

**CHANGING PERSPECTIVES ON  
HUMAN RESOURCES DEVELOPMENT**

**Report of the United Nations Expert Group Meeting  
on Human Resources Development in the Public Sector  
held at United Nations Headquarters, New York  
22 to 23 June 1994**

## NOTE

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## PREFACE

As part of the activities of the Public Administration Programme under the 1994-1995 biennium budget, the Governance and Public Administration Branch (GPAB) of the Division of Public Administration and Development Management (DPADM) of the United Nations Department for Development Support and Management Services (DDSMS) carried out research and organized an Expert Group Meeting on Human Resources Development in the Public Sector at United Nations Headquarters from 22 to 23 June 1994. At its conclusion, the participants agreed to produce a report on human resources development in order to review in one document the numerous efforts of the United Nations to deliberate on this key issue.

This group reviewed a variety of technical papers, including seven that were specially prepared for the New York meeting, focusing on cutting-edge issues in key country experiences. Included also were the background papers and reports of the departmentally organized Pan-African Conference of Ministers of Civil Service in Tangier, Morocco (1994), and the Interregional Technical Meeting on Human Resources Development in Civil Service Systems in Manila, the Philippines (1991). These reports and technical papers are available on request from:

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In preparing the report on human resources development (HRD), the emphasis was more on enabling conditions and appropriate processes to prepare people for work, than on a “blueprint” approach to be mechanically applied to particular human resources problems. Consequently, the report goes beyond the deliberations of the meeting and provides the reader with a more comprehensive and integrated perspective on human resources development.

The Expert Group views positively those strategies which encourage public servants to be involved, committed, motivated, competent, ethical, productive, people-focused, cooperative and confident. To facilitate the development of relevant strategies, the report discusses the enabling environment, the evolution of human resources development, United Nations initiatives, as well as the focus on planning, strategic approach, cultural aspects and the issue of linking performance measurement with personnel management. The report also includes several case studies.

The report was prepared by the Governance and Public Administration Branch (GPAB) of the Division of Public Administration and Development Management (DPADM), DDSMS, with the assistance of Mr. Syedur Rahman, whose invaluable contribution the Department recognizes. All inputs were coordinated by Mr. A.T.R. Rahman, Chief, GPAB, with the assistance of Ms. Y. Jemiai of GPAB and Professor Ali Farazmand of Northern Kentucky University. The Department notes

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## EXECUTIVE SUMMARY

Human resources development (HRD) encompasses an array of activities that enhance the ability of all human beings to reach their highest potential. The traditional approach to human resources development, while focused and intensive, requires supplementation by a concentration on the interdependencies and interrelations among the different components of HRD and between different sectors of the national and international environments.

Human resources development has always been critical to the United Nations mission. As former Secretary-General Dag Hammarskjöld stated, “Fundamentally, man is the key to all problems, not money. Funds are valuable only when used by trained, experienced and devoted men and women. Such people, on the other hand, can work miracles even with small resources and draw wealth out of a barren land.” The United Nations initiatives in understanding the importance of HRD have been many and varied. They range from development of organizational structures within the United Nations, such as the Department for Development Support and Management Services, to development projects on civil service data management, training needs assessments, gender analysis and human capital concerns of governments, to the holding of international seminars, workshops, and meetings on human resources development.

With the dramatic changes in the global geopolitical environment in the late 1980s, the 1995 United Nations World Conference on Social Development, and a call by the General Assembly for a special session on the role of public administration in development in 1996, the focus on HRD has become even more important.

In keeping with its leadership role in international development, the United Nations continues to play a key role in furthering the knowledge base of human resources development.

Initiatives such as the 1991 Technical Meeting on Human Resources Development in Civil Service Systems, held in Manila, the Philippines, which called for the organization of civil service personnel in a broader context, and the 1994 Pan-African Conference of Ministers of Civil Service held in Tangier, Morocco, which reviewed strategies of civil service reform, continue to have a global impact.

This report is the outcome of a two-day meeting in June 1994 of an Expert Group on Human Resources Development in the Public Sector. Based on seven paper presentations, the group concluded that full understanding of human resources development in the public sector requires an appropriate assessment of the enabling conditions for maximum human

resources development potential. The meeting also agreed that the report should incorporate key concepts in past and current United Nations initiatives in human resources development.

To that end, this report combines selected reports of the Secretary-General, reports of related past meetings and the deliberations of the Expert Group.

This report takes into consideration the observation of the Expert Group's meeting that rigid prescriptive solutions do not recognize the complexity and particularity of country situations. Therefore, the Expert Group proposed broad guidelines for developing strategic options and enhancing conditions that enable governments to make sound choices that are most appropriate to their HRD environment. Developed, developing, and transition economies may face different kinds of problems, with each government designing customized solutions.

Therefore, the report uses a systems perspective on human resources development. It first outlines the enabling conditions for human development. The United Nations has identified five conditions as essential for human well-being and development. These are:

- (a) peace as a foundation;
- (b) economy as an engine of growth;
- (c) environment as a basis for sustainability;
- (d) social justice as a pillar of society; and
- (e) democracy as good governance.

These enabling conditions provide the vision within which the United Nations and its Member States can pursue the objectives of integrated human resources development. Such an approach would encompass the following elements:

- (a) promotion of lifelong acquisition of knowledge, skills, and competence;
- (b) application of knowledge, skills, and competencies for key tasks;
- (c) systematic improvement of "human capital" employed in the public service;
- (d) provision of adequate sustenance for human resources through policies and regulatory mechanisms; and



- (e) creation of a sense of peaceful political and economic conditions at individual, local, national, and international levels.

After outlining the enabling conditions and the objectives of an integrated human resources development strategy, the report then highlights two United Nations initiatives in human resources management—the Technical Meeting on Human Resources Development (Manila Initiative) and the Pan-African Conference of Ministers of Civil Service (Tangier Initiative).

Both initiatives concentrated on the civil service and concluded that, while HRD successes are modest, the civil service nevertheless has an important role to play in development. Debate about the allocation of scarce resources to civil service maintenance versus its development, operational versus strategic HRD, and individual versus organizational growth, tends to dissipate the impact of HRD policy initiatives and programme effectiveness.

No systematic HRD master planning process can be initiated without up-to-date and accurate personnel records and in-depth analysis of the competencies and potential of the civil service. Among effective change strategies to upgrade the quality of the civil service are (1) key positions analysis, (2) elite corps development, (3) a parallel consultant system, and (4) a service-wide career system. Each strategy must be considered in the light of past achievements, current conditions, and future needs.

However, these are not the only effective models. Much will depend on the culture of the society seeking improvement strategies. Dominant values governing organizational behaviour, particularly attitudes towards change, uncertainty, power and the future have to be factored into a considered process of strategy development. An HRD Master Plan must be sensitive to culturally-influenced change processes.

Country-specific HRD strategies such as those of Ghana and Malaysia, whether based on long-term societal ethical vision or more medium-term economic recovery policy, focus on optimal utilization of human resources. Assessment of the overall internal and external environments within which an HRD Plan is developed, as well as consideration of the importance of the process through which the Master Plan is formulated and implemented, are likely to contribute more towards the success of HRD than its specific techniques.

Two significant issues contributing to the success of effective HRD policy in personnel management are personnel training and measurement of civil service performance. There is a realization that capacity building through investment in personnel training has not been effective worldwide. While training is still considered critical, unless workplace conditions

are improved, attitudes towards training change and appropriate motivation and incentives are provided in the civil service, effective use of trained personnel will continue to be limited.

Sceptical public assessment of the ability of the civil service to deliver goods and services requires a strong move towards measuring performance in the public sector. To overcome a syndrome of 'incompetent officials', 'tangled in red tape' and 'uncaring' for the public, three types of qualitative scrutiny can help the public service improve its image. First, sharing all information honestly, regularly, and clearly will make the decision-making process open and subject to scrutiny and at the same time stimulate new problem-solving energies and ideas. Second, linking service measurement to resource allocation decisions will improve both individual performance and programme performance. Finally, providing performance data in a manner that the public can understand will increase understanding about the conditions and successes of the public sector's work.

In concluding the meeting, the Expert Group opined that in developing an effective HRD policy at the macro- or micro-level, besides the enabling environment, the technological and cultural variables, the process of planning for HRD, and available tools and techniques, careful consideration must also be given to the following factors:

- (a) Specifying the role of the public sector in economic growth and development;
- (b) Defining explicitly the relationship between state reform and administrative reform;
- (c) Specifying interaction between education and labour markets;
- (d) Determining the impact of the gap between professionals who are generally knowledge workers, and the rest of the workforce;
- (e) Conducting attitudinal and motivational surveys to determine perceptions and commitment and preconditions of reform;
- (f) Balancing mechanistic and technological solutions with human aspects of reform and change;
- (g) Re-examining the conditions of technical assistance and dependence on technical assistance for HRD;

- (h) Reflecting on the applicability and transferability of HRD concepts and methodologies from the private sector; and
- (i) Utilizing appropriate techniques for advanced management practices including organizational design, training and its utilization, accountability, working conditions, time frame, and modern office technology, in order to assist realistic human resources policy and programme development.

## INTRODUCTION

### A. Background

The United Nations Expert Group Meeting on Human Resources Development in the Public Sector was held at United Nations Headquarters on 22-23 June 1994. The Expert Group Meeting aimed at enhancing understanding human resources development for sustainability.

Although HRD covers a wide range of meanings and contents, the stated purpose of the Expert Group Meeting was to examine it within the context of personnel management in the civil service. Effective personnel management development is considered to be a strategic factor in sustainable human development.

Within HRD and personnel management, the meeting focused on areas of relevance to United Nations technical cooperation activities carried out by the Governance and Public Administration Branch.

Four areas were identified as particularly critical:

1. The role of human resources development in the civil service for sustainable human development;
2. Development and management of human resources development policies;
3. Methods, techniques, and tools for the human resources development Master Plan; and
4. Planning for training and in-service training needs within the human resources development Master Plan.

It was decided that the master planning approach to human resources management would be the focal issue of the Expert Group Meeting. This process is considered critical because developing countries face major problems in the quantitative and qualitative reassessment of the size and capacity of their civil service. Such a reassessment is needed to improve the delivery of the main mission of the state. The master planning process strategy provides governments with new guidelines, methodologies and techniques for the planning and implementation of HRD.

Composed of experienced practitioners and recognized academics, the Expert Group brought together lessons learned from field experiences and state-of-the-art concepts from the academic world.

## B. Annotated agenda

Each of the four critical issues that formed the basis of the Expert Group Meeting is further elaborated as follows.

### 1. The role of HRD in civil service for sustainable human development

What knowledge, skills and abilities are required by the civil service in order to support the executive branch in setting political priorities of the government and to carry out programme implementation? The required knowledge and skills vary according to the responsibilities entrusted to the state, the type of political system, and the nature of the sociocultural environment. Successful HRD leads to responsible government which can perform the state's role in society.

### 2. The development and management of HRD policies

The development and management of HRD policies should address three issues: (a) workforce shortage, under-utilization of personnel, and lack of resources; (b) promotion of the design and implementation of a system based upon equity, objectivity, efficiency and accountability, and responsibilities for implementation of HRD policy within a government; and (c) definition of techniques needed to implement and monitor the policy.

### 3. Methods, techniques and tools for the HRD Master Plan

The objective of an HRD Master Plan is to reconstruct a civil service that will respond to the quantitative and qualitative needs of an efficient public service. This process requires a number of steps, which include:

- (a) Preparation of a census and updating of the database;
- (b) Assessment of development planning priorities in terms of skills and competence required for different sectors: number of posts and job descriptions in relation to services provided, analysis of structural links and levels of qualification;
- (c) Evaluation of existing skills through a formal assessment of qualifications in relation to the occupational activity;

- (d) Comparisons between existing and expected situation (ideal) and definition of standards for qualitative and quantitative adjustments.

In this context, particular attention should be given to the following:

- (a) use of modern technology (computer database);
- (b) social indicators for monitoring; and
- (c) gender-sensitive concerns.

#### 4. Planning for training needs within the HRD Master Plan context

The master planning process requires the development of a national policy for induction training and in-service training for each country based on its existing situation. The most appropriate modalities have to be reviewed regarding training institutions and state-of-the-art methodologies.

The core issues covered in the seven papers presented in the Expert Group Meeting were as follows:

- (a) HRD in public sector personnel management;
- (b) HRD in the public sector: when strategy and methodology meet;
- (c) Capacity building in Africa: problems in the public sector;
- (d) Human resources planning and development: the Malaysian experience;
- (e) The organization and planning of HRD in the Ghana public service;
- (f) HRD and the role of institutions of public administration: a new paradigm;
- (g) Human resources development: linkages to performance indicators.

## I. THE ENABLING ENVIRONMENT OF HUMAN RESOURCES DEVELOPMENT

### A. General

It is generally accepted that HRD provides a means for improving the overall condition of human existence through improved literacy, lower morbidity, longer life, richer diet, and greater access to opportunities. It is increasingly becoming vital to raising productivity and maintaining and enhancing competitiveness.

At the same time, in many countries, for a variety of reasons, the development of human resources remains stunted. There the struggle is mainly to develop a balance between the needs of the development process and the quantitative and qualitative parameters of their human resources. In some developing countries the focus of HRD is directed towards developing more realistic social development goals, and developing and utilizing human resources, including national expertise, to design and implement HRD policies and programmes. In other countries, especially transition economies, HRD policies and implementation strategies are being shaped by the upheavals in the political process and the speed of transformation. The key issue can be a combination of under-utilization and underdevelopment of human resources.

These countries also face a series of common problems including: (a) a predominantly sectoral approach; (b) a mismatch between the output of the education and health sectors and the needs of the public; (c) government constraints to provide these services; (d) a gap between the rural and urban areas in terms of the quality of social services provided to users and the degree of coverage; (e) social fragmentation of education and health; and (f) the overall decline of the quality of social services.

The differences and commonalities require an integrated approach to HRD. Such a strategy will require integrated HRD at the institutional level, beginning with a fundamental understanding of development and the conditions that enable development to take place.

In the 1994 report of the Secretary-General entitled Development and international economic cooperation: an agenda for development (A/48/935), the enabling conditions for development are systematically considered. Development today is seen as a fundamental human right and is viewed as the most secure basis for peace.

In assessing responsibility for development, the 1994 report states that it is primarily the responsibility of national governments. However, the United Nations is entrusted with important mandates for assisting in this task. Four decades of development activities in

economic, social, cultural, and humanitarian spheres have given the United Nations considerable experience and expertise.

In assessing progress in development efforts, the 1994 report concludes that the poorest nations have fallen further behind in their efforts to reduce poverty, illiteracy, disease, and mortality. Nations in transition from command to market economies face immense hardships. Nations that have achieved prosperity see their success accompanied by a new array of problems in social, cultural, economic, and environmental domains.

Five enabling conditions which can be considered the inter-linked dimensions of development are identified. These are: (1) peace as a foundation, (2) the economy as an engine of progress, (3) the environment as a basis for sustainability, (4) social justice as a pillar of society, and (5) democracy as good governance. Each of these conditions is summarized as part of the report of the Expert Group Meeting, as they are essential to development of sound country-specific HRD policies and programmes.

#### B. Peace as a foundation

A fundamental prerequisite of development is peace. However, past development efforts have rarely taken place under this condition. In most cases, tension, strife, conflict and confrontations have been development's context—a context which is inimical to it and often negates development breakthroughs.

Conflicts of any type result in scarce resources often being diverted to the military. This diversion impedes the building of social institutions. The cost to society can be very high and exacerbate social tensions.

Reduction of military expenditures is a vital link in the chain between development and peace. Reduction of armament imports releases more resources to import capital and consumer goods. Reduction of military personnel and expenditures increases the availability of resources for social programmes and non-military training.

However, the perception that a strong military is needed makes it difficult in the short term to redirect resources from it to social institutions. On the positive side, governments often use trained military personnel for some development or disaster relief tasks.

Although development activities yield their best results under conditions of peace, they should start prior to the end of hostilities/crises. Relief requirements must be met in a way that, from the outset, provides a foundation for lasting development. Camps for refugees and displaced persons must be more than mere holding grounds for victims. Vaccination



campaigns, literacy programmes, and special attention to the conditions of women and children are important. Even while emergency relief is being provided, these programmes can lay the groundwork for community development. Capacity-building steps should not await the formal termination of hostilities/crises, but must begin to be performed alongside urgent wartime/crisis services. Resolution of conflict provides opportunities for major reform and its consolidation. The measures to enhance peaceful conflict resolution, respect for human rights, and social justice can lay the foundation for sustainable governance initiatives.

Peace-building means action to identify and support structures that will tend to strengthen and solidify peace and prevent any relapse. Peace-building is a matter for countries at all stages of development. For countries emerging from conflict, peace-building offers the chance to establish new social, political and judicial institutions that can give impetus to development. Land reform and other measures of social justice can be undertaken. Countries in transition can use peace-building measures to put their national systems on the path to sustainable development. Countries that are high on the scale of wealth and power can invest in partial demobilization and military conversion. Decisions made at this stage can have an immense impact on the course of their societies and the international community for future generations.

One concern during the peace-building process is the repair of the mechanisms of governance. Government capacities in countries in transition to democracy or those coming out of conflict are severely limited in their abilities to address critical issues. Key institutions of civil society, such as judicial systems, may need to be reinforced or even created anew. A variety of governmental activities may require assistance: for example, a fair system for generating public sector revenue, a legislative basis for the protection of human rights, and coherent rules for the operation of private enterprise.

Another concern during the peace-building process is the reintegration of combatants into civilian society. While difficult to achieve, it is critical for sustainable development. Re-entry strategies include, *inter alia*, basic education, vocational education, on-the-job training, credit, and small-enterprise development programmes.

While peace is essential to development and has benefited from the end of the cold war, ethnic strife, fear of confrontation over shared resources, domestic instability, and the explosiveness of regional antagonisms pose security and development concerns beyond national and regional boundaries. These supranational concerns infuse international peace and security with a wider meaning, call for measures that can further development even during conflict, and suggest that development, when successfully pursued, is another way to define peace.

Both the international community and individual countries have a major role in supporting and enhancing the peace process. It is only through reduction of conflict on one hand and the building of peace on the other that the enabling condition of peace can serve as a foundation for development.

### C. The economy as an engine of progress

Economic growth is the engine of development as a whole. Without it, there cannot be a sustained increase in household or government consumption, in private or public capital formation, and in health, welfare, and security levels. Whatever social processes are used to make distributional choices, the capacity to make them is severely limited in poor societies and enhanced by economic growth.

Pursuit of economic growth must be balanced with improved patterns of income distribution through greater equality of opportunity, and sustained and sustainable economic activities. A supportive national environment and a favourable international climate are necessary conditions for achieving this goal.

Supportive national environments must be based on pragmatic policies in which governments no longer serve as sole or paramount economic agents. Nevertheless, they retain the responsibility to provide a regulatory framework for the effective operation of a competitive market system. They have to intervene where appropriate: to invest in infrastructure, to facilitate the development of productive sectors, to provide an enabling environment for the promotion of private enterprise, to ensure that proper social safety nets are in place, to invest in human capital, and to protect the environment. Governments provide the framework within which individuals plan their long-term prospects.

A supportive national environment implies a relationship between the public and private sectors that is complementary rather than competitive in character. Government policies for the promotion of a sound macroeconomic framework are essential for sustained economic growth. Macroeconomic policies, however, must rest upon solid microeconomic foundations that provide for the efficient allocation of scarce resources. Should markets fail to perform their functions or to address essential welfare considerations, there is scope for government intervention. However, because government policies and programmes are also subject to failure, an empowered private sector can be essential. Finding the right blend of government direction of the economy and encouragement of private initiative is perhaps the most pressing challenge of economic growth and development.

Another element of a supportive national environment is that the state must have the political will to make economic growth its strategic priority and conscious choice.

Encouraging research and development, providing infrastructural and educational support, and translating the benefits of growth into forms that are acceptable to political constituencies are strategies for the role of government in economic development. Growth occurs in the economy and not in the government or state.

A supportive international climate is increasingly important as interdependence among nations has accelerated. National-level economic problems must be examined in a global perspective. While some countries are aligned with the global economy, most are imperfectly integrated, causing internal instability and vulnerability to global economic upheavals.

Economic interdependence initially defined by trade and finance has now expanded to movements of people and ideas. Limited access to world trading systems by countries with low labour costs, dependency on primary commodities, and international debt, has led many to pursue structural adjustments; they are still at the periphery of international economic growth and development.

A supportive international environment calls for the pursuit of globally responsible macroeconomic policies by those countries the economic strength of which shapes the international economic environment that is essential to all development efforts. The role of the major economies in world finance remains preponderant. Their policies on interest rates, inflation, and exchange rate stability are particularly significant. Exchange rate volatility compounds the debt problem through its effect on interest rates, foreign exchange earnings and reserves, and debt servicing. The domestic policies of the major economies will be of decisive importance in a world increasingly characterized by global capital markets.

While many developing and transition economies have been compelled to undertake structural adjustments for responsible macroeconomic policies, no mechanism exists by which the major economies can be induced to make globally beneficial structural changes in their own economies, or to adopt more globally responsible economic, fiscal, and monetary policies. Effective international cooperation for development cannot succeed unless the major economies make it their own objective.

Effective economic policy coordination is another element in a supportive international environment. For example, economic policy coordination is reasonably effective in industrialized countries, but worldwide economic policy coordination is still unorganized. Mechanisms for integrating responsible economic policies at the international level and growth at the national level are not yet fully developed. Such mechanisms are important because of the recognition that growth in the major industrialized countries is no longer the sole engine of global development; change is warranted for the processes of economic policy coordination to become more broad-based.

Growth requires political commitment and vision at both the national and international levels. Coordinating economic policies at the global level, making the political commitment, and adapting such perspectives as strategic goals will result in making the national and international economy the engine of progress.

#### D. The environment as a basis of sustainability

The importance of sound, well-managed, and effective use of the earth's natural resources cannot be overemphasized. As environmental degradation affects the quality and quantity of all human life, environmental protection provides the basic building block for all forms of human resources development. Development and environment are not separate concepts. The environment is a resource for development.

The current state of the global environment is a cause for concern. In the developing world, ecological pressure threatens to undermine long-term development. Among many countries in transition, decades of disregard for the environment have left large areas poisoned and unable to sustain economic activity in the long term. Among the wealthiest nations, consumption patterns are depleting world resources in ways that jeopardize the future of world development.

Water and air pollution, salinity and soil erosion, agricultural degradation and deforestation, exhaustion of marine life, toxic and heavy metals contamination, depletion of atmospheric protection, and exposure to hazardous materials are daily affecting the quality of human existence. Natural disasters further lower the standard of living in many areas in a rapid fashion.

Preserving the availability of the earth's natural resources and rationalizing their use are among the most compelling issues that individuals, societies and states must face. The major debate in viewing the environment as a basis of sustainability is similar to the debate in the area of peace and economic growth: how does one seek a balance between competing needs? In the case of the environment, the challenge is to balance protecting the long-term potential of natural resources and fulfilling current social and economic needs. How can the current needs be met in such a way that long-term resources availability is not undermined?

Without ecological balance, human resources development will suffer and human survival will be threatened. For environment to be a basis of sustainability, improved country-specific environmental management will require that businesses, households, farmers, the international community, and governments change their behaviour. Targeted policies are needed to ensure that environmental values are properly reflected in economic activity. Public as well as private enterprises must be held accountable for the environmental

impact of their activities, and governments must take the lead in formulating policies and pursuing development strategies that encourage environmentally sound development.

Community involvement is seen as crucial not only to development but also to protect the environment. Cases in different countries have shown that making local inhabitants incentive partners rather than simply collateral beneficiaries has increased appreciation for the benefits of preserving natural resources, greater community cooperation and assets, and higher rural incomes.

Such all-round commitment will lead to sustainable development. Sustainable development means a commitment to using renewable resources and to avoiding the overconsumption of non-renewable resources. It means choosing products and production processes that have the least adverse impact on the environment. In agriculture, it means avoiding the excessive use of harmful, energy-intensive chemicals and preserving biodiversity. In all areas of public and private life it means a commitment to conserving natural resources and protecting the ecological balance.

Environmental concerns must be dealt with at all levels: local, national, regional, and global. Setting and following priorities for international environmental policy are particularly complex. While the cost of inaction falls on all nations, improvement may benefit slightly or not at all those nations that make difficult sacrifices.

Nevertheless, solutions to international environmental problems must be based on common principles and rules of collaboration among sovereign states, backed by persuasion and negotiation. Regional problems with possible political implications can arise when neighbouring countries share a common resource, such as international rivers or regional seas. There are also global environmental resources, such as the atmosphere and oceans, that must be targets of multilateral action. In the case of resources belonging to one country but of value to the international community (ecological habitats and rare species, for example), individual states are entitled to international support for the preservation of the common legacy.

Sustainability must be strengthened as a guiding principle of development. Partnership is required at all levels of the development effort, among different departments and levels of administration within states, as well as among international organizations, governments, and non-state actors. In short, a true partnership is required between humanity and nature.

Without such partnership, HRD gains in individual countries or regions will be negated by extreme losses in others.

### E. Social justice as a pillar of society

At the national and international levels, current social conditions in many countries call for an active and vigorous programme of corrective action. Development does not take place in a vacuum, nor is it built upon an abstract foundation. Development takes place within a specific societal context and in response to specific societal conditions. It affects all aspects of society, and all aspects of society contribute to, or detract from, development. Economic growth and technological transformation affect human relationships, societal structures, values and lifestyles. Social and human resources development makes economic relations more harmonious, facilitates inclusiveness and societal cohesion, and provides a solid and adaptable foundation to achieve long-term progress.

Existing social conditions are the starting-point for development efforts. To a large extent, they determine their priorities and direction. In much of the developing world, poverty, disease, and the need for education and sustainable livelihoods are the most urgent and compelling developmental priorities. In many of the countries in transition, sudden economic hardship, decaying industries and infrastructures, and profound social disorientation are urgent problems that must be addressed by development. Among the richest countries, the growth of a permanent and disaffected underclass, the arrival of increasing numbers of economic migrants, and a rise in xenophobia and exclusionary attitudes are realities that must be faced as these societies continue to advance and develop.

If people are a country's principal asset, then their well-being defines development. Their energy and initiative drive development. Their characteristics determine the nature and direction of sustainable human development. The benefits of investing in people, however, go beyond increasing the productivity of labour and facilitating access to global opportunities. A healthy, well-educated citizenry contributes to the social cohesion of a country and energizes all aspects of life and culture.

Absolute poverty, hunger, disease, and illiteracy are the lot of one-fifth of the world's population. There can be no more urgent task for development than to attack both the causes and the symptoms of these ills. This task requires action and commitment. It is an agenda that requires the widest possible distribution of development efforts, the implementation of broad-based strategies, and the orientation of development efforts towards projects that enhance people rather than national prestige.

Demographic growth rates affect the consumption and production patterns of societies. Beyond a certain point, unsustainable and insupportable population growth can have adverse effects on development efforts nationally and globally. These effects involve depletion and/or degradation of natural resources such as water, wood, fuel, and air. Overpopulation also taxes

the ability of governments to supply adequate basic services to all people in need, including education and health care.

Fertility and mortality rates have societal implications that extend beyond population counts. Reduced fertility, for example, means smaller households and less time devoted to child-bearing and child-rearing, thereby enabling women to continue their normal education and to choose to work outside the home. Education further increases their chances of employment and enhances their ability to make choices in all aspects of life. Lower levels of mortality result in the ageing of populations, a phenomenon that has significant implications for the labour force, dependency rates, social welfare services and health delivery systems.

Extended conflict has a dramatic impact on population profiles; the number of female-headed households increases as does the number of orphans and handicapped people. Close attention to these vulnerable populations is an immediate and major priority. Once the family unit is reconstructed and the weak and most afflicted are given care, they can contribute to development.

The importance of social integration as a development priority is evident among countries across the development spectrum. Manifestations of the lack of social integration are familiar: discrimination, fanaticism, intolerance, and persecution. The consequences are also familiar: social disaffection, separatism, micro-nationalism, and conflict.

The challenge of social integration has now become increasingly internationalized. Large movements of people across international borders, seeking new and better lives, are critically affecting both national and international agendas. While millions of people flee from wars, famines, and natural disasters, additional millions are migrating to find employment. The regulation of immigration has become a contentious political issue in many receiving countries, while political pressures to emigrate have added to social and economic tensions in many countries of departure. Often, emigrants are highly skilled and educated, thereby representing a serious loss of national resources and investment.

Until development on a global scale improves and is more evenly distributed, large populations will continue to move across borders despite efforts to control or impede their flow. In some societies, resentment of migrants has fanned the flames of hatred and intolerance, and official policies have often seemed to condone separatism rather than promote social integration. Elsewhere, immigrant groups have resisted social integration. The treatment of migrants has become an issue of considerable tension in many bilateral relationships.

The enormous challenge of development cannot be undertaken by people whose every thought is bent towards getting enough to eat or recovering from debilitating sickness. A population that is illiterate and uneducated cannot hope to compete in a world economy that is becoming ever more complex and sophisticated. A society in which women are discriminated against or lack equal opportunities cannot reach its full human potential.

While investment in physical capital is an important aspect of stimulating economic growth, investment in human development is equally important for long-term economic competitiveness and is a necessary component of sustainable economic and social development progress. Investment in human resources must, therefore, be seen not merely as a by-product of economic growth, but as a powerful and necessary driving force for all aspects of development. A stable economy and polity cannot be built in an unstable society. A strong social fabric is a prerequisite to sustainability.

The creation of an environment that will provide wide access to assets and opportunities may require governmental measures. Creating the political conditions for adequate weight to be given to social development and the implementation of social development policies is also essential. These are major responsibilities of government and of all social institutions. Governments should ensure that consideration is given to social and environmental factors as the framework of the market economy, and that emphasis is given to activities that promote human development throughout society. Education, health services, housing, and social welfare are particular areas needing government action.

A vigorous civic society is indispensable to creating lasting and successful social development. Social development, if it is to take hold, must spring from society itself. Government must lead and facilitate, but government cannot, and should not, be the only force for social progress. Governmental organizations, community organizations, private enterprise, workers' organizations, and other groups all must be actively involved. Locally based non-governmental organizations (NGOs), in particular, can serve as intermediaries and give people a voice and an opportunity to articulate their needs, preferences, and visions of a better society. Policy makers should not view such organizations as rivals to government, but as partners. In countries with a weak civil society, strengthening it should be a major purpose of public policy.

In helping to create the conditions under which social development can take place, popular participation at all levels of society is of vital importance. In order to fulfil their potential, people must participate actively in formulating their own goals, and their voices must be heard in decision-making bodies as they seek to pursue their own most appropriate path to development.



Democracy and a vigorous civil society are particularly vital in helping to ensure that government is sensitive to the societal costs of its policies. In many countries, the necessary process of economic structural adjustment has had harsh social consequences. Rising consumer prices and declining employment and income have often been the most immediately visible effects of adjustment and transformation. The disproportionate impact of the resulting hardships on poor and vulnerable groups has been particularly devastating. A general decline in government expenditures in the social sector, as a result of heightened budgetary austerity, has compounded the suffering for many.

Structural adjustment remains a necessary prescription to remedy serious economic imbalance. However, it should also be clear that human needs and priorities must not be neglected, and that adjustment and transformation must include strategies for social development. The laws of economics cannot be changed, but their social consequences can be eased. Flexibility is required for governments to address the dire human consequences of such reforms.

The dismantling of ideological tensions provides a great opportunity for implementing social justice at the national and international levels. Only under elevated social justice can the full potential of human resources development be realized.

#### F. Democracy as good governance

Improving and enhancing governance is an essential condition for the success of any agenda or strategy for development. Governance may be the single most important development variable within the control of individual states.

In the context of development, improved governance has several meanings. In particular, it means the design and pursuit of a comprehensive national strategy for development. It means ensuring the capacity, reliability, and integrity of the core institutions of the modern state. It means improving the ability of government to carry out policies and functions, including the management of implementation systems. It means accountability for actions and transparency in decision-making.

Regardless of ideology, geography, or stage of development, non-democratic societies tend, over time, to resemble each other, with a relatively powerless middle class, a silenced population and a ruling oligarchy that benefits itself through the management of a system of pervasive and often institutionalized corruption. People in a democracy have greater freedom to speak out against graft and corruption. Improved governance means that bureaucratic procedures help ensure fairness rather than enrich officials.

While democracy is not the only way to improved governance, it is the only reliable one. By providing for greater popular participation, democracy increases the likelihood that national development goals will reflect broad societal aspirations and priorities. By providing appropriate mechanisms and channels for governmental succession, democracy provides incentives to protect the capacity, reliability, and integrity of core state institutions, including the civil service, the legal system, and the democratic process itself. By establishing the political legitimacy of governments, democracy strengthens their capacity to carry out policies and functions efficiently and effectively. Through accountability to citizens, democracy encourages governments to be more responsive to popular concerns and provides added mechanisms for transparency in decision-making.

Another aspect of democracy profoundly impacting on good governance is its ability to provide a long-term basis for arbitrating, regulating, and managing the many political, social, economic, cultural, and ethnic strains in a way that minimizes the internal tensions which constantly threaten to tear apart societies and destroy states.

The mandate to govern provides legitimacy; it does not carry with it the guarantee of skill or wisdom. Democracy cannot instantly produce good governance, nor will democratic government immediately lead to substantial improvements in growth rates, social conditions, or equality. By providing channels for participation in decisions that affect people's lives, democracy brings government closer to the people. Through decentralization and the strengthening of community structures, local factors of relevance to development decisions can be taken into account more adequately.

Democracy in international relations also means respect for democratic principles in interactions. It means bilateral discussions instead of bilateral threats. It means respect for the integrity and sovereignty of other nations. It means consultation and coordination in addressing problems of mutual concern. It means cooperation for development.

Dialogue, discussion, and agreement are demanding activities, but they are the essence of democracy within nations and within the family of nations. Above all, they are the principal means through which individual societies and the society of states must strive to express their common will and achieve progress. It is only through such a process that greater coherence, consensus, and cooperation at the national and international levels can be achieved, generating both economic growth and the highest realization of human development.

## II. EVOLUTION OF HUMAN RESOURCES DEVELOPMENT

### A. Human resources development and United Nations resolutions

While concern for human well-being is a basic foundation of the United Nations, the 1993 report of the Secretary-General on Human resources development: developing human resources for development (A/48/364) contains the statement that HRD has gained in prominence for several reasons.

The report states: “First, in all countries, HRD provides a means of improving the human condition....These improvements can be made even at very low levels of material well-being...as long as substantial reordering of priorities takes place....Second, advances in technology have made feasible the achievement of some of these objectives at lower real costs than a decade or so previously....Finally, a veritable revolution in production technology has made HRD an essential requirement for raising productivity and enabling enterprises to remain competitive in world markets.”

The first formal concept of human resources development appeared in a General Assembly resolution in December 1989. Resolution 44/213 not only defined human resources development but also identified its essential elements, stating that “human resources development is a broad concept encompassing many components and requiring integrated and concerted strategies, policies, plans and programmes to ensure the development of the full potential of human beings...so that they may individually and collectively be capable of improving their standard of living. It is a specific means to achieve specific economic goals.”

The concept was therefore linked to economic goals. Further enunciation of the concept identified a number of specific elements, including:

- (a) education and training of nationals, including the most vulnerable groups;
- (b) measures to support vital areas such as health, nutrition, water, sanitation, housing, and population;
- (c) efforts to make the public sector more effective, and to foster new and productive employment opportunities to minimize any adverse impact on overall employment levels;

- (d) generation of employment in all sectors, including self-employment and entrepreneurship; and
- (e) intensification of efforts for the full integration of women as well as youth and the poor in the development process.

During the forty-fifth and forty-sixth sessions of the General Assembly, the concept of human resources development evolved into a stronger linkage between human resources and development programming; specifically, it was noted that “human resources development:

- (a) enlarges the choices available to people in developing their lives and in fulfilling their aspirations and requires integrated and concerted gender-sensitive strategies, policies, and programmes;
- (b) has to accord with national priorities, values, traditions, culture, and stage of development;
- (c) has to promote more equitable economic growth and more participatory development;
- (d) has to be the primary responsibility of the governments of developing countries, who should define and implement appropriate policies for it;
- (e) requires a favourable international economic environment that is crucial to enhancing human development in developing countries; and
- (f) can be adversely affected by stabilization and structural adjustment programmes intended to promote economic growth and development.”

Within these elements, emphasis should be placed on a number of issues, including:

- (a) basic education, which facilitates the acquisition and upgrading of skills, and continued demand-oriented technical training linked to economic growth and sustained development of developing countries;
- (b) improved educational opportunities for women and their greater integration into the development process;

- (c) education and training programmes, including distance education programmes utilizing appropriate and sustainable technologies to broaden and improve the range of resources available to developing countries;
- (d) international cooperation in supporting national efforts both North/South and South/South; and
- (e) the role of the United Nations system in giving priority to human resources development in developing countries.

Further elaboration of human resources development is found in a General Assembly draft resolution (A/C.2/48/L.56). The foundation of HRD is built around two key principles:

- (a) people are central to all development activities; and
- (b) human resources development is an essential means of achieving sustainable development goals.

The essential elements involved in HRD are:

- (a) basic education and continued objective-directed training, particularly upgrading of skills, demand-oriented technical training and women's education for their integration in the development process;
- (b) the use of appropriate and sustainable technologies in the training and educational processes in developing countries, with special emphasis on the role of international cooperation through inter alia the transfer of relevant technology and education and training programmes, including distance education;
- (c) capacity-building in developing countries, with particular reference to the critical importance of qualified national personnel;
- (d) an integrated approach into comprehensive and well-conceived, gender-sensitive strategies for human development, including supportive measures in vital and related areas such as population, health, nutrition, water, sanitation, housing, communications, education and training, and science and technology as well as the need to create more opportunities for employment in an environment that guarantees opportunities for political freedom, popular participation, respect for human rights, justice, and equity;

- (e) full mobilization and integration of women in the formulation and implementation of appropriate national policies to promote human resources development;
- (f) the vital importance of cooperation between the public and private sectors through effective implementation of policies, plans, and programmes for economic development and the optimal use of resources to that end;
- (g) international support for national and regional efforts in HRD through the increased flow of resources to developing countries;
- (h) appropriate national policies and their implementation to promote human resources development through the optimal use of resources, taking due account of the importance of primary education and primary health care programmes;
- (i) appropriate steps by the United Nations to strengthen the support provided by its operational activities, particularly by improving coordination and developing a multi-sectoral, integrated approach;
- (j) the need to achieve targets agreed upon by governments;
- (k) the need to take action to mitigate negative effects of certain elements of stabilization and structural adjustment programmes intended to promote economic growth and development, and in that respect the need for appropriate social safety nets in formulating and implementing these programmes in developing countries;
- (l) the need to increase the flow of resources to developing countries; and
- (m) the increasing role of non-governmental organizations in HRD.

#### B. Integrated approaches to human resources development

Human resources development by any definition is an extremely complex problem to address. It is linked to other concepts, including: (1) workforce planning, (2) remedial programmes for disadvantaged groups, (3) personnel administration, training, and organizational development, (4) general education and training, and (5) skills and knowledge development.

In order for governments to address the issue of HRD from a public policy perspective that takes into consideration both short- and long-term needs for skills and knowledge, an integrated approach to HRD is increasingly important. Such a definition is provided by

Lawrence, who suggests that integrated HRD sustains equitable opportunities for continued acquisition and application of skills, knowledge, and competencies that promote individual self-sufficiency and are mutually beneficial to individuals, the community, and the larger environment to which they belong.

Lawrence<sup>1</sup> notes four interactive elements. These are:

- (a) access to assets without which human capabilities are stunted at the source;
- (b) initial and continuing acquisition of knowledge/skills necessary for the performance of chosen roles that contribute economically and/or socially to self or immediate social groups;
- (c) productive application of individual skills and knowledge in chosen role(s) in mutually rewarding ways for both individuals and the larger group, establishment, or community of which they are a part (such roles may not necessarily be for direct economic compensation); and
- (d) conservation and sustenance of human resources in support of both acquisition and application of skills and knowledge.

Among Members of the United Nations there is a growing realization in developed, transitional, and developing economies of a mismatch between available human resources and the needs and requirements of the national development process. To overcome such a mismatch, an integrated approach to human resources development is required.

Such an approach allows development of systematic strategies and tactics for simultaneously addressing a whole range of underlying causes of social problems. Without such an integrated approach, maximum utilization of available human resources will not occur, thereby stopping development.

An integrated approach attempts to include components that are mutually reinforcing and supportive. For example, there is a fluctuating relationship between education and population. In some countries a noticeable expansion in the coverage of education is accompanied by a weakening relationship between the acquisition of skills or a broad education and the upward mobility of population--between the educational level of the population and labour productivity, economic growth, and overall human conditions. An

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<sup>1</sup> John E.S. Lawrence "Human Resources Development: an integrated approach", *Journal of Economic Cooperation*, vol. 12 (1-2), January-April 1991.

integrated HRD strategy concentrating on primary education and vocational training, because of the demonstrated cost-effectiveness of primary education and widely shared belief that it can favourably influence reproductive behaviour, attacks the larger issue of overall human conditions rather than education or population as separate issues.

Similarly, undernourishment can be seen as a discrete health issue, or may be viewed as an attribute of poverty and a low learning capability, and may be addressed as a larger, more comprehensive issue with several components. Another example of integrated versus discrete efforts is the combining of the activities of different government agencies in addressing problems of urban squatters or the rural poor.

While cooperation occurs among government agencies, it is important to note that an integrated approach, to be operational, must be at the institutional, not programme, level. For example, involvement in HRD of social agents other than the government complements, enhances and increases the ability of the society at large to develop a broad consensus in support of HRD policies. In this way, greater burden-sharing and expanded societal participatory involvement in the overall development policy of the country will take place.

The 1993 report of the Secretary-General, Human resources development: developing human resources for development (A/48/364), in calling for the fostering of human resources for development, recognizes five interacting components as major building blocks for an effective HRD. These are:

- (a) promotion of the lifelong acquisition of knowledge, skills, and competencies necessary for the performance of chosen roles that contribute economically and socially to self and others;
- (b) facilitating the application of knowledge, skills, and competencies in chosen roles in rewarding ways;
- (c) improving access to assets (such as land, shelter, capital, and information);
- (d) sustaining human resources through policies and regulatory mechanisms that underpin broad intersectoral support for both the acquisition and application of knowledge and skills; and
- (e) ensuring a reasonable sense of individual, local, and national security, and peaceful political and favourable national and international economic conditions.



### C. The socio-economic environment for human resources development

Development experiences of the past decades have highlighted the importance of socio-economic conditions for both the formation of human capital and its efficient utilization. The failure of many countries to sustain economic growth and social progress has shown that, without favourable socio-economic conditions, the development of human resources and especially their effective employment for the benefit of human development is problematic. Human resources require economic stimuli to be employed efficiently. In addition, the efficient utilization of human resources depends on how the benefits of economic growth are distributed and how that distribution affects human conditions, which are an important determinant of the sustainability of economic development and social progress.

The socio-economic environment is determined by many factors. Among them, the most important are the institutional system, domestic policies, development level, culture, resources availability, and external conditions. Since the mid-1980s, many countries have initiated comprehensive domestic reforms aimed at improving socio-political and economic conditions. While domestic and external economic constraints were the primary reasons for these reforms, they were undertaken in many countries in response to demands from society for equal participation in the benefits of economic development and their equitable distribution.

The main purposes of these reforms have been to create favourable conditions for popular participation in all areas of social life, to ensure broader individual choice, and to provide stimuli for a more productive and constructive role for each member of society in national development.

While creation of favourable conditions for popular participation is essential to human resources development, such efforts can have unintended negative consequences. Human resources development can be constrained as nations undertake: (1) political reform, (2) structural adjustment, and (3) the process of socio-economic transformation.

**Political reform** deals with the formation of new democracies and the increasing participation of social groups previously deprived of any significant political power. However, in a society opening to increasing participation, unintended though not unanticipated consequences in the form of social fragmentation, rivalries among social groups for access and share of national resources, lack of consensus, and concentration of political activities in urban areas create popular dissatisfaction, and civil, ethnic and religious violence. These cause massive destabilization.

Notwithstanding all of the negatives, the stabilization of the political process and the clarification of the rules of social relations, supported by respect for the rule of law, are urgently needed, as they are for the productive employment of human resources. Uncertainty about rules and weak law enforcement undermine investment activities and thus the growth of employment opportunities. Without stabilization, it is doubtful whether HRD policies can be implemented. However, the initial period of destabilization makes concentrated efforts towards effective human resources development difficult to organize and implement.

The second significant factor impacting human resources development includes **stabilization and structural adjustment** programmes undertaken since the early 1980s to correct the sharp economic backslide that took place in many countries of the world.

Stabilization and structural adjustment policies have included (a) attempts to balance the fiscal budget, (b) changes in relative prices, (c) liberalization of the trade and foreign investment regimes, (d) privatization of state-owned enterprises, and (e) deregulation of domestic markets. Where the government in most countries provides massive employment beyond the core civil service and the military, such measures as privatization and deregulation have had significant social implications.

Adjustment policies and programmes intent on promoting and reorienting developing countries towards a sustainable growth path have not been as successful as anticipated. Such policies have imposed additional constraints at least in the short term, within which HRD policies have had to be designed and implemented.

In many instances, adjustment policies have caused government expenditures to be curtailed and at the same time generated additional government revenues. Interest payments for external debt have increased, expenditures in education and health have decreased, as has the quality of services provided by the government. Declining expenditures and the concurrent imposition of new charges for services (privatization of health services or increased fees for education) have caused further destabilization.

Adjustment policies have changed the overall socio-economic conditions and affected consumption patterns and expectations about the role of government. One trend has been the reduction of expenditure on human resources development policy formulation, while increasingly important HRD programmes have fewer resources with which to achieve their goals and objectives.

The third factor affecting human resources development is **socio-economic transformation**. As numerous societies evolve from being “classless” socially, authoritarian politically and controlled economically to being open and free, with democratic governance

and a market-based economy, consolidation of such changes is impacted by two key factors: in these societies there is (1) a continuous bargaining between major social groups over the content of the fundamental institutions, and (2) overall uncertainty about rules, duties, and rights. These two factors impede progress towards economic stabilization and contribute to worsening economic and law-and-order situations. Declining economic conditions highlight the debate about appropriate social safety nets and the impact of privatization and of fluctuations in the market-based economy on the daily life of citizens.

As transformation activities (severe economic shock and increased uncertainty) limit the ability of the public sector to manage, public expenditures are directed more toward absorbing the shock and uncertainties than toward funding HRD activities. Consequently, in the short run, HRD funding deteriorates further, reinforcing the negative trends that emerged even before the transformation process started.

The ultimate goal of HRD, according to Lawrence, is to tap and nurture in explicit and measurable ways the underlying human resourcefulness in all individuals so as to promote their socio-economic autonomy. Such an approach will require a dynamic and slow process by which individuals acquire knowledge and skills. An integrated approach at the institutional level, and a clear and in-depth understanding within which HRD functions (the socio-economic and political environment) is vital to systematic policy formulation and programme implementation.

With respect to the public service, human resources development has a more focused definition. This perspective was put forth in the report of the Pan-African Conference of Ministers of Civil Service held at Tangier, Morocco, on 20–21 June 1994. Human resources management (HRM), according to the report of this ministerial conference, deals with the attraction of people into, their retention in, and subsequent departure from an organization.

Human resources management in the civil service, is first the promotion of the social, economic, and other objectives — written or unwritten, direct or indirect — of people constituting, or having an interest in, the civil service. Second, HRM ensures the survival of persons through the survival of the organization. Third, HRM calls for the maximization of productivity by achieving the goals of an organization. Finally, HRM ensures a healthy relationship between the organization and its people and its human and non-human environments.

These objectives are implemented through a number of strategies including: policy analysis; workforce planning; personnel selection; training and development; career guidance; remuneration including incentives and fringe benefits; motivation and communication; staff performance evaluation; record keeping; industrial relations;

disciplinary procedures; retirement and separation; and organizational development or change.

### III. UNITED NATIONS INITIATIVES IN HUMAN RESOURCES DEVELOPMENT

#### A. General

The first initiative on human resources development that will be an integral component of this report is the Round Table/Technical Meeting on Human Resources Development convened in Manila, the Philippines, 4-11 December 1991, by the Development Administration Division (DAD) of the United Nations Department for Economic and Social Development (UNDES) in collaboration with the Civil Service Commission of the Philippines.

The major objective was to share experiences among governments in order to improve their public sector management, particularly personnel management and executive training. The participants included 39 representatives from 23 countries from Asia and Africa and members of some international organizations.

The second initiative on HRD was the Pan-African Conference of Ministers of Civil Service, which was convened in Tangier, Morocco, 20-21 June 1994 by the Division of Public Administration and Development Management, United Nations Department for Development Support and Management Services, in collaboration with the African Training and Research Centre in Administration for Development (CAFRAD).

Taking stock of the most recent experiences, the major objectives of the meetings were to share experiences in the strengthening of human resources management systems and highlight factors of success or failure. Related objectives included how to improve relationships between civil service ministries and their partners and clientele, and economical ways for African and external partners to cooperate in this area.

In 1991, the participants at the Manila meeting discussed the importance of human resources development in light of the leadership role of the central personnel agency, and the ultimate objective of achieving social and economic goals. In 1994, the Tangier conference examined the importance of human resources development within the context of a very altered African civil service system. Since independence, African civil services went from being understaffed to being, by the late 1980s, overstaffed. African countries were faced with worsening economic conditions, financial crises, and structural and institutional adjustments. This new environment required a re-examination of HRD.

## B. The Manila initiative of December 1991

The Technical Meeting first focused on understanding the composition of the civil service prior to suggesting improvements in human resources development. Issues covered included the size of the civil service, the colonial legacy, levels of civil service, recruitment and selection of personnel, and personnel expenditures.

The Technical Meeting found that several countries had well developed HRD objectives and planning strategies. The variety of approaches and strategies not only pointed to the complexities of HRD, but also showed that there are many ways of reaching the goals and objectives of HRD.

Individual country plans were presented. The Afghan plan set the following objectives: (1) to develop and strengthen the structure and functioning of departments, (2) to strengthen the management and administrative training capabilities, and (3) to develop a management system and improved support. To achieve these objectives, Afghanistan had developed the following two strategies: providing incentives by offering merit-based promotions; and providing information through intensive training and consulting assistance to increase the Personnel Department's competency in giving general guidance to other state agencies on managerial effectiveness and operational productivity.

In Bhutan, HRD objectives involved the following: (1) promotion of national self-reliance, (2) preservation of national identity, development of a compact and effective public service in the country, (3) complementarity of national economic development and required workforce, (4) emphasis on developing human resources in the private and public sectors, and (5) enhancement of the role of women in development. These objectives were to be achieved through the following: (a) an integrated and intersectoral approach to HRD planning through the HRD Master Plan, (b) strengthening of the education and training infrastructure in the country, as well as improving the quality of education and training, (c) attempts to widen the donor base for HRD both in terms of increased aid from existing donors and assistance from new ones, (d) institutional strengthening activities for human resources management to be continued with emphasis on user agencies in both the public and private sectors, and (e) special emphasis on HRD programmes for the private sector to encourage its development and promote the acceleration of industrial development, without adversely affecting the environment.

In Indonesia, national HRD objectives involved the following: (1) improvement of procedures to formulate job positions, (2) improvement of recruitment criteria, (3) adjustment of regulations for ongoing development needs, (4) improvement of career management systems, (5) increased development of functional positions, (6) improved salaries and

retirement procedures, and (7) increased ability and quality of district-level government apparatus. Strategies included: (a) establishing job descriptions, (b) efforts to improve the well-being of civil servants, (c) development of a personnel information system, and (d) improved education and training for civil servants.

In Pakistan, the HRD focus was on (1) attracting the best talent available for public service jobs, (2) recruiting and promoting on merit, (3) developing career through job rotation within occupational groups, (4) training, both pre-service and in-service, for improved performance, (5) retaining staff in the public service based on fair compensation and equitable chances of promotion, (6) observing due process in disciplinary actions and redress of grievances of public servants through Service Courts, and (7) ensuring accountability to Parliament and other constitutional bodies.

In Papua New Guinea, the HRD programme included the following strategic components: (1) ability to achieve greater organizational purpose and direction, (2) a greater degree of goal congruence with organizational elements working together towards broader goals, (3) a distinct orientation to the future, and developing sensitivity to the environment so as to make personnel management more anticipative, opportune and responsive, and (4) an economical organization where planning was to lead to fewer overlaps and duplications, and closer scrutiny of operations performance was based both on results/delivery analysis and cost/effectiveness evaluation, as well as providing the climate for disciplined thinking as the path to rationality and logic in decision-making. Achievement of these goals was expected to be facilitated by applying methods to guarantee objectivity and rationality in developing objectives and priorities, and in designing programme alternatives and resource allocation, and clearly identifying decision areas and allotment of specific authority, responsibility and accountability for every programmed activity.

The Philippines HRD plan had two objectives, namely: reduction of political patronage, and attraction of as many qualified applicants as possible and selection of the best. To achieve these twin goals, the Civil Service Commission had developed the following strategies: (1) increase the visibility of the civil service, (2) integrate a positive and developmental approach with a certain degree of openness, (3) promote the yearly National Congress and General Assembly of Government Workers to enhance communication and cooperation, (4) complement employee empowerment mechanisms in building up the bureaucracy by aiding in the deregulation and decentralization of operations, and (5) deregulate HRD in order to release funds to provide greater access to training programmes and activities.

In the Sudan, HRD objectives involved the following: (1) correcting the serious overstaffing problem, (2) making policies and strategies for administrative reform, (3)

preparing the public service for a vital role in economic, social, and political development, and (4) maintaining the neutrality and independence of the public service against political, racial, religious, or geographical exploitation. To achieve these objectives, the Sudanese Government would first take the following actions: (a) restudy of the organizational structure of public organizations, (b) redistribution of surplus personnel, (c) implementation of a transfer plan for surplus employees to new government projects, (d) non-retention of personnel, (e) study of coordination problems between the executive organs, and (f) study of the possibility of establishing a permanent body to review wages and salaries. A United Nations mission suggested a project for administrative reform in the public sector which led to the creation of Management Training Units located in a number of governmental organizations. Started in 1975, the programme has been accepted and promoted by the majority of top administrators in the country. However, the establishment of additional units has slowed down due to the weakness of the Directorate of Administrative Reform.

In Thailand, the following HRD objectives were sought: (1) improving policies and internal management of the central personnel agency, (2) establishing a personnel policy statement to define objectives and responsibilities, (3) providing a well-trained civil service staff for government programmes, (4) conducting research and analysis, and making reform proposals based on the information gathered, (5) improving information resource management, (6) revising a standard-based position classification system, and (7) developing a new appointment system for executives. The Civil Service Commission (CSC) was actively involved in three strategies: (a) a major planning effort, (b) conducting special studies for the diagnosis and in-depth examination of existing conditions, and (c) skill-building for CSC staff.

The HRD focus in Viet Nam involved: (1) redefining the functions of the ministries, (2) rationalizing the organization, (3) strengthening the coordination between central and local governments, (4) building up a body of laws and regulations governing the functions of public organizations, (5) training civil servants to improve their administrative skills to support the development process, (6) encouraging creativity of people to find job opportunities for themselves, (7) readjusting and perhaps dismantling fixed incomes, (8) providing proper working conditions and labour protection, (9) providing for social insurance, and (10) providing social welfare.

The Manila Technical Meeting also surveyed the organizational structure, activities and functions of personnel management as well as civil service training and executive development.

In addition, the Technical Meeting examined policies, procedures, and strategies developed by countries such as the Sudan, Thailand, India, Pakistan, Indonesia, and the



Philippines, to transform their civil service. In some countries, factors such as politicization of the public service necessitated reform and transformation. In other countries, decentralization, liberalization of the economic, technological improvements, socio-cultural values, a just and prosperous society, sustainability and management effectiveness, and operational efficiency stimulated civil service reform and transformation.

The Manila Technical Meeting noted that public service personnel are important human resources and can contribute significantly to national development. However, they face three predicaments. First, there is the choice of emphasis between programmes to maintain the civil service and programmes leading to its development. Maintenance functions include record keeping, continued reliance on traditional methods of recruitment and promotion, and traditional training programmes. Developmental programmes might include new means to motivate, rotate, and train civil servants. Both maintenance and development functions require management attention and money, both of which are in limited supply.

Second, there is a choice of emphasis in human resources management between operational and strategic levels. In its developmental efforts, does a system emphasize the knowledge, skills, and abilities it needs right now? Or does it engage in long-term strategic planning for the civil service workforce 20 years in the future? In designing programmes for human resources development, what balance should be struck between operational and strategic levels?

Third, there is a choice of emphasis between individual growth and organizational development. In human resources development, whose interests are paramount and whose are subordinate? Should the needs of the individual take precedence so that the individual is fully motivated to work, or will the individual, after self-development, leave the organization for higher paying or more interesting work in another sector? How can personal self-development be closely tied to development of the organization and the civil service?

The Technical Meeting noted that, with sufficient resources, most governments would perform all of these functions equally well and to the fullest extent. Unfortunately, with limited resources, managers of personnel systems are constantly making investment trade-offs between maintaining and developing a civil service system, between planning for short- or medium-term operational needs and long-term strategic needs, and between the interests of the organization and the individual. Carefully designed policies of human resources development and personnel system management could overcome these dilemmas and achieve results in all functions.

The Manila Technical Meeting concluded that:

- (a) Investment in HRD was most essential to improve public sector performance, and governments must increase budgetary allocations for this purpose;
- (b) Basic data on the civil service were either completely lacking or quite inadequate for sound human resources development. Use of modern information technology was encouraged;
- (c) Very few developing countries had a long-range policy for human resources development. Human resources development should be linked with the overall planning process;
- (d) The success of a human resources development policy depended on strong and consistent political commitment;
- (e) With a shift towards a market economy, governments must concentrate on the legal and regulatory framework. Laws must be based not only on equity and fairness but also enforced honestly;
- (f) Training must encompass all echelons of civil service. In order to enhance the practicality of training contents and their relevance in a national context, a methodology for developing case studies needed to be initiated. Training contents should emphasize moral/ethical values in addition to the attainment of functional skills;
- (g) Programmes for human resources development would be facilitated by position classification, which was essential to improve recruitment, training, career planning, and performance appraisal practices;
- (h) There was a need for greater exchange of experience and enhanced cooperation among developing countries through information sharing on expert services available within a region. Similarly, exchange of trainees to serve in institutions in other countries within a region would lead to better cooperation and learning.

### C. The Tangier Ministerial Conference of June 1994

The Pan-African Conference of Ministers of Civil Service held at Tangier, Morocco in June 1994 approached human resources development from two perspectives: how to strengthen the management of human resources and, in the process, how to reform the civil service in African countries.

Assessing the milieu within which African civil services operate, the Ministerial Conference came to the conclusion that a number of factors influence the way African civil services operate and manage themselves. These include:

- (a) the pervasive influence of the colonial system;
- (b) the absence of a uniform definition of civil service;
- (c) the shared national responsibility for HRD;
- (d) the influence of social and cultural practices and attitudes;
- (e) personnel selection;
- (f) education and training;
- (g) motivation;
- (h) centralization and decentralization;
- (i) application of modern management technology;
- (j) the state of productivity; and
- (k) responses to new challenges.

In many ways the concerns expressed in Tangier echoed those expressed earlier in Manila. In 1991, the concerns had been low productivity, low motivation, limited opportunity, lack of training and development, outdated personnel management systems, and organizations without clear-cut functions.

To strengthen the management of human resources systems, the Ministerial Conference proposed six conditions or practices. First, all responsibilities for HRD needed to be located in one ministry.

Second, the personnel officer cadre had to be strengthened and made comparable to other cadre services. Elevating it would attract the brightest to manage the HRD process. Accordingly, higher calibre officers would not only be able to manage other people better but also would be able to develop sound human resources development policies and programmes.

Third, for effective HRD, remuneration packages for different ministries must be the same for people with similar skills and experience.

Fourth, the civil service system had to reward productivity.

Fifth, there should be no elite versus low status ministries.

Finally, there was a need to review education and training policies to avoid a mismatch between skills and the requirements of the job market.

The Ministerial Conference highlighted six conditions for civil service reform. Drawing upon the experiences of countries such as Senegal, Mali and Egypt, it suggested, first, that civil service reform should be a regular part of human resources management activities (preventative) rather than an attempt at occasional, comprehensive reform (curative). The curative approach might be more difficult to implement.

Second, potential beneficiaries and enforcers should be involved right from the beginning of the reform. Early inclusion would reduce impediments to implementation since both enforcers and beneficiaries, for different reasons, might have a stake in the reform measures.

The third condition of reform was its pace. Where civil service reform was initiated by the political or military leadership, its pace should be slow. Reform measures enjoying the consensus of the civil service should be attempted first. Measures involving drastic changes should be implemented in stages.

Fourth, political reform and greater dissemination of information about reform should precede civil service reform. Reform by directives seems to be less successful than that which seeks cooperation between the political system and the civil service.

The decoupling of structural adjustment programmes (SAPs) from civil service reform is the fifth condition for civil service reform. While SAPs have good features, they also have very strong opponents because they have hurt many people. Civil service reform has a better probability of implementation if such decoupling takes place.

Finally, the Ministerial Conference suggested that civil service reform stands a better chance if terms like “reform” or “retrenchment” are replaced by words such as “redeployment.” Changes in terminology make the process more palatable and at the same time achieve the same purpose.

The Ministerial Conference concluded that African civil services have an important role to play in development. Although there are failures and very modest successes, by transforming themselves and managing their human resources effectively and efficiently, the African civil services can assist African governments in overall human resources development.

## IV. ORGANIZATION AND MANAGEMENT OF HUMAN RESOURCES DEVELOPMENT

In its deliberations on the organization and management of human resources development, the Expert Group focused on three critical issues and two case studies. The Group felt that when these issues and studies are coupled with a discussion of the enabling environment as well as the outcomes of the Manila and Tangier meetings, they will provide a critical mass of HRD knowledge and a dynamic picture of changing perspectives. The three issues are (1) developing a Master Plan process for HRD, (2) emphasizing management information to develop a system for HRD, and (3) recognizing the importance of culture. The two case studies, from Ghana and Malaysia, assist the examination of HRD, and provide a practical and chronological record of two ongoing efforts in HRD.

### A. Master Plan approach to human resources development

The Master Plan approach is a comprehensive analysis from a macro-, meso-, and micro-perspective of the fundamental process that needs to be undertaken for effective human resources development. This approach examines the macroeconomic environment, goes on to distinguish and delineate the evolving concepts in HRD, develops an assessment process, and links the process to the public sector and to public organizations.

#### 1. The macroeconomic environment and human resources development

The nature of the state and governance are manifested through socio-economic policies. In this context, macroeconomic policies that are of immediate relevance to the government assume great importance. The impact of such policies, particularly monetary, fiscal, and trade-related ones, has implications for production systems, real wages, and employment opportunities. However, not much attention has been paid to the impact of human resources development on macroeconomic policies.

The choice of macroeconomic policy strategies for economic development has significant implications for the deployment of resources and their efficient use in education and training. Countries with export-led growth strategies and a dominant private sector production system rely heavily on private resources in skill development. In such countries, public sector efforts in skill training become more attuned to market demand. In contrast, in countries with public-sector-led growth strategies, both the public and private sectors depend on the public sector's skill development efforts to meet human resources needs. In these countries the private sector receives subsidized inputs. Countries that have adopted World Bank-International Monetary Fund structural adjustment policies of privatization,

deregulation, and trade liberalization do not show any discernible shift from public to private sector efforts in human resources development.

If the education system is sensitized to human resources demands, then the system, whether private or public, must have the agility to respond quickly to shifts in demand. In traditional societies it is generally self-contained and without a policy for rapid response to changes in human resources demands. Further orientation and training beyond those provided by the educational system are needed to meet the demands from the productive and public administration sectors. In those societies too, the human resources development system is supply-minded rather than demand-oriented. The question then is how to make human resources development systems demand-sensitive without compromising the classical value of education (i.e., making a total person, imbued with universal values of morality). A related question is this: how can the private sector be encouraged to share the cost of institutionalizing a demand-sensitive system that would meet its needs? A systematic approach of interaction, as for instance in South Korea, seems to be a plausible answer.

## 2. Basic concepts

It is important to state clearly what is meant by public administration. The traditional view of public administration is largely restricted to the executive sector as a legacy of the past when legislatures failed to control functions on behalf of the electorate and when the judiciary was not independent of the executive. In some developed countries this executive focus remains predominant. Thus, public administration basically is viewed as a means of formulating programmes on the basis of the expressed public values of the dominant group and as an instrument to coordinate individual aspirations and group efforts to attain the objectives of those programmes. This definition implies that the purpose of public personnel administration is to mechanically implement policies and programmes established through an interactive process between the executive and legislative branches of government. This is an oversimplification: it needs to be emphasized that public administrators are not mere technicians but play an active role in defining policy and programmes, especially in societies with less developed legislatures. Thus, public administration is bounded by its environment. Work efforts, efficiency, and efficacy of public personnel management are therefore similarly bounded.

It should also be recognized that public administration involves certain uniform managerial sub-processes, including planning, organizing, staffing, directing, coordinating, controlling, and evaluating. These shape and influence public personnel management. Social, political, and cultural values, along with the demands and expectations of diverse groups within the society, constitute the environmental input for the administrative system. These inputs are converted into governmental policies, programmes and services to be implemented

and provided by government agencies. The process is conditioned by the values and perceptions of policy makers, including top personnel in public agencies and the attitudes and values of employees in the implementing agencies. Public personnel management, for the sake of efficacy and efficiency, needs not only to be aware of these factors, but must also devise and implement personnel policies so as to achieve maximum results with minimum resource costs in the short, medium, and long run.

It is interesting to note certain differences between public and business personnel administration. First, relatively speaking, public administration objectives are multifaceted and thus suffer from vagueness compared with private sector business administration. This vagueness impacts on the required skills and qualifications for achieving public administration objectives. Second, for public administration, the absence of sharply defined objectives and consumer reactions through the market-place causes institutional survival to be decoupled from performance; as a consequence, the linkage between performance and advancement and/or survival in public administration is blurred. Third, it is difficult to institute scientific performance measures as targets of achievement because they cannot be sharply articulated.

The overall purpose of public administration is intangible compared with business. In addition, there is generally no incentive to develop objective measures of performance in the absence of a competitive climate. Fourth, public administrators' preoccupation with rules and procedures makes them more mindful of *how* things are done rather than *what* is done. Public administrators are afraid of conspicuous failures: they are likely to act with caution and restraint. On the other hand, in a business climate, assertive strategies are rewarded because their collective survival depends on the efficient attainment of objectives. Fifth, in the case of business, accountability is defined specifically by who produces profit, while in public administration, the substance of accountability remains vague and the direction of accountability becomes better defined only as one moves up the ladder.

Sixth, business administration has increasingly become a domain of professionals while public administration has continued to be dominated by non-professionals who generally try to avoid making decisions or who make decisions that would please their bosses and who do not hesitate to abuse power if doing so suits their interest. The public administrator often looks like a parasite with disproportionate influence and power.

In recent years, the focus on human resources by practitioners in many disciplines has provided many different but interrelated terminologies, such as human development, human resources development, human resources accounting, human resources management, human resources planning, human capital formation, human resources information systems, etc. These concepts are discussed below.



Human development was brought into currency by development practitioners who were dissatisfied with the traditional concerns of economic development, which were too mechanistic, with an emphasis on human beings as a form of capital. Human development, as the term is applied by UNDP, is a process of widening people's choices as well as the level of achieved well-being. This involves formation of human capabilities and the use that people make of their capabilities. Economic growth is a necessary (but not sufficient) condition for human development. Human development is concerned not only with basic need satisfaction (health care, educational opportunity, proper housing, food and nutrition, etc.) in the context of capability formation, but also the outcome of such capabilities in terms of the quality of life and standard of living.

Human resources development or human capital formation is a relatively new area of concern in economics. These concepts are based on the notion that the value of human time increases because of investment in education and physical well-being. The basic premise is that technological progress is the result of enriched human endeavour: the application of appropriate technology for higher productivity depends largely on the availability of individuals who are able to utilize the technology to the fullest extent.

The concerns of human resources development cover such diverse areas as (a) workforce studies; (b) motivation and preferences of workers; (c) discrimination in employment practices; (d) unemployment; (e) migration within and outside the country; (f) technological change and demand for changing skills; (g) entrepreneurial abilities; (h) poverty, deprivation, and the lack of access to developmental opportunities for self-actualization; (i) the nature of schooling and development of scientific and technological capabilities; and (j) allocation of resources for human capital formation. In short, human resources development deals with the efficient allocation of resources for augmenting the productive capabilities of individuals through education, training, and health care.

The concept of human capital, and thus human capital formation, is strictly an economic concept bounded by capital theory. The concept of human resources is broader in coverage, as it encompasses physical, biological, psychological, social, and cultural aspects as well. However, as was mentioned by Theodore Schultz in his presidential address to the American Economic Association in 1961, within the bounds of social and economic values that determine producer and consumer preferences, people acquire useful skills and knowledge through deliberate investment. Such skills are promoted, augmented, and used within an organizational and socio-economic environmental framework that constitutes the productive and distributive system.

Human resources management incorporates a broader and more creative element of investment in human resources through training and education than conceived of in

traditional personnel management. An extension of the economic approach raises the issue of “return-on-investment” in human resources. From this concern has emerged the human resources accounting approach.

Human capital theory has influenced personnel management theorists to conceptualize personnel as assets, similar to physical, material, and financial assets. Organizational theorists have recently become concerned with developing an operative concept to assess costs and returns with respect to personnel for the effectiveness of organizations, provided the necessary basis for human resources accounting is available.

The human resources accounting approach is a conceptual framework based on the view that people are assets and people-time has cost and value. Instead of viewing people as items of expense, the alternative approach of considering them as assets allows human resources managers to cost them appropriately, search for an optimal use of their time, and work towards maximum return on investment in people.

The applicability of human resources management and human resources accounting depends on the human resources information system. The primary purpose of an information system is to support decision-making through accurate, appropriate, comprehensive, and timely quantitative and qualitative information gathered from internal and external sources. The information from such a system can help decision makers become sensitive to changes and actions necessary to achieve strategic organizational goals given the current state of human assets and their potential vis-à-vis the opportunities and options that are important to survival and growth. A human resources information system is a method for collecting, maintaining, analysing, and reporting information on human assets and jobs. It is used to assist in making the right decision at the right time for the right work, maximizing the value of human assets.

A related concept is human resources planning. Planning is a tool to reduce uncertainty in a changing environment thereby increasing organizational effectiveness. Human resources planning connotes an effort to anticipate future organizational and environmental demands in order to recruit, train, retrain, promote, and compensate people. Human resources planning, to be genuinely effective, must be linked with multiple levels of organizational planning in order to be able to identify clearly key trends and the required structural changes. Human resources planning is thus an important tool for achieving organizational goals.

### 3. Assessing human resources

#### (a) Inventorying human resources

An assessment of the human resources situation has to begin with an inventory of human resources. The basic elements of such an inventory in an organizational context are incumbents' individual data (i.e., name, age, health history, employment start date, academic qualifications, employment history, positions held by job category, compensation package and salary history, training record, performance evaluation and career development prospects within the organization, etc.). When compiled for all incumbents, an inventory summary will provide information on the total number of employees, skills availability, performance levels, career prospects, training needs, and development potential. This profile also provides a picture of potential availability based on estimated retirement, discharges, death, inability to qualify for promotion, secondment or training. The inventory, by taking note of performance, qualifications and job description, can also be used to identify mismatches in placement and/or training needs. A comprehensive analysis of the completed inventory helps in making appropriate decisions regarding deficiencies and opportunities, shifts of utilization of human resources, and evaluations of individual and group- or unit-level competency. Inventory information can be used to project career development potential and to predict the organization's capability of adjusting to change and challenge.

At the individual level, such an inventory can identify individuals who are stuck in a job or at the same level. While the fault may or may not lie with the individual, being stuck may result in loss of job satisfaction, under-utilization of available skills, and arrested development of competency levels. Personnel administration needs to concern itself with finding solutions to such cases through maximizing the use of available human resources.

(b) Analysing competency and potential

The identification of non-optimal uses of human resources needs to be related to measures of competence and performance. Traditional annual assessments in public administration systems lack sophistication. Problems may arise because of the lack of consideration of the individual's value; the subjectivity of traditional assessments may also result in misinterpretations of raters' judgments. Only an accurate and complete assessment measured in a quantifiable way against the performance expectations of the organization is useful in an analysis of the human resources inventory. This will assist the public personnel management system in (a) determining individual, group, and collective performance of human resources; (b) identifying the potential performers who require opportunities for better performance; (c) judging people-related deficiencies and opportunities within the system to find out individual potentials for development needs; and (d) forecasting the career moves of individuals on the basis of competency, performance and potential. Inventorying human resources at the individual level is useful for public administrators to assess the changing profile and also for individuals to assess accurately their potential in the organization. The personnel system should utilize its inventory sensitively in order to build upon individuals'

strengths and to reduce weaknesses through a coherent policy of human resources development and management.

The instrument that identifies human potential requires repeated validation through review, interview, and analysis. Inventorying human resources is not an end in itself. It is a means to judge the potential of existing human resources, to identify current and future job performance needs, to identify current and foreseeable gaps, and to generate career development plans for the best utilization of human resources potential within the bounds of public administration's systemic goals and objectives.

#### 4. Linking the public personnel system with human resources development

The system approach to human resources management and development in public administration, as in any organizational context, must begin with organizational objectives as the basic input. This means that long-range and short-term objectives of public sector activities must be clear and defined in a manner that facilitates the linking together of human resources management and development functions with public sector functional activities. Conceptualization of future developments in the environment affecting the nature, extent, quality, and functions of the public sector is reflected in the goals, objectives, and priorities of the public service system. This in turn affects the demand for, and supply of, human resources.

The public sector management system provides the framework for coordinating and directing the functions of the public service. It sets goals and objectives which are the starting point for all programme planning and which determine the necessary human resources.

Organizational change and development have occurred in the public sector of many countries. Unlike business organizations which change in order to foster long-term growth, public service administration changes in response to trends in the socio-political and economic environment.

Strategic planning for organizational change and development is conditioned by (a) an educated awareness of environmental change and (b) a preparedness to make the best of such dynamics by making decisions and taking actions involving the organization of human resources for task accomplishment. Effectiveness might result from organizing individual efforts purposely through interpersonal cohesive behaviour and defining authority status on the basis of competence, as well as discarding norms and behaviours that become irrelevant in the changed circumstances. When HRD activities are geared to individuals and paired with organizational development activities, the combined effect produces individuals with knowledge, skills, and the creative ability to perform their individual and collective tasks

effectively and efficiently. These observations are pertinent to public administration systems at ministerial, departmental, and local levels.

#### 5. Determining human resources needs in public organizations

The forecasting of human resources requirements is accomplished in quantitative and qualitative terms in the context of changes envisaged in the role, functions, objectives, and structures of the organization. Once the plan for organizational development and change is set, human resources forecasting and planning determines human resources needs by matching job requirements and people's capabilities. This should take into account the realistic expectations of the existing pool of human resources. Thus the inventory of human resources is fully integrated with the assessment of employee development potential to meet current and future skill requirements. Human resources needs planning is an integral part of the review of total resources needs planning and of the review of human resources inventory and foreseeable organizational development.

Human resources needs assessment is the core of human resources planning, which is an effort to anticipate future demands on an organization. Once the demand and internal supply are determined, the extent of need for recruitment from external sources becomes immediately evident. The labour market is the source of supply external to the organization where the education system supplies new employees. The data on outputs of various types are usually available. What is not readily available in developing countries is data on the absorption and utilization of these people. If these details were available by type of industry and occupation in quantifiable form, it would be possible to forecast requirements and availability from external sources. One could also undertake intersectoral and departmental mobility studies and develop a workforce planning and utilization model under various conditions such as boom, stagnation and recession.

#### B. Strategic approaches to human resources development: the information approach

Beyond the ethical and philosophical considerations underlying a civil service system, its adoption recognizes an overriding goal: to improve the overall performance and delivery of the state apparatus. Human resources development is a strategy designed to upgrade the quality, increase the potential and make the most efficient use of human resources that are, or may be, available for public sector management. It is important to concentrate on the strategic and methodological aspects that should be considered before launching an initiative or programme of national HRD.

Four different actions can be taken by developing countries to upgrade the quality of their civil services. These are (1) identification of a few key positions to be staffed with the best available personnel; (2) creation of an elite corps along the lines of the French Ecole Nationale d'Administration or the Indian Administrative Service; (3) establishment of an internationally funded, parallel consultants' network; and (4) design of a service-wide career system, to be implemented gradually. Each of these actions with its differing views of human resources development has its own strategic and operational requirements. The implementation of a service-wide career system, no matter how gradual, must overcome many obstacles.

Whatever action or combination is identified, the strategy for implementation should follow several basic steps: (1) diagnosing the existing system; (2) setting the future institutional scenario; (3) planning the process of human resources development; and (4) measuring the viability of the new system.

#### 1. Diagnosis of the existing system

The implementation of most public policies depends on an adequate mix of personnel, physical, financial, and technological resources. In many developing countries, bureaucracies have grown beyond what is technically desirable and economically feasible. In most, the public sector suffers from an “excess-shortage syndrome.” This deformity in the workforce involves heavy staffing in certain areas and understaffing in others.

Budgetary cuts of recent years have especially affected public investment and operation expenses. Hence, state civil servants work under conditions of deteriorating physical infrastructure (buildings, vehicles, machinery, equipment) and increasingly limited resources (office supplies, parts, training, communications, maintenance, transportation) for use in accomplishing basic tasks. There is a widening gap between the objectives of state agencies and the combination of resources needed to achieve them.

Reshaping the professional profile of the public sector requires three things: (1) basic information on the main features of the existing posts and their occupants, especially their distribution according to professional groups, hierarchical levels, and occupational roles; (2) appropriate standards about the relationships that should be expected among the existing organization, human resources, and salary structures; and (3) adequate tools to measure and assess the gap between technical standards and empirical findings. These technical conditions can be met with the help of a customized management information system called Organization of Human Resources (OHR).

The OHR is probably one of the few systems that allow a full integration of human resources (HR) administration with other equally important aspects of management such as the administration of the organizational structure and the budgeting of personnel expenses. To carry out its activities, any organization requires a given number of work posts. Hence, it designs an organizational structure, composed of various units (ministries, under-secretariats, divisions, departments) that are assigned different responsibilities and a varying number of posts depending on those responsibilities. The macro- (major divisions) and micro- (posts) levels comprise a unique organizational structure. Besides placing the person within a functional structure, the organization assigns him/her a category or grade within a personnel system (i.e. statute, HR regime) and a remuneration set at a given level within a salary structure. Hence, when a person enters an organization, he/she is simultaneously incorporated into three structures: functional, hierarchical, and budgetary. A major problem in any organization is maintaining the highest possible degree of congruence between the position a person occupies, the grade or category assigned to him/her, and the material compensation he/she receives for the services rendered. The OHR system can be viewed as an integrated and flexible set of computer-based technologies designed to optimize and maintain the institution's organizational structure, management of human resources, and costs and investments in personnel.

The OHR system comprises five subsystems: information, organization, payroll, human resources, and evaluation. The system can be applied as a management information tool on the organization and as an organization and human resource management technology, particularly for structural administration and design, salary administration, personnel budgeting, selection, and evaluation, training and career development, organization evaluation and control, and personnel planning and management.

In one application of the OHR system in a developing country, the database of the targeted institutions (all belonging to the central administration) was composed of basic data directly obtained from information available in the payroll files. This raw database was later supplemented by information on tasks performed at each work post, by current budget data, and by other appropriate items. A total of about 12,000 posts were identified in the database. To rationalize the existing allocation of human resources, posts were classified according to occupational groups, hierarchical levels, and functional roles. Occupational groups were classified into three types: administration, technical, and management. Each type of occupational group had two levels, a base level and a higher level. The hierarchical levels were indicated on a 1–10 scale within the occupational groupings. A distribution by the nine identified functional areas (production, administration, information management, general coordination, organization and human resources, logistics, maintenance, institutional development, and dissemination and promotion) indicated the kind of tasks performed by any given post. A cross-tabulation of posts by function and hierarchical level provided some

indications of the way(s) the institutions reached by the OHR system were employing their human resources to achieve their goals. Later, the government chose to apply the “institutional audit” module within the OHR system to obtain a technical assessment of the existing organizational design and implicit human resources policies.

The institutional audit module provides a current assessment of the organization with regard to its structural design and articulation with HR management. The audit considers seven variables classified under two factors: organization and HR management. The first factor is designed to determine whether the organizational structure is an adequate instrument to achieve the institutional goals. The following variables are considered for this purpose: (1) external management; (2) internal management; (3) span of control; and (4) instrumental quality of the structure. The HR management factor determines if human resources are effectively managed and adequately articulated for achieving institutional goals. It deals with the following variables: (1) degree of congruence between organization and human resources; and (2) salary structure.

The institutional audit conducted in this case study revealed a highly unsatisfactory situation that confirmed and reinforced the government's decision to introduce changes in its civil service system. The audit also furnished clear indications about the scope of human resources development required to obtain organizational health.

## 2. The future institutional scenario

Since most public institutions are currently dealing with HRD problems and financial constraints, it is useful to employ the OHR or a similar system to analyse and manage a civil service system. A government can choose central ministries as the target institutional setting. The database is more manageable if it excludes teachers, policemen, physicians, and paramedics.

Organization of Human Resources can be used to predict conditions under different assumptions, such as a 20 per cent decrease or a 10 per cent increase in the size of the civil service. Assumptions can also be made on time span or budget envelope.

The model in the case study referred to in the previous section generated the following scenario. Ideally, planning and organization of HRD in the public service should be based upon precise definitions of the future role of the state in social and economic development. However, lacking such information, reforms were not aimed at optimizing resource allocation by functional areas but at introducing a modicum of changes that, considering the resources available, would reasonably improve management and bring about higher levels



of output. Projected changes in the proportions of workers in certain functional areas by occupational area and hierarchical level included the following:

- # Production posts would increase their relative importance by 7.5 per cent;
- # Administrative posts would decrease from just above 40 per cent to 28 per cent of the total organizational roster. However, the reduction would be considerably higher in the lowest levels. This means that the administration function in the future scenario would become a much more professional activity;
- # The proportion of lower-level posts is slightly over 50 per cent, a figure well below the present 70 per cent;
- # While the growth of production posts is moderate, their average hierarchical level increases sharply, in line with a more professional management.

The resulting distribution of posts tends to adopt a shape that is clearly widened at the intermediate strata, as is typical in a professionalized organization structure, instead of the “pyramidal” shape generally observed in the more bureaucratic organizations.

The implementation of a transformed HRD strategy requires the design of new rules governing the interface between the government and its employees. In this case study, these new rules are embodied in a new philosophy of public sector management. With the help of computerized technologies such as the OHR system, the civil service updates its databases by registering changes and movements in the organizational structure, in the number and characteristics of the human resources, and in the formulation and execution of the personnel budget. The basic goal is to develop a set of norms, procedures, and management tools conceived in a compatible and integrated manner. Successful implementation of the new system will, in this case study, lead to the following results: downsizing of the state apparatus, modernization of public management, and hierarchization of the civil service.

One of the major difficulties for countries seeking to implement structural adjustment policies is determining the optimum size of their organizational structures and personnel, in view of the changing role of the state. This is a permanent activity that requires norms, procedures, information, technologies, and computerized support for planning, monitoring, and evaluating processes that are changing in nature. In the case study, the new civil service information system began to provide technical information on a regular basis, and the

government was able to make informed decisions on recruitment, lay-offs and reconversion of human resources, suited to the new role assigned to the state.

A second central goal of the OHR system was the institutionalization of a new public management culture, grounded in the transparency of procedures, accountability for results, and permanent evaluation of performance. Change in management culture is obviously a long-term task that cannot be restricted to reform activities carried out within the public sector, but should comprise the whole society. New information technologies permit greater transparency and accountability.

The third goal of the OHR system was to create a more professional and hierarchized civil service. This goal can be achieved if public employment is regarded as a socially legitimate and valued activity and if the civil service system supports performance incentives, training opportunities, guidelines for career advancement, recruitment and promotion based on merit, and adequate salaries. To hierarchize the civil service is (1) to accept that employment in the public sector may lead to the development of professional careers that could confer prestige and open opportunities for personal fulfilment; and (2) to make sure that the new rules will continuously be monitored, promoted, and observed at every interface between the employee and the administration.

### 3. Planning the process of human resources development

To bridge the present and future scenarios it is necessary to estimate the changes in the size and composition of personnel during the intervening period. Some of these changes can be due to regular turnover. Others may be the result of decisions aimed at modifying the number of employees or the professional profile of the public sector. One basic decision is to determine whether the existing civil service system will be changed from within or whether a parallel system will be created that allows for transfers from the old to the new system. Other aspects requiring decisions include the pace of right-sizing, the speed of technological innovation that may or may not allow the incorporation of certain agencies into the new system, the new levels of salary to be paid, and the reallocation of budget funds in order to meet higher personnel costs or the political costs related to whether the system is implemented sooner or later.

In this case study, the government created a new, parallel system. Positions were to be filled over the 10-year period of implementation, but all higher-level posts were to be filled by the fifth year. It was further assumed that by year 10, the organizational roster would decrease from 12,000 to 7,200 agents, all to be covered by the rules of the new system. As was expected, the results of the estimates showed surpluses of personnel in the old system

and shortages in the new one, which varied according to the group, level and functional area considered.

Flexibility was important in the process of change. From time to time, this implied accelerating or slowing the pace of system implementation along the transition from the base through the target scenario. This was done in several ways, such as giving priority to the recruitment of upper-level personnel, speeding up dismissals of certain categories of personnel, and varying the percentage distribution of new recruits over time.

#### 4. Viability of the future system

In the case study, two major considerations during the process of change in the system were financial viability and contextual feasibility. Both aspects can be analysed in a cost-benefit analytical process. However, the cost-benefit analysis conducted in this case study followed a rather unorthodox approach. This was due partly to the technical difficulties involved in quantifying some of the factors and variables considered, and partly to the fact that introducing the system did not depend only upon a cost-benefit equation but also upon the opportunity cost of just not doing anything.

Even though the system was regarded both as a central component of a deep transformation that would take place in the organization and practices of the government's administration, and as a key element of the strategy to bring it about, it was not seen as the sole instrument of change. Other crucial decisions were also needed. Among them were, (a) new legal norms and regulations; (b) modern management technologies and computerized systems; and (c) fewer personnel and a more rational organizational roster. The feasibility of these changes was understood in very broad terms, including economic, financial, legal, political, cultural, and institutional conditions. As is usually the case, economic and financial constraints put a ceiling on the scope of the future system.

Future costs were estimated by considering the size and composition of staff over the period considered, the levels of salaries paid, and the added recruitment, induction, training, and personnel evaluation costs. Furthermore, estimates were made for costs associated with the introduction of new technologies. On the benefit side, a reduction by almost 5,000 employees would produce a decrease in the costs of certain assets (such as buildings, automobiles, and equipment) and non-personal goods and services (basically maintenance and operational expenses), due to having fewer users or spenders and better management of the budget by a more professional staff.

The negative consequences were largely in terms of financial implications. In strictly quantitative terms, the results of comparing costs and benefits were clearly negative. Among

the factors that could balance this equation, the study considered first the minimum economic benefits that would have to be generated in order to compensate for the higher costs. In the short and medium run, the deficit could be met by resorting to donations and loans from foreign donors and financial institutions. However, in the long run, only the capacity of the government to capture and allocate resources to offset the deficit would be the final test of a viable civil service. Increases in revenue originated in the growth of GNP rates, a broader tax base, higher fiscal pressure, improvements in tax and social security collection, and reduction of evasion due to better voluntary compliance and higher ethical standards of revenue agents. These were found to be the main sources of income that could offset the structural, long-run deficit derived from the full implementation of the system.

A number of positive consequences, unlikely to be measured in any rigorous sense, were also found to be associated with the introduction of the improved civil service. They were classified according to their impacts upon the state administration, the economy, the society at large, and the political system.

One of the noticeable impacts on the state administration was the improvement of the public service's production function. This was due to the decisions required on excesses and shortages of personnel, rationalization of assets, and reallocation of operating and maintenance expenses. These kinds of decisions tend to make the functioning of the administration more fluid, as they attempt to solve both the deformity and the hypertrophy of the state apparatus to the extent required by the performance of its new roles. Moreover, the introduction of new incentives helps create a more professional civil service and improved performance. These new rules, in turn, promote a higher level of dedication and commitment to the service, reduce the dead weight of needless bureaucracy, introduce creative practices, and help overcome the serious bottlenecks that so often affect the achievement of results and objectives. Performance was also deemed to be affected by the gradual spread of new ethics in the public service and the recovery of its sense of mission. From a different perspective, the new roles assigned to the state give special priority to strategic planning, regulation, and management control of state entrepreneurial activity.

The expected increase in fiscal revenue, resulting both from improvements in the efficiency of tax administration and the broadening of the tax base due to higher levels of economic activity, was singled out as one of the quantifiable benefits derived from the system. Only on the basis of a redefined mission, a rationalized institutional apparatus, and a new occupational profile can the administration promote productive investment, employment, foreign trade, and economic development in the private sector.

A professional civil service was found to have direct consequences upon society on at least two levels: (1) a higher technical quality of the "products" resulting from the activity

of the central administration; and (2) a better access of clients and users to state services. In turn, both consequences will have an indirect effect upon the prevailing cultural patterns. The quality of what the state does and, above all, the way it does it, will serve as a model of behaviour for the entire society and as a mirror in which, for good or bad, citizens and private economic agencies will continue (as always) to reflect themselves.

The institutionalization of the civil service may also contribute to the consolidation of the political system. In the first place, a career administration based on merit tends to eradicate political clientship and nepotistic practices in public employment. This, in turn, ensures the normal continuity of the administration, thus avoiding the institutional void that occurs in times of government shift. Moreover, the legitimacy of the system is strengthened. Party loyalties tend to take into account considerations of technical rationality and be reconciled with them. The public service acquires a more professional meaning, instead of constituting the bounty of an electoral victory.

Even though the system's higher costs are compensated rather modestly by some savings in physical infrastructure and non-personal goods and services, the minimum economic benefits that would be required to meet the resulting current deficit (especially increases in tax revenues) fell easily within the fiscal projections of the government. This finding was highly reassuring with regard to the financial feasibility of the reform, even though the reallocation of additional tax revenue to finance the system requires a political decision at the highest level. As compared with the alternative of maintaining the status quo, the cost-benefit analysis of implementing a new civil service system was found to produce highly positive results. The cost-benefit equation was positively augmented by the non-quantitative benefits.

This case study examines an ongoing process of human resources development. Although the period of inception and strategic design is several years old, implementation of the system has thus far extended to pilot ministries, assisted by foreign donors. However, due to progress in strategic design and methodological support, foreign donors and international banks have expressed increased confidence in the civil service. They now view it as one of the key instruments to upgrade the quality, and increase the delivery, of the public sector. This case study has highlighted not only the importance of strategy as a blueprint for reform, but also the indispensability of methodology as its inevitable companion. It has attempted to bring about gradual changes rather than a radical departure from existing patterns. It is expected that modest, visible, and feasible improvements may open up opportunities for further and deeper transformations.

### C. Strategic approaches to human resources development: the cultural perspective

It is clearly accepted that organizations around the world, particularly in developing countries, have been experiencing pressures for large-scale change. Often, the required tasks and behaviours may be in conflict with national cultures. Thus a comprehensive culturally-sensitive planning process is crucial. The management technologies developed need to be relevant to the country's cultural and strategic issues. Human resources development must then begin with a macro-environmental approach to planning. It is very important to take cultural factors into account in this planning process. Once the country's particular sociocultural issues are identified, strategic management planning should incorporate the clarification of the pressures contributing to change as well as the capacity for change in the country. In the planning process, national public administration can play a key role in integrating new management technologies with cultural sensitivities.

#### 1. The macro-environment of human resources development planning

Countries are in constant transition. National institutions are often designed to nurture stability rather than to accommodate processes of change. Developing countries are in different stages of change and each one has its own HRD needs and problems. Many of these countries are still struggling with the legacies of colonialism that have left their administrators with a sense of inferior status, low self-esteem, and sometimes a sense of failure. In order to develop fully opportunities and accommodate constraints, management technologies, including HRD, must be incorporated into a developing country with its development stage and sociocultural issues in mind.

The importance of the private sector in national development is gaining recognition as the engine for economic development with the public sector serving as the engineer. Historically, however, the public sector has been a provider of jobs rather than a provider of services. However, realistically, the majority of the population in many developing countries depends on a subsistence trade and barter economy not fully articulated with the national and global economies. For growth and development to be successful, the private sector must become a viable and necessary economic force. The public sector must create favourable socio-economic conditions for the promotion and acceptance of private sector initiatives. The ability of the public sector in developing countries to develop effective and strategic policies in relation to pressures in the external and internal environments is crucial. Within this pressurized context, the public sector is often struggling to define its new role and to develop the required management capabilities for the promotion of private sector initiatives.

Involving major stakeholders early in the HRD planning process helps build widespread participation and support later in the process. When changes in laws and policies are necessary, the early interface with employees, clients, stakeholders, and other government agencies is the key. It is also important to understand the interconnections between and among organizations. A change in policy or responsibility in one organization could easily constrain or influence the functioning of another one.

## 2. The cultural component of human resources development planning

A critical component of HRD planning is a complete analysis and understanding of the existing cultural values in the developing country. Important questions to answer are: (1) What are the dominant values that govern the organization's behaviour? (2) Are they functional? (3) Do they need to be changed? and (4) How to change them? A transition from existing traditional values to values that will support change requires understanding and planning. Sometimes, management initiatives are hindered by existing hierarchical structures as well as cultural value systems. Employees at the lower levels of the organization are excluded from management processes. They may also be unaccustomed to playing any part in management. High-level staff, on the other hand, might be reluctant to include low-level staff in the management process. A complete understanding of the traditional value systems and the values required to initiate change will help determine HRD strategies and priorities.

In order to include various levels of workers in the planning process, the concept of “power distance” as described by Hofstede<sup>2</sup> is useful. Power distance is the degree of comfort a subordinate feels in communicating with a superior. It is also the degree to which a superior feels comfortable in encouraging this communication. High-power distance would indicate that a subordinate would experience a high degree of discomfort in attempting to influence a superior or in engaging in upward communication. Encouraging participatory management practices in countries with high-power distance is difficult. Comparing diverse value systems can focus attention on cultural elements that impede change, thereby providing the opportunity to build capacities for change into the HRD planning process.

One method of integrating different organizational cultures into the operation of HRD is to mingle the strengths of traditional organizational paradigms with the vitality of new organizational standards. The model presented below (Figure 1) points out the chief characteristics of the two paradigms. It is only through a mingling process that the value systems of both can be incorporated into sensitive needs assessment and planned human resources development.

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<sup>2</sup> G. Hofstede, *Cultural Consequences: International Differences in Work-Related Values*, (Beverly Hills, California, Sage Publications, 1980).

## Figure 1. Organizational cultural values

Traditional organizational paradigm:  
high-power distance

New organizational paradigm:  
low-power distance

### 1. Manifestations

- hierarchical structures
- chain of command
- formal systems
- rule-driven decision-making
- top-down communications

- flattened, organic systems
- high participation
- informal systems
- results-driven decision-making
- networks of information

### 2. Characteristics

- stability
- predictability
- control
- centralization

- flexibility
- responsiveness to change
- loose systems
- decentralization



### 3. Underlying values

- |                          |                            |
|--------------------------|----------------------------|
| -group/team work         | -individual achievement    |
| -cooperation             | -competence                |
| -responsibility to group | -individual responsibility |
| -interdependence         | -independence              |
| -harmony                 | -differences of opinion    |

### 3. Strategic management planning issues

Before any choice is made on the focus and scope of national HRD planning, there must be a careful analysis and understanding of the developing country's special needs and circumstances. This would include inspection of sociocultural issues, the public sector's opportunities and constraints, and the growth capacity of the private sector. The most effective process for creating the environment for HRD planning and implementation linked to the country's development needs is through strategic planning. This planning process considers both the country's maintenance and development needs.

The first step in the strategic planning process is to identify and analyse the environmental pressures that may demand more complex organizational responses and higher levels of performance. This analysis will also provide a clear picture of the major stakeholders, their degree of importance, and the extent of their support for change. At this stage, inclusion of major stakeholders in the planning process ensures their participation in the revision of laws and policies.

Here, too, it is important to incorporate into strategic planning the notion that change does not occur in a linear fashion. Human resources planning efforts must be part of the larger strategic management planning effort. This must be multi-organizational, involving people from various sectors, agencies, skills, and hierarchical levels. The systems approach to planning recognizes that it is not possible to change one part of a system without affecting another. Analysis of issues and phenomena must be done in terms of multiple causation. Thus the interactions of all of the developing country's interrelated parts must be diagnosed before prioritizing HRD needs. These interrelated parts include:

- # Organizational structure (formal mechanisms; the organizational chart; management control systems; job descriptions; performance evaluations; policies and procedures; reward systems);
- # Processes (behaviours; attitudes; norms; values; interactions at the individual, group, and intergroup levels);

- # People (their abilities; needs; work styles; behaviours; expectations);
- # Environment (customer needs; technology; stakeholders; government regulations; social culture and value interactions).

#### 4. The role of institutes of public administration (IPAs)

In most developing countries, institutes of public administration provide training for public sector managers. Much interest has been directed toward strengthening the role of IPAs to respond to large HRD objectives. However, some constraints limit these institutions' ability to function as supporting organizations. These constraints include: (1) lack of clearly defined processes for training institutions to link with government agencies; (2) lack of organizational flexibility and management practices; (3) acute shortage in the quantity and quality of professional staff, and the inability to attract, retain, and develop needed competent trainers; and (4) lack of adequate physical facilities and other resources.

These weaknesses have burdened IPAs with a credibility problem. Unfortunately, many lack credibility as a valuable resource in national training and human resources development and could benefit from a renewal programme involving major stakeholders in strategic management planning. A process similar to that at the national level could be implemented in which participants would: (1) examine their goals for the future; (2) identify their core values; (3) assess the IPA's internal organizational issues; and (4) clarify its role in relation to its capacity and external demands.

The process of clarifying the situation, followed by development of new policies and procedures and their implementation must be carried out in the context of national conditions. The pressures, organizational readiness, resistance to change, and strategies to create an environment willing to change within its cultural context are key elements in the change process. Participation processes implicit in quality management programmes often do not address conflicting structural and cultural issues. An organization development programme designed for IPAs could assist developing countries in clarifying their goals, restructuring their IPAs and developing networks within the private and public sectors.

Organizational scholars have long emphasized the need for a systems approach in addressing organizational change and human resources planning. However, most development work around the world has focused on the formal, quantitative measurement systems emphasizing macro cost-benefit analysis, feasibility studies, financial modelling, and other data-driven models. This task-focused approach fails to take into account the important informal components of the organization — the process and its people. The cultural aspects of a developing country should not be overlooked. Additionally, without the involvement of

employees at the lower levels to help interpret the data, the most relevant change strategies cannot be expected to penetrate all levels of the organization and society. Human resources development planning should create environments of choice that are in harmony with cultural values. A strategic management approach will help with the creation of a realistic human resources development policy in developing nations.

#### D. Case study: the Ghana public service

The Government of Ghana has been redefining human resources development and management in order to continue transforming the country from an impoverished one into a middle income one. Past national development strategy should be examined first to try to understand the problems Ghana faces. Next, recent efforts at human resources development in the public service need to be appraised. This appraisal has led to new HRD initiatives and goals. The process of systematic market testing of public service operations has helped clarify the implementation of improved linkages between the public and private sectors. Centres of excellence will be established to train the elite class of civil servants having the leadership skills needed to lead Ghana through the next few years of change. These leaders will need to possess a sense of national conviction and loyalty.

##### 1. Past national development strategy

Between 1957 and 1983, the national development strategy adopted in Ghana emphasized the public sector as the primary vehicle for economic development. This resulted in the public sector being assigned more functions than it could successfully manage. As a consequence, by 1989, 94 per cent of the GDP was generated from fixed assets owned and controlled by 127 of the largest public enterprises.

The economy was financed by foreign exchange earnings from the export of primary commodities, and by central government borrowing and printing of money. Shortages of foreign exchange earnings led to import restrictions and an unwieldy control apparatus. Lack of genuine competition in the domestic market and short supplies of goods and services followed. By 1983, the once vibrant Ghanaian economy was crippled. Additionally, its trained professionals, administrators, and technicians were leaving Ghana to seek better opportunities in other countries. Ghana's governmental intervention had undermined the productivity of both labour and capital.

The labour market distortions have had serious implications for private companies. Because the Government, the largest employer in the modern sector, paid wages without regard to productivity, mobility to other sectors of the economy was restricted. The cost to

private companies in setting up business and competing for labour was consequently increased. This distortion, along with the general dominance of the public sector in the economy, contributed to the sluggish economic performance and low private investment. Apart from the inadequate labour-market policies, the efficiency and resourcefulness of the Ghanaian workforce had been progressively lowered by poor management in the workplace.

This poor management is nowhere more clearly evident than within the public service sector, where there has been a fundamental disintegration of HRD management. Recruitment, appointment, terms of service, salary levels, and salary administration are assigned to different authorities, leading to policy fragmentation and lack of coordination in staff management. The system contains many disincentives, including generally the absence of management training policy and of mechanisms to assess training needs.

## 2. Recent human resources development efforts

Reduction of the size and cost of the civil service in Ghana has been the most important goal of the Civil Service Reform Programme (CSRP). A new appraisal system that emphasizes individual performance rather than seniority was implemented. There was also a move to accept contracting-out and privatizing major aspects of current civil service operations.

A computerized personnel and payroll database was developed for use by the sector ministries and the departments and agencies under them. This database should provide up-to-date workforce statistics, financial reports, nominal rolls, workforce ceilings, year-to-date spending, workforce budgets, workforce forecasting and planning, and vacancy information to senior and operational managers.

The ministries were to be restructured into four components: (1) the Human Resources Development Division (HRD); (2) the Technical Coordination and Research Division (TCRD); (3) the Policy Planning Monitoring and Evaluation Division (PPMED); and (4) the Administration and Accounts Division (AAD). Each of these divisions would be linked to a central database system.

Attempts were made to attract expatriate Ghanaians back on either short-term contracts or through recruitment into the public and civil services.

A few civil service agencies were released from some civil service regulations in order to allow for the recruitment of needed professionals. The idea was that vital posts can be filled with productive, experienced people when incentives such as higher salaries are offered. Unfortunately, many civil servants resent schemes that favour only a few colleagues.

### 3. New human resources development initiatives and goals

The initiation of the Economic Recovery Programme (ERP) in 1983 has challenged the capacity of the existing labour force. There is widespread acceptance by the Government of Ghana and the public at large of the need to formulate a new HRD strategy to implement the institutional components of the ERP. The required components include the launching of the Civil Service Reform Programme, the Educational Reform Programme, the State Enterprises Restructuring, the Divestiture Programme, the Public Administration Restructuring and Decentralization Implementation Committee (PARDIC), Skills Mobilization Incentive Schemes, and the establishment of District Assemblies. Ghana has successfully formulated and implemented policies for economic recovery at the macroeconomic level, but has found it difficult to cope with the more complex problems at the microeconomic and institutional levels.

Implementation of the current economic policy calls for not only accelerating the efforts to sustain the improvements achieved since the launching of the ERP, but also for developing new visions and skills. An effective human resources development and utilization programme that acknowledges the rigours and disciplines of the market-place is required for these new visions and skills to take hold.

The initiation of a new national HRD strategy for Ghana requires consistency with the economic strategy fashioned under the ERP. However, it must also address the structural constraints that hinder the efficient and effective utilization of the workforce. These constraints include: (1) the occupation of senior-level positions in the public service by relatively ineffective, untrained, and demoralized senior officials; (2) insufficient middle-level management personnel resulting from high turnover at this level; (3) disproportionate redundancies at the bottom end of the staffing structure; (4) labour immobility because of current labour-market rigidities; (5) imbalance between pay and levels of education and skills; (6) poor salaries and conditions of service for the middle- and top-level positions of the civil service; (7) insecurity of tenure among senior levels of the civil service; (8) inadequate staff appraisal and staff development schemes; (9) organizational ineffectiveness with lack of adequate infrastructure and technological support; and (10) poor linkage between the public service and the private sector. Most importantly, the new HRD initiatives must focus on the building of a management elite with a professional and class interest to spearhead institutional reforms and conduct the transformation of Ghana's economy. These current conditions require two very important new HRD strategies for Ghana: market testing of the public services and the development of an elite civil service management class through the creation of centres of national excellence.

#### 4. Market testing of the public services

One important element in the successful formulation, design, and implementation of an HRD strategy for Ghana is the systematic market testing of public service operations, that is, ascertaining whether there are private sector suppliers that are able and willing to undertake government operations after competitive tendering. This market testing could create vast opportunities for downsizing the overextended functions of the public service. Major goals would be the removal of labour rigidities and salary distortions. Encouraging and allowing greater mobility of the labour force would free financial resource flows to the private sector and enhance the pay and conditions of service for top-level civil servants.

Market testing of public service operations has the added advantage of linking public service to the private sector. This interconnection opens the door for private sector participation in public service delivery. It also permits the private sector to influence government economic and labour-market policies.

Market testing would create an enormous demand by public servants for new management and operational skills to cope with market pressures. The acquisition of new management skills would stimulate greater participation of the private sector in public sector programmes of all kinds. This may be a precondition for the successful introduction of new techniques and technologies that the public sector badly needs. Private sector expertise would be required to assist in market testing various aspects of public sector operations with a view to divesting the public service of its major commercial activities. Technologists would also be required to help identify suitable technologies to automate routine activities. This automation would improve the competitive edge of employees in both public service and private sector employment.

#### 5. Centres of excellence

A historical review of the HRD strategy formulated and implemented by the developed economies and successfully adopted by the fast growing economies underscores the strategic importance of the development of an elite class of civil servants through the creation of centres of national excellence. If an elite class is developed, it becomes possible to gather many of the most talented members of each generation, and capture their skills for the public good through recognition, utilization and access to policy-making processes. As a result of these non-tangible professional benefits, the public sector could expect to hire quality staff without being in direct wage competition with the private sector.

While private sector and public sector systems differ, it is useful for key knowledge workers to move between sectors. Members of the elite class would expect, during their lives,

to work in both sectors. Financial rewards will come when they are in the private sector, and socio-psychological ones when they are in the public sector. The interchange between the two can benefit both sectors, reducing conflict and increasing overall cooperation.

This network of professionals who focus their efforts on excellence contributes to the overall HRD objectives by providing requisite skills and strategies to fulfil national purposes and by fully utilizing and appreciating these knowledge workers. Each generation has its share of unique and excellent HRD professionals. These men and women can provide skilful and visionary leadership by assisting their societies to respond effectively to domestic and global opportunities and threats. They form a vital and critical aspect of the national workforce assets. A carefully formulated national development master plan and resource development strategy is what Ghana requires to transform its economy into a more prosperous one.

For the proposed scheme to work adequately and attract and develop a core of professional elite management class, the public service would need to be cut to one third its current size. The downsizing is consistent with Ghana's economic policy shift from a public sector to a private sector emphasis. This two-thirds reduction in the employment levels of the public service is expected to lead to a threefold growth of the private sector. The expected savings would not only increase financial resources flows to the private sector but would also enable professionally qualified staff in the newly restructured civil service to enjoy enhanced salaries and conditions of service.

The role of the boarding schools in the creation of a small elite core of professionals is quite essential in the proposed national HRD strategy. Currently there are a little more than 100 boarding schools in Ghana. Their best graduates, if selected at each stage by competitive examination, would spur the development of an elite management class for the civil service. Admission would not be based on achieving regional or tribal balance, but strictly on merit and competitive examination performance.

Past and recent efforts in human resources development have been somewhat unsuccessful. Due to the establishment of over-centralized policy control, an economic structure was put in place that made ineffective use of both human and financial capital. The implementation of economic recovery and structural adjustment policies has refocused national attention on the need to evolve a human resources development strategy to implement reforms in various sectors and at various levels of the economy. To date, many short- and medium-term schemes are being implemented to produce, attract, and retain the professional, administrative, and technical skills required.

There is a need for a medium- to long-term economic development plan with specified programmes and targets along with indicators of success criteria. A human resources development and utilization strategy must be developed along with this plan to ensure that the appropriate requisite skills needed at each phase are available. An office must be established that links the vital central government agencies in charge of economic and human resources development and management. This steering body would have representatives from the central government agencies and the private sector. It would be responsible for expressing the vision to the Cabinet secretariat.

Groups of experts would examine and recommend ways of overcoming present ineffectual organization and management practices that inhibit effective workforce utilization in both the government service and the private sector. Effective use can be made of the sector ministries and the civil service advisory boards. These should not be staffed with generalist administrators, but with specialists in financial and economic management, personnel management, organization and management development, and information technology. Apart from these specialists, the membership from the private sector should be enhanced in these advisory boards.

A necessary step towards the development of a national capacity in the effective utilization of human resources is the existence of a national conviction that puts service to Ghana's development above all else. The next steps are the development of national discipline and of the appropriate organizational and supervisory skills, the latter through a market testing process. The creation of an elite management class through the establishment of centres of excellence becomes the strategic foundation of the goal for the economic liberation of Ghana. In conclusion, the truism that progress is made by taking one realistic step at a time holds in the development of an effective HRD strategy to support Ghana's thrust towards major national economic transformation.

#### E. Case study: the Malaysian public service

##### 1. The human resources planning machinery

The effective planning and development of human resources requires concerted efforts from various government agencies that deal in human development, in both the private and public sectors. Several agencies are involved in such efforts, including the Ministry of Human Resources, the Ministry of Education, and the Public Service Department. There must be a holistic approach to integrate and optimize their efforts.



In order to monitor the human resources planning and development efforts of all the agencies, the National Development Planning Committee (NDPC) has been set up at the Cabinet level and supplemented by a Subcommittee of NDPC on Human Resources Planning. The Subcommittee's role is to formulate and monitor implementation of policies and programmes relating to human resources planning at the highest level, to ensure its effectiveness, and to enhance the linkages among human resource planning, education, and economic planning. This Subcommittee is chaired by the Chief Secretary to the Government.

## 2. Administrative responsibility

Administrative responsibility for workforce planning and development lies with the Economic Planning Unit (EPU) which is also the secretariat to the NDPC Subcommittee on Human Resources Planning. The Economic Planning Unit is responsible for human resources planning at the national level. Its role is threefold, involving planning, coordination, and monitoring.

Insofar as **planning** is concerned, EPU's role is to: (1) determine the supply of human resources for medium- and long-term planning based on population data, labour force and participation rates; (2) forecast the need for labour by skill and sector, based on projections of economic growth; and (3) identify the programmes for human resources as inputs to the formulation of national HRD plans to aid in financial planning and other development projects.

Regarding **coordination**, the role of EPU is to: (1) coordinate all human resources activities at the national level; (2) coordinate all policies relating to human resources; and (3) coordinate training and development programmes at public and private sector institutions.

In carrying out its **monitoring** function, the EPU: (1) monitors the implementation of the human resources function; and (2) monitors policies relating to human resources utilization.

Human resources planning for the public sector is undertaken by the Public Services Department (PSD) which is the central personnel authority in the public sector. It has been entrusted to: formulate policies on human resources planning and development by planning the human resources requirements for the whole public sector; coordinate human resources planning functions undertaken by all government agencies; monitor the implementation of human resources planning at the agencies' level; and supply trained human resources to government agencies in line with the planning undertaken.

Another agency involved in the planning and development of human resources is the Ministry of Human Resources, which is responsible for human resources planning for the private sector. Among other things, it monitors the trends in the changing labour market situation, collects and analyses labour market information, and carries out and coordinates vocational and industrial training to meet the needs of the private sector.

Apart from the above agencies, the Ministry of Education, the Ministry of International Trade and Industry, the Statistics Department, and several other agencies are also involved in various aspects of human resources planning and development.

The concern of the Government of Malaysia for human resources development is also reflected in the setting up of a Cabinet Subcommittee on Training and Employment chaired by the Minister of Education and including the Ministers of International Trade and Industry, Public Works, and Human Resources. The EPU acts as its secretariat; several government agencies, such as the Ministries of Human Resources, Finance and Science and Technology, the Standards and Industrial Research Institute of Malaysia (SIRIM) and the Malaysian Institute of Microelectronic Systems (MIMOS), are represented. The main function of this Subcommittee is to deal with policy issues pertaining to training and employment, particularly with the aim of ensuring that Malaysia maintains a competitive edge through its human resources.

There also is a National Vocational Training Council (NVTC), the role of which is to guide the future direction of training so as to match the output of trainees to the demands of employment. The equal representation of the public and private sectors in this Council helps to ensure the relevance of training to industrial needs.

### 3. Approaches to human resources planning

The better known approaches to human resources planning are the manpower requirements approach (MRA), rate of return analysis, and employer survey method.

The **manpower requirements approach** tries to relate economic growth to the required educational and training output through the application of labour output coefficients to growth targets. **Rate of return analysis** estimates the rates of return from investments in human capital formation. Investment costs include direct costs such as teaching personnel, buildings, equipment and materials, as well as indirect costs. The **employer survey method** is possibly the simplest of all methods; under it, organizations are asked to estimate their human resources requirements within a specified time-frame.

Since its introduction in the 1960s, much criticism has been levelled at the MRA. In Malaysia, it is still regarded as useful in providing a framework for more detailed planning. No projections can be definitive, whether they are “best estimates” or a range of forecasts. In addition, the demand for some occupations is more easily projected using the MRA than other approaches. These include occupations in which demand is dependent on demography, such as teachers and health personnel. The more detailed the parameters, the more information can be generated by the projection model. The difficulty is in determining to what extent the norms adopted are realistically attainable given resource constraints, as this will affect the accuracy of the projection.

Beyond the projections of these occupations, one is really moving into more difficult ground, especially in dynamic industries where changes in technology and production methods, and the substitutability of labour and capital are difficult to capture by coefficients used in the methodology. Furthermore, the movements of labour and capital beyond national boundaries, which influence human resources demand and supply estimates, are extremely difficult to predict.

The better alternative is to complement MRA with continuous labour market analysis as a foundation for effective human resources planning and development. In this regard, workforce estimates must be supplemented, compared, and adjusted using information from the labour market such as wage trends, labour turnover rates, types of job seekers and openings available. The greatest weakness of past attempts at human resources planning is that they were one-shot attempts that easily became outdated and lost their usefulness. Ideally, attempts at human resources planning should be integrated at the macro, sectoral, and micro levels.

#### 4. Issues and challenges

Before the mid-1980s, the agricultural sector had been the pillar of economic growth in Malaysia. At its height, its contribution to the GDP was 23 per cent and its contribution to employment was 50 per cent. Since then the agricultural sector has declined in importance, and by 1987 the manufacturing sector had overtaken it. In 1990, the manufacturing sector contributed 27 per cent of the GDP and 20 per cent of the employment.

Structural changes in the economy have brought about changes in labour demand. While the agricultural sector will require less technically trained labour, the manufacturing sector will require a more technically skilled workforce. This demand for a skilled and technically oriented workforce is expected to grow as industrialization moves from a basic assembly type to a more advanced manufacturing and fabrication level. There clearly is a

need to invest in human capital as a long-term strategy to position the country in the forefront.

One of the challenges in becoming a fully developed country is the creation of a competitive, dynamic, robust and resilient economy in parallel with an excellent and ethical workforce. There is a need to have a diversified and balanced economy with the industrial, agricultural, and services sectors linked strongly together. Such an economy is expected to be highly adaptable, technologically proficient, entrepreneurial, and driven by knowledgeable workers who are highly skilled and productive. To understand the role of human resources planning and development, one must accept that the world is becoming like a global village with technological explosions occurring in areas such as information technology, biotechnology, advanced materials, and genetic engineering. This implies that there will be: (1) tremendous opportunities for labour mobility; (2) changes in the nature of work and job content, and changing skill requirements; (3) a competitive global economic environment in which technology and creativity will hold the key to comparative advantage; and (4) a shift from labour-intensive to knowledge-intensive industries, and the development of a strong base in science and technology to enhance industrial competence.

The crucial issues, then, are to identify the specific areas of education and skills development that are critical, bearing in mind that development must be holistic so as to produce Malaysians who are also caring and nurturing and have high moral and ethical values.

The optimal utilization of human resources is a central concern of the Malaysian Government, as it has a direct impact on economic development. The current shortage of labour, especially in the plantation, construction, and manufacturing sectors, is also of concern. The problem is further compounded by the fact that unemployment persists amid reported labour shortages. This means that it may be of a structural nature, implying that job seekers prefer to search and wait for better jobs.

The lack of appropriate skills required by employers is another problem that needs to be tackled. Public sector training institutions cannot produce factory-specific skills since their role is to equip job seekers with generic skills only. The establishment of the National Vocational Training Council is an attempt to deal with the shortage of vocational and industrial skills.

However, a number of weaknesses remain in the training system that need to be looked into. The first is the need to coordinate the training activities of public sector agencies to enhance their effectiveness and their delivery system. Second, public sector training agencies are constrained by financial and administrative red tape that prevents them from making

rapid changes in their curriculum, teaching staff requirements, and acquisition of modern teaching aids and tools. The third issue is the need for training by employers to be formalized and certified. The Cabinet Subcommittee on Training has called for: (1) improvements in the responsiveness of public training to market demands; (2) expansion of private sector training; and (3) stronger linkages between training and technological change.

To pursue the collaborative efforts of HRD between the private and public sectors, the Ministry of Human Resources in 1992 created a Human Resources Development Fund (HRDF) that requires private companies with more than 50 employees to pay a levy of 1 per cent of gross salaries to it for use in conducting approved training programmes. Members of HRDF include 213 private sector companies, with the balance from the government sector. Council members determine the terms and conditions for disbursements from HRDF which seeks to retrain workers and upgrade their skills to ensure job flexibility and security in line with technological improvements.

Apart from improvements in the training area, more needs to be done with the education system to ensure that the problem of labour shortages can be solved. The fundamental issue here is the upgrading of knowledge, skills, and attitudes. In order to create the workforce of the future, which should not only be well rounded in knowledge and skills, but also caring and ethical, it is necessary to tackle the problems at the primary-school level and to follow through to the secondary and tertiary levels. This means that HRD strategies must address: (1) the adequacy of resources allotted to schools; (2) the quality of the teaching staff; (3) the quality of the teaching of mathematics, science, and language at all levels to enhance numerical, technical, and communicative skills; and (4) the continuous concern for religious, moral and ethical values.

In line with the Malaysian Government's policy to make the private sector the engine of growth, there have been attempts to liberalize the education policy to involve the private sector in HRD. Since the late 1980s, it has been allowed to set up private colleges, and many have been established, offering first degree-level courses on a twinning basis with overseas colleges/universities. This policy not only helps to save foreign exchange, but also to speed up the production of a more educated workforce.

At the tertiary level there must be a concerted move away from liberal arts towards the engineering and technical fields. The need for technical colleges to provide more support staff is especially pressing. There is also a need to change the perceptions of parents and students toward blue-collar jobs as being inferior to white-collar jobs.

The labour-market information system is not satisfactory. Lack of market information on labour requirements by the various sectors has contributed to poor labour mobility,

especially in the less developed parts of Malaysia. There certainly is a need for more coordinated collection and dissemination of labour-market information. What is lacking is a central database system for easy retrieval and dissemination of information to the users. Therefore, there is a need to create central data banks to store, retrieve, and disseminate relevant and up-to-date labour-market information and indicators to facilitate human resources planning.

Human resources development must reach down to include the holistic development of the individual in society. Very often, in the push to become an advanced nation, the role of the worker is taken for granted. In line with the concept of a caring society, the worker must be given due recognition not only through better terms and conditions of employment, but also through proper training, promotion, job enlargement, and empowerment at the workplace. Only when the workers' interests are taken care of can HRD be said to have been effective. People should not be regarded merely as a tool of production but must be recognized as vital to the survival and development of the nation. Human resources development is a prerequisite to long-term sustainable economic development and nation building.

#### 5. INTAN: a training institute

To further ensure the success of the productivity improvement programmes, concerted efforts were made to enhance training and development in the public sector. Among other things, the objective of training is to create awareness and understanding at the different levels of the public sector concerning the new governmental thinking on such concepts as Malaysia Inc., privatization, total quality management, and customer service. Training has been carried out from the top echelon of the public sector, the Permanent Secretary and Director General level, down to the middle-level managers and supporting staff, such as executive officers and clerks. Training of this type ranges from a one-day seminar (for the top echelon), to a four-day course for the lower staff, on issues such as quality service training. All such training is conducted by the National Institute of Public Administration (INTAN) which is the largest civil service training institute in Malaysia, together with other public sector training institutes.

Another noteworthy effort is the change in the human resources policy on the induction of new recruits into the public sector. Since 1993 all new recruits who join the public sector at the supervisory level have had to go through a compulsory induction course of three to four weeks. At the end of it, they are required to sit for an examination, which they must pass in order to be confirmed in their posts. For the first time in the public service, an induction course of this nature is compulsory for civil servants. In the past, it was compulsory only for the career service personnel in the administrative and diplomatic services. The introduction

of such a course has significance in relation to the new thinking in the civil service — a recognition of the fact that human resources development is important to bringing about changes in behaviour. One can no longer rely on the old ways of disseminating information and ideas, which would take too long to take effect.

A systematic and organized structure in the form of training programmes is necessary to bring about swift changes to the public sector. This is also carried out by decentralizing training. Several training-of-trainers courses were carried out by the National Institute of Public Administration and training manuals were also distributed to ministries and departments so that they can carry on the training at their own level. The other important implication of the induction course is that it provides motivation to government employees as it shows that their employer cares about helping them to be not only placed in their posts, but also properly integrated into the public sector so that they can do their jobs more efficiently and effectively. The emphasis on HRD in the public sector is reflected in the growth in numbers of participants trained by INTAN. In 1992, INTAN trained about 28,000 public sector personnel through various types of courses such as public administration, management development, finance, economics, policy analysis, project planning and management, computers, languages, etc., up from 9,600 in 1981.

## V. HUMAN RESOURCES DEVELOPMENT: PERSONNEL MANAGEMENT ISSUES

While human development is the overall goal of human resources development, at the organizational level, individual professional development management is a key element in the human resources planning and development process. Likewise, individual performance is the key to organizational performance. The Expert Group concentrated on two issues, (1) capacity building and training, and (2) performance measurement.

### A. Capacity-building and training: the African experience

#### 1. World Bank strategy for human resources development support

Since the mid-1960s, the World Bank has focused on improving the human resources base through investments in the education sector. Investments have also been made to upgrade the existing workforce in connection with specific projects in water supply, energy, industry, transportation, and agriculture. These investments were intended to improve operational capability, increase project sustainability, and eliminate the need for foreign expertise to achieve economic development objectives. The World Bank refers to these HRD investments as “project related training” (PRT). Most PRT activities have been directed toward the public sector workforce, while the private sector has generally been excluded. These practices continue in many development projects throughout the region.

By the 1980s it became clear that the desired improvements in the public sector workforce were not being achieved. Although many civil servants had been educated and trained, African economies were not being managed, operated, or maintained effectively, resulting in the continued deterioration of the region's physical infrastructure. Earlier investments could not be sustained. At the same time it was apparent that the region continued to lack a critical mass of qualified managers, technicians, and skilled workers needed to support basic levels of public sector activity.

#### 2. The context of public personnel management

The major factors affecting the quality of the African public sector workforce encompass (a) ability to perform, (b) workplace conditions, and (c) attitudes about performance.

##### (a) Ability to perform



Many project training activities have been designed without careful consideration of effectiveness, especially the desired end results. Training efforts have been measured by training courses completed, not by improvements in worker efficiency. Most formal off-site training is not appropriate to job requirements. Trainees often receive excessive theoretical teaching with minimal practical training, leaving them poorly prepared for job assignments. On-the-job training, which is more relevant to job requirements, frequently suffers from lack of materials and equipment, poorly qualified trainees, poor scheduling, and lack of supervision.

Overseas training is very costly, it has been seriously abused, and has shown little return on investment. Basically, overseas training opportunities have not been closely tied to identified human resources needs and objectives. Trainees are often poorly matched to job requirements, training objectives, and candidate qualifications. They are sent overseas for as long as three years, returning with certificates, degrees, and diplomas that “open doors” to other positions often not benefiting the institutions that sponsored their training. Many remain overseas when their training is complete. Those that remain do not benefit from association with the in-country technical experts they are supposed to replace. The trainees may even profit from allowances accorded them from government and project accounts. There is no measurable evidence that individuals trained overseas have returned to make substantive improvements in the organizations that funded their training, nor have they effectively reduced the need for technical assistance.

There is little evidence to show that ministries of education have been able to respond adequately to the needs of the labour market. Most African countries are committed to pre-employment training and education, yet have found it extremely difficult to produce graduates with employable skills. This is partly due to poor planning based upon traditional vocational education concepts that are not sufficiently adapted to the African environment, nor sufficiently focused on labour market demands. Courses often focus on theoretical instruction instead of practical experiences that would make students more employable. Finally, poor linkage between the educational system and the labour market is exacerbated by placing greater emphasis upon levels of education rather than employable skills.

The stated objectives of technical assistance are to assist the recipient in management and operations, train local counterparts, and provide a general transfer of expertise that would permit the sustainability of the project. Although this temporary solution has become a permanent fixture in African development, some countries and sectors are further from self-sufficiency in required expertise than they were in the 1980s. There are many reasons for this situation. Experts are sometimes hired who are not sufficiently qualified and/or have trouble adapting to the African environment. Some are not properly supported by the recipient, while others are not provided with appropriate counterparts to train. Many are too occupied with

“crisis management” to train local staff, while some and their firms have little incentive to phase themselves out of lucrative jobs and contracts. Most importantly, the planning of technical assistance components often does not realistically consider the relationships between financial and technological inputs and human resource constraints.

#### (b) Workplace conditions

Public institutions are often staffed according to political rather than performance criteria. Managers are frequently given little choice in selecting staff for their work units and employees are not hired according to their job qualifications. Employees are not provided with the means to perform — they often lack tools and equipment, materials, fuel for vehicles, and even electricity and water. Even when civil servants are qualified and trained, they soon lose their skills if, as is often the case, they are prevented from properly carrying out their work assignments; and those civil servants who are trained in sophisticated techniques and technologies often receive no support in introducing management improvements into the organization.

When dishonest, fraudulent, or unscrupulous practices not only exist but are permitted by top management, corruption will permeate an institution down to its lowest levels. When these practices are pervasive, both managers and employees can easily become more interested in obtaining their “share of the pie” than in performing their jobs well and contributing to the goals of the organization. When corruption is prevalent, investments in institutional development, better management, and staff training have limited impact on improved productivity. When people ignore organizational loyalty, integrity, responsibility, and professional pride in their work, organizational effectiveness suffers.

Although much effort and many resources are expended in project preparation and appraisal, this is dissipated during implementation. Considering the complexity of many projects, sensitive supervision with appropriate feedback, learning and redesign are essential ingredients for project success. An important factor that seriously affects project implementation is the lack of continuity among staff throughout the project cycle. Frequent changes in key personnel often lead to changes in direction and loss of project momentum.

#### (c) Attitudes

It is not uncommon for pay levels to be based on educational or training attainment rather than demand for skills or ability to perform the job. A loose linkage between pay and performance can be specially detrimental to organizational performance when the bureaucracy is too weak to manage the quality of work performance. In many cases, particularly at higher job levels, training is seen primarily as a requirement for upward

mobility with little regard for job performance. Thus, when the government pays for training, individuals opt for any courses available in order to obtain certificates and diplomas that will qualify them for higher salaries and positions, regardless of the relevance of training to the job. As a result, government employees receive training at public expense, but then often either move to positions where they cannot use the specific training or they are unable or unwilling to utilize new methodologies in the workplace.

There is a causal relationship between work customs and attitudes on the one hand and work performance on the other. Some of the more serious problems prevalent within the public sector include poor attitudes to teamwork and internal cooperation, indifference to accountability, indifference to producing quality output, indifference to management by objectives, and poor attitudes to workplace discipline. When combined, these customs and attitudes produce overwhelming constraints to developing an efficient and productive public sector.

In many countries, civil servants are paid what is actually less than a “living” wage. Under these circumstances it is easy to understand why they have little loyalty to their organizations and why they often have other interests that occupy their working day. It is safe to say that as long as this issue is not dealt with effectively, work output in the public sector will continue to remain at an unacceptably low level.

### 3. Lessons learned: failures

There is no doubt that the public sector’s problems are due to a wide range of factors, many of which are outside the control of individual civil servants or government institutions. It is important to differentiate between what could have reasonably been accomplished under existing conditions and what was perhaps impossible to accomplish due to uncontrollable external factors. It is clear that many problems could have been minimized and/or averted if responsible persons had made and implemented better management decisions and if positive work ethics had been more instilled in the public workforce’s culture.

### 4. Lessons learned: successes

Success should be viewed in terms of a reduced need for technical assistance and the improved performance of the civil service. Technical assistance success should not be measured in terms of project disbursement profiles. Instead, success involves true institutional autonomy and the full commitment of management.

The most promising indicator of success is the growing number of young middle managers who are beginning to exert their influence in a positive way as they rise through

their bureaucracies. They are more knowledgeable, more aggressive, more willing to work as a team, and more concerned about national and institutional progress than many of their predecessors. There is also a growing cadre of qualified managers and technicians who can replace technical assistance experts when given the tools, equipment, and incentives to do so. These positive trends may be sufficient to counterbalance the negative trends if serious efforts are made to intensify the development of the public sector workforce and reduce constraints to productivity.

## 5. Future directions

If Africa is to achieve any sort of economic self-sufficiency in coming decades, it is essential that more effective use be made of its human resources in both the public and private sectors. Despite the large numbers of people who are educated and trained in essential occupational categories needed for viable economies, these individuals have not coalesced into the critical mass needed to achieve the most basic development objectives. Africa is more dependent upon donor aid and technical assistance than at any time in its modern history.

Evidently a new approach must be considered that will effectively integrate the development of Africa's human resources base with trends and investments. To date, a coherent strategy has yet to be defined, while a variety of approaches (traditional sector projects, technical assistance and rehabilitation projects, structural adjustment lending) continues to neglect the governments' ability to implement programmes and sustain investments. Human resources capabilities need to be closely linked with the size and complexity of future change programmes. The following factors bear consideration:

- (a) Change programmes need to be closely related to the governments' ability to implement them, which in turn needs to be linked to the development of their own workforces. There should be congruence between the magnitude of change programmes and the extent of human resources development activities.
- (b) Sound management is the most critical factor affecting the implementation of change programmes. Programme managers must be given full authority and responsibility for programme activities and proper control of programme funds. They must be fully accountable for all actions taken under the programme.
- (c) Workforce capacity, productivity, and effectiveness must be a primary consideration in programme implementation. Training must be applied as one of many tools to address this issue, not as the sole solution to productivity problems. Workforce development must be implemented comprehensively to encompass (1)

personnel management, (2) provision of resources needed to carry out work assignments, (3) establishment of a proper workplace environment, (4) adequate conditions of employment, and (5) training for job-specific skills and knowledge.

- (d) Planning on a national basis must include greater focus on workforce development as an integral part of economic development. Planners and decision makers should give equal weight to workforce capacity and potential as they do to other economic indicators when they articulate and implement strategies for economic development.

In Africa, human resources development has not kept pace with the launching of technical assistance investments. An assertive HRD strategy can build confidence and competence for managing development activities.

## B. Performance measurement in personnel management

### 1. The need for measurement

Human societies are at a critical juncture. The public is losing patience with what it perceives to be unproductive government. Two responses predominate. Under the broad banner of “privatization,” one response argues that the private sector can deliver necessary public services more effectively, even at lower cost. The other relies on a pragmatic set of solutions proposed by the public service to improve services to the public. To the extent the first path is chosen, the public service will be smaller, weaker, and a less enticing career choice. To the extent that the public is convinced the public sector can deliver services more efficiently and effectively, then the public service will become a more promising career path.

Hard evidence is necessary to convince an increasingly sceptical public. In the United States, for example, despite a century of improvement in the delivery of government services, the public is frustrated, angry, and still demands that government personnel be smarter and work harder. The entrenched nature of dissatisfaction with the performance of public servants and public organizations is underscored by public opinion polls that consistently report low public confidence.

Although the public is equally frustrated by corporate bureaucrats in its daily dealings with banks, department stores, and credit card companies, public anger against the bureaucracy is typically and disproportionately directed at public servants. That bias against government bureaucrats is reinforced daily by reporters and writers who, more often than not, characterize them as “incompetent officials”, “tangled in red tape” and “uncaring”. It is alleged that these bureaucrats “shuffle papers” and make “arbitrary decisions”.

Fortunately, performance measurement can help the public service defend itself. Performance measurement empowers public servants to question “government as usual” tendencies and, therefore, to improve performance. Based on the collection and analysis of performance data, this technique encourages the regular and open sharing of information necessary to make decisions among bureaucrats at all levels. Allowing information to circulate freely will help stimulate new problem-solving energies and ideas. Sharing objective performance-based data can lead to the following outcomes:

- (a) Measurement of public sector performance;
- (b) Linkage of service measurement to resource allocation decisions that affect human resources;
- (c) Improvement of decisions by displaying service and budget data clearly.

Performance measurement is a powerful and available tool. Where intensively used, it enables the organization to be more responsive and more productive.

## 2. The scope of measurement

Government “customers” are increasingly questioning the efficiency and effectiveness of public services. Measurement is implicit in their complaints: “The neighbourhood is more dangerous”, “the streets are dirtier”, “the schools are worse”, “the air is bad”. They often answer their own questions with dramatic stories, rumours, and personal experiences.

For each performance complaint, a critical question should also follow: “What can one really know about that?” One can now measure public sector efficiency and outcomes objectively, and management can develop systems and databases for measuring both outputs and outcomes. A measurement programme offers an opportunity to develop and present “hard” feedback concerning performance, instead of relying on vague perceptions. Objective measures can provide a realistic context for decision-making.

According to a recent study by the United States General Accounting Office,<sup>3</sup> managers can use the data performance measures provided to help them manage in three basic ways: to account for past activities, to manage current operations, or to assess progress toward planned objectives. When used to look at past activities, performance measures can be used to make management accountable for outputs achieved as well as the effectiveness of the

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<sup>3</sup> Kamensky, John M., “Program Performance Measures: Designing a System to Manage for Results.” Workshop presentation. Published by the General Accounting Office.

processes and procedures used. When used to manage current operations, performance measures can show how efficiently resources, such as dollars and staff, are being used. Finally, when tied to planned objectives, performance measures can be used to assess how effectively an agency is achieving the goals stated in its long-range strategic plan.

Having well-designed, timely, relevant and accurate measures is important, but so is their use by decision makers.

It is important to recognize that multiple measures of public sector services cannot always be combined into a productivity “index” (like the bottom line of profit in the private sector) of individual performance. A typical index might assign arbitrary weights to different functions. In policing, for example, weighted ratings typically assign 1 point to a summons, 5 points to a misdemeanour arrest, 10 points to a felony arrest. The most “productive” officer would achieve the highest number of points. The weaknesses, however, are that (1) the weighting of different measures is based upon subjective decisions — one well-planned felony arrest can have a much greater impact on the public's sense of security than a hundred misdemeanour arrests or a thousand summonses; and (2) a point-based index induces police to maximize rewards, to undertake activities that will add up points, i.e. summonses, rather than those that might better serve the public, i.e. arrests.

Multiple measures, if not arbitrarily combined, are useful diagnostic tools. As a group, multidimensional measures of specific services can help provide an objective context to manage a programme instead of reliance on arbitrary or habitual decisions. Ongoing monitoring systems that emphasize indicators and analysis can lead to better results over time. Performance measurement can help identify promising areas for improvements in the utilization of human resources, helping to target functions that continually face large backlogs, slipping deadlines, high turnover, or many complaints. Particularly important in tracking or assessing evidence of progress, for example, are timely data that reflect cost savings, additional services, independent evaluations of service levels, client satisfaction, and reductions in waiting or processing times.

Measurement can also apply to an entire organization-as-system. It is important to examine programme effectiveness through attention to outcomes, rather than cost or efficiency. “Output” is a narrow concept that may limit views of performance improvement. If managers and the public are to make better arguments as to workforce allocation and reallocation, they need more than just measures of outputs (how much of a service is provided, such as checks issued or hospital days provided, and at what cost). Analysts and critics also need to assess “outcomes” (what the service results in, such as improvements in a client's quality of life or ability to maintain employment); and because organizations are interdependent systems, it is also necessary to measure the production of “internal” services

— especially human resource factors such as recruitment and training — which facilitate those “external” services that are produced for clients. Therefore, a productive agency must monitor and improve productivity at three stages: internal capacity, external services, and outcomes or impacts.

### 3. Performance measurement index

A programme to improve the performance of an organization's human resources raises the questions in Figure 2 for all three stages.

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## **Figure 2. Performance measurement questions**

In terms of programme performance:

- How much of a service is provided?
- How efficiently are resources used?
- How effectively is a service provided?

In terms of effectiveness indicators for performance:

- What is the intended purpose of the service?
- What are the unintended impacts of the service?
- How effective is the service in the prevention of problems before they arise?
- Is the service adequate?
- Is the service accessible?
- Are clients satisfied with services?
- Are services distributed equitably?
- Is a product durable?
- To what extent is a service provided to clients with dignity?

In terms of desirable characteristics of performance measures:

- Is a service significant?
- Is the service appropriate to the problem being addressed?
- Is performance quantifiable?
- Are services readily available?
- Are services delivered in a timely manner?
- Are services delivered in a relatively straightforward manner?



- Is a measure of performance valid?
- Is a measure acceptable?
- Is performance measured completely?
- Are measures accurate?
- Are measures reliable?

In terms of management's uses of productivity measures, are measures used to help:

- Set goals?
- Estimate resource requirements?
- Develop budget justifications?
- Reduce costs?
- Develop organization improvement strategies?
- Control operations?
- Reallocate resources?
- Hold individuals or organizational units accountable?
- Motivate employees to improve performance?
- Compare agencies or subunits to similar entities or to past levels of achievement?
- Predict periods of work overload or underload?
- Link increased resources to policy outcomes or to system-wide problems?
- Improve benefit-cost linkages?
- Develop more sophisticated capacities for measurement?

In terms of data collection:

- Are existing records analysed?
- Are clients surveyed?
- Are taxpayers surveyed?
- Are services rated by professional or trained observers?
- Are special data collection techniques utilized?

In terms of the analysis of productivity data:

- Are before vs. after comparisons made?
- Are measures displayed in a time series?
- Are comparisons made with other areas, jurisdictions, or client groups?
- Are comparisons made with targets?

#### 4. Utilization and presentation of performance measures

Both management and policy participants in the performance improvement process can utilize human resources and service measures more powerfully if they are displayed clearly, and especially graphically. Other participants in the public policy process, including elected executives, legislators, board members, business advisory groups, policy-level administrators, union members, interest groups, the general public and the media, can also benefit from graphical presentation.

With the availability of computer-generated graphics, professionals can assist politicians, non-technical people and even the public in understanding the goals, conditions and accomplishments of the organization. Most people can draw conclusions from statistics if that information is displayed in simple visual modes such as bar graphs and trend charts.

Computer-generated graphics programmes can now help empower the non-expert. Personal computers and widely available software make the conversion of tables to charts a relatively simple task. By collecting data on organizational performance, managers will be able to make comparisons with similar organizations and trends over time.

Data involving inputs, outputs and outcomes can add precision and objectivity to organizational planning and evaluation. In addition, modern computer technology provides an opportunity for greater transparency and accountability. This can foster greater responsibility and responsiveness in civil servants, more appropriate policy-level dialogue by politicians, and more public participation. Measures help answer such questions as: Are the organization's employees trained and organized to carry out their responsibilities? Are they as efficient or effective as counterparts in other jurisdictions? Are their programmes cost efficient? Are they creating unintended side effects or producing unanticipated impacts? Are they responsive to the public? In short, are they productive?

## VI. CONCLUSIONS

Each regular session of the Expert Group Meeting was followed by a discussion session. During the two-day meeting, four presentation sessions were held, with an additional opening and closing session. Altogether, seven papers were presented.

It was generally agreed that HRD is complex, with many interrelated and competing issues. Complicating the development of sound HRD is the fact that the goals and objectives of many of the participants tend to conflict, nullifying and diluting the positive impact of their individual aims.

Nonetheless, for developed, transitional, and developing economies, the current competitive global environment challenges each country to develop ambitious HRD policies and programmes. In order to accomplish the goal of sustainable human development, appropriate resources will have to be targeted and used for training systems and for organizational development with long-term gains in productivity needed in the global context.

In consideration of the development of HRD policy and programmes, the Expert Group highlighted the following issues.

### A. The role of the public sector

The role of the public sector is considered critical in the development of human resources. Most countries have ongoing debates about it, but since the late 1980s there has been an increased global emphasis on redefining and refocusing the parameters of the public sector with attention to the role of the market economy and the range of civic institutions. The transformation issue is impacted by the societal cost of transformation, primarily focusing on how to provide a social safety net that can mitigate the negative impact of a market economy. Restructuring through privatization, downsizing or right-sizing strategies will lead to a more focused and limited public sector primarily serving as a catalyst to private sector activities. As the public sector undergoes different aspects of redefinition and refocusing, its change processes, such as structural adjustment at the national level and social adjustment at the local level as well as privatization and right-sizing, not only contain issues which are difficult to resolve, but also require new skills and capacities of civil servants.

The expected results of increased economic development and political freedom, which are of a long-term nature, are often overshadowed by the trauma of upheavals and intense social dissatisfaction that impact the day-to-day lives of individuals and groups. Limited resources make the process of societal transformation difficult to achieve. A key lesson is

that civil servants need to be able to design and implement socially sensitive programmes that encourage long-term economic development.

In this context, the Expert Group made a distinction between the role of the state and the management of the state apparatus. It is, therefore, important to differentiate between state reform and administrative reform. A major question was how state reform, in which the rules of the game between the state and society change, can result in a better managed state apparatus. The goal of administrative reform may result in a smaller, more focused, more modern public bureaucracy.

Assessment of policy goals and objectives of general human development and specifically public sector HRD should be undertaken in light of the complexities of transformation. Definitions of success would need to be related to objectives and long-term criteria of economic and social development.

#### B. Public and private cross-fertilization

This theme was examined by the Expert Group in its deliberations on sound HRD. Use of private sector tools and techniques can be a viable practice, but the Expert Group cautioned that this is not a panacea for overcoming public sector problems. For example, the Expert Group pointed out that the salary gap between the private and public sectors is often seen as a reason for the lack of motivation in the public sector. At the same time, prestige, power, access to information and privileges, future material benefits, personal conviction, national consciousness, and serving the public interest are factors that motivate many talented people to serve in the public sector.

The Expert Group noted the need for further examination of training and HRD in the private sector, specifically the training provided by multinational corporations, programmes for introducing and using new methods and change programmes into private organizations, and programmes of management improvement that are based on facilitating continuous learning process.

The Expert Group also noted the need to explore the relative dependency of the public and private sectors. It could be measured by attractiveness for employment, reputation for performance, and positive impact on peoples' lives. Programmes to exchange staff could assist in bringing together private and public sector managers in a wide, future vision.

The Expert Group noted that the private sector in most developing countries, and now in transitional countries, has gained significant expertise from the public sector through the transfer of highly trained personnel. Strong economic development of the private sector can

be partially attributed to the human resources capacity produced by public sector schools and transferred from public institutions. There is little movement of highly-trained private sector officials to the public sector in most developing countries. It is important to note that as personnel in the private sector attain deeper and broader expertise in management, efforts should be made to attract them to the public sector. Greater exchanges from among the available pool of managerial expertise between the public and private sectors should be encouraged and institutional arrangements should be developed to enhance such movement between the sectors.

### C. Linking the education system to the labour market

The linking of the education system to the labour market was considered by the Expert Group as another factor that will contribute significantly to the development of sound HRD policy and programmes. At present, the education system cannot meet the demands placed on it because of the rising population. On the other hand, those with degrees cannot get jobs. This imbalance between available human resources in developing countries and their inappropriate preparation for the workforce prompted the Expert Group to recommend an immediate change in the culture of education.

The Expert Group noted the varying degrees of training demanded by national conditions and suggested further analysis of demographic trends. Concurrently, a forecast of economic growth can be linked with demographic analysis in order to develop a realistic macro-HRD policy and to focus training programmes in key areas.

Among the questions raised by the Expert Group regarding the linkage between education and the labour market are the following: (1) What redirection or new inputs are needed by the education system? (2) How to train recent graduates, mid-careerists and senior officials? (3) How can the productivity of education be measured? (4) What are the implications of the increasing gap between knowledge workers and the rest of the labour force? (5) What is the knowledge gap within professions? and (6) How does the specific culture value education?

### D. Future public servants

Identification of the public servants of the future was another concern of the Expert Group in their deliberations on HRD. As countries replace a large public sector with a leaner one, issues of employment, equity, and distribution of resources will shift to the private sector. A new type of public personnel will replace the traditional public sector administrators and managers. The Expert Group, anticipating the future needs of public sector personnel, identified a number of conditions that will define the nature of the public

servant of the future. These conditions set a context for future development of personnel as well as the working conditions that will allow them to perform their tasks:

- (a) Knowledge of what the public sector exists for is seen as critical to providing its personnel with understanding and a context that will motivate them to work;
- (b) People should be treated as assets to be invested in, managed and cared for;
- (c) Policy development and decision-making should be based on objective analysis and projections;
- (d) Mechanisms are needed to facilitate information sharing, decision-making and trust between political actors and bureaucrats;
- (e) The gap between knowledge workers and the rest of the labour force impacts on compensation, tenure and reward. The labour force of the public service includes both competitive and non-competitive staff who may need different treatment. How can workers be shifted among organizations and sectors to benefit productivity? How does one train unemployed workers? What are the societal implications for reduced unemployment in some areas and increased unemployment in others? These are some elements that will impact HRD policy planning and programme development;
- (f) There is a need for effective use of human resources through measurement of performance to assess progress or deficiencies in achieving individual and organizational goals and objectives;
- (g) There is a need for linking the performance assessment of individual civil servants with overall institutional capacity, productivity and quality management;
- (h) There should be a sufficient number and quality of professionally trained people to address emerging challenges generated by the dynamic socio-economic conditions.

#### E. Culture

In the opinion of the Expert Group, culture must be integrated into the planning process of HRD programmes. Specifically, the Expert Group examined the cultural impact from two intervention points: (1) where projects are donor-driven and (2) where projects use consultants. In donor/recipient situations, a sensitive balance between the goals of the donor

and recipients at all levels (international, regional, national, organizational, and individual) would not only reduce any sense of dependency but lead to HRD policies and programmes which are congruent with the social and cultural values and norms of the recipient country. Sensitive integration between national culture and the modalities and context of donor assistance can be achieved if recipient countries examine their core values at the individual, organizational, and national levels and develop culturally-sensitive motivational and leadership practices that can enhance HRD policies and programmes.

Consultants need to be particularly sensitive to cultural norms and values. Avoiding ethnocentric solutions by careful analysis of local values, aspirations, and beliefs of how things will get done, is more likely to identify appropriate HRD strategies. For example, key cultural factors in organizational behaviour include power distance, individualism, uncertainty avoidance, and long-term perspective. The Expert Group cautioned against “blueprint” approaches to HRD policies. While the blueprint approach may be successful in the transfer of hardware technology, it is much more difficult to achieve in instances of management practices that are people-focused and have cultural values and norms attached to them.

#### F. Training

Training and professional development, according to the Expert Group, will continue to be a major focus of human resources development. The Expert Group observed that both the actual and perceived impacts of training on HRD policies in developing countries were viewed with concern.

Association with in-country training institutions or participation in in-country training was viewed as a form of sidelining or punishment. Training abroad was available to small elites who were considered privileged. Training was also focused on the top and middle managers with very little attention to the lower levels or the total organization. Trained personnel were neither utilized properly, nor provided with working conditions appropriate for application of their acquired skills and knowledge to their organizations. Frustration led some trained personnel to revert to traditional practices while others left the public service for opportunities available in the private sector or in other countries. The emphasis in training programmes leaned more towards the formal diploma, certificate, and degree gathering rather than substantive knowledge gathering and skills improvement.

The Expert Group felt that some training programmes had been misdirected. Although training of public personnel has often concentrated on the routine application of bureaucratic rules and regulations, trained personnel were required to shoulder responsibility for developing strategies to promote economic growth and development for which they were not

trained. Likewise, public personnel trained abroad were often educated in strategies of development, and upon their return were required to apply routine bureaucratic rules and regulations.

The Expert Group noted that a significant amount of resources had been directed toward training since the 1960s. Despite the many shortcomings of training in HRD such as poor attitudes, misuse, or poor direction, it is important to assess training also from an overall country capacity-building perspective. The question is have trained personnel become contributing and productive members of the society and have they returned to the specific jobs for which they were trained or to their originating sector.

The Expert Group felt that if training is to emphasize capacity building in the most immediate future, then the focus should be less on training new people and more on retraining and utilizing trained personnel. At the same time, emphasis should be placed on organizational training and institutional capacity building to which individual training and performance should be linked.

Training efforts should focus on increasing the quality of management and on the methods and techniques being encouraged by administrative reform programmes. It is also critical to reduce the gap between knowledge workers and the mass of the labour force, for example by bringing more knowledge, skills and abilities to the mass of the labour force.

The Expert Group attached considerable importance to adding cultural values to objectives, particularly in relation to the concepts of productivity and excellence.

#### G. Management practices and tools

Management practices and tools support the enabling conditions and the process through which HRD policies can be established and programmes implemented. The Expert Group determined there were serious deficiencies in public management. Lack of coordination, low salaries and compensation, inappropriate organizational design, resistance to change, inadequacy of form and content of information bases, inability to retain trained personnel and lack of measures of productivity were among the many conditions inhibiting the public sector's ability to perform.

The Expert Group warned HRD policy makers against the negative consequences of imported and transplanted management practices and tools. For example, it cautioned against using job descriptions as the sole method to assess performance. Particularly when the context of public sector work is rapidly changing and non-routine work requires initiative,



it is useful to recruit for creativity, intelligence and assertiveness. In another instance, the Expert Group pointed out that while the “golden handshake” is viewed as a strategy to reduce the size of the public sector, unless it is confined to surplus staff, one negative consequence of the policy is that the most productive personnel take advantage of this opportunity thereby resulting in a form of “brain-drain”.

While taking all these issues into consideration in their deliberations, the Expert Group identified two key areas around which to build sound HRD policies and programmes. These are: (1) information technology and (2) productivity measurement, improvement, and appraisal.

Management information systems and information technology with its implied emphasis on open, transparent decision-making, can be usefully directed towards assisting policy and decision makers in planning, performance supervision, and decision-making processes. The Expert Group advised those in HRD policy making and programme development not only to collect basic information but also to incorporate it into their decision-making process through decision-support systems. It is no longer sufficient to have discrete information on personnel, training, pay, transfer, or performance. These data can be mutually supportive and integrated into management and decision-making processes. The value of the data is in their integration into management and decision-making processes.

Performance measurement will become increasingly important in the public sector of the future. With the changed circumstance of a public sector playing a supportive role to economic growth activities of the private sector, public institutions will need to be more productive. In order for the public sector to attract the best, it should have the ability to reward the high achievers and separate those who are not able or willing to contribute to organizational performance. It is only through the process of performance measurement and its linkage to the appraisal system that public servants can be motivated and rewarded for high performance, with full utilization of their skills and training.

#### H. Looking ahead

In looking toward the future of the human resources development, the Expert Group noted the following:

- (a) HRD should be programmatically effective, culturally sensitive and cost conscious;
- (b) Effective HRD policy-making is sensitive to the changing environment including the demographic profile and global economy;

- (c) HRD programmes can usefully focus less on deliberation and examination and more on action based on social learning theories. There is less need for a larger workforce and more need to execute training programmes and enhance human skills and knowledge;
- (d) Effective HRD is a function not only of appropriate plans and programmes but also of the limited availability of financial resources. There should be a balancing of the distribution of resources between the needs of the current system and the need for resources to develop the new one, thereby facilitating overall systematic HRD policy;
- (e) Effective HRD, which is viewed as enlarging and expanding opportunities and choices, must be clearly separated from the earlier workforce planning model. Workforce planning is a “blueprint” and a mechanistic approach to employment problems and attempts to address the needs of the market. HRD, at the front end, should be viewed as not only expanding opportunities but also providing the means through which knowledge and skills can be acquired to use opportunities. At the back end, HRD should lead to productive outcomes; and
- (f) Finally, effective HRD is a process that can be used to redefine and redirect the public sector towards functioning as a catalyst for economic growth and development leaving the private sector to act as the engine of development.

Rather than emphasizing past failures, the tone and nature of the Expert Group’s deliberations were focused more towards what to expect from the public servants of the future and how to prepare them for the future.

Successful HRD, according to the Expert Group, results from coherent coordination among human development planning, economic planning, and education planning. Relevant HRD policies and programmes are sensitive to the needs of the public and government, and reflect an agreed vision to transform the society and economy in order to provide the basis for people to increase their well-being within a rapidly changing global economy.

## Annex I

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## Annex II

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