



# INSTITUTE FOR DEMOCRATIC GOVERNANCE

ROUNDTABLE ON LOCAL GOVERNANCE REFORMS AND PUBLIC SERVICE INSTITUTIONS

DATE: 17<sup>th</sup> JANUARY 2018

VENUE: IDEG AUDITORIUM (EAST LEGON)

TOPIC: “SIX DECADES OF THE PUBLIC SECTOR IN GHANA: ISSUES AND PROSPECTS”

## ANALYSIS OF THE DISCUSSION

### 1.0 BACKGROUND

The Institute for Democratic Governance (IDEG) in its attempt to explore concerns, address issues and provide practical solutions to the current state of the Ghana public sector organized a roundtable discussion on the topic, “**Six Decades of the Ghana Public Sector: Issues and Prospects**”.

The roundtable discussion provided an opportunity for the presentation of a paper on, “Six Decades of the Public Sector in Ghana: Issues and Prospects” by Prof. Joseph Atsu Ayee, a Senior Research Fellow of the Institute and Professor of the University of Ghana. The two discussants of his paper were: Dr. Alex Glover-Quartey, former Head of the Civil Service and Mrs. Bridget Katsriku, Chairman of the Public Services Commission.

## **2.0 OBJECTIVE OF THE PAPER**

Against this backdrop, this write up discusses the areas of convergence, divergence, and neutral standpoints and makes recommendations on the roundtable discussion on “Six Decades of the Public Sector in Ghana: Issues and Prospects”, which was held by the Institute for Democratic Governance (IDEG) on January 17, 2018. Participants were drawn from the Ministries, Departments and Agencies (MDAs), the Public Services Commission, Office of the Head of the Civil Service, Office of the Head of the Local Government Service, the private sector, civil society organizations and other regulatory agencies. The rich discussion at the roundtable provides the basis for possible areas of research.

## **3.0 AREAS OF CONVERGENCE**

- **POLITICIZATION OF THE PUBLIC SECTOR**

Generally, the presenter and discussants agree that the current public sector is politicized which is leading to the breakdown of the values of objectivity, efficiency and impartiality. The engagement of political activists into public office has distorted the key values of the public sector and weakened its technocratic skills in terms of policy advice to politicians. Values such as objectivity, neutrality and non-partisanship have all been compromised. Appointments based on party affiliations impede growth, continuity and sustainability. However, for a country to advance and develop there is the need for a merit-based system where the brightest and the best persons are selected into the public sector and not on

political basis or affiliation. This is what ensures effectiveness, efficiency and high performance.

- **REFORM FATIGUE**

The presenter and discussants all agree that since Independence the nation has undertaken reform efforts of the public sector but all these efforts have not made the necessary impact. The consequence of this is not only donor fatigue but fatigue of the beneficiaries, that is, the public servants. Dr. Alex Glover-Quartey in particular posits that commitment from the President is needed to make a reform succeed. Similarly, the President must ensure that the implementation of the recommended solutions is carried through fully and driven by both his cabinet and the public servants.

- **POCKETS OF EXCELLENCE**

The presenter referred to pockets of effectiveness and excellence in the public sector and noted that this area has not been the subject of much research. It was also mentioned that there are pockets of excellence in some ministries and excellent performers are rewarded by being taken to other countries to learn best practices.

The chairman of the Public Services Commission (PSC), however, added that there are no effective sanctions for poor performers and what happens in some cases is that those poor performers are even rewarded with post retirement contracts.

- **SIZE OF THE PUBLIC SECTOR**

The presenter and discussants further agree that the issue of the size of the public sector is contentious. However, the Chairman of the PSC expressed her disagreement with the Senior Minister's reported remarks quoted by the presenter that the public sector is full in terms of employment. She pointed out that it is true that there is over-bloating in some areas of the sector but, at the same time, there are serious deficits in some areas. Accordingly, the over-bloating should not be generalized as this would deprive some critical sectors of key human resource. She cited the sectors of education and health as areas that require human resources. Similarly, she attributed the over-bloating in some sectors to the absence of establishment controls and made reference to the flagship project: The Human Resource Management Information System (HRMIS) aimed at significantly reducing the propensity of institutions to fill non-existing vacancies. She recommended an **analysis of the public sector growth over a specified period in terms of number of organizations and staff employed.**

#### **4.0 DIFFERENT POINTS OF VIEW**

- **HISTORICAL PERSPECTIVE OF THE PUBLIC SECTOR**

According to the Chairman of the PSC, the paper did not present some relevant history of the PSC. She further pointed out that the PSC was not created in 1951 but rather 1948<sup>1</sup> based on the recommendations of the Coussey Committee and was created to ensure a

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<sup>1</sup> Research findings has however resolved this by stating that the Public Service Commission was recommended in 1948 by the Coussey Committee but was created for the first time by the 1951 Constitution. (Source <https://www.psc.gov.gh/About-Us/history.htm>)

more rigorous training and appointment of Africans to all classes of posts in the civil service at that time. In addition, the restructuring of ministerial organizations to concentrate on sector policy planning, coordination and monitoring and evaluation came in the late 1980s through a very important reform programme led by the Public Administration Review and Decentralization Implementation Committee (PARDIC) which stretched over 1982-1992. This programme is very important because it has led to very important administrative reforms such as the enactment of the Local Government Law 1988, (PNDC Law 207) and the Civil Service Law 1993, (PNDC Law 327). The Civil Service Law changed the position of the Principal Secretary to that of Chief Director. Similarly, the Chief Director position was aimed at opening up that position to people other than the administrative class because at that time the Principal Secretary position was reserved for the administrative class.

- **DIVERSITY AND COMPLEXITY OF THE PUBLIC SECTOR**

The Chairman of the PSC disagreed with the presenter's view on the complexity of the public sector as a result of its composition, size and nomenclature but rather the public sector is complex because of the several roles it has to play. She added that there is not a single country where government institutions do not vary in size and nomenclature. There exist departments, agencies, authorities, boards, councils, commissions, etc. Accordingly, she suggested that academics should research on how countries come by these nomenclatures and propose to government which ones will be suitable for Ghana. This recommendation was acknowledged by the presenter, Prof. Atsu Ayee.

- **COORDINATING INSTITUTION TO HARMONIZE AND MONITOR EFFECTIVELY THE ORGANIZATIONS OF THE PUBLIC SECTOR**

Whereas the presenter recommends the need for the setting up of a coordinating institution to harmonize and monitor effectively the organizations of the public sector, the Chairman of the PSC, argues that the functions of the various segments of the public sector institutions are so varied that creating a single entity to coordinate and monitor them is not practicable. The paper also mentions that the PSC as the main human resource management institution in the public sector but she emphasized that the PSC is only responsible for the human resource management in the public services but not the entire public sector. Accordingly, the PSC does not regulate or supervise the human resource management in the State -Owned Enterprises (SOEs). However, there exist central management agencies (CMAs) responsible for the specific functional areas such as Finance, Policy Planning etc. She added that the issue of concern should be the inability or failure of the central management institutions to exercise their oversight responsibilities adequately. Failure in this regard should not be attributed to the fragmentation of oversight responsibility although there are instances of duplication of institutions. A typical example is the Public Services Commission (PSC) and the Fair Wages and Salaries Commission (FWSC). This situation should be blamed on the law makers because in cases where provisions of the law are not clear it creates conflicts and turf wars. The seeming duplication can be managed if bureaucratic leaders agree to collaborate and coordinate their activities for the common good. She concluded on the point that there cannot be a single coordinating body in the public sector and it would have been much appreciated if the paper had

given an example of best practice elsewhere.

- **POOR PERFORMANCE OF STATE -OWNED ENTERPRISE**

The presenter attributed the poor performance of SOEs to the absence of clearly defined ownership framework. According to the Chairman of the PSC, this may be true but can also be that the laws that established some of the key stakeholders are outdated and therefore the actors devise their own way of exercising their authority and not focused on their mandate. She made reference to the State Enterprises Commission Law, PNDC Law 170 of 1987 and the relationship between SOEs, the Ministry of Finance and the sector ministries. Similarly, it was mentioned that there are some inaccuracies in the paper which can be attributed to the misunderstanding of what constitutes the public sector and suggests that the entire section in **Paragraph 3 on the Diversity and Complexity of the Public Sector** should be thoroughly reviewed.

- **The Single Spine Pay Policy**

The paper stated that 95% of SOEs have not been migrated to the Single Spine Pay Policy (SSPP) largely because of their instruments of incorporation and their profit-making mandate. The paper proceeded to purport that these SOEs have different conditions of service resulting in the fragmentation and disparities which the SSPP sought to address.

According to the chairman of the PSC, the SSPP was not meant to remove inequities in salary administration in the public sector as one unit but rather was meant for the public

service organizations and therefore state enterprises set up for commercial purposes are not supposed to be on the SSPP.

## **5.0 NEUTRAL STANDPOINTS**

- **COMPLEX AND AMBIGUOUS RELATIONSHIP BETWEEN PUBLIC SERVANTS AND POLITICIANS**

The paper asserts that the relationship between public servants and politicians has been ambiguous and complex. However, in response to this, the Chairman of the PSC refers to it as a dilemma. This is because the politicians assume responsibility of their portfolios with perceived conviction of the allegiance of civil servants to the former administration. They are therefore unsure whether to trust them or not. It is worth mentioning that the professional civil servants are fully aware of their neutrality and try to exhibit that value through the advice they give to the politicians but, in most cases, their dilemma is whether to give the advice that would please the politicians or tell them the truth that may be erroneously taken as a validation of the perceived allegiance to the former administration. This is the dilemma of speaking truth to power.

## **6.0 GENERAL COMMENTS FROM THE AUDIENCE**

- Politicization of the public sector takes different forms such as transfers, dismissals, appointments and promotions of party members.
- Without the complete cooperation of the private sector in any public sector reform there would be little or no implementation; therefore, the problems to be tackled would have to be defined by both the private and public sectors.



- The positions of Secretary to the Cabinet and Head of the Civil Service were combined under the Supreme Military Council (SMC) government in 1972-1979 and seemed to enhance policy coordination. It was decoupled later and the responsibility is now shared among the Chief of Staff, Executive Secretary to the President, Head of the Civil Service and Secretary to the Cabinet.
- The Secretary to the Cabinet, Executive Secretary to the President and the Chief of Staff attend cabinet meetings and therefore for coordination purposes the heads of the Local Government Service and Civil Service should also be allowed to attend. This suggestion was accepted in the Senchi Report of 2014 but till date it has not been implemented.
- In Jamaica, the Cabinet Secretary serves as the Head of Public Service and is responsible for driving a decade of reform and has managed to create 12 Executive Agencies that have changed the face of public sector in the country. It was suggested that the model can be replicated and adapted.
- In Malaysia, the positions of Head of Civil Service and Secretary to the Cabinet are combined and the person works harmoniously with the Prime Minister.
- Ghana has gone a long way in putting in place the legal and institutional framework for the public sector. This therefore accounts for the progress so far made in the development of the country in spite of the hiccups being experienced.

## **7.0 RECOMMENDATIONS**

Based on the discussions from the roundtable, it is recommended that the Institute should consider the following key areas of research, among others:

- **Pockets of Effectiveness**
- **Model of Public Sector Recruitment and Policy Coordination**

## **8.0 CONCLUSION**

It is clear from the roundtable discussion that there is a lot of interest in the public sector. The participants largely agreed that a thriving democracy depends on an objective, impartial, efficient and meritocratic public service devoid of politicization. The intriguing issues generated in this first of a series of roundtables by the Institute have set the tone for a more robust debate on how to make the public sector more effective and efficient and what type of public sector the country needs. Furthermore, they have also produced two key areas of future research, which will be undertaken by the Institute.