



특별부록

## A Study of the Performance of Reform Institutions: Focusing on the Evolution of Public Sector Reforms in Ghana<sup>1)</sup>

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### Abstract

Since the early 1980s, most developing countries, including Ghana, have embarked on numerous public sector reform (PSR) programs in a bid to transform their public sector to be more productive, efficient, and effective, thus delivering world-class services to the general public and ensuring sustained national development. The results and outcomes of this wide-range of interventions have been modest and mostly unsatisfactory compared to the resources, efforts, and time invested in designing and implementing them. This study examined the key role that the various reform institutions played at each phase.

1) The contents of this Article is a summary of the contents of my Master's Degree thesis titled "A Study of the Performance of Reform Institutions: Focusing on the Evolution and Institutional Arrangements of Public Sector Reforms in Ghana" submitted at the Graduate School of Public Administration Seoul National University in 2019.

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## Abstract

To achieve this objective, this study sought to answer the main question of what has been the perceived impact of Ghana's reform institutions on achieving reform outcomes and results and their sustainability in the public sector. Additionally, the study evaluated how the institutional arrangements influenced the performance of the reform institution and how both factors also contributed to the results and outcomes recorded.

The views and perspectives of key actors including public servants in Ghana, experts who have worked with the various reform institutions in different capacities and officials from the development partners who have been the major source of funding and technical assistance to Ghana on PSRs were collated and analyzed.

The observations of this study indicate that the various reform institutions did not outlive any political regime and, as a result, suffered frequent institutional rearrangements, funding, and other resources for reforms were woefully inadequate and most importantly, political will and commitment to these reforms were largely deficient.

Finally, the study posits the need for an independent and autonomous institution for reforms in Ghana. Additionally, in the light of the observations and other observations discussed in this study, lessons have been drawn and recommendations made for future implementation of the reform agenda in the public sector of Ghana that will ensure sustainable and effective results and outcomes.

This article will not only extend the wealth of knowledge on reforms in the field of PSRs but also provide in-depth understanding and analysis of the impact, results, and sustainability of reform initiatives, vis-à-vis the institutional forms and arrangements that were established.

**Key words:** Public Sector Reforms, Sustainability, Institutional Arrangements, Performance, Institutions, Ghana

# I. INTRODUCTION

The effectiveness and efficiency of a country's public sector is a key determinant of growth and development. Public sector reforms (PSR) have become a widely used terminology since it gained currency in the early 1980s and has since become a global phenomenon. In developing countries like Ghana, good governance and efficient public service delivery cannot be attained without reform interventions in the public sector. Lessons from the past indicate that implementation of reform programmes was disjointed and sometimes inconsistent leading to inefficiency, unsustainable outcomes and unsatisfactory results.

Present-day deliberations concerning PSR date back to old and still unanswered questions in political-administrative theory. First, how vital are the institutions of government and what are the effects of their organization; Second, what are the underlying forces through which governmental institutions are established and sustained, altered or jettisoned; and Lastly, what is the scope and under what circumstances are forms of government a result of careful design and reform (Olsen, 2017).

Public sector institutions are the main channels through which governments pursue their development agendas. In general terms, the public sector consists of government and all publicly controlled or publicly funded agencies, enterprises, and other entities that deliver public programmes, goods and services. The public sector is also viewed as an encompassing organization which provides services to the public that are publicly funded, owned and operated. A high level of effectiveness and efficiency of every country's public sector is critical to the success of national development. Additionally, reforms in Ghana's public sector have become common place since its inception in the early to mid-80s till present.

It is almost impossible for any country to promote and or attain good governance, an efficient and effective system without reforming its public sector. However, lessons from the past indicate that, reform initiatives and programmes were not successfully implemented to the latter and were fragmented to an extent and as a result, reform outcomes were disconnected, somewhat ineffective and generally unsustainable. For example, the first generation of reforms in most

sub-Saharan African countries and in Ghana focused on structural reforms with little or no emphasis on its impact on service delivery etc.

In most developing countries, political exigencies recurrently dwarf the enormous outcomes of reforms and hence reforms are discontinued or abandoned. On the other hand, plausible results have been achieved in countries with a high level of political will and commitment of political leadership to reforms.

Factors that drive PSRs include: fiscal and economic crisis, domestic pressures and the influence of international financial institutions and development partners. The development and implementation of reforms in recent times have mostly been influenced by the doctrine of New Public Management (NPM) reform which generally introduced the adoption and adaptation of private sector styled management approaches into public sector management. Other non-NPM reforms, like decentralization and pay and employment reforms, have also been significant (Bangura & Larbi, 2006).

## **1. Evolution of Public Sector Reforms in Ghana: A Ruttled Journey**

Ghana's public sector is faced with a multiplicity of structural, institutional and fiduciary challenges which hinder the efficient and effective delivery of public goods and services. Successive Governments have, therefore, undertaken several initiatives towards the reform of Ghana's Public Sector. The reform initiatives were, however, unable to achieve the desired transformation and improvement in the performance of the public sector.

These reforms which can be broadly grouped into four (4) phases: 1986-2003; 2005-2009, 2009-2017 and 2017 to the present, were largely supply driven, not informed by any reform strategy, nor were effectively coordinated by a central body in a visible manner and had little linkages to each other.

### **1) Phase 1 - 1986-2003**

The first phase, involved the implementation of Civil Service Reform Programme (CSRFP), its upshot, the Civil Service Performance Improvement Programme (CSPPIP). This was followed by the National Institutional Renewal Programme

(NIRP), which undertook thorough, deep-seated institutional renewal and capacity building throughout the public sector. This phase was largely in response to the wave of ineffectiveness of Africa's public sector and the economic and financial crisis in the early 1980s which occasioned the intervention of the World Bank and International Monetary Fund (IMF) through the Washington Consensus to introduce Structural Adjustment Programmes (SAPs) across the continent. The ultimate goal was to reform the African public sector by reducing its role and size, which were highly considered necessary for achieving macroeconomic stability (Owusu, 2012).

The CSRP, commissioned in 1987, was a component of Ghana's SAP aimed at eliminating the functional constraints and deficiencies of the civil service in bringing about the transformation desired. The unimpressive impact of the CSRP and other legal and socioeconomic developments in the early 1990s led to the introduction of the CSPIP. As part of CSPIP, PIPs which were to be new management tools for the MDAs and blueprints for institutional capacity building were developed. They were to emphasize improvements in service delivery, promote accountability and results orientation, facilitate monitoring and evaluation and to develop in-built mechanisms for skills training, target setting, performance measurement and leadership. The final initiative under this phase was the implementation of the NIRP, the main concentration of the NIRP was to encourage institutions under the executive, legislative and judicial arms of government, as well as autonomous institutions listed under the 1992 Republican Constitution, to discharge their functions in a transparent, competent, accountable and cost-effective fashion.

## **2) Phase 2 - 2005-2009**

The second phase witnessed the establishment of the Ministry for Public Sector Reforms, a novel institution, under the "Economic Management Capacity Building Project" as a central coordinating agency to champion reform interventions geared at service delivery improvement, decentralization, subvented agencies reform among others. This move was occasioned by a Pricewaterhouse Coopers report titled "PSRs: towards a future strategic framework", which recommended the government to appoint a senior officer to be responsible for the develop-

ment of PSR strategies. The government of the day, as a follow-up, established an office under the Senior Minister to be responsible for PSRs. Consequently, in 2005 a ministry was established to take over the PSR agenda.

The creation of this Ministry was an acknowledgment that the implementation of PSRs was critical to the government's vision of human capital development, private sector development and good governance. In effect, the Ministry of Public Sector Reform (MPSR) was established to revitalize the reform efforts as well as facilitate and coordinate future governmental efforts. The MPSR was to provide an institutional home for all PSRs and was responsible for monitoring and evaluating the progress of reforms across the public sector.

The Ministry developed a strategy aimed at delivering the following objectives which were critical for development:

- Delivery of efficient and cost-effective public services that will improve the living conditions of the poor;
- Creating a conducive climate and making public organizations more responsive to private sector development; and
- Building capacity and enhancing efficiency in the machinery of government to provide timely and productive service to the executive branch of Government.

### **3) Phase 3 - 2009-2017**

In 2009, after the 2008 general elections which resulted in a change of government, MPSR was re-designated as the Public Sector Reform Secretariat (PSRS) and placed under the Office of the President. This re-designation was to acknowledge the importance of the organization as a medium to be used by the Presidency to provide strategic and technical back-stopping role for reforms, as well as coordinate and oversee reform activities from the Presidency. Even though the PSRS was not a ministry, the government appointed a Minister of State who was also a member of Cabinet to be in charge of the Secretariat and for the entire reform process.

The approach to reforms in this era was significantly different. The government assessed previous reform initiatives and identified that irrespective of the

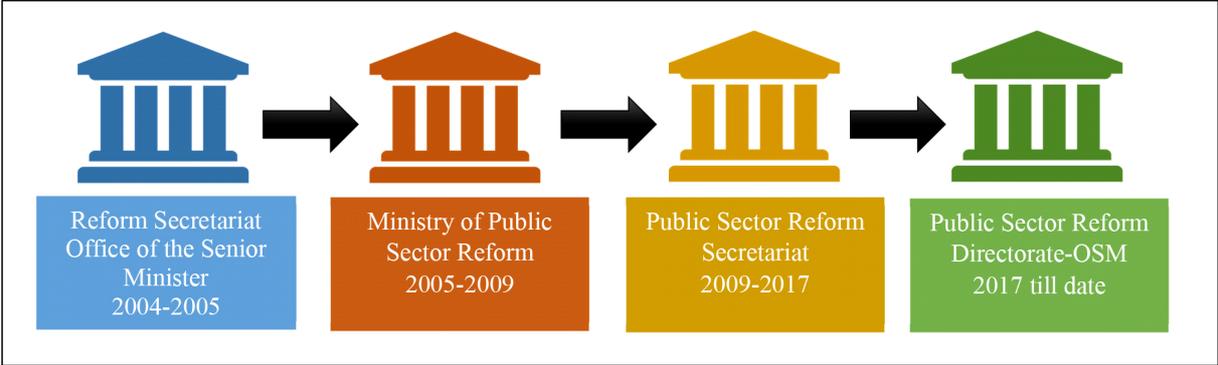
modest successes achieved, there was a general disconnect of the outcomes from mainstream ministerial responsibilities and were without accountability. Furthermore, the policy implementations were top-down initiatives that lacked the adequate support from political leadership. This new approach, the government believed, would ultimately lead to the realization of national development goals (Ohemeng & Ayee, 2016).

Subsequently in 2013, the government agreed on the New Approach to Public Sector Reforms (NAPSR), designed with a new sector-driven path to focus reforms on job creation and food production, distribution and processing. In other words, sector ministers were charged with the responsibility to assess resources to implement sector-specific reforms with emphasis on performance management systems. This was premised on the fact that, the new reforms would enable the President, with the support of Cabinet, to steer programmes, projects and activities to address developmental problems (Ohemeng & Ayee, 2016).

**4) Phase 4 - 2017 to the present**

Currently, the PSRS has been merged with the Office of the Senior Minister (OSM). This was in view of the fact that, previous experience with a full-fledged Minister of Public Sector Reforms indicated that sustained results were achieved with this form of institutional arrangement. To date, the main focus and concern of this new institutional arrangement is the implementation of the National Public Sector Reform Strategy (NPSR, 2018-2023; <Figure 1>).

**<Figure 1> Major reform institutions**



## 2. Research Questions

The main research question was what has been the perceived impact of reform institutions in achieving reform outcomes and results and their sustainability in Ghana's public sector?

Additionally, in achieving the purpose of this research, the following sub-research questions were addressed:

- i. Having a distinct or independent institution for PSRs will result in effective, sustainable and successful implementation of reforms in the public sector?
- ii. How do experts from Ghana and Development Partners who have been involved in the reform process evaluate the perceived impact of reform institutions?
- iii. How do public officers in Ghana who are the main actors and or beneficiaries of the reform process evaluate the perceived impact of reform institutions?
- iv. What measures and mechanisms must be instituted to ensure the effectiveness and sustainability of reforms in Ghana's public sector?

## 3. Research Hypothesis

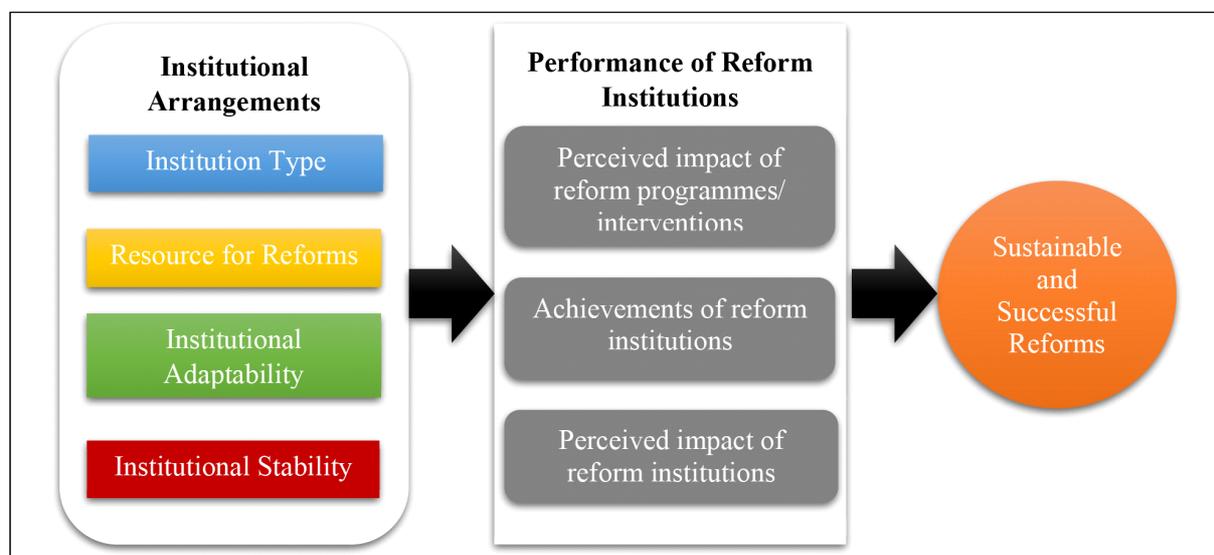
H1: The institutional arrangements for reforms influences the performance of reform institutions.

H2: The institutional arrangements for reforms and performance of reform institutions influences the sustainability and success of reform interventions.

## 4. Analytical Framework

This research sought to explore and to answer the question of what has been the perceived impact and performance of Ghana's reform institutions and how they influenced the implementation and success of the various reform interventions. This ideology is visualized in the Analytical Framework (Figure 2) provided below.

〈Figure 2〉 Analytical framework for sustainable and successful reforms



## 5. Conceptual and Theoretical Definitions Public Sector Reform: Definition and Rationale

According to Schacter (2000), PSR is about improving and fixing these challenges and strengthening the way that the public sector is managed. PSRs form an integral part of governments' continued efforts to transform the public service, making it more citizen-centered and responsive (Schacter, 2000).

Additionally, the United Nations Economic and Social Council, in its 2006 paper, states that "PSR consists of deliberate changes to the structures and processes of public sector organizations with the objective of getting them to run better. Structural change may include merging or splitting public sector organizations while process change may include redesigning systems, setting quality standards and focusing on capacity-building".

Basically, PSRs have a twofold objective, namely: they align governments vision to the traditional roles and functions of the state in society - issues of "what to do" and improve the systems and processes for the achievement of these functions to be more efficient, effective, transparent and accountable - issues of "how to do" it (Therkildsen, 2008). In addition, PSRs results in a functioning, result-oriented and value-based government; for instance, financial reforms ensure a judicious use of resources and cost effectiveness, administrative

reforms produce improved and responsive service delivery, trade reforms lead to higher trade volumes and a possible influx of foreign direct investment, and so forth (Andrews, 2013).

## 6. Theoretical Framework

### 1) Institutional arrangements for reforms: Institutional perspective

Institutions usually emerge as a result of decisions made by a unitary actor or a collective of actors and interest groups. Institutionalism explains how existing political-administrative institutions can be conceptualized, to what extent they have independent and sustained impacts, and the procedures which account for how they are established, managed and altered (Olsen, 2017).

The concept of analyzing an institution is central to the fields of political science and public administration and in recent times, there has been an upsurge in the interest on why and how institutions matter and make a difference. There exists a multitude of viewpoints considered in understanding institutions. The contending approaches prioritize different units of analysis – what are the characteristics of the political actors, the societal process and already set up institutional arrangements (Olsen, 2017) [as cited in (Goodin, 1996), (Rhodes et al., 2006) and (Peters, 2012)]. March & Olsen (1989) also argue that other approaches recognize public institutions as mechanisms of thorough knowledge, force and redistribution; controlling and enabling effectual exchange and as mediums for defining acceptable actions (March & Olsen, 1989).

In general, reformers have resilient, reliable and stable objectives that span a course, they also understand how institutional form and arrangements affect performance and success. They know what is required to achieve set objectives and ultimately have the power to do what is required to attain the desired and expected outcomes (Olsen, 2017).

Additionally, reforms do not only require changes to institutions, systems and processes but most importantly changes in the mentalities, norms and attitudes of the general public. It is in this regard that Thomas Hobbes posited the Leviathan governance system with a centralized and independent authority, to wit, a society of individuals without institutions which set and shape norms and

rules to be observed, would make life uncomfortable.

## **2) Institutional arrangements for reforms: Establishment of an independent agency**

The responsiveness of government institutions to elected officials and its citizens is a central question in democratic governance and a key source of variation in responsiveness is the structure of the institution (Selin, 2015). Institutions are formed as a result of deliberate and carefully considered decisions and are used by political and administrative actors as one of the policy tools to achieve the expected outcomes and results of public policies. Two assumptions form the basis of institutional design, first is whether the structure of the institution is a significant determinant of human choices; secondly, are human choices important determinants of the institutional forms (Olsen, 1997).

The comprehensive nature of PSRs requires long-term efforts, strong organizational capabilities to stabilize attention, mobilize resources and cope with resistance (March & Olsen, 1983). In other words, the speed of reforms and the strict and short-term implementation timelines assigned mostly by donors often dilutes the quality of results. In the case of developing countries like Ghana, incremental implementation will be much desirable even though costly compared to the “big-bang” implementation approach.

In the last couple of decades, the model of Agencification has introduced a transfer of government activities to agency-type organization, vertically specialized outside ministerial departments. Agencification provides the alternative for decoupling the mundane function of governments to formulate and implement policies. Governments can now focus on the formulation of policies such as PSRs while independent agencies implement the policies with less politics, greater autonomy and oversight. Again, the establishment of independent agencies to spearhead government programmes such as PSRs will lead to the mitigation and or removal of negative factors that hinder effective implementation, continuity and sustainable reforms. In essence, for reform programmes to be effective and sustainable delivering the desired results, they have to be institutionalized properly.

According to Roness (2001), it is significant to discuss the distinction between substantive policies areas which directly affects people, for example, health policy and then policy areas that indirectly affects people, for example, PSR policies. This distinction has been expanded in recent discussions on NPM, which recommends “distinct institutions for policy advice, regulation and service delivery” (Roness, 2001).

### **3) Institutional arrangements for reforms: Institutional adaptability**

Institutions are constantly under threat and pressure from internal and external sources and a strong and superior institutional performance alone would not guarantee a high level of performance in the future. Regular challenges and changing needs require institutions to invest in innovation and continuous improvements to be able to adapt and counteract to an ever-changing and unpredictable environment.

The two (2) determinant factors of institutional adaptability as discussed are its ability to innovate and continuously improve. First, investment in innovations focuses on seeking “leading-edge” changes to policies, systems and processes as well as attitudes that will ensure improved and sustainable institutional performance over time. This also requires pre-emptive planning and preparation to adapt to expected environmental changes. For example, the increase demands of a country’s population for basic services like passports, business registration permits and certificates, driver’s license etc. would require an introduction or shift to innovative approaches such as automation of systems and the reengineering of business processes in general to improve service delivery and reduce the challenges associated with the manual systems. Lastly, a continuous improvement of the internal systems, processes and structure of an institution is also imperative and a determinant of its ability to adapt to emerging needs, priorities, standards and environments. A programmatic response and integrated mechanism for continuous improvement is needed to evaluate, redefine and realign institutional performance to counteract changing realities.

### **4) Institutional arrangements for reforms: Institutional stability**

Stability refers to the extent to which an institution can mitigate instable

performance through the institutionalization of best practices and standards and can recognize and alleviate threats from internal and external sources. In other words, stable institutions are capable of reducing volatility and irregularities in their performance and in the use of resources available through the institutionalizing of best practice and innovative standards (UNDP B. f., 2011).

In essence, continuous and consistent institutional performance depends on the extent to which innovative measures, institutional arrangements, approaches and other interventions that have been tried and tested are systemized. Performance measures provides a general picture of how well an institution utilizes its resources, stability measures on the other hand provides a progressive plan on institutional performance over time.

### **5) Institutional performance and effectiveness**

The performance of an institution refers to how the institution functions and achieves its mandate effectively and efficiently. The effectiveness of an institution can be measured by the quality of its standards and services delivered. On the other hand, the efficiency can be measured by the clarity of its mission; roles and mandate; resource mobilization and utilization; responsiveness; and monitoring and evaluation systems.

Research suggests that performance, adaptability and stability are three (3) essential and critical attributes an institution requires to neutralize crisis. Although institutional performance forms the base of a nation's ability to function and accomplish its duties to citizens, it is not an adequate strategy or means for countries that need to react to unpredictable shocks and an ever changing environment. Building a robust and resilient nation with corresponding structures requires stable and adaptable institutions. Furthermore, well-performing institutions that have the capabilities to deliver basic public services and to formulate and implement policies are highly essential to countries' efforts to accomplish their developmental goals and even more so during crisis (UNDP B. f., 2011). The measure of the efficiency and effectiveness of public institutions forms the basis of a nations' capacity to manage the functions of its arms of government in overseeing the economy, provide social services, utilize natural resources in a sustainable manner to improve the livelihoods of its

citizens. The result of improved efficiency transcends observable cost-saving factors, and recent research has shown a direct relationship between the operational efficiency of the public sector and economic growth. In other words, a high level of efficiency in public sector institutions enhances the image, public confidence and acceptability of the government (UNDP B. f., 2011).

## **6) Resource base view theory**

Public institutions are faced with numerous resource challenges that require deliberate planning and implementation of strategies for them to remain operational and viable. Resources are the tangible and intangible assets an institution uses to select and implement its strategies (Rose et al., 2010).

The RBV theory defines resources as uncommon, valuable, unique and irreplaceable advantages that contribute to an institutions competitive advantage (Rose et al., 2010). In support of this definition, Pesic (2007), provides four (4) characteristics of resources in the framework of RBV. First, resources are valuable and are therefore used to exploit opportunities and or counteract environmental threats of an institution. Second, they are uncommon attributes among the present and future competitors of an institution. Third, resources are unique from one institution to another. Lastly, they are irreplaceable and differ, thus another service or product cannot meet the same purpose (Pesic, 2007). The vital argument here is that, the progression of an institution rests upon its ability to judiciously make use of its current resources and device strategies to develop new ones.

The fundamental principle of the RBV theory is that the variation in institutions' is attributable to the fact that they retain distinctive range of resources internally which the institutions capitalizes on to operate. These resources and potential possessed by an institution affords it a competitive advantage (Pesic, 2007).

However, the critics of the RBV theory have raised concerns with some components of the model, for instance, they argue that it fails to discuss the managerial implications of the resources. They also argue that its applicability is too narrow and that it is unrealistic and unachievable to sustain a competitive advantage. Furthermore, they suggest that the four (4) characteristics of resources

are not relevant nor adequate for an institution to sustain a competitive advantage. The value of a resource is therefore, somehow unknown to provide for valuable theory (Kraaijenbrink et al., 2009).

## 7) The new public management reform

The NPM reforms have broadly influenced PSRs in many countries across the globe including Ghana, although the adoption and adaptation of its doctrines differ from country to country (Moon & Kim, 2011). The emergence of NPM dates back the late 1970s and it remains till date, one of the most outstanding international paradigms in public administration. Its emergence according to Hood could be linked with four (4) administrative “megatrends”, namely:

- i. Efforts to slow down or reduce government growth in relation to government spending and staffing;
- ii. A shift towards privatization and quasi-privatization and away from core government institutions, separating public service delivery from government;
- iii. Informatization in the production and delivery of public services; and
- iv. The development of a more international agenda, increasingly focused on general issues of public management, policy design, decision styles and intergovernmental cooperation (Hood, 1991).

Hong (2013), in his study on NPM, titled ‘Die Hard’ Legacy? NPM Reform and Administrative Law in Korea, argues that many scholars have made assertions of the eventual demise of NPM and a shift to Post-NPM in the 21<sup>st</sup> Century. However, he adds that NPM has been persistent and more viable than expected. He alluded to three reasons that underscore this notable persistence of the NPM. First, one notable doctrine of the NPM is geared towards governments becoming more competitive and having a “small but able” or “doing more with less” government ideology. In other words, political leaders find it prudent and politically right to lean towards this ideology and use it to drive reforms. Second, private sector breakthroughs and continued innovation has put enormous pressure on the public sector to benchmark and employ best practices, private sector-styled management and service delivery. Finally, NPM was regarded as a means to realize the common good, based on public support and increasing

pressure for governments to reform (Hong, 2013).

To reiterate Roness's argument, distinguishing between substantive policy areas and policy areas like PSR. There is a need for separate organizations for policy advice, regulation and delivery of public services (Roness, 2001). A fundamental NPM argument that supports the proposition for this institutional arrangement explains that, such establishments can focus on executing their core mandates and functions in an efficient way without the interferences of policy making, evaluation and so on. Moreover, by detaching the executions of their functions from central government, managers will not be overly-burdened by excessive administrative and bureaucratic rules but allowed to manage in a professional manner (Therkildsen, 2008).

## II. METHODOLOGY

A case study design was adopted to assess the evolution of PSRs and the corresponding institutional arrangements that were adopted to implement reform programmes in Ghana. This approach provided a comprehensive overview of the factors that contributed to the successful implementation of reforms, the lessons learnt and the outcomes recorded. Furthermore, it informed the findings of this research and helped ascertain if the institutional arrangements established for reform implementation affected the performance of the institutions to achieve successful and sustained outcomes.

The choice of methodology for this research took into consideration the availability of various actors in the public sector and the approach of this research. Primary and secondary data was studied and analyzed, which included the use of an online survey, semi-structured interviews and relevant documents. The primary data collected presented the study with original data source because the data was collected first-hand and used for its intended purpose. The analysis of this study was based on qualitative data rather than quantitative because the respondents were small (under 100) and were not randomly selected. A purposive and targeted sampling technique was adopted for both tools for the collection of primary data.

The population of the study were mostly public servants of Ghana, officials of

the current reform institution, experts who had previously worked with the reform institutions in various capacities and officials of the World Bank who had also been largely involved in Ghana's reform agenda over the years.

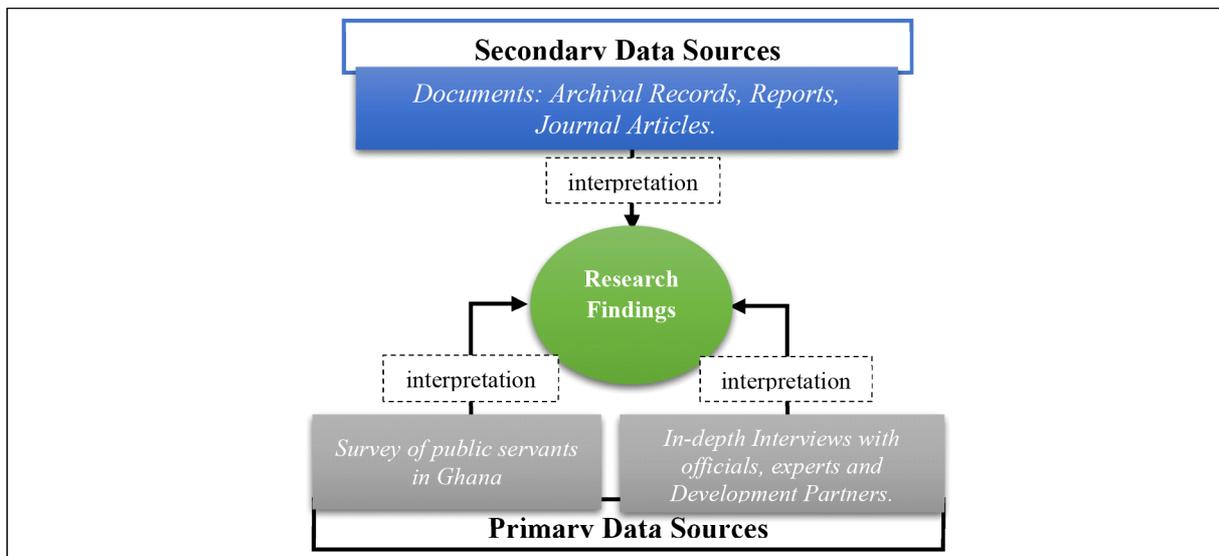
The research data was collected using online questionnaire and semi-structured interview questionnaire and as stated above, it was organized and collected as follows:

- An online questionnaire was administered to public servants to solicit their views about Ghana's reform institutions and implementation of reform interventions in the public sector over the years; and
- The semi-structured interview questionnaires were administered to three (3) groups: selected officers of Ghana's reform institution; experts who have worked with the reform institutions either in technical or administrative capacities and some officials of the World Bank who have been largely involved in reform interventions in Ghana.

According to (Yin, 2014), the first principle of data collection in a case study research design is the use of multiple sources of evidence. The rationale of triangulation is a major strength of case study data collection as it allows a researcher to address a broader range of historical and behavioral issues and also ensures a quality and reliable research.

The convergence of multiple sources of evidence increases the validity and reliability of the research findings. As indicated above, this research reviewed and analyzed documents as well as data from questionnaires. The process adopted in this study for data and methodological triangulation is depicted in <Figure 3> provided below.

〈Figure 3〉 Convergence of multiple sources of evidence (adopted from Yin 2013: p 121)



## 1. Summary of Research Respondents

### 1) Profile of respondents in survey of public servants in Ghana (Table 1)

〈Table 1〉 Descriptive statistics

Dimension	Measurement	Frequency	Percentage
Gender	Male	44	56.4
	Female	34	43.6
Total		78	100
Age	18-29	9	11.5
	30-39	43	55.1
	40-49	22	28.2
	50-59	4	5.1
Total		78	100
Job position	Senior management	36	46.2
	Management staff	32	41
	Junior staff	10	12.8
Total		78	100
Education level	Diploma level	4	5.1
	Bachelor's degree	27	34.6

**<Table 1> Continued**

Dimension	Measurement	Frequency	Percentage
Education level	Post graduate diploma	6	7.7
	Master's level	40	51.3
	PhD	1	1.3
Total		78	100
Duration in service	Less than 3 years	8	10.3
	3-5 years	18	23.1
	5-7 year	11	14.1
	7-10 years	17	21.8
	11-20 years	19	24.4
	20 years above	5	6.4
Total		78	100
Service affiliation	Public services	23	29.5
	Civil service	42	53.8
	Local government	13	16.7
Total		78	100

## 2) Profile of respondents in in-depth interviews

### (1) Group 1 - Officials of public sector reform directorate (PSRD), office of the senior minister, Ghana

The respondents from the PSRD in Ghana were four (4) top management staff, namely the Acting Chief Director who is the administrative head, the Director in charge of Finance and Administration, a Deputy Director and an Assistant Director I (Respondent 4) who are responsible for PSRs and other projects. These officials have been working with Ghana's reform institution from between five (5) to ten (10) years being involved in management and decision making and also experienced the institutional changes and political regimes over the period.

### (2) Group 2 - Reform experts from Ghana

The second group targeted for the purposes of data gathering were individuals who had previously worked with Ghana's reform institutions in different

capacities i.e. technical and advisory roles and also conducted some academic research or study on reforms in Ghana. Three (3) respondents with working experience and involvement in government reforms ranging from between six (6) months to ten (10) years were interviewed.

### **(3) Group 3 - Officials of the world bank**

The respondents from the World Bank were both Senior Public Sector Specialist with fifteen (15) and seventeen (17) years of experience in government reforms respectively. They have been mostly involved in providing general and technical advice to governments and technical assistance.

## **III. ANALYSIS BASED ON RESEARCH HYPOTHESIS AND RESEARCH QUESTIONS**

### **1. Answers to Research Hypothesis**

This study adopted two main hypotheses to verify as true that there is a relationship between Institutional Arrangements for reforms and the Performance of Reform institutions and how this relationship culminates into sustainable and successful reforms.

H<sub>1</sub>: The institutional arrangements for reforms influences the performance of reform institutions.

From the study, the institutional arrangements for reforms comprised of the institution type, resources available for reforms, institutional stability and institutional adaptability. On all the measures for institutional arrangements, it was observed that the practices and approach adopted by Ghana for its reform institutions did not position the institutions well to properly function and deliver the expected outcomes. In terms of institutional type, all the previous institutions were not autonomous and unstable - with none outliving the political regimes that established them. Resources for reform interventions were made available through public and donor funds at a point but the results were moderate and

government as well failed to properly resource the reform institutions after this phase. It also emerged that the inability of the previous institutions to perform in future conditions and meet the growing needs of the public sector by aligning its priorities and interventions, created a certain perception that the institutions had outlived their usefulness and relevance. In the light of these observations, this hypothesis holds true that the institutional arrangements created for reform institutions highly influences the performance of the institution.

H<sub>2</sub>: The institutional arrangements for reforms and performance of reform institutions influences the sustainability and success of reform interventions.

Institutional effectiveness and performance is very critical to the achievement of its objectives and goals. Additionally, it has already been established in this study that the institutional arrangements have an impact on the performance of the institution. From the perspectives of the respondents in the surveys conducted, it was evident that the previous reform institutions had averagely performed and their impact was moderately satisfactory. Besides this rating, it was also observed that some reform interventions recorded modest achievements in spite of opportunities to achieve more. Thus, this hypothesis also holds true that if institutional arrangements for reforms are properly established, it will largely and positively influence the performance of the reform institutions to deliver sustainable and successful reform outcomes.

## 2. Answers to Research Questions

The main research question for the study is *what has been the perceived impact of reform institutions in achieving reform outcomes and results and their sustainability in Ghana's public sector*. An overall evaluation is provided in this section.

From the literature reviewed, Ghana, established a Secretariat in 2003 on PSR in the Office of the newly created portfolio of the Senior Minister between 2000-2004. This Secretariat could be recognized as the first formal institution set up to spearhead reforms in Ghana. The flagship reform approach was premised on

the NIRP which was actually launched in 1994 was aimed at transforming Ghana's public sector from an input oriented to output oriented and results-focused sector. Relatedly, Pricewaterhouse Coopers was commissioned by government to review and identify the state of the public sector and the implications of "upscaling" reform interventions as a sustainable means of the transformation required in the public sector. In 2003, Pricewaterhouse Coopers report titled "PSRs: Towards a Future Strategic Framework", this report recommended the need to create a ministerial portfolio to be responsible for the development of PSR strategies.

The then government in response established the Secretariat and placed it under the OSM who was largely influential and carried the necessary clout to get things done. Consequently, in 2005 MPSR was created with a substantive Minister to take over the PSR agenda. This was occasioned by Governments acknowledgement that the implementation of PSRs was very critical to its vision of human capital development, private sector development and good governance. The MPSR became the "institutional home" for all PSRs and was responsible for monitoring and evaluating the progress of reforms across the public sector. A number of interventions were taken over from the previous setup and was visibly and publicly implementing Pay Reforms, Pension Reforms, Decentralization, Service Delivery Improvement Reforms, Business Process Reengineering, Subvented Agencies Reform, Civil Service Reforms and Human Resource Management Reforms etc.

In 2009, the MPSR was re-designated as the PSRS and placed under the Office of the President. This was in recognition of the importance of the institution as a medium to be used by the Presidency to provide strategic and technical back-stopping role for reforms, as well as coordinate and oversee reform interventions from the Presidency. Other factors that influenced this re-designation, the new government which had just taken over at the time, assessed previous reform interventions and identified that modest and somewhat unsatisfactory results and outcomes were recorded and there was a general disconnect of the outcomes from mainstream ministerial responsibilities and there was no accountability for previous efforts. To sum, the previous institution adopted a top-down approach to implementation while the new institution

adopted a bottom-up approach. Some previous reform interventions such as Service Delivery Improvement, Subvented Agencies Reform, Human Resource Management Reforms were continued alongside the new reform strategy christened the NAPSAR. This strategy was a little different from previous ones, it was designed with a new sector-driven path to focus reforms on job creation, food production, distribution and processing. Finally, since March 2017, the PSRS has been merged with the OSM as a Directorate after a change in government.

Consequently, from the analysis of the literature and data collected, the following trends were identified and observations were made. First, the general performance and impact of the various reform institutions has been moderate, unsatisfactory to an extent and their results not measurable to the resources and efforts invested. Second, it is also very evident that the various political regimes indiscriminately reorganized the institutions at-will because it was not a priority in their political agendas. Third, DPs contributed majority of the resources and to some degree the rationale and request for certain reform interventions and the complementary resources and commitment from successive governments waned as time progressed, this eventually resulted in reform-fatigue among all stakeholders. Lastly, in terms of resources, the human resources of the reform institutions were not well capacitated and did not have the requisite competencies to lead reforms, hence the poor results recorded.

Generally, the lack of continuity, truncation and sustainability of reform interventions largely attributable to political actors also greatly influenced the expected impact and output of the various reform institutions. It however remains very clear that the tenure and phase when the reform institution was a Ministry recorded better results and outcomes and if these efforts were sustained in a concerted and strategic manner, the story of Ghana now would have been different.

The experience and evaluation of the performance of the various reform institutions from the findings endorses what March & Olsen (1983) reasoned, they emphasized that PSRs are comprehensive in nature and as such require long-term efforts, strong organizational capabilities to stabilize the attention, mobilize the requisite resources, adapt and cope with resistance (March &

Olsen, 1983). Additionally, these findings are further validated by the World Bank. In evaluating PSR programmes and strategies, they highlighted the fact that one out of three PSR interventions or programmes in Africa have not been satisfactory and sustainable ([www.worldbank.org/publicsector/civilservice/strategies.htm](http://www.worldbank.org/publicsector/civilservice/strategies.htm)). In other words, the findings of this study are realistic, considering all the efforts and resources invested to implement reforms in the public sector of Ghana, yet the results, outcomes, success and sustainability are not encouraging. An incremental implementation approach is much suited for policies like PSRs even though costly compared to the “big bang” approach.

### 3. Answers to Sub-Research Questions

*Having a distinct or independent institution for PSRs will result in effective, sustainable and successful implementation of reforms in the public sector?*

It has emerged from the study that majority of the respondents (the Experts, Officials of PSRD-OSM and Public Servants) that there is an imperative need for Ghana to have an independent institution for reforms and preferably it should be an autonomous body which is self-governing, adaptable and protected from political interference or any unpredictable circumstance that may arise from other external factors. They believe that is the only option Ghana has if reform implementation would be sustained and effective. In contrast, the perspectives of the officials from the World Bank were divided owing to the following: first, Ghana had enough institutions already and the way to go is to focus on implementing effectively a reform strategy whilst holding people more accountable for outcomes; and second, the current reform institution (OSM-PSRD) is not a sustainable institution and as a result the reforms may suffer if there is a change in government after the 2020 elections.

These findings resonate the tenets of Agencification which is also prominently embedded in the NPM reform paradigm. Agencification provides the alternative for decoupling the mundane functions of government of formulating and implementing policies. Governments can now focus on formulating policies such as PSRs while an independent agency implements with less politics, greater autonomy, coerciveness and oversight. Furthermore, the creation of an indepen-

dent reform institution to coordinate, facilitate and implement PSRs will mitigate and possibly remove negative factors that hinder effective implementation, continuity and sustainability as experienced in the past.

*How do experts from Ghana and Development Partners who have been involved in the reform process evaluate the perceived impact of reform institutions?*

From the perspective of the Experts, reform institutions have made moderate impact and could have achieved more if certain preconditions were in place and focus was placed on outcomes and results of implementation. For instance, they indicated a certain level of apathy and resistance to change amongst public institutions and workers, poor understanding of the benefits of reforms which can be attributed to the first point, reform institutions were under resourced owing to the low interest and commitment shown by political leadership and the staff of the reform institutions were not entirely competent to carry out reform interventions.

The officers from the World Bank also indicated that more could have been achieved by the reform institutions if there was high support and commitment of political leadership - Government at the highest level must demand that proposed reforms are implemented and that those charged with implementation live up to expectations and are accountable. They added that the technical capacity of reform institutions was low even with good advice from consultants and DPs.

*How do public officers in Ghana who are the main actors and or beneficiaries of the reform process evaluate the perceived impact of reform institutions?*

The findings from the perspectives of the public servants who can be considered as the main actors and or beneficiaries of the various PSRs indicate that overall, the impact of the various reform institutions has been insignificant, not tangible and average with majority not being satisfied with the outputs considering the resources and efforts invested by successive governments, DPs and all stakeholders. However, they submitted that some interventions such as the pay reforms, pension reforms, service delivery improvement reforms, civil

service reforms, human resource management reform and public financial management reforms for instance, could be recorded as somewhat successful with more room for better results. Lastly, they suggested that the current institutional arrangement for the reform institution is not appropriate and sustainable, this corroborated the view point of one of the officials from the World Bank.

*What measures and mechanisms must be instituted to ensure the effectiveness and sustainability of reforms in Ghana's public sector?*

In the view point of the Experts, they proposed the following measures as prerequisite mechanisms which if instituted would guarantee effective and sustainable reform implementation and outcomes: there is a need to create awareness of the benefits of change to all stakeholders; reform interventions must be designed and implemented in cooperation with stakeholders and not imposed; a legislation must be enacted to establish the framework to support PSRs; need to appoint and establish institutional desk officers for reforms; adequate funds preferably “ring-fenced” should be provided for PSRs and above all the reform institution must be autonomous.

From the perspectives of the officials from the World Bank, if all the challenges encountered by previous reform institutions are addressed: government should offer an opportunity to the public to review its performance on reforms; there should also be a demand for accountability at all levels of government for proposed reforms; all political actors must acknowledge and appreciate the value of PSRs and work towards it; adequate funds and incentives for reforms should be provided to key actors; and there is also a need to establish a coordinating body chaired by all central actors like the Public Services Commission, Office of the Head of Civil Service and the Local Government Service.

According to the perspectives of the officials at the OSM-PSRD, there is a need for a permanent institution for reform with the unfettered resources; the design and implementation of the new NPSRS is expected to provide the needed framework and roadmap for effective implementation. However, a review of the NPSRS document, a five-year strategy (2018-2023), cited by the officers of

OSM-PSRD as the roadmap for effective and sustainable reforms for the public sector details some institutional arrangements for reform implementation, on the contrary, first, the core mandate of the OSM is mainly to exercise oversight responsibility over economic MDAs to ensure prudent economic management; promote and improve efficiency and effectiveness of performance in the Public Sector; among others. This responsibility is argued by many as gargantuan and such PSRs may suffer as economic issues are likely to be prominent and predominant. Second, the NPSRS fails to clarify the sustainability measures for the reform outfit in the event of a change in government after the 2020 general elections considering the fact that the portfolio of the Senior Minister is one akin to this current administration and not a substantive ministry or outfit. It is regrettable to note that, in the case where this occurs, the reform institution and interventions may suffer the same fate as previous phases.

## **IV. LESSONS, RECOMMENDATIONS AND CONCLUSION**

### **1. Lessons**

The major lesson adduced from this study paints a clear picture that the lack of continuity and sustainability of reform institutions and reform interventions is a major factor that has contributed to the poor results and outcomes other than the desired results in Ghana's public sector.

Another lesson learnt is that for effective, sustainable and successful implementation of reform interventions, there is a need to establish an independent reform institution which would be self-governing and devoid of any political interference and unwanted changes. This is further reinforced by the argument of Thomas, who stated that the creation of a distinct institution for reforms, will eradicate politics from government interventions and an independent institution provides a reliable channel for funding with clear lines of accountability. From the past experience, it is observed that Ghana adopted mostly centralized in-government agencies and semiautonomous types of institutional forms, these institutional forms could not outlive political regimes and suffered at-will and indiscriminate restructuring and reorganization. Thus, an autonomous institution

is the only path and option left for Ghana if better outcomes and results would be achieved.

The commitment and support of political leadership is also highlighted as a major factor to ensure success of reforms in Ghana's public sector. Reforms should not compete with other government priorities but must be considered a necessity and imperative priority to bring about the desired transformation, productivity and improved public service delivery. Currently, in Ghana, there seems to be government support with the development and launching of the five-year reform strategy which is aimed at "improving the performance of the public sector to be responsive for sustained national development and also reorienting public sector actors and institutions to provide enabling environment for rapid gains in private sector competitiveness" (NPSR, 2018).

The literature and findings from the survey indicated that resources were made available for reform implementation and especially during the tenure of the MPSR, however the average results recorded coupled with governments waning commitment and low counterpart funding left successive reform institutions cash-strapped. The technical competencies and capacity of the human capital of the reform institution was also inadequate for effective implementation. Reform interventions are costly and require adequate resources. The viewpoints of Rose et al. (2010) as discussed in the literature review stipulates that, resources are unique and irreplaceable advantages that contribute to the competitive advantage of institutions (Rose et al., 2010). The underlying concept of this argument is that, the resources an institution possesses are the key determinants of its efficiency, performance and success and all these contribute to the institutions sustainable competitive advantage.

Again, it would be a fruitless venture if the proposed independent institution is established for reforms and the appropriate structures are not put in place. First, from the findings, it is evident that the various reform institutions were not properly established by law and were only created at the behest of political actors resulting in the rampant reorganization they experienced. Thus, there is a need to properly establish the reform institution by law and adequate legal framework to legitimize its operations. Lastly, monitoring and evaluation was not a key part of the institutional setup and as such was very weak and

non-existent at some points. It is imperative for the reform institution to incorporate M&E in the institutional arrangements and also develop an M&E framework for results.

## **2. Recommendations**

To ensure sustainable and effective implementation of PSRs in Ghana's public sector and the desired transformation and results envisaged by all, the reform institution must be repositioned and capacitated with the requisite resources, especially, highly competent and technical staff to enable it facilitate, coordinate and implement reforms in the public sector in an efficient, effective and more results-oriented manner. In essence, the current setting does not only require appropriate structure but a new institutional arrangement.

Second, the institution must be provided a legislative mandate to operationalize its roles and responsibilities and also empower them to deliver and be accountable. This will greatly enhance the quest for sustainability and effectiveness of reform interventions and also safeguard the institution from changes in political administrations.

Lastly, public sector workers, citizens and all stakeholders must be sensitized and made aware of the mutual benefits of reforms to engender ownership and the right attitudinal orientation required for change.

## **3. Conclusion**

The institution type, the resources and the adaptability of the reform institution have been discussed as very crucial to the performance of reform institutions and the attainment of successful PSR outcomes and results. The focus should be concerted on these key factors if better outcomes and results would be attained for Ghana's reform efforts. This is imperative because the lessons from past approaches in reforming the public sector leaves much to be desired, it is envisaged that this new methodology would guarantee success and progress. It is relevant to reiterate that the proposed institutional type should be an autonomous one which will be self-governing and detached from politics and

any unwanted circumstances.

Indeed, establishing an independent institution is not an adequate solution on its own because other factors must also be considered. There is a need to develop and implement a change management strategy, the proposed institutions must liaise and work in tandem with all relevant and key stakeholders and political actors as well and the technical capacity of the institution should be developed further to meet world class standards. Finally, the needed political will, commitment and support must be courted for positive and sustainable results for the public sector of Ghana.

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