

## Mid-term Evaluation:

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# ZIM/97/008 - Strengthening Government Capacity for Reforms

*A project funded by UNDP and implemented by the Public Service Commission*

## REPORT

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### *List of abbreviations*

APR

CCF CCS DOT ESAP GOZ HRIS IGEE IT MERP MIS MOF MPSLSW NECF  
NEX NEPC OPC PSC PSRP-I PSRP-II SGCR SSB TPR UNDAF UNDP  
ZIMPREST

Annual Programme Report

Country Cooperation Framework Central

Computing Services Department of Training

Economic and Structural Adjustment Programme Government of  
Zimbabwe Human Resource Information System

Improving Government Efficiency and Effectiveness (ZIM/90/008)

Information technology

Millenium Economic Recovery Programme Management  
information system Ministry of Finance

Ministry of Public Service, Labour and Social Welfare National

Economic Consultative Forum National execution

National Economic Planning Commission Office of the  
President and Cabinet Public Service Commission

Public Service Reform Programme Phase I Public Service  
Reform Programme Phase II

(UNDP programme to) Strengthen Government Capacity for Reforms

Salary Services Bureau

Tripartite Review

UN Development Assistance Framework United Nations  
Development Programme Programme for Economic and Social  
Transformation

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### **1.0 EXECUTIVE SUMMARY AND CONCLUSIONS**

- a. Public service reform is a multidimensional and complex objective that requires longterm advocacy, policy-level and operational actions that can affect changes in culture, decision-making practices and institutional

arrangements. It is not a mere technical issue.

- b. As a result of the UNDP programme, PSC stands as a strengthened entity, in terms of its general managerial competencies and capacity for effective information management and human resource administration. PSC has, moreover, been provided with key components of an essential IT infrastructure.
- c. Progress has been made with a number of important public service reforms, such as introduction of performance appraisal, cascading of performance management training, introduction of subcontracting as a government practice, review of public service regulations, and introduction of client charters.
- d. Positive outcomes have been noted with regard to some reduction in civil service posts, commercialization of individual agencies, and a new awareness within the public service at large of their role as ultimately being to service the public and their needs.
- e. However, these achievements have not translated into improvements in government's fiscal position or scope and quality of public service delivery. If anything, there has been deterioration on both these counts. Hospitals treat fewer patients; wage bill is up; deficits are higher; inflation is at unprecedented levels. On the subsidiary goal of 30% women in senior government positions by 2000, improvement is marginal, with status now being 17%.
- f. In terms of its ultimate objectives, the public service reforms undertaken to date have therefore largely been a failure. Although external factors, such as global market trends for Zimbabwean exports and a politically motivated withdrawal of aid, have had an adverse effect on the economic position faced by government, these are not sufficient to explain the lack of success emanating from reform efforts.
- g.

The UNDP programme, and the framework of public service reforms that it buttressed, have been implemented in isolation from the broader set of actions and interministerial consultations that are necessary to carry reforms through to successful conclusion. Public service reforms have therefore been perceived as a PSC responsibility and has not been "owned" by government as a whole. Senior

managers, other than those directly involved in implementing technical programme activities, have been conspicuously absent from implementation.

- h. Cost recovery, pensions, financial policy, indigenisation, parastatal reform, decentralization, enforcement of accountability and aid management is among the other actions that belong within the reform equation.
- i. Consequently, the various reform efforts have not been clearly linked to the basic and interdependent decision making processes of policy analysis, work planning, resource

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allocation and review. Without alliances incorporating the key decision makers responsible for these functions, "political interference" in the implementation process is hard to withstand.

Although the current programme has helped UNDP gain entry as a cooperation partner within critical and sensitive areas of governance reform and policy coordination, its involvement in these areas has not been brought to bear on the need for taking the public service reform agenda to a wider constituency of national decision makers.

- k. There has been no systematic monitoring, strategic liaison or substantive revisions to the programme - from the perspective of overall reform objectives.
- 1. The UNDP programme has been a useful source of funding for capacity development at the level of PSC's departments and associated technical agencies. Government's allocation of nearly US\$ 1m as complementary cost sharing for the HRIS module, is evidence of commitment to a function whose importance is unquestionable. The efforts to support PSC may well be necessary, but are certainly not sufficient to enable government to implement the desired public service reform agenda.
- m. The programme was propelled into activity with the National Programme Coordinator coming onboard, and implementation has thereafter been

undertaken on basis of vigilant adherence to technical output schedules corresponding to individual and parallel technical needs of PSC departments. This has also been the pitch of discussions in coordination forums-the programme coordination committee (PCC) and tripartite review (TPR). The reality of UNDP still maintaining "delivery" as an internal benchmark of performance has contributed to the administrative and activity-level emphasis of programme implementation.

- n. The dimension of responsiveness to client needs has been dealt with superficially. Civil society has not been defined as a stakeholder within the programme. Client charters will make little difference if operational practice is not monitored. More broadly, the role of end users in validation and review of client service standards has not been clearly defined. In order to truly change behaviors, client service need to be adopted as the unit of account for work planning and daily operational practice.
- o. Programme weaknesses were apparent from the outset. No targets or success criteria were identified in respect of overall programme success. The programme design did not clearly draw the linkages between planned activities and reform objectives. No "immediate objectives" were formulated.

Some of the PSC practices that have been supported by the programme appear as outdated, even if viewed from the narrower perspective of capacity for human resource management rather than relevance to reform. The functions of management services and job evaluation - or the "science" of engineering organisation charts and job descriptions-merit less attention, in international civil service management practice, than in the heydays of "master planning". Support for PSC's network of training centers, comprising bread-and-butter training at basic management and clerical levels-for which

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Zimbabwe has a well developed private infrastructure, may negate the spirit of reform, representing exactly the kind of business that Government should not be in.

**We recommend:**

- *The articulation of a new and more comprehensive reform agenda, with clear goals and targets.*
- *A new reform programme should be pronounced as the institutional dimension of the "Millennium Economic Recovery Programme".*
- *Coordination of reforms should be elevated to joint responsibility of key Heads of Ministries, with additional participation of civil society.*
- *The Public Service Reform Group of donors should be reconvened to marshal resources for a new reform programme.*
- *Regular client satisfaction surveys, should be considered as a mechanism for operationalizing client orientations.*
- *The focus of UNDP support should be to help facilitate the interministerial liaison and civil society consultations that are necessary for establishment and monitoring of a comprehensive reform agenda.*
- *UNDP must bring its entire range of governance and policy coordination programmes and advocacy activities to bear on the success of public service reform.*
- *The current project should be recast as a programme of support for PSC, rather than public sector reform at large. We suggest that activities be clustered around a handful of key results areas, that a definite deadline for completion be agreed, and that funds remaining thereafter be transferred to a new programme of assistance for a more comprehensive reform agenda.*
- *The modular structure of programme management should be dissolved as focus of planning and coordination.*

**2. PROGRAMME BACKGROUND AND OBJECTIVES**

Public service reforms were initiated in Zimbabwe after the Public Sector Review Commission's report in 1989.

The UNDP Programme - "ZIM/97/008: Strengthening Government Capacities for Reform" (SGCR), was conceived in 1997 and commenced in 1998. SGCR is intended to provide support to select, key components of GOZ efforts to reform the public service.

A wider national reform agenda was articulated in 1998, with the "Framework for the Second Phase of the Public Service Reform Programme" (PSRP), which was endorsed by Cabinet in 1999.

SGCR and PSRP were conceived in follow-up to an earlier phase of reforms that were supported by a predecessor UNDP programme - "ZIM/90/008: Improving Government Efficiency and Effectiveness". Impetus to formulate a new phase of reforms was given by the convening, with UNDP support, and recommendations emanating from - a Heads of Ministries Business Retreat on "Public Expenditure Review" in October 1996.

The earlier phase of public service reforms were integrated within the Government's Economic Structural Adjustment Programme (ESAP), 1990-96, and the subsequent Zimbabwe Programme for Economic and Social Transformation (ZIMPREST), 1996-2000. Following on ESAP and ZIMPREST as economic policy directions, GOZ announced the Millenium Economic Recovery Programme (MERP) in February 2000.

SGCR defines as its development objective "to shift the entire Civil Service apparatus to a much more results oriented culture". Within the later PSRP reform objectives are somewhat more clearly defined in terms of its "twin pillars":

- Fiscal rationalization
- Re-orientation towards client responsiveness

We adopted these goals as the primary operative development objectives for the current evaluation.' The two objectives are, however, inextricable dimensions of the reform equation and relate most broadly to results orientation as a direction for public service. It is not saving money in and of its own that is the goal. The goal is ultimately to accelerate national development through getting more value for money in public service - having better service with *relatively* fewer resources. If public services really work efficiently, prospects improve for growth, development and Government revenue too.

Additionally, though, an increase in the representation of women in senior levels of public service was expressed as a reform objective, with PSRP and SGCR having a target of women constituting 1/3 and 30%, respectively, of senior government officials by 2000.

' These fiscal rationalization and re-orientation goals were, in fact, also mentioned in the UNDP project document-under 'Summary of National Programme Framework', p. 1

### **3. FINDINGS ON PROGRAMME DESIGN**

**SGCR** highlights various reform measures on performance management systems and remuneration, the adoption of ministerial/departmental Client Charters for effective and open evaluation of public service provision, outsourcing of select public functions, and building of institutional and human capacities. UNDP agreed to fund this programme because it fitted in well with their CCF objectives.

In terms of technical programme design, we understand that SGCR was conceived on the basis of departmental directors at PSC and associated agencies articulating the details of support they would require over the 1997-2000 period. The predominant activities that were to be supported by UNDP were related to provision of short-term consultants, staff training, study tours and computer equipment.

#### ***3.1 Programme logic***

From the perspective of UNDP programming tradition, the project document itself is fairly short (technical annexes, listings of past efforts and formalities apart) and very weak on "logframe" analysis, particularly considering that it was the largest programme ever undertaken in Zimbabwe. Remarkably, no "immediate objectives" were formulated. No quantifiable goals, targets or success criteria were identified in respect of overall programme objectives. There is, however, a long section with "strengths", "weaknesses" and "opportunities" but little discussion of how these relate to objectives on the one hand or planned activities on the other.

As a result, there is a disconnect, apparent from the design stage, between programme objectives and activities. When it comes to activities, the emphasis is on individual needs of different departments-with modules designed as parallel and discreet areas of responsibility. There is no analysis or strategy to overcome the inherent risk that narrow departmental interests would override the pursuit of broader development goals.

Whereas some of the programme initiatives, such as client charters, subcontracting, performance management training and performance pay appear to be closely associated with the objective of creating a results oriented public service, there are other components or initiatives which have an uncertain relevance to reform.

For example, the entire complex of "management services" and "job evaluation" as a distinct function and technical skill is now a somewhat outdated, if not superfluous, human resource management practice. It is certainly generally perceived as much less important than it was a decade or more ago - in the heydays of "master" planning. Performance is not maximised through the "science" of engineering organisation charts and job descriptions, but through clarity of policy



goals and management of incentives.

Other substantive aspects of the programme seem important in terms of Government's general human resource management role, but only distantly relevant to reform. Capacities for labour market research and salary services, for instance, although in and of themselves important functions surely cannot be among the issues that are most critically constraining reform within the public sector.

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Finally, there are certain activities within the programme that even appear as possibly *negating* the spirit of reform. PSC's network of training centres, which are being strengthened under the programme, may be typical of the very kind of business that reforms are intended to let government rid itself of. One must ask whether there is a need for government to be a frontline *provider of* e.g. basic managerial literacy and clerical training, in a country that enjoys a wide infrastructure of private training institutions and facilities.

### 3.2 Policy linkages

The strategy of both SGCR and the Phase II of the Public Service Reform Programme is to consolidate as well as to institutionalise the change management process by shifting the entire civil service apparatus to a much more results oriented culture.

Achieving this objective clearly depends on changing deep-rooted cultures and long established work practices, many aspects of which PSC itself cannot change - even with the most concerted and committed management effort, let alone with individual internal technical skills. Reform requires actions that are additional to those that fall under the purview of PSC.

The more operational objective of reform, to create an efficient and responsive public sector, is a complex, multifaceted and lengthy process that requires simultaneous and sustained action on several policy and operational fronts. The PSRP and SGCR menu appears as a necessary, but insufficient set of reform issues.

Other areas of action that *also* appear necessary, but which are either missing or dealt with as issues separate from public sector reform, include:

- Decentralization and devolution
- Indigenization policy
- Procurement management
- Budget allocation
- Aid management
- Cost recovery/public service pricing

- Corporate planning
  - Privatization/Parastatals reform
  - Investigation & enforcement of malpractice sanctions
  - Expenditure control
  - Information access & transparency regulations

Moreover, no plan or provision was made in the project document for the critical function of monitoring and evaluation - as it pertains to the overall implementation of reforms.

The programme has primarily supported internal needs of the PSC, whereas the "big picture" of Government's reform objectives seems to have slid out of sight. From the outset, the programme was characterized by a compartmentalized focus on the financing of individual technical activities within the respective modules.

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There is no country where e.g. performance management has been easily or quickly introduced with success. The linkage between performance and pay is particularly sensitive, and it should be no surprise that the proposal has met with resentment in Zimbabwe. With severe resource constraints; wide disparities in clarity of institutional and individual responsibilities; and a civil service that contains aspects of a neo-patrimonial culture; there are legitimate concerns about both the essential fairness and the means for introducing pay-related sanctions and rewards. Then, one would have thought that the critical path for making headway on the performance pay issue lies in putting these issues on the table - by bringing together, at a high level, the civil servants (i.e. their unions), the officials responsible for e.g. resources (i.e. Min. Finance), manpower management (PSC and MPLSW) and client service (OPC). PSC Commissioners and management are, no doubt, aware of these issues, and have probably also had discussions with some of the key stakeholders. But there is no evidence of the SGCR programme having been brought to bear on such debate. Within SGCR, performance pay was designed to be dealt with as a payroll administration issue; tackled through procurement of computers, planning to appoint a consultant and by sending 35 middle/low-level officials from SSB and CCS on study tours and training.

### ***3.3 Capacity development concept***

SGCR was conceived with a narrow set of capacity development activities, focussing on individual training, study tours and equipment. Beneficiaries are concentrated almost exclusively at PSC, as well as at a small number of closely associated government agencies.

For some components, e.g. entrance and promotion exams, there is no discussion or review, in the project design, nor in implementation records for that matter, of how Government intends to deal with the *management* of such exams. With tens of thousands of possible exams to conduct annually, surely there are great issues to be resolved in terms of financing, administration and accountability. Within the programme, there is no holistic discussion of the critical issues or the strategies to overcome major challenges faced by individual initiatives. Capacity development is conceived from the very narrow perspective of PSC immediate an internal training needs, respectively computer resources.

Successful capacity development<sup>2</sup> clearly does need skills, staff, logistical resources - but this is not enough. Physical facilities and individual skills do not lead to capacity if addressed in isolation from the functional tasks, essential culture and managerial processes of an organization. Moreover, any one organization does not function in a vacuum either- it operates within a wider set of values and systems, and is dependent on a complex and organic policy and institutional environment.

<sup>2</sup> We define *capacity* as the ability of individuals, organizations, institutions and societies to effectively, efficiently and sustainably perform functions, solve problems and set and achieve objectives. In short, capacity is the *power* to perform or to produce. Capacity also entails a dimension of *momentum* - the likely power to perform or produce in the uncertain future. It is not a passive state that is reached at a certain point in time or which cannot be improved. It is a continuing process of learning and change management.

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Capacity development is therefore a concept that is broader than training or organizational development, because it requires an emphasis on the overall systems, environment or context within which individuals and organizations operate and interact (and not simply the internal workings of a single organization).

Capacity can be seen to exist at different levels or dimensions:

*Vision and Goals*

*Interministerial Policy Objectives*

*Operational Decision making*

*Instruments & Tasks*

*Skills and Logistical Facilities*

Capacity at the level of skills need to be integrated with changes in the environment of tasks and instruments, which in turn need to interface with the decision making environment and the process of interministerial policy discussion. Capacity exists when the entire system supports the attainment of goals and objectives.

## **4.0 FINDINGS ON OPERATIONAL**

### **MANAGEMENT 4.1 Institutional**

#### ***Arrangements***

The highest authority to oversee the implementation of the project is the Tripartite Review (TPR), which meets annually to discuss progress. - twice to date. In preparation for the TPRs, two Annual Programme/Project Reports (APR) have been produced. Within PSC, a Strategic Change Management Unit (SCMU) coordinates overall public sector reform efforts.

The Programme Co-ordination Committee (PCC), originally composed of representatives of "senior managers" in charge of planning and implementation of the reforms within the PSC, the MPSLSW, MoF, Office of the President and Cabinet, MoHE and other ministries as deemed necessary. The PCC has met regularly, has been tidy in maintaining minutes and focussed in its preparation and monitoring of quarterly workplans.

A National Programme Coordinator (NPC) is responsible for daily programme coordination, a task for which an individual module was defined. Each of the 15 programme modules is coordinated by a Module Implementer or coordinator in the respective Ministry/Department involved in the programme. Some implementors are responsible for more than one module, and two modules have been deleted or merged. The module implementers report to the NPC and PCC and control module expenditures following the NEX arrangement. Module implementers have been co-opted into the TRP to provide feedback on the performance of their modules. Each module Implementer was given detailed Terms of Reference to guide the implementation of the programme.

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#### ***4.2 Programme Coordination***

The delay in engaging an NPC by more than twelve months impacted negatively on initial progress of the programme. The NPC was hired in January 1999 after the project had been approved in October 1997. Between October 1997 and January 1999, there was very little activity going on. When the NPC eventually took office, he had to grapple with such challenges as putting the programme back on course and ensuring that there was relevant activity within the programme. This challenge called for resourcefulness and special skills to motivate module implementers to resuscitate a programme that had been dormant for months.

The NPC worked tirelessly to bring the programme on course and, in the process overcame the major obstacle of *slow pace* in getting things done in government. Guided by programme outputs, the NPC provided leadership to module implementers impressing on them the importance of planning and meeting deadlines. The introduction of work plans facilitated implementation as well as monitoring while promoting commitment among implementers.

For a summary review of current module implementation status, see Annex II.

The establishment of and commitment to holding monthly PCC meetings as a forum to sharing experiences in module implementation further enhanced commitment among implementers. It also promoted a trust relationship between the NPC, module implementers and the senior managers from the implementing ministries.

In practice participation in the PCC has mainly been restricted to module implementers and external contractors, in addition to UNDP. "Senior managers", from other Ministries or at the level of PSC Commissioners, appear conspicuously absent.

Module implementers prepare annual and quarterly plans, which are linked to the budgets to facilitate implementation and monitoring. The evaluation revealed that apart from the project document, module implementers had not prepared implementation plans until the arrival of the NPC who together with the UNDP focal point introduced work plans to facilitate programme implementation. The use of work plans in monitoring has facilitated the implementation of most project activities since module implementers are now required to give an account of what is happening with their modules in the monthly PCCs as well as during the informal follow-ups with the NPC.

The evaluation revealed that the coordination has emphasised, almost exclusively, the administrative and financial aspects of implementing the respective components or modules. The most general and crosscutting coordination problem has therefore been the lack of strategic management in approaching the programme. The PCC minutes bear little evidence of discussion at the level of the bigger picture of the PSRP/SGCR: impact on clients of the civil service; progress with aggregate fiscal rationalization; strategic directions or any inter-ministerial liaison that might be constraining, alternatively representing an opportunity-to the attainment of programme objectives.

The administrative and financial emphasis has been carried through to the annual Tripartite Review meetings. The fact that disbursement or 'delivery' pressures remain as a reality of UNDP

performance monitoring, has undoubtedly contributed to the focus on administrative and financial matters.

A further symptom of the technical, rather than the fact that the change management ministries<sup>3</sup>, appear to concentrate on comprehensive reform issues that may

### **4.3 Beneficiaries**

The training initiatives to be undertaken for servants and 30% of them should be strengthening the infrastructure in 8 efficient in carrying out their respective ministries and departments should be women. 80 higher level government study tours designed to familiarise them respective areas of competence.

Other than strategic focus in coordinating implementation, is that units (CMU's) that have been established in six line exclusively on the subcontracting component, rather than to affect the respective Ministries.

Men in this programme were meant to benefit 2000 civil service women. The equipment component is aimed at departments in the PSC in an attempt to make them more efficient. 900 Human resources personnel in all line trained in HRIS and MIS and 50% of them should be officials and 30% of them women should participate in them with the best systems in the world related to their

About 60%, in terms of trainees, of 23% in 1998. This tremendous increase the presence of the NPC. Eighty percent Women constitute about 30% of those should be commended for putting into long-term training and study tours, it should be noted that the financial investment in training. For instance the amount that tours almost equals the amount spent more in local training which seems to be investment in study tours.

- capacity building was undertaken in 1999 compared to
- in the numbers of beneficiaries is largely a function of
- (80%) of the beneficiaries are still in the civil service.
- who have left the civil service. While the programme
- emphasis on short-term training against the expensive where only 0.2% and 1.2% respectively have benefited, investment in study tours far outweighs the investment in local has been spent to finance less than 20 people on study on 900 people locally. There is need therefore to invest

much more cost effective in comparison to the enormous

Strategies to increase the proportion of total against a target of 30% should be

capitalise on the long tenure of women

women beneficiaries who currently constitute 24% of the intensified to advance gender development as well as to employees relative to male employees.

Analysis of the Training Expenditures y activity in US\$

Year	Study tours	Group training
1998	191 112.00	138 729.00
1999	163 473.00	190 337.00
2000	41 792.00	152 028.00
<i>Total</i>	<b>396 377.00</b>	481093.00

<sup>3</sup> Health; Education & Sports; Higher Education; Mines & Energy; Environment & Tourism; and Local Government, Public Works and National Housing.

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#### ***4.4 Programme and budget revisions***

The major budget revisions that have been made to the programme are:

- Module 2, Client Charters, has, in terms of UNDP funding source, been transferred, from ZEW97/008 to another project, ZIM/98/H04 (Danish Trust Fund), providing for a budget reduction in the region of US\$ 0.5 m.
- GoZ has injected nearly US\$1m as cost sharing against module 11, HRIS/MIS.

The net effect is that the original budget of US\$ 3.974.855 has been revised upwards to US\$ 4.458.775.

The efforts of the NPC contributed significantly to the dedication of GoZ to the HRIS, as demonstrated by commitment of funding for the continuation of the programme, which had been affected by delays in implementation. Although a proposal to merge some of the modules as presented in the critical path analysis was developed by the co-ordination unit, PSC management did not support this. In the meantime, however, funds have been shifted around. among the individual modules. For instance, all funds allocated to module 4b, Research and Planning at PSC, have been shifted to module 11, HRIS/ IIS.

There has been no revision of the programme, in terms of its overall objectives, substantive focus or strategic directions. The evaluators were surprised that the SGCR objectives and strategy had not been revisited upon articulation of the more comprehensively public service reform programme, PSRP, in 1998.

At the September 1999 TPR, agreement was reached that the link between

programme activities, outcomes and reform objectives needed to be clarified. In response to this, the module implementors defined "immediate objectives", which had been missing right back from programme design. However, the immediate objectives that then were defined, and which form the basis of progress reporting in the subsequent APR, are direct reflections of activities, not linkages to reform goals or any outcome-level changes being aimed at. (E.g. "Immediate objective is to provide a computer for the unit" and "Immediate objective is to train 22 in ...."). By the time of the next TPR, in February 2000, programme implementation (and "delivery") had really picked up, and focus was once again established at the level of module minutiae.

Our impression is that major consideration in undertaking funds reallocations has been fluctuating administrative and financial constraints and needs of the respective modules, rather than any strategic view of their relative importance to reform objectives. Modules that have been slow spenders lose money, whilst those that "spend well" get more. Simultaneously, a consideration appears to have been given to "fairness" in allocation of training opportunities among the various PSC departments.

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#### ***4.5 Financial and execution arrangements***

The SGCR programme, like most UNDP projects in Zimbabwe, uses the NEX modality. However, the major challenge has been to reconcile the budgeting presentations from the PSC which were a result of the way modules were conceived. For instance, the implementers were budgeting by module, following the original module proposal, whilst UNDP was using budget lines after combining the individual modules into a single programme. The challenge has, however, been resolved with the module implementers now using budget lines that correspond to UNDP practice.

The direct payment method preferred by UNDP is highly labour intensive and subsequently times consuming to officers involved in the processes. Some implementers expressed concern at the rate with which UNDP financial management systems change at times without adequate warning to implementers who are usually surprised and may get frustrated with the payment processing delays with documents being taken back and forth. In addition, the delays in payment of six to eight weeks with documents spending up to six weeks in the UNDP offices came out as a major concern on the part of the implementers and contractors.

The evaluators noted the practice of the programme being utilised as funding source in respect of *both* training/tuition fees *and* travel allowance/per diem. Although this may be necessary in respect of participation in overseas training and conferences



with a fixed programme, we question the practice when it comes to training tailored to the programme and which is undertaken domestically. If the UNDP programme pays a consultancy company to develop a training course and also pays for the hosting facility, the minimum demonstration of commitment from the beneficiary institution should be its contribution of *daily allowances* for their participants. More is at stake than the actual amount of money that has been spent. Under the current practice, the training organisers and the beneficiary institutions have a shared incentive in agreeing to training going on for as long as possible. Although we have no reason whatsoever to suspect collusion to this effect, there may have been cases of training courses being designed for longer duration than strictly necessary, for example the plan for 90 days of job evaluation training.

## **5.0 PARTNERSHIP**

### **5.1 Interministerial Liaison**

*"Conflicting policy announcements by different Government sectors is a result of weak policy coordination and commitment. This has increased inconsistencies and eroded credibility of government policies. " <sup>4</sup>*

Heads of Ministries in July-98 reviewed the PSRP, in preparation for its eventual endorsement by Cabinet 1999. However, thereafter, there has been little discussion of the programme at the monthly Heads of Ministries meetings. Liaison with other Line Ministries appears confined to those that had a direct role in implementing stipulated programme activities. Such contact was then at the corresponding technical level, with little evidence of discussions pertaining to reform

<sup>4</sup> MERP p64

objectives as a whole. The change management units that were established in six line ministries have dealt exclusively with the subcontracting component.

The issue of interministerial liaison is closely associated with the issue of policy linkages. The critical coordination challenge that PSC is faced with is to ascertain that reform efforts are brought into and carried through the entire implementation management cycle. Among those interviewed by the evaluators, a frequent complaint relating to government policy in general was that the implementation process is vulnerable to political interference. The solution must be to build alliances among those who, collectively, can withstand such pressures.

In order to have an effect, individual reform elements need to be coordinated with

those responsible for other key operational and decision making processes - such as work planning, resource allocation and the monitoring/review/evaluation.

Training in performance management, for example, leads to little change on the ground if it does not interface with corporate plans, budgets and pay. Performance management training puts a premium on ability to formulate conceptually logical *statements* about results. Seen in isolation, what is learned is the verbose language of grand intentions, often far removed from what is practically possible. Without being grounded in the realm of core operational realities, the end result may be mere rhetoric. Success with an initiative such as performance management is not reached at the end of a workshop or even when everyone knows what it is about; it only works when everyone changes the way they *act* in their daily business.

If one component in the wheel of planning-resource allocation-review is missing, progress with implementation of policy cannot be assured. If *resources* don't follow review and planning there are no incentives. If *planning* doesn't follow review and resources, there will be no change in real activities. If *review*, *M&E* is not performed, there is no way to tell what works from what doesn't.

Observations from Zimbabwean include:

- The link between client service goals, corporate plans and budget applications are weak
- Individual results plans are not necessarily tied in with corporate/ministerial plans
- Although individual performance is appraised, it is not clear that ratings fairly reflect service delivery achievements
- Performance ratings have not yet been linked to pay or promotions  
There are lengthy delays in investigation and sanctioning of misconduct; dismissal from the civil service on the ground of sustained poor performance is extremely rare
- Budget allocation appears to be based on other criteria than scope or quality of service delivery

Failure in the above areas cannot be reasonably attributed to PSRP/SGCR management. Although PSC clearly has a pivotal role in reform and may have done its level best to push for reforms, it is our assessment that, even with a strengthened skills base and improved information management and logistical facilities, it simply does not by itself have the power to prevail.

The actors who are responsible for resources (i.e. Min. Finance) and planning (i.e. OPC) need to be brought onboard with their concerns, in order to jointly take

reform agenda. In the context of decentralization, the Ministry of Local Government may be another key player in public service efforts.

## 5.2 *Public service users*

*"There was wide stakeholder participation in the formulation of Vision 2020 and ESAP II policies but no active participation in its implementation or monitoring. " 5*

The ZIM/97/008 project document defines as stakeholders those who are members of the TPR and PCC - i.e. those with responsibilities for implementation of the programme. We believe it to be a major shortcoming of the programme that the end user group, or public service clients, has not been systematically involved.

In spite of the pivotal role given to the objective of responsiveness to public needs, the role of clients remains unclear and under-emphasized in the activities that have been undertaken to date:

- Civil society has not been identified as a stakeholder. There appears to have been no serious attempt to include any end user or client perspectives in formal programme planning or coordination.
- In Annual Project Reports, PSC representatives, namely Chairman, Secretary, and Project Coordinator, have signed off on behalf of *all* stakeholders.
- The findings of the 1998 Service Delivery Survey have not been published.
- Clients do not appear to have had a systematic input into the process of defining ministerial client charters or the service delivery standards that have been expressed.
- No progress appears to have been made with the PSRP intention of encouraging service delivery surveys at the ministerial level.
- Upon being consolidated for printing, the term 'client' has dropped out, with 'service charters' having been adopted as the title of for the publication of what has been produced under the

Public

Client Charter module.

service  
Clients,  
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- At the level of Ministries, departments and civil agencies, the main instrument for client feedback is "suggestion boxes", but there is no evidence of such feedback being systematically recorded,

.....  
...

analysed or responded to.

- The PSRP plan to mount " a major campaign to ..inform the public about the reforms, get their feedback on the improvements being made and solicit their support..." does not appear to have been undertaken.
- The public sector itself has been more systematically kept informed, in particular through the coverage of the Public Service Bulletin given to individual reform issues, in particular performance appraisal.

s MERP p65

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The SGCR has not clearly articulated a communications strategy to facilitate co-operation from a broader stakeholder group. The perception seems to be that civil society is involved if media are selectively informed.

### ***5.3 Coordination with UNDP and other donors***

DFID has provided support to the subcontracting and commercialisation component of PSRP, whereas Sweden has provided funding for the cascading of performance management training.

The sequence of informal meetings within the "Civil Service Reform Group", comprising Government as well as donors involved in different aspects of reform, including UNDP, DFID, World Bank and SIDA/Swedish Embassy, came to a halt by mid-1998.

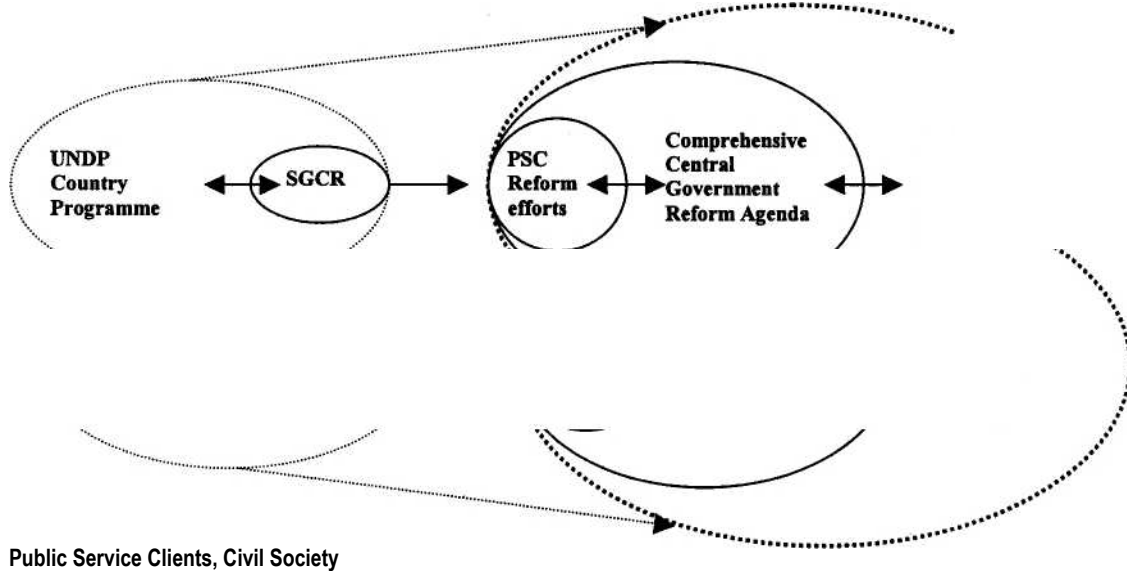
Within the UNDP 1997-1999 CCF, "management development" was identified as one of three concentration areas. As stated, *"a key objective of this programme is to provide capacity development assistance to the Government for the consolidation and coordination of the various reform programmes it is currently undertaking"*.

It is our view that greater efforts could have been made from UNDP's side to bring synergy between SGCR and other activities undertaken under the management development umbrella:

- Parliamentary reform
- National Long-term Perspective Studies (NLTPS)/Vision 2020
- Zimbabwe Programme for Economic and Social Transformation (ZIMPREST)
- National Economic Consultative Forum (NECF)
- Policy management and coordination at the Office of the President & Cabinet/

## OPC

These areas are all highly relevant to the issue of reform policy coordination. We believe it to have been a lost opportunity that UNDP's involvement was not more systematically leveraged in bringing the public sector reform agenda to a wider constituency and higher level of liaison among national decision makers.



## 6.0 FINDINGS ON DEVELOPMENT

### RESULTS 6.1 *Outcomes*

The articulation of the PSRP, which was reviewed by Heads of Ministries in 1998 and approved by Cabinet in 1999, is itself testimony to positive development in PSC capacities. With the PSRP as a policy document, and as a direct result of the UNDP programme, the PSC stands as a strengthened entity, in terms of staff competency, information management and logistical facilities. The SGCR has provided PSC commissioners, staff and associates with a facility to undertake key elements of their managerial and technical skills development - through study tours and training. In addition, the programme has allowed PSC to establish an internal infrastructure of IT awareness and equipment. The integrated human resource information system (HRIS) is now functional, albeit in pilot, and will undoubtedly contribute to improvements in effectiveness of Government's human resource planning and management functions.

Moreover, and beyond the PSC itself, there does appear to be a new awareness of role and purpose within the civil service at large - that the civil service exists in order to serve the public, that clients have a legitimate right to say in public affairs, and that public office is not an entitlement divorced from individual performance. The introduction of ministerial client charters, adoption of a civil service-wide performance appraisal system, and the cascading of performance

management training to 152.000 civil servants have clearly been instrumental to changes in awareness.

Other aspects of outcome level change include:

- Some government departments, such as the Civil Aviation Authority, operate more efficiently as a result of commercialization efforts.
- Ministries are being restructured, and the number of Ministers has been reduced from 54? In 1998 to 29? In mid-2000.
- Over the 1998-2000 period, the number of civil service posts has been reduced by 10.288, since the early 1990's by over 33.000.
- Subcontracting has been established as a practice, with 51 companies and cooperatives, comprising at least 426 employees, having been formed in order to provide select government agencies with cleaning, catering, security and grounds maintenance services. Anecdotal evidence is that there are cases of subcontracting entailing *both* higher and lower costs, and it remains unclear whether the practice in aggregate has produced a net saving to government. The practice has, however, served the subsidiary objective of promoting indigenisation.
- A Financial Management System (FMS) has been introduced which eliminates unauthorized expenditures at the Ministry level. However, frequent and ad hoc statutory expenditures, over and above original budgets, limit its impact on overall fiscal balances.

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A further outcome, albeit external to the programme objectives, is that the SGCR has helped place UNDP in a strategic position as a cooperative partner. UNDP's involvement in the field of public sector reform in general, and in particular its sustained and loyal support for PSC, has undoubtedly provided some of the credibility necessary for its involvement in such areas as Parliamentary and land reform.

However, although these achievements are important and necessary, they have not been sufficient to facilitate achievement of the intended ultimate reform objectives.

## 6.2 Impact

*"ESAP and ZIMPREST were, however, confronted with several limitations particularly in the area of public service reform. Failure to effectively restructure and reform the civil service and parastatals directly contributed to unsustainable budget deficits. ". "In order to arrest a further deterioration in macroeconomic fundamentals, Government*

*needs to speed up structural reforms, without any further delay".<sup>6</sup>*

Progress in regard to the stated objective of fiscal consolidation is measurable through public finance statistics. Impact on the other primary objective, re-orientation towards client responsiveness, can be measured through e.g. access/coverage/use of public services or through end user/client satisfaction.

An indicator of overall impact, capturing dimensions of both client orientation and fiscal improvement, is cost recovery - or the collection of fees at departmental facilities and services. An increase in the collection of fees, reflecting revenues to Government, is clearly correlated with the fiscal objective. At the same time, cost recovery does provide a reflection of client responsiveness by virtue of the public only being willing to pay more fees if services are perceived as a value-for-money response to their needs.

Ministry of Finance statistics show that cost recovery has deteriorated, even in nominal terms, and in the 2000 budget constitutes only 0.33% of expenditures, down from 1.37% in 1997.

COST RECOVERY				
	1997	1998	1999	2000
Collection of fees <sup>*1</sup> , ZW\$	487mn	970mn	422mn	386mn
As % of Estimated expenditures <sup>*2</sup>	1.37%	1.22%	0.64%	0.33%

<sup>\*1</sup>) Fees collected by departmental facilities and services, MOF Budget 2000, Consolidated revenue fund, 1995-2000 <sup>\*2</sup>) Year 2000 estimate crudely adjusted for 30% ad hoc wage increase awarded after budget announcement

Regrettably, there is little evidence of activities undertaken having translated into any tangible improvements in service delivery. One relevant measure for which data are available, hospital inpatient admissions, shows a dismal, albeit hopefully not representative, picture of steady decline. Although we have not been able to find other comprehensive, updated and comparable data, anecdotal evidence and general perceptions encountered are that the aggregate scope and quality of government services have deteriorated over the 1997-2000 period.

<sup>6</sup> MERP p.3

HOSPITAL SERVICES				
	1996	1997	1998	1999
Inpatient Admissions '000	602'	477'	453'	396'

revised to be consistent with the

Civil servants themselves complain that resources are scarcer than ever, and the public complains that queues are longer and facilities poorer. In the 1998 service

delivery survey (covering six government departments, seventeen districts and 2575 respondents), conducted on behalf of PSC, only 32.2% rated the standard of service provided by government departments in general as "good" or "very good". The preliminary results of a follow-up survey conducted in 2000 indicate little, if any, improvement.

Aggregate expenditures on the public service have, at the same time, increased considerably. Total Government salaries, wages and allowances have increased from less than Z\$8bn in 1996 to more than Z\$40bn in year 2000. The need for deficit financing is causing acute foreign exchange shortages and is crowding out productive investment in the domestic private sector, leading to reduced agricultural, industrial and tourism sector output, and major disruptions in power supply and transport. Macro-economic instability, combined with external criticism with the pace of political reforms, has reduced foreign investor confidence in Government's commitment to a market economy, which itself has further exacerbated the balance and flow of investment. Since 1996, interest on domestic and international debt has increased from Z\$7bn to Z\$28bn, representing an increase from 20.7% to 25.8% of total government expenditures. Capital expenditures are down to 6% of Government's 2000 budget. Growth is stagnant or declining, and inflation is at unprecedented levels. The Zimbabwe dollar was devalued from 38 to 50 to the US\$ in August 2000, and hyperinflation standards are now being recommended for corporate accounting. The current mood in the economic arena is one of crisis.

Public sector reform cannot therefore, by any stretch of the imagination, be considered a success at the level of the ultimate objective of creating a public service that is responsive to public needs and simultaneously poses a minimum burden to the fiscus.

#### PUBLIC SERVICE REFORM IMPACT ON FISCAL RATIONALIZATION

	1997	1998	1999	2000
Total number of Posts *1	160,612	172,220	163,772	161,932
Salaries/wages/allowances (Z\$bn •z	11.1	25.5	22.6	33.5 <sup>4</sup>
-- II -- as % of GOZ expenditures <sup>3</sup>	31.7	32.1	34.8	36.5 <sup>*4</sup>
GOZ Budget Deficit as % of GDP <sup>5</sup>	8.8%	5.5%	9.8%	15%
Inflation <sup>*</sup>	18.9%	31.5%	58.2%	59.3%

\*1) At beginning of year, excluding uniformed personnel: Army, Air Force, Police and Prisons \*2) MOF Budgets 1997-2000

\*3) Estimates, MOF Budget 2000

\*4) Crudely adjusted for 30% ad hoc wage increase awarded after 2000 budget \*5) IMF, current estimates

\*6) MERP, Reserve Bank Monthly Review, June 2000

On the subsidiary objective of increased female participation at senior levels of Government, the status as of March 2000, is that 17% of senior government officials (comprising the Permanent



<sup>7</sup> We understand that methodological questions have been raised regarding comparability of data.

Secretary, Deputy Secretary and Under Secretary levels) are women. So major progress does not appear to have been made against the goal of at least 30% women in management.

Failure on these counts cannot be solely attributed to imperfections in the design and implementation of public service reforms. There is no doubt that the disappointing status of fiscal affairs and government's general capacity to respond to public needs, has been affected by external factors - e.g relating to the international economic climate. Specific factors, which have had adverse effects, and that are external to public service reform as such, include:

- Negative global market prices for several of Zimbabwe's agricultural and mineral resources, such as cotton, tea, coffee, sugar, gold, diamonds, nickel and copper
- Politically motivated withdrawal of aid
- International campaigns against consumption of major Zimbabwean exports, such as tobacco and asbestos
- Uncertainty of market access into EU after expiration of Lome Convention; EU/SA Free Trade Agreement
- AIDS pandemic

With the UNDP programme only dating back to 1997/98, one could argue that it is too early to expect any material improvement in public finance or service delivery. However, public sector reform has been ongoing since the Public Sector Review Commission reported in 1989. UNDP has been involved since 1990, and many of the current programme activities were initiated under predecessor programmes<sup>8</sup>. Components within the UNDP programme - such as those relating to client charters, performance appraisal and performance management training, job evaluation and review of public service regulations - were all initiated well before the current programme commenced. With a reform history of a decade, we therefore found it disappointing to conclude that there is little evidence of progress, at the level of ultimate programme objectives - or impact, having materialized within the 1997-2000 period.

We have not sought to establish an empirical scenario of what the current macro-economic or service delivery situation *would have been* in the hypothetical event that the UNDP-supported programme of activities had *not* taken place. On the other hand, we find it implausible that the PSRP/SGCR could have *caused the* deterioration that has occurred. Rather, it is more likely that, in its absence, the

current macro-economic and service delivery status would have been *even worse*.

Public service reform is ultimately a multidimensional and complex objective that requires longterm advocacy, policy-level and operational actions that can affect changes in culture, decisionmaking practices and institutional arrangements. Even a decade may be a short time span for transformation. But even so, we believe that a renewal in Government's approach to dealing with reforms will yield better and more rapid results.

<sup>s</sup> Most importantly ZIM/90/008 - Improving Government Efficiency and Effectiveness (IGEE)

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## **7.0 LESSONS**

### **LEARNED** Four major

sets of issues emerge:

- *Scope*: The menu of the reform agenda is not sufficiently comprehensive. More things need to be done, and more actors need to be involved, in order to carry reforms through to success.
- *Coordination*: Introduction of planned reform initiatives needs to dovetail with key the operational processes of resource allocation, work planning, monitoring and evaluation. In order to drive reforms through political and institutional bottlenecks require clear linkages and joint responsibility of senior managers.
- *Client focus*: The role of clients remains unclear and under-emphasized. Introducing rhetoric of client orientations is easy enough, bringing the client into reality of operational decision making more difficult, albeit necessary.
- *Capacity as a process*: SGCR was conceived with a narrow set of capacity development activities, focussing on individual training, study tours and equipment. Capacity is a function not just of individual competencies, but rather of institutional practices, instruments and operational decision-making processes.

## **8.0 RECOMMENDATIONS ON THE WAY FORWARD**

Recognizing the strengths and weaknesses of the UNDP programme, our

recommendations are:

### *Public Service reform:*

- i. Public service reform objectives, including specific goals and targets, need to be more clearly articulated.
- ii. The agenda of reform actions need to be revisited in order to incorporate initiatives that are interdependent with those for which PSC is responsible.
- in. Responsibility for coordination of reforms should be elevated to the level of Heads of Ministries, with responsibilities jointly shared by MPL&SW, Ministry of Finance, Office of the President and, possibly, the Ministry of Local Government.
- iv. Civil society organizations should be brought into the formulation of reform objectives and the monitoring of service delivery standards. The NECF may represent a forum for initial consultations.
- v. The adoption of regular client satisfaction surveys, at both the facility and government-wide levels should be considered as a mechanism for  
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operationalizing client orientations. Client satisfaction levels can be made the unit of account for corporate planning, resource allocation and performance appraisal.
- vi. A new programme for public service reform should be integrated with economic policy, and could be articulated and pronounced as the institutional dimension of the "Millenium Economic Recovery Programme", within which progress with reforms is so clearly seen as a precondition of macro-economic success <sup>9</sup>.
- vii. The Public Sector Reform Group of donors should be reconvened to marshal resources for a new phase of reforms.

### *UNDP support for public sector reform:*

*"The design of quite a number of projects is flawed, particularly in their statements of objectives. It is therefore sometimes difficult to ascertain whether targets have been*

*met: whether any impact has been made, and indeed, to monitor and evaluate the projects effectively" <sup>10</sup>*

*"The office, both because of its neutral position and the current economic crisis in Zimbabwe, should increase its investment in economic policy advocacy, and divert human and financial resources away from project implementation, in the next CCF. Governance, also, should be a key area for UNDP's assistance. Special attention should be paid to (i) strategic management within core ministries, (ii) to strengthen the capacity of civil society organizations to assist the Government in formulating policies: and (iii) to facilitate discourse and dialogue between them and various levels of Government. " "*

- i. In line with the UNDP CCF for the 2000-2003 period, the area of reform and policy coordination should remain a priority for UNDP in Zimbabwe.
- ii. The initial focus of UNDP support should be to facilitate the interministerial liaison and civil society consultations that are necessary for establishment of a comprehensive reform agenda.
- iii. In an eventual operational phase of a new reform programme, UNDP's priority should be development of capacities for participatory monitoring and evaluation of reform progress. The focus of UNDP's support should, again, be the liaison and consultation required for consensus building among key stakeholders, rather than training activities and logistical facilities.
- iv. UNDP must seek to bring its entire range of governance and policy coordination programmes and advocacy activities to bear on the success of public service reform.
- v. We do not believe that the current programme, Z1M/97/008, is not suitable as a platform for involvement in comprehensive reforms. The programme is too advanced in its implementation plans and arrangements.

<sup>9</sup> In addition to MERP, see also Hon. Minister address to Parliament, 3 August 2000 <sup>10</sup> CCF review summary p 3

<sup>11</sup> CCF review summary p V

*Strengthening of PSC:*

- i. The current project should be recast as a programme of support for PSC, rather than public sector reform at large.
- ii. The planning of individual remaining activities should be clustered around a handful of key results areas that are related to overall PSC strategy and reform. This may call for the merging or dissolution of some of the modules. For instance, the job evaluation; management services; performance pay; entrance and promotion exams; as well as performance appraisal could be merged into one set of consolidated objectives under the performance management umbrella. This could help free up funds for a "new" programme.
- iii. Coordination of the recast PSC support programme should be undertaken by a smaller group of PSC and UNDP management, rather than the large PCC group.
- iv. Although we leave it for UNDP and PSC to consider a reduction of programme funding, we suggest that a definite deadline for completion of activities be agreed, and that funds remaining thereafter be transferred to a new programme of assistance for a more comprehensive reform agenda.
- v. Practice and regulation, in respect of funding for specially commissioned local training programmes should be amended to ascertain that beneficiary institutions become responsible for providing participants' daily allowances.