of cases, the wrong diagnoses often led to faulty prescriptions, and in turn, to crises such as civil conflict and state collapse. Consultation with local "stakeholders" was either cosmetic or not deemed useful. Indigenous "ownership" of the reform process was, in many cases, a mere exercise in salesmanship.

Misplacement of reform priorities; waste of resources

The amounts spent on administrative reforms in developing countries have been, and continue to be, staggering, while the results remain very poor. A case in point is the investment on the design and implementation of privatization, divestiture, and "contracting out" options. However, it has not yet been proved that the private sector is more efficient in developing countries than the public sector. The results of privatization in some developed countries have been devastating for services such as transport, health or education. Although there is no definitive answer on this issue, it is clear that despite the amount spent, public service productive efficiencies and service-rendering capacities have not improved in any significant way.

One of the reasons for the poor yields on investment in public service reform could also be the pattern of allocating assistance funds. Development is a long-term process. It will be impossible to take a long-term view of a nation's development as long as reform resources are earmarked for short-term projects such as budget rationalization, fiscal and macroeconomic stabilization and revenue mobilization, rather than for the development of human capital, acquisition of new technology, and improvement in quality of life.

Environmental instability

Most failures of administrative reforms have also occurred because the link between peace and development was, at best, weak, and at worst, non-existent. Development specialists have behaved as if the overall political and social stability of a country was not a factor of much significance. As a consequence, many reforms were not congruent with the societal movements, and in particular with nation-building sentiments. This dimension was not part of the initial assessment and was not integrated as a variable in the reform-planning process.

Lack of consensus between politicians and higher civil service

It has been observed that the link between the administration and the politicians is a very critical factor in the success of administrative reform. In many countries, political interference in the normal process of administration is affecting the quality of the bureaucracy. Among the unsavory political influences on professionalism are: corruption, nepotism, exploitation of ethnic and religious divisions, and disregard for the rule of law.

Hit-or-miss instead of holistic approach to reform

A piecemeal approach to administrative effort does not work. This does not mean that every action has to take place all at once and simultaneously. However, it is essential that reforms be planned holistically and implemented in a way that the interdependence among all the constituent parts of the reform process is duly recognized. It is also necessary to develop a strategy that will enable the managers of the reform to track progress and identify obstacles.

Half-hearted leadership commitment to reform

Even if all of the other factors had been duly controlled, that would not be enough to guarantee the success of reform efforts. Where administrative reform has shown some positive impact, a key factor was the vision and commitment of the top leadership. These champions of reform are never content with initiating the process of change, but pursue it to its logical conclusion. They recognize that reform not only costs money, but also needs to be sustained over a reasonable period of time. However, in a turbulent environment – one characterized by frequent leadership change and policy reversals – administrative reform cannot make any headway. The champions of reform are not confined to the political class, but include a critical mass of senior career officials who strongly believe in the need for change. When they enter into a coalition with other like-minded reformers, they begin to create an atmosphere conducive to successful change management. Leadership has been identified as the number one issue to deal with. This is why many human resources development activities highlight leadership training as essential: one of them is the UN/IASIA Initiative on Leadership Training in the Public Sector.¹⁰

Cultural differences and work-related values

First, we need to define the concept of values and culture. Values take different forms. They range from the general universal, through the culturally-specific, to individual ideal types. Examples are listed hereunder:

- *Universal values*: such as love, honesty, truthfulness, compassion, sanctity of life, self-restraint;
- *Cultural*: such as respect for elders, deference to authority, class/gender stratification, family honour, group solidarity, filial piety, faith in God or Providence versus faith in science and human ingenuity, tolerance (or rejection) of different sexual habits, observance or disregard of religious codes and stipulations, hedonism/consumerism (versus abstinence); and
- *Individual*: such as competitiveness, achievement, success, advancement, and personal recognition. (Boldt, 1999)¹¹

We are considering here only cultural values, that is, the prevailing social values that serve to maintain the fabric of society and help establish order. Such values are peculiar to a specific time and place, and can be extremely volatile if not carefully handled. Cultural values are concerned with a people's sense of right and wrong, of good and bad, of "our customs and traditions" versus "their way of life". However, as noted by Mr. Balogun (2003)¹², it is not always easy determining where universal values end and cultural (as well as individual) values begin. It is this interlocking relationship among the three sets of values that makes it extremely difficult arbitrating between one value and another. Perhaps a simpler definition would resolve the impasse. As a commentator puts it (Boldt, 1999):

¹⁰ United Nations DESA/DPADM: UN/IASIA Initiative on Leadership Training in the Public Sector. (See www.unpan.org).

¹¹ Boldt, L. G. (1999) "Zen and the Art of Making a Living: A Practical Guide to Creative Career Design", Compass.

¹² Balogun, J. (2003) "Leadership and Agency Governance: the Search for the Common Cause of Excellence in the African Public Service" in this volume.

“Culture is the set of values, customs, and beliefs that people have in common with other members of a social unit”.¹³

Even this definition is far from perfect. Within each culture, there will always be tension between those who lean towards universal values and their inner-directed neighbours, and between the prevailing social values and personal preferences. Thus, many nations are multicultural and many sub-cultures exist in one society. Our recommended strategy is based on the extensive studies done by Geert Hofstede (Hofstede, 2003) on differences in cultural values between and among nations. He argues that:

“Organizational cultures should be distinguished from national cultures. National cultures distinguish similar people, institutions and organizations in different countries. Organizational cultures distinguish different organizations within the same country or countries. Cultures manifest themselves, from superficial to deep, in symbols, heroes, rituals and values. His research has shown that organizational cultures differ mainly at the levels of symbols, heroes and rituals, together labelled ‘practices’; national cultures differ mostly at the deeper level, the level of values. As a consequence, the five dimensions of national cultures identified in his cross-national research, which are based on values, are not suitable for comparing organizations within the same country. National cultures belong to anthropology; organizational cultures to sociology”¹⁴.

Hofstede’s five dimensions of culture¹⁵

The five dimensions are expressed most clearly in the different values that predominate among people from different countries. The classic work of G. Hofstede was first published in 1981 and explored the differences in thinking and social interactions among members of more than 50 nations. Mr. Hofstede argues that people carry mental programmes which are developed in the family in early childhood and reinforced in schools and organizations, and that these programmes contain components of national culture. These ideas were first based on a large research project into national culture differences across subsidiaries of a multinational corporation (IBM) in 64 countries. Subsequent studies by others covered students in 23 countries, elites in 19 countries, commercial airline pilots in 23 countries, up-market consumers in 15 countries, and civil service managers in 14 countries. These studies together identified and validated five independent dimensions of national culture differences, i.e., power distance, individualism (in contrast to collectivism), masculinity, uncertainty avoidance, and long-term versus short-term orientation. These are examined in subsequent paragraphs.

Power distance is the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This represents inequality (more versus less), but defined from below, not from above. It suggests that the followers as much as the leaders endorse the level of inequality in society. Power and inequality, of course, are extremely fundamental facts of any society and anybody with some international experience will be aware that ‘all societies are unequal, but some are more unequal than others’.

Individualism, versus its opposite, *collectivism*, is the degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side, we find societies in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents) that continue protecting them in exchange for unquestioning loyalty. The word ‘collectivism’ in this sense has no political meaning: it refers to the

¹³ *Ibid.* p. 11.

¹⁴ Hofstede, G. (2003): “Culture’s Consequences: Comparing Values, Behaviors, Institutions and Organizations Across Nations”, Sage Publications.

¹⁵ <http://kubnw5.kub.nl/web/iric/hofstede/>.

group, not to the state. Again, the issue addressed by this dimension is an extremely fundamental one, regarding all societies in the world.

Masculinity, versus its opposite, *femininity*, refers to the distribution of roles between genders, which is another fundamental issue for any society. The IBM studies revealed that (a) women's values differ less among societies than men's values; (b) men's values from one country to another contain a dimension from very assertive and competitive and maximally different from women's values on the one side, to modest and caring and similar to women's values on the other. The assertive pole has been called 'masculine' and the modest, caring pole, 'feminine'. The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, so that these countries show a gap between men's values and women's values.

Uncertainty avoidance deals with a society's tolerance of uncertainty and ambiguity; it ultimately refers to man's search for the Truth. It indicates to what extent a culture programmes its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, and different from the usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level by a belief in an absolute Truth. People in uncertainty-avoiding countries are also more emotional, and motivated by inner nervous energy. The opposite type, uncertainty-accepting cultures, are more tolerant of opinions different from what they are used to; they try to have as few rules as possible, and on the philosophical and religious levels they are relativist and allow many currents to flow side by side. People within these cultures are more phlegmatic and contemplative, and not expected by their environment to express emotions.

Long-term versus short-term orientation: This fifth dimension was found in a study among students in 23 countries around the world, using a questionnaire designed by Chinese scholars. It can be said to deal with virtue regardless of truth. Values associated with long-term orientation are thrift and perseverance; values associated with short-term orientation are respect for tradition, fulfilling social obligations, and protecting one's 'face'. Both the positively and negatively-rated values of this dimension are found in the teachings of Confucius, the most influential Chinese philosopher, who lived around 500 B.C.; however, the dimension also applies to countries without a Confucian heritage.

Scores on the first four dimensions were obtained for 50 countries and 3 regions on the basis of the IBM study, and on the fifth dimension for 23 countries on the basis of student data. Power-distance scores are high for Latin, Asian and African countries and smaller for Germanic countries. Individualism prevails in developed and Western countries, while collectivism prevails in less developed and Eastern countries. Japan takes a middle position on this dimension. Masculinity is high in Japan, in some European countries like Germany, Austria and Switzerland, and moderately high in Anglo-Saxon countries. It is low in Nordic countries and in the Netherlands, and moderately low in some Latin and Asian countries like France, Spain and Thailand. Uncertainty avoidance scores are higher in Latin countries, in Japan, and in German-speaking countries, lower in Anglo, Nordic, and Chinese culture countries. A long-term orientation is mostly found in East Asian countries, in particular in the People's Republic of China, (including Hong Kong and Taiwan), Japan and the Republic of Korea.

Hofstede's Dimensions of Culture

Low power distance		High power distance
Austria		Philippines
Israel		Mexico
Denmark		India
Collectivistic		Individualistic
Colombia		Australia
Pakistan		United States of America
Venezuela		Great Britain
Feminine		Masculine
Sweden		Japan
Norway		Austria
Denmark		Venezuela
Low uncertainty avoidance		High uncertainty avoidance
Singapore		Greece
Hong Kong		Portugal
Denmark		Japan
Long Term View		Short Term View
People's Republic of China		Pakistan
Hong Kong		West Africa
Taiwan		Philippines

Source: <http://siu.edu/departments/cola/psych./psyc323/chapt04/sld010.html>

Hofstede explains the grouping of country scores by some of the roots of cultural differences. These should be sought in the common history of similarly scoring countries. All Latin countries, for example, score relatively high on both power distance and uncertainty avoidance. Latin countries (those today speaking Romance languages, i.e., Spanish, Portuguese, French or Italian) have inherited part of their civilization from the Roman Empire. The Roman Empire in its days was characterized by the existence of a central authority in Rome, and a system of law applicable to citizens anywhere. This established in its citizens' minds the value complex, which we still recognize today: centralization fostered large power distance. In addition, a stress on laws fostered strong uncertainty avoidance. The Chinese Empire also knew centralization, but it lacked a fixed system of laws: it was governed by men rather than by laws. In the present-day countries once under Chinese rule, the mindset fostered by the Empire is reflected in large power distance but medium to weak uncertainty avoidance. The Germanic part of Europe, including Great Britain, never succeeded in establishing an enduring common central authority, and countries which inherited its civilizations show smaller power distance. Assumptions about historical roots of cultural differences always remain speculative, but in the given examples they are quite plausible. In other cases they remain hidden in the course of history.

The country scores on the five dimensions are statistically correlated with a multitude of other data about the countries such as income inequality, Gross National Product, share of GNP spent on development assistance, and national economic growth during the past 25 years. For example, it shows that what led to the economic success of the East Asian economies was their populations' cultural and future-oriented values of thrift and perseverance.

The six mental images of society¹⁶

Based on a combination of the above indexes, ITIM – Business Culture and International Management, has built a model of six mental images of society in different cultures as follows:

¹⁶ <http://www.itim.org/4aba.html>.

- *The contest model* ('winner takes all')
Competitive Anglo-Saxon cultures with low power distance, high individualism and masculinity, and fairly low scores on uncertainty avoidance. Examples: Australia, New Zealand, the United Kingdom and the United States of America.
- *The network model* (consensus)
Highly individualistic, 'feminine' societies with low power distance like Scandinavia and the Netherlands. Everyone is supposed to be involved in decision-making.
- *The organization as a family* (loyalty and hierarchy)
Found in societies that score high on power distance and collectivism and have powerful in-groups and paternalistic leaders. Examples: the People's Republic of China, Hong Kong, India, Indonesia, Malaysia, the Philippines and Singapore.
- *The pyramidal organization* (loyalty, hierarchy and implicit order)
Found in collective societies with large power distance and uncertainty avoidance. Examples: much of Latin America (especially Brazil), Greece, Portugal, the Russian Federation and Thailand.
- *The solar system* (hierarchy and an impersonal bureaucracy)
Similar to the pyramid structure, but with greater individualism. Examples: Belgium, France, Northern Italy, Spain and French-speaking Switzerland.
- *The well-oiled machine* (order)
Found in societies with low power distance and high uncertainty avoidance, carefully balanced procedures and rules, not much hierarchy. Examples: Austria, Germany, Czech Republic, Hungary, German-speaking Switzerland.

These models have highlighted certain characteristics of societal behaviour based on the indexes above which can be summarized as follows:

Contest: autonomy, risk-taking, competition;

Network: autonomy, risk-taking, cooperation;

Family: hierarchy, informality towards power-holders;

Pyramid: hierarchy, formality, procedures;

Solar system: tension between hierarchy and individualism; and

Machine: autonomy, high need for structures.

By applying this theory, we assume that these models represent most of the patterns observed in various cultures. We therefore recommend that in designing training programmes, experts take into account those characteristics of the societies and adapt the material and teaching methods to the respective preferred system of learning and social interaction.

Incorporation of cultural values into leadership training programmes

In order to take cultural values as defined above into account to enhance the impact of administrative reform and the quality of leadership (assessed by the results achieved), it is important first to analyse the process of adaptation of public organizations to cultural change. This will then influence the choice of best methods needed to prepare leaders for their role to tackle change effectively and transform it into positive outcomes for the public administration and the civil servants.

Culture and organizational change

Each organization has its own culture and even sub-cultures. Culture defines leadership and it is important to understand the culture to understand the organization. Moreover, in a context of constantly changing environment, organizations have to adapt, and this is also true for the public sector organizations. Assumptions persist among the members of the group, and one of the critical tasks for a leader is to re-orient the group to a new culture. Leaders usually get their ideas implemented by their charisma, their confidence, and their actions. If successful, this results in a change of “climate” of the organization. As J.O. Monteiro (2003) acknowledged,

“The civil service does have a casting voice in the development debate.... The civil service and its institutional and organizational restructuring are not ends by themselves, but rather the means to improve the quality and quantity of development outcomes both physical and spiritual”.¹⁷

A change of culture is critical to the success of the adaptation of institutions to the new global environment. This process of change of culture, however, has been often misunderstood. As E. Schein has stated:

“Culture affects the extent to which and the way in which societies achieve or fail to achieve progress in economic development and political democratization. Ever since the concept of Organizations and Culture was broached as an important element in understanding Organizations, companies have been looking for the right kind of culture and have been hiring consultants to foster or install those cultures. Let me begin bluntly – there is no such thing as the ‘right’ culture and culture cannot be fostered or installed. The notion that one can is based on a dangerous misunderstanding of what culture is and how culture comes about.”¹⁸

Leaders who have tried to change culture have come to realize that one can do so only by destroying the key groups that maintain it (Schein, 1997). This is why the private sector sometimes resorted to the replacement of the top echelons of management. This leadership retrenchment or renewal exercise was often followed by the relocation of the culture carriers lower down the organization hierarchy, and their replacement with people who think in a new way; but this new way has to be adapted to both the existing culture and the new environment. The deck-clearing strategy may also be inconsistent with the contemporary emphasis on tolerance of diversity, quite apart from running into legal and constitutional obstacles in a number of countries.

In addition to its dubious results, the leadership reshuffle objective is even more difficult to achieve in the public sector where firing is usually a last resort and sometimes impossible. But it is also clear that Mr. Schein (1997) is right when saying:

“If the existing culture of the Organization does not already value what the new ‘right’ way is supposed to be, the leader’s words will fall on deaf ears. Even if the leader enlists an army of change agents to ‘change the culture’, it is unlikely that they will get anywhere because people will not give up ways of thinking that they have come to take for granted, that are mostly tacit, and that have been the basis of the organization’s prior success.”¹⁹

What then is to be done if the present cultural assumptions appear to be dysfunctional or out of alignment with environmental realities? The first thing to do is to understand the mission and the *raison d’être* of the public organization. It is also critical to assess what is going right and what is not going right.

¹⁷ Monteiro, J.O. (2003) “Civil Service Restructuring in Developing Countries”, in this volume.

¹⁸ Schein, E. “Culture Matters” from *Demos Quarterly*, Issue 8, 9 Bridewell Place, London EC4V6AP.

¹⁹ Schein, E. (1997) “Organizational Culture and Leadership”. Jossey-Bass. 2nd Edition.

What then follows is figuring out what needs to be done strategically and tactically to improve the situation. When there is clear consensus on what needs to be done, it is time to examine the existing organizational culture to find out how present tacit assumptions would aid or hinder what needs to be done. Not all the parts of a given culture are relevant to any given problem. Therefore, general cultural analyses can be a major waste of time. Only when you know where you want to go, does it become relevant to ask how the culture will aid or hinder your effort to change.

It is important to focus on those cultural elements that will help to get where the organization needs to go. It is far easier to build up the strengths of the culture than to change those elements that are dysfunctional or weak. All too often culture is seen only as a constraint. The strong elements of the culture and the diversity that may exist within the organization's various sub-cultures are almost certain to provide opportunities for building on existing strengths instead of getting bogged down with overcoming constraints.

Empowering the specific employees and managers whose assumptions are already in line with the new strategy that is needed is a necessary first step to create role models to show others what the new direction of thinking and acting might be. It is necessary to identify the culture carriers who see the new direction and feel comfortable moving in that direction. These "culture leaders" are often found in more marginal managerial roles or in sub-cultures that have developed in the organization.

It also helps to build change teams. Top management must adjust the reward, incentive, and control systems to be aligned with the new desired strategy. Ultimately the structures and routine processes of the organization must also be brought into alignment with the desired new directions. All of this takes a great deal of time and energy. If culture change occurs, it does so as a by-product of fixing the fundamental problems that the organization's leaders identify and the new strategies upon which they embark.

Mr. Schein (1997) summarizes it well when he says:

"If we want our Organizations to become more competitive and effective we would do well to take culture very seriously and stop bandying it about as if it were a suit of clothes to be changed at will."²⁰

Proposals for enhancing the effectiveness of leadership training programmes

The adaptation to culture has implications for managers and leaders of the public sector as well as for the private sector or NGOs: the mental images of society can be translated into attitudes and behaviours concerning the perception of an effective boss, delegation of authority, organization of meetings, communication strategies, decision-making and team-work building, attitudes towards rules and innovation as well as conflict or time management.

Awareness of cultural behaviour in the civil service would infuse empathy with the environment and respect for people; it would also provide tools for coping with particular situations and for devising appropriate strategies to empower people to take care of their own destiny and progress. Because management philosophies and practices are culturally determined, it stands to reason that there is much to be gained by including cultural studies in all management and professional development. Culturally skilled leaders are essential (Harris and Moran, 2000).²¹ In short, there are strong reasons for advancing cultural knowledge of leaders and managers and for including this aspect into all executive and development activities for the public sector. However, training programmes have to both make use of the existing management literature and information available on the subject and design appropriate material based on their own culture.

²⁰ *Ibid.*, p 18.

²¹ Harris, P. R. and Moran, R. T. (2000) "Global Leaders and Culture" in *Managing Cultural Differences: Leadership Strategies for a New World of Business*, Unit 1, "Cultural Impacts on Global Management", pp 2-24, Gulf Professional Publishing.

American theories of leadership are written for middle-range power distance background: they all advocate participation in the manager's decisions by his or her subordinates. However, the initiative towards it is supposed to be taken by the manager. In countries with still lower power distance, such as Israel or Sweden there is considerable sympathy for initiatives coming from subordinates. American leadership theories have been widely exported to all parts of the world, without thinking if they were appropriate to the cultural context. They are taught in schools using training kits and books which are culturally biased for a North American audience. G. Hofstede (Hofstede, 1984) states: "*what happens when US theories are taught abroad is that the theory taught is not practiced.*"²² At best, wise managers learn to perform a cultural transformation of the ideas to make them fit the values of their subordinates. Many countries try to adopt modern technology, which is not neutral with regards to values. Making them work means that people will have to shift their values.

It is clear that cultural values and attitudes are an important and neglected factor of human progress. Without having the intention of preaching that one culture is superior to another, we believe that realism must prevail, and ignoring one aspect of development is not going to make the task easier but will only result in further failures, of administrative reform in particular. We recognize that it is not the only factor in the equation,

but it is detrimental not to integrate it in the analysis from the start. Future interventions for development should be designed not to "promote cultural change", as Huntington and Harrison (2000) are advocating, but to adapt development strategies in order to have a real impact on society and to achieve results.

To take into account the cultural dimension in leadership training programmes, we advocate a strategy based on a three-pronged approach as follows:

- Pursue research on culture and leadership;
- Review and revise training material and teaching methods to eliminate cultural bias and to adapt them better to the relevant cultural environment; and
- Incorporate cultural modules in existing programmes.

Research on culture and leadership

Most existing research has been carried out in the private sector. We recommend conducting research on cultural aspects of leadership in the public sector and in particular on attitudes and behaviours in various civil services of the world regions.

In addition, it is important to continue carrying out research in the field of culture and development in general. Acknowledging that culture is a difficult subject to deal with, the participants in the Symposium on Cultural Values and Human Progress recommended a research agenda in the six following points:

- A value/attitude typology;
- Relationship between culture and development;
- Relationship among values/attitudes, policies and institutions;
- Cultural transmission;
- Value/attitude measurement; and
- Assessing cultural change initiatives already under way.

²² Hofstede, G. (1984) "Culture's consequences: International Differences in Work-Related Values" (Abridged Edition), Sage Publications.

Training material and teaching methods

The following concrete measures could be taken immediately:

- Introduce a training module on values and culture awareness and sensitivity in existing leadership training curriculum;
- Include the Hofstede model and the five mental images of organizations as part of the curriculum for leadership training;
- Adapt the literature on leadership training to local culture;
- Develop local training material based on actual case studies appropriate to the local environment;
- Review teaching methods to find out if they are appropriate to the knowledge acquisition process for the society concerned.

Designing cultural modules

Ultimately, it would be useful to carry out more research on leadership models for developing countries based on their cultural values. The modules for training would then be designed from the conclusion of the research. In the meantime, we suggest including modules such as the ones suggested below:

Module: Cultural diversity

- Introduction and overview on cultural diversity
- Values and ethics in the public sector
- Implications of culturally-based mental images of organizations on leadership skills
- Leadership situations and debriefing
- Networks and course material development

Module: Reconciling local cultures and universal values

- Globalization and its impact on socio-economic development
- Relationship between culture and development
- Reconciling local cultural characteristics with universal values
- Changing culture: ideology and consequences for developing countries
- Leadership and local culture

Module: Managing cultural differences in organizations

- What is culture?
- Intercultural management communication
- Cross-cultural management
- Variations of work behaviours across cultures
- Dimensions of cultural differences
- Organizational culture vs. national culture
- Cultural synergy and problem-solving

- Managing cultural diversity
- Leadership and cultural contingency

Additionally, and with minimum investment, it should be possible to compile a relevant bibliography and create a database on the subject of culture, leadership and development, while producing case studies reflecting diverse cultural and regional experiences.

Conclusions

The role of cultural values and attitudes as obstacles to, or facilitators of, progress has been largely ignored by government and development actors. Integrating value and attitude change into development agendas and in training programmes, particularly for leaders, could be a promising way to ensure that development actions impact positively on human life, besides reducing poverty and exclusion. First and foremost, it is our view that administrative reforms would benefit from adding the cultural dimension among the critical variables in the initial assessment. In addition, implementation strategies would be improved if the cultural aspects of leadership were further explored.