

THE NIGERIA PUBLIC SERVICE REFORMS OF 1999-2007: A PANACEA FOR FEDERAL STAFF MOTIVATION

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Abstract

The Public Service is the machinery of government that is concern with the formulation of policies and delivery of goods and services by and for the government whether National, Regional and Local level. However from the mid 1970s to 1990s the Nigeria Public Service had begun to exhibit signs of progressive decay, as a result of the oil boom era, over centralization, growing conflict between Cadres and hierarchy, low staff morale and productivity. This failure propelled the federal Government in power in 1999 to embark on the Reforms of the Public Service. This papers aims is to examine how/whether the Public Service Reform of 1999 - 2007 motivated Nigeria Federal staff. The Paper will examine the impact of the contributory pension reforms, monetization, servicom and remuneration on motivation. These will equally be used as an assessment indicator. This paper will adopt Abraham Maslow hierarchy of needs as a theoretical framework. The paper will employ both quantitative data such as questionnaire and qualitative data such as interview and other documented evidence. The paper argues that reforms have not being able to motivate federal government staff. The paper analyses that previous reforms in Nigeria before 1999 failed to motivate federal government staff. It concludes that Reforms in Nigeria since 1960 has not impacted positively on the performance and workings of the federal government staff.

Keywords: Reforms, Motivations, Public Service, Nigeria.

1.0 Introduction

In any type of organization, implementing a change or reform often suffers a dismal fate, notably because of resistance by change agents themselves (Gilley et al., 2009). This is especially the case in developing countries, where lessons from several decades of governance and public sector reforms show that high degree of failure may often be explained by their focus on technology enhancement and reform *content* – without paying sufficient attention to the *approach* of changing behaviour and individual incentives for reform (Schacter, 2000; Easterly, 2001; Polidano, 2001; IEG, 2008a).

Reforms have little chance of being successfully sustained if those who manage it do not have appropriate incentives at crucial stages of implementation (Drazen, 2000). Beyond their role in sustaining reforms, civil servants' motivation and incentives are now consistently acknowledged as critical factors in determining performance in the public sector, and enabling capacity Building (Wai, 1995; IEG, 2008b; UNDP, 2006, 2009).

At independence in 1960, Nigeria bureaucrats who occupied leadership position acquire wealth for self-aggrandizement and Instead of working to improve the lot of the country, they became colonial masters in a, "black man's skin". These and other factors necessitated the clamour for reforms in the Nigeria Public Service (Anazodo, 2009).

After independence, Nigerian government carried out series of reforms among which are the Adebo Commission (1971), Udoji Public Service Review Commission of 1974, Dotun Philips Civill Service Reform of 1988, Allison Ayida Committee on Civil Service of 1995. However, the challenges faced by these reforms is incorrect incentives (low salaries) poor staff morale and a decline in work ethic; resulting in lack of staff motivation. This has greatly undermined reforms sustenance.

It is against this back drop that the researcher sought to examine the 1999 - 2007 Public Service reforms, to find out if this reform actually motivated civil servants for better performance, using indicators like the

contributory pension reform, monetization, Servicom and remuneration, especially in the perspective of sustaining capacity development.

1.1 Conceptual Clarification

Reform, in simple terms, implies the readjustment or repositioning of an organisation in order to be able to effectively and efficiently meet the dynamism and challenges of its universe of operation. It often requires a trajectory of moving from a present but unfavourable state through series of strategic and institutional stages of change towards a future state marked by efficient and effective improvements leading to better performance (ECA, 2009: 4).

Motivation has several meanings. Munford, (1972:74) refers to motivation as “the Psychological contract”. By this he meant the willingness of an employer to provide situations which caters for an “individual psychological needs in exchange for a commitment by the employee to his work and the firm’s interest – a condition that is often referred to as motivation. Motivation can be at different levels – individual, organizational and societal. Public service refers to all organization that exists as part of government’s machinery for implementing policies and programme as well as for delivering services to meet the needs of citizens. The Public service encompasses the civil service and the police and other security agencies: the armed forces, the national or state assembly services, the judiciary, parastatals, agencies and companies in which government own controlling shares (BPSR, 2007 1-2).

Public sector reforms on the other hand usually include a range of reform measures dealing with core government functions such as civil service reform, financial and fiscal reform, decentralization, enhancing accountability, legal and judicial reform, and improving corporate regulatory frameworks” (ADB, 1995: 139).

1.2 Factors That Necessitated Reforms

The public sector in most third world countries signals the worst tendencies of the “dead hand” of bureaucracy—corrupted, inefficient, poor services, cumbersome red tape—due to “accumulation of excessive power, lack of accountability and representation, indifference towards public needs and demands, official secrecy and inaccessibility, and role in depoliticizing the public sphere” (ECA,2009:13). This has led to a constantly declining level of efficiency and effectiveness in the delivery of public goods to the citizens. This assessment of the bureaucratic nature of the public sector in Africa coincided with the growing call, at the global level, for a redefinition of the state in the light of their functioning capacity to meet the growing needs of the citizens within a democratic dispensation. These are the issues that gave birth to the idea of the *reform* of the public sector.

In like manners, Nigeria’s development efforts and government policies are threatened by the Incompetency and ineffectiveness of the Public service. The Public Service had begun to exhibit signs of progressive decay, as a result of the oil boom era, over centralization, growing conflict between cadres and hierarchy, low staff morale and productivity. As a result of these, successive governments in Nigeria (from post-independence era to the contemporary times), have embarked on series of reforms aimed at improving the efficiency and effectiveness of the public service. But still, the service remains inefficient and incapable of reforming itself (Salisu, 2001:1).

1.3 Theoretical Postulation

Abraham Maslow’s Hierarchy of Needs Theory may be very helpful as the theoretical drive of this paper, Maslow in his famous article of 1943 argues that we have five innate needs. These are the, Physiological Needs, the Safety Needs, Affiliation or Social Needs, Esteem Needs and Self Actualizing Needs.

Sarpu (2013) says, for Public Service Reforms to motivate Civil Servants. Maslow, (1954) identifies six major theoretical issues to be addressed. First, Human being is an organism which drives into action to satisfy its needs. Secondly, a sound theory of motivation centres on the basic goals of human being; third, human behaviour is a reflection of more than one need. Fourthly Classification of need into specific group is a requisite in formulating a motivation theory; fifthly classifications of motivation must be based on goals rather than on instigating drives or motivated behaviour and the situation in which human organism reacts is a valid point in motivation theory, but the emphasis should always be on the Behaviour of the organism rather than on the field of situation.

In the Public Service Reforms of 1999 – 2007, there are components put in place for the reform process these are; Monetization of fringe benefits, Contributory Pension Schemes, Servicom, and Remuneration (Pay) etc. These are indicators and indices of focus of this paper. Indeed, the Remuneration (Pay) policy of the 1999-2007 reforms may be viewed as driving the federal staff into action to satisfy its needs. Federal

Staff priority is meeting their basic needs (Second theoretical issues), which falls under the physiological needs of Maslow hierarchy of needs theory. It must be noted that all federal staff basic needs are the same and common irrespective of the societies, cultures and organization in which they live and work. Once the Remuneration (Pay) of the 1999 – 2007 reform is able to meet the basic needs and requirements of staff at the lower order of Maslow hierarchy, then the desire for higher order arise, (Third theoretical issues). This shows that staff behaviour and productivity can be rationally determined and motivated.

The Fourth element of the theory, attest to the fact that the Contributory Pension Reform is group under the security and safety needs (live free from dangers and fear of loss of jobs, shelters etc.), showing that federal staff needs are arranged into specific groups hierarchically, while motivation of federal staff centres on how and whether the monetization of allowances of fringe benefits, remuneration and pension Scheme is able to meet staffs basic goals and motivate them.

This is an extrinsic motivation as it has to do with policies of organizations. As each of these needs becomes substantially satisfy, the next need becomes dominant, staff moves up the steps of the hierarchy from security and safety needs to Affiliation or Acceptance needs.

1.4 Reform Initiatives From 1960 - 1999

Five reform initiatives were established in the post-independence period. These are: the Morgan Commission (1963), attended to the general demand for wage increase consequent on the Mbanefo wage award of 1959, proposed a minimum wage on geographical basis.

The Elwood Grading Team (1966), tackled the anomalies arising from the grading of posts, and proposed uniform salaries for civil service officers performing identical tasks. Adebo Commission of 1971, set up to inquire into the issue of wage and salary, however deeper managerial challenge pushed its terms of reference beyond wages and salary to issues of organization and structure. (Olaopa, 2009A: 134).

The Udoji Commission of 1974 diagnosed the central problem of the Nigerian Public Service as that of inability to respond to serious changes. It introduced modern methods of managing complex organizations; The Federal Government undermined the Udoji Report by neglecting its series of recommendation. The wage and compensation issue that surfaced in the pre-1954 reforms again reared its head in the immediate post-independence period and connected all the commissions set up at that time.

The Dotun Philips Study Group in 1985 (Ayeni, 2008: 60). Specifically assess the effectiveness of the Public service which eventually led to recommendations about reduction in personnel, and fundamentally the enthronement of professionalism? The Babangida regime, on the basis of the Phillips Report, produced the 1988 Civil Service Reforms through Decree No. 43 of 1988. To establish a virile, dynamic and result-oriented Public service. The 1988 reform emphasized the need for specialization, regular training and retraining. (Dibie, 2003: 84) Because some of the commission's recommendations were turned down, and the implementation of the accepted ones did not achieve the intended goal the Civil Service continued to perform poorly.

1.5 Staff Motivation Before 1999 – 2007 Reforms

These reforms starting from the Morgan Commission of 1963 to the Allision, Ayida Panel of 1994, tried quiet a lot at improving the Public Service in Nigeria. But the future of Nigeria civil servants were never discussed nor put into consideration. It was obvious that a result oriented Public Service had not emerged in Nigeria. The quality of the Public Service was severely hampered by cultural, structural, institutional and other management defects. By 1975, the Public service was already in a deep conflict that had both systemic and political dimensions. With respect to the systemic, for instance, the dynamics of manpower utilization which relied on manpower planning, forecasting, budgeting and control gradually broke down. The level of staff motivation during this period was at zero per cent.

A second important field where reforms have consistently failed was their lack of attention to individual incentives, most especially civil servant pay and conditions, incentives are a critical factor for the success of reforms. Quite often, the optimal remuneration schemes do not commensurate to the input. While up to 1966, officers' deployment to posts was based on the possession of requisite qualifications. Skills and training, job classification, grading and posting gradually became susceptible to easy adjustments through politically motivated policies that managed interclass contests for power and rewards. (Olaopa, 2009A: 202). The Public service showed itself incapable of fulfilling the dream of development that the nationalists promised the Nigerian masses at independence. There is significant disconnect between wages in the Nigerian Civil Service and motivation of staff.

1.6 Public Service Reforms of 1999 – 2007.

The 1999 reform was undertaken by President Obasanjo's administration, with the establishment of the Bureau for Public Service Reform (BPSR) to, among other things, streamline and set a minimum standard in terms of staff strength and remuneration for the public service. Facilitate a process of pay reform that will provide incentives for quality staff to come into the service and

stay there. There are lots of reform policies, however the focus of this paper shall be, the monetization of fringe benefit, contributory pension reform, remuneration (pay) reform and Servicom.

1.6.1 Monetisation of Fringe Benefits

Monetisation is the process of converting or established something into legal tender. It may also refer to selling a possession, charging for something used to be free or making money on goods and services that was previously unprofitable (Wikipedia 2007:1). These benefits-in-kind, include highly subsidised residential accommodation, transport facilities, chauffeur-driven motor vehicles (for the senior echelon of the service), free medical services and highly subsidised utilities such as electricity, potable water and telephone. Thus, among other benefits, government believed, monetisation would help prepare public servants for life after retirement by preventing a sharp drop in their standard of living following their retirement, compared to when they were in active service. It would also encourage public servants to be more flexible in the use of their resources, choosing whether to live in their own or rented houses, for example (Public service Reforms and National Transformation 2006:54).

1.6.2 Pension Reform

The pension reform in like manner is to address and eliminate the problems associated with the pension schemes. The new pension scheme is contributory, fully funded. The new scheme, therefore applies only to the workers from 2008. While 7.5% of every worker salary is deducted as his/her contribution to pension with the employers remitting 7.5%, totalling 15%, only 2.5% is deducted from armed forces workers while their employer, government remits 12.5%, totalling 15%. Again, judiciary workers under Section 8 (2) of the 2004 Pension Reform are exempted from the new scheme entirely. This whole scheme is being regulated and supervised by the National Pension Commission (PenCom). The Commission will ensure that the payment and remittance of contributions are made and beneficiaries of retirement savings are paid when due (Public service Reforms and National Transformation, 2006:56-57).

1.6.3 Pay Reform (Remuneration)

The Executive Council of the Federation approved the implementation of Integrated Payroll and Personnel Information System (IPPIS) to all MDAs in February 2006. What was done was to do a payroll clean up, then Pay Reform, Review and Update of Public Service staff salary.

1.6.4 SERVICOM

("Service Compact with all Nigerians") Servicom (2006) SERVICOM is an initiative that focuses on enhancing public service efficacy. Servicom, (2006) said SERVICOM has been enjoined to improve strategies to serve Nigerians better and ensure continual "policy" of service processes and attitudes of the civil and public services in the country. Collins Servicom, (2006) defines SERVICOM as promoting qualitative service delivery. It must be observed, however that Servicom was simply a response to government perception of the civil service as corrupt, inefficient and in need of reform. It is not a motivating factor.

The Obasanjo renewal programme was, first, designed to deal with existing problem of reform; second, it was a comprehensive programme as reflected in its being situated within an overall strategic plan of societal transformation aimed at addressing the crisis of state and governance in Nigeria; third, it was home grown despite being informed by the current global trends like the NPM; fourth, its approach to reform is top-down through the creation of the BPSR "...(*The Obasanjo Reforms*: 24).

1.7 Staff Motivation After The 1999 – 2007 Reforms

Analysed are the views of respondents (civil servants) generated from the Questionnaires and interviews conducted on the Obasanjo 1999 -2007 public service reform. Surveys of 7,637 federal civil servants in 6 states from two federal ministries stratified into senior, intermediate and junior staff cadre showed an average satisfaction with some of the reforms components. Asked if the monetization policy of the 1999 – 2007 civil service reforms has been able to motivate them, 62 per cent of the respondents agrees "monetization has a positive impact on civil servant performance;" hence it motivates, about 86 per cent were dissatisfied with Servicom, government introduction of Servicom is seen as a cheek on the excesses of the civil servants; To them it is a tool for witch – hunting civil servants. 61 percent believed that contributory

pension scheme is an improvement on the old unfunded pension scheme; as such it is the best that has happened to the retirees because it is less cumbersome.

Majority of the staff surveyed (73 per cent) showed widespread satisfaction with increase in remuneration (pay) reform, in tune with Abraham Maslow hierarchy of needs theory. Our findings revealed that government did well by increasing staff pay, if salaries are increased; one is motivated and geared-up to put in more effort into the service. The argument that adequate pay is crucial for sustaining motivation, performance, and integrity of civil servants has been widely accepted and documented (Kiragu et al. 2004: 109). However it is the general believe that the reform could not effectively fight inflation in the society.

Findings, revealed that the 1999 - 2007 reform has motivated civil servants to a greater extent example is the monetization of fringe benefit , the occupiers of the properties and users of government vehicles were given the option of purchasing them. While with the contributory pension, payment of retirees is guarantee after retirement. Unlike the previous reforms where retirees queue – up endlessly waiting for their retirement benefits to be paid.

Ugwu-Oloto (2007:56) says at no time in Nigeria's history has the nation witnessed fundamental changes in the key facets of our national life on such a scale as the time of President Olusegun Obasanjo's reforms. This is not to say reforms in Nigeria have reached its final destination, much still need to be done.

1.8 Conclusion

In conclusion, this paper has argued that Public Service reform of 1999 - 2007 is essential in motivating the civil servants. In this paper, four key indicators have been presented, namely; monetization of fringe benefits, remuneration (pay) reform, contributory pension scheme and Servicom. The paper has clearly shown that although each of these reforms have been implemented, very little has so far been achieved, more importantly due to the socio-economic and political

state in which the country is in today.

1.9 Recommendations

It is recommended that Issues related to staff incentives, welfare and motivation still needs to be addressed and given maximum priorities in future reform process.

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