

Public sector reform in ghana politics essay



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Ghana's public sector serves as the largest employer of her labor force and also contributes significantly toward the country's development. Contrarily, people generally tend to hold negative perceptions about the sector.

However, in her bid to instill sanity and promote a good image of the system as well as ensure increased productivity of the sector, the Government of Ghana recently introduced several reforms within her public sector. This paper therefore explores the current public sector reform programs such as the wage reforms popularly dubbed Single Spine Salary structure (S-cube) that have been implemented in Ghana. The author however investigates whether or not these current reforms programs would be sustainable.

INTRO DUCTI ON

The catchphrase " Public Sector Reforms" has emerged over the past decades in both advanced and developing countries where governments have embarked upon sweeping reforms to improve efficiency and effectiveness of the public sector. Efforts at reforming the public sector is more pronounced in Africa where the sector in many of its countries is seen as a mere " watchman" rather than serving as a facilitator for the private sector to drive the pace of growth and development. As Fatile et al (2010: 145) aptly put it ' All African countries are caught in the web of Public Sector Reforms.'

Ghana, a country in Sub-Saharan Africa has witnessed its share of these reforms and continues to experiment with new ones. Like many African countries, Ghana's attempt at reforming its public sector can be traced back to the 1980's when it underwent the World Bank's Structural Adjustment Programs. From that time until now, successive governments have

consistently implemented reforms in its Public Sector which has been full of mixed results. Amongst these include, Civil Service Improvement Program (CSPIP), Public Administration Restructuring and Decentralization and Implementation Committee (PARDIC), the Civil Service Reform (CSR) and Public Sector Reform Program (PSRP) of the now defunct Ministry of Public sector Reform (Holm- Graves, 2011).

Quite recently, the public sector of Ghana came under intense criticisms from the public with many citing the sector's inability to meet the needs of its employees, corruption, poor delivery of services, and a host of other issues as the ills plaguing the sector. These issues alongside global pressures have made the Government of Ghana to introduce and implement new reform initiatives ranging from pay reforms to improvement in service delivery.

This paper as part of a larger project aimed at investigating the new reform programs that have been implemented in Ghana and to contribute to the broader discussion of public management literature focuses on the on-going pay reform program popularly known as the Single Spine Salary Structure (SSSS) that is being undertaken to replace the Ghana Universal Salary Structure (GUSS) which proved to be marginally successful (Cooper-Enchia, 2008). Unlike the GUSS which is the first comprehensive pay policy implemented in Ghana, the SSSS tries to bring more order to the pay setting process by promoting adequate comparability of similar jobs across public sector services and institutions (Cavalcanti, 2009).

This paper therefore attempts to examine the sustainability of the on-going SSSS in Ghana. Due consideration is also given to the prospects and challenges faced in the implementation of this new pay reform program. The rest of the paper is structured as follows. The next section looks at public sector reforms in Ghana by narrowing the discussion to pay reforms that have been implemented in the country to put the paper in perspective. Section three provides an overview of Ghana's Single Spine pay reform program. Here, the prospects and challenges facing the implementation of the on-going program have been discussed. The final section of the paper discusses the way forward for the current reform program in Ghana.

PUBLIC SECTOR REFORMS IN GHANA: A HISTORICAL CONTEXT

Historically, efforts at reforming the public sector in many countries have been diverse which can be largely attributed to the issues that occasion such initiatives. In Africa and other developing countries, public sector reforms have been heavily driven by worldwide decline in public finances and the need to 'get more for less' (Caiden cited in Ayee, 2008: 2). These initiatives were promoted to improve the image of governments in the global arena and to mitigate the 'dead hand' of bureaucracy. It is against this background that Ghana's public sector reform efforts have evolved.

A closer look into past reform efforts in Ghana shows that initial attempts dates back to 1980's when many African countries implemented a wide range of reform programs with the support and supervision of the World Bank and other reform institutions (Owusu, 2006). Ghana vigorously pursued these reforms with the aim of halting economic decline and stagnation to

institutional reforms and poverty reduction. The Civil Service Reform Program implemented in 1987, a component of the series of the economic reform programs was the first reform program to be undertaken in the country. The implementation of the CSRP was aimed at reducing overstaffing and trimming redundant civil servants (Owusu, 2005).

However, between 1994 and 2003, reform initiatives in Ghana took a new look with the establishment of the National Institutional Renewal Program (Owusu, 2003). Efforts at this stage were centered on improving the public sector through enhancing its efficiency.

Recognizing the failures of all the reforms that were implemented from 1987-2003, the erstwhile Kuffour administration took a giant step to establish a Ministry of Public Sector Reform in 2005 to ensure the development of home grown reform initiatives which oversaw the implementation of a number of reforms in the public sector until it was eventually replaced with the Public Sector Reform secretariat under the Mills regime.

Having undergone several reform efforts, Public sector reformers in Ghana have realized that many of the problems associated with poor performance, lack of professionalism and corruption are directly related to low salary levels and ineffective pay administration (Cooper-Enchia, 2008), thus, the introduction of the Single Spine Pay Policy which forms the crux of the paper. However, any discussion of this new pay policy calls for a critical look into past wage and salary reform attempts.

Past Public Sector Pay Reform Attempts in Ghana

Over the years, governments in Ghana have introduced several pay reforms and reviews in order to bridge the disparity and inequity gaps in its pay administration systems (TUC bulletin). Prominent among these efforts are reviews under committees and commissions such as Mills-Odoi (1967); Issifu Ali Committee (1973); Azu Gabbe Commission (1979), the National Committee for Wage and Salary Rationalization (1983) and the Gyampoh Salary commission (1992) (Ibid).

All these efforts notwithstanding, the problems that these reviews sought to address still lingered on since most of these committees and commissions which were set up remained adhoc and short-lived (source). Moreover, the recommendations that the committees and Commissions made on the existing pay system were never implemented by the government. For instance, the NDC government accepted the recommendations of the Gyampoh Commission in 1992 to consolidate allowances into basic salary but failed to implement them (Kiragu et al, 2003). These gives credence to the fact that political will is key in ensuring the implementation and success of reforms and buttress what Polidano (2001) says account for the why reforms in government fail.

Having failed in its bid to achieve the objective of rectifying the imbalances in the pay administration system, there was the need to develop a more realistic and sustainable mechanism to reform the public services pay structure. Therefore, a more comprehensive approach to reforming the public sector pay inadequacies known as the Ghana Universal Salary

Structure (GUSS) was introduced in 1997 to forestall the problems inherent in the existing pay structure.

The GUSS, a 22 level salary structure was put across to be implemented in all public sector institutions in Ghana. However, the aim of universality underlying the implementation of the pay policy could not be achieved since some sections of the public service institutions were made to opt out of the policy without any sanctions melted out to them. Moreover, the central body which oversaw the implementation of the GUSS did not have any legal mandate that established its legality to implement the policy and were also not adequately resourced (Government of Ghana, 2009).

THE SINGLE SPINE PAY POLICY

Overview

The Single Spine Pay Policy is a new comprehensive pay reform program introduced to replace the Ghana Universal Salary Structure (GUSS). It is anticipated that the Single Spine Pay Policy will be able to restore equity and transparency in Ghana's public service remuneration structure (Government of Ghana, 2009).

The Policy is designed to cover all the public sector employees specified under Article 190 of the 1992 Constitution of the Republic of Ghana. Those in these category include the civil service, the Judicial service, the Audit service, the Education service, the Prisons service, the Parliamentary service, the Police service, the Immigration service, and the legal service. Others include workers of the constitution and all other public services as Parliament of Ghana may by law prescribe to part of the policy.

However, the policy excludes all public employees specified under Article 71 of the 1992 constitution of Ghana. The officials who fall under this classification include the speaker of Parliament, the Chief Justice and other justices of the superior court of Judicature, the Auditor- General, the chairman and Deputy Chairmen of the Electoral Commission, the Commissioner for Human Rights and Administrative Justice and his deputies and the District Assemblies Common Fund Administrator; and the Chairman and Vice- Chairman and other members of the National Council for Higher Education, the Public services commission, the National Media Commission, the Lands Commission and the National Commission for Civic Education (Constitution of Republic of Ghana, 1992; Ankomah, 2010)

The SSSS places public sector employees on a 25-level unified salary structure as compared to the 22-level salary structure under the GUSS. Moreover, since the SSSS attempts to put all public sector employees on a common structure, it utilizes the so called ' base pay' (Cavalcanti, 2009) which is the minimum pay on the structure (Ankomah, 2010).

Aside the common ' base pay', there are other remunerations such the Market Premiums as to induce certain category of professionals which is over and above the common ' base pay'. Other commissions and allowances are also expected to be made specifically to certain group of public sector employees (Cavalcanti, 2010)

It is worth mentioning that, the first time in Ghana's pay reform history, there have been an establishment of a Fair wages and salaries commission (FWSC) legally mandated by an Act of parliament (Act, 737, 2007) to oversee

to the implementation of this pay reform policy (Ankomah, 2010; Cooper-Enchia, 2009; Government of Ghana, 2009).

Rationale for Ghana's New Pay Policy

There have been serious debates concerning Ghana's public sector pay over a long period of time. Issues that have been at the center stage of such debates concerns how to manage the pay disparities within the public sector and the rising cost of the public sector wage bill. For instance, although public sector salaries in Ghana constitute a major proportion of the government expenditure, it still remains very low and uncompetitive thus making the attraction and retainment of technical and managerial talents difficult (Ankomah, 2010). In addition, pay disparities continues to widen among public sector workers. It is against this backdrop that the Government has introduced this new pay policy. Hence, the Single Spine Pay Policy seeks to address the following key issues;

Pay disparities that have emerged within the public services

Rising cost of the public sector wage bill

Large number of public sector pay negotiations

Linkage of pay to productivity (Government of Ghana, 2009)

Aim and Objectives of the SSSS

The overarching aim of the Single Spine pay policy is to ensure equity, fairness and transparency in the public service pay administration.

Specifically, the objectives of the policy are to;

Place all the public sector employees one vertical structure

Ensure that jobs within the same job value range are paid within the same pay range (i. e ' equal pay for work of equal work')

Allow Government the ability to manage the wage bill more efficiently

Ensure compliance and ease of monitoring the pay structures of self-accounting institutions

Minimize industrial-relation tensions related to low pay and distortions across the public services; and

Link pay to productivity (Government of Ghana, 2009)

Ghana's SSSS Implementation

The implementation of Ghana's Single Spine Pay Policy commenced in July 2010 with the Police service being the first public sector institution to be migrated onto the new pay structure. The full scale implementation is scheduled to be undertaken within a five year period. Currently, all government employees specified under Article 190 of the 1992 Constitution of Republic of Ghana have been moved onto the structure. The stages that were followed in implementing the policy are listed below;

Job analysis and evaluation

Design of a grading structure based on the results of the job evaluation

Placement of jobs on the grading structure

Determination of the base pay and relativity through negotiations

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Design of the SSSS

Placement of the individual jobholders on the SSSS

Standardization of the allowances

Negotiation of other conditions of service between Fair wages and Salaries Commission (FWSC) and Unions/ Associations in the nine service classification

Development of public sector-wide performance system

Monitoring and ensuring compliance (Ankomah, 2010; Government of Ghana, 2009)

Emerging Challenges

The implementation of the single Spine pay reform in Ghana like its predecessor policies have faced several challenges. Amongst the key challenges the policy has been beset with include the following;

First, the migration of public sector workers onto the SSSS have been met with mixed results. While, the Police Service who were the first institution to be moved onto the new pay policy have hailed the policy as a good approach to ensure substantial increase in the salaries of all Ghanaian workers. Other Public sector workers share lukewarm attitudes toward the new pay policy. For instance, the health sector workers have consistently raised issues about internal relativity distortions and lack of transparency in the Job placement. They contend that the re-evaluation that was done prior to the placement of workers onto the SSSS was a total flaw (Ankomah, 2010). These same issues

have also been advanced by other workers including Ghana Prison Service Staff, Civil Service and Local Government staff (Ibid)

Another major challenge confronting the SSSS implementation has to do the payment of market premiums to certain categories of workers such as doctors, nurses, etc who are said to possess special skills set that are in short supply. It is argued that the absence of such professionals could throw the country into chaos (Abbey cited in Ankomah, 2010)

A third critical issue that has been raised by the labor unions and associations particularly Civil and Local Government Service Association of Ghana as far as the implementation of the SSSS has to do with collective bargaining arrangements. Under the SSSS, there is only one umbrella negotiation committee, that is, the Public Services Joint Negotiation Committee that can negotiate Public Salary which comprises Fair Wages and Salaries Commission on one hand and organized labor / associations on the other hand Ankomah (2010). This threatens workers right as stipulated in the Labor Act, 2003 to collectively bargain and renders them powerless to fight for future improvements in their salaries and conditions of service.

Poor management systems on human resources in Public institutions in Ghana have also been cited as a major challenge facing the implementation of the SSSS. According to Ankomah (2010), the current policy will require a thorough and complete assessment and review, which would demand a lot of competences and skills. Unfortunately, the human resource departments and units do not have the capacity to adequately manage this change. Moreover,

the data base and Monitoring and Evaluation systems in the public institutions are not enough to cope with this new policy.

WAY FORWARD

CONCLUSION