

Towards a results-based performance management: practices and challenges in the Ethiopian public sector

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Abstract

The purpose of this research is to propose a strategy of managing performance in the public sector. The primary data have been collected through questionnaires administered to managers and professionals; and interviews administered to heads of planning and ICT departments. Secondary data were collected through reviewing documents (plans, reports, proclamations and regulation). Findings of this study indicate that performance management system is disconnected at the top that weakened accountability of managers in the public sector. Besides, agencies responsible for performance management have not developed systems to monitor and evaluate performances of public organisations and their managers. As a matter of fact, public organisations have made a lot of progress in introducing LAN, developing web pages and using the internet for information sharing. However, they have not developed database systems and computerized MIS that are important for the management of performance. The other problem of managing performance in the public sector is the different agencies that are directly or indirectly involved in managing the performance of a particular public organisation. These are: first, the organisation itself, which is striving to implement BSC; second, the Planning and Budgeting unit of MoFED, which has not gone beyond the traditional activities of compiling plans and performance reports of public organisations, but attempting to implement Performance Based Budgeting, and finally, the Ministry of Civil Service, which is responsible for preparing guidelines for evaluation of employee performance. To emphasise the importance of performance management in the public sector, the Ethiopian government can learn from the experiences of some African countries, which have organised performance management units under the offices of Prime Ministers.

Keywords: Results-Based Performance Management, balanced scorecard, process control, accountability, reward systems, organizational capacity, MIS.

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Introduction

Starting from 1993, the civil service reform has passed through two major phases. The first phase was between 1993 and 1998, when the civil service organisations were being restructured to fit the then introduced Federal Political System of Administration. The second phase was between the year 2000 and 2011 when the government was focussing on enhancing the capacity of civil service employees by providing short term trainings on different topics of management.

During the first phase, one of the objectives was to reassign the civil service employees, organised under unitary state, to the newly emerging federal states and the other objective was to improve the efficiency of public service delivery. Nevertheless, the restructuring of civil service organisations were not systematic. For example, in the mid-1994, the Ministry of Agriculture, Water Resource Commission (which consisted of Water Resource Development Authority and Water Supply and Sewerage Authority) and Ethiopian Valleys Development Studies Authority (EVDSA) were merged to form the Ministry of Natural Resources and Environmental Protection (MNREP). But in mid-1995, the government reversed its decisions of merging and divided again the MNREP into three independent organisations, namely: Ministry of Agriculture and Rural Development, Ministry of Water Resources and Environmental Protection Authority.

During the adjustment program, the government merged MeDAC (Ministry of Economic Development and Cooperation) and Ministry of Finance to form MoFED (Ministry of Finance and Economic Development); and introduced additional new institutions like Ministry of Capacity Building,

Ministry of Revenue (separated from Ministry of Finance), Ministry of the Federal Government, Ministry of Infrastructure and Ministry of Rural Development (Ethiopian Herald, 2001).

The second phase of the reform started in late 1990s and the government hired a consultant group to study the problems of the civil service. The group recommended that the Ethiopian Civil Service Reform needed to focus on improving the capacity of the top Management System, civil service ethics, efficiency of service delivery, expenditure management and capacity of human Resource Management. All these five components of the Civil Service Reform Programmes were considered crucial in creating accountable and responsible civil service that can promote the development effort of the country.

The government adopted the implementation of Result Based Performance Management System (RBPM) in the public sector. However, implementing RBPMS in the Ethiopian civil service has not been easy. During the second phase, two attempts were made. The first performance management system was focusing on the “contract” relationship between the supervisor and the employee without first making the management of the organisation accountable for fulfilling the strategic objectives of the organisation. This was more of Management by Objective (MBO). This view didn't explicitly state from where the supervisor could get the performance standards and how the performances of top, middle and operational level managers can be measured. As a result, the notion missed the simple logic of cascading the strategies of an organisation downward to the individual level performance. This recommendation allowed the then management to get a leeway to throw the “ball” down to the employees despite the fact that the scope of

performance management passes the boundary of individual and supervisor relationship. This implies the importance of measuring performance at organization level, at department or team level and at individual level. This causes accountability of performance to fall upon the management of public organization, and this management would assume the responsibility of dividing organizational works among divisions and individuals.

In the second attempt, the government selected some ministries to try and test RBPM. In fact many public organisations have slightly improved their performance in providing the public with efficient services. However, until this day, it is difficult to judge whether the lessons obtained from the experiences of these Ministries would be transferred to other Ministries. In order to pave the way for RBPMS, the government started to reorganise its civil service organisations in the year 2004 using BPR as strategic tool. Even if the implementation of BPR has controversial results across civil service organisations with different missions, researches indicate that BPR is effective to improve the efficiency of some civil service organisations engaged in service delivery (see Tesfaye, 2009, Tesfaye and Atakilt, 2011). Now the government has introduced balanced scorecard as a performance measurement tool in the public sector.

Objectives and specific questions of the research

The objectives of this research is to determine the challenges of government organizations in implementing Result Based Performance Management (RBPM) by addressing the following specific questions

1. How much has the government relaxed its input and process control, how much are managers empowered to decide on the resources allocated to their unit?
2. What is the capacity of the government (MoFED or MoCS) to plan and expect results from public organisations, to make public managers responsible and accountable for their organisational/Unit performance?
3. To what extent have the civil service organisations established MIS systems that enable managers to monitor and evaluate performances in their organisations?

Scope and significance of the study

This study addresses the conceptual issues of result based performance management in the public sector related to empowerment of managers, accountability, performance systems and management capacity. In terms of time scope, this study is a cross-sectional study that focussed on the status of performance management in public organisations in the year 2011. The geographical scope is Federal Ministries and Enterprises operating in Addis Ababa. Finally, this study helps policy makers to consider new dimensions of implementing result based performance management system in the country.

A review of the literature

Result based performance evaluation began at the beginning of the 20th century when Taylor and Gantt measured performance by associating it with differential rate and bonus payment systems. Thus, private sector-industries

used result based performance evaluations much earlier than the public sector. Performance management in the modern world has wider scope than it was at the time of Taylor and Gant because the modern thinking of social responsibility requires private and public organisation to respect citizens and to provide ethical services to clients.

Smith and Goddard(2002: 247) noted that performance management has four fundamental building blocks. They are formulation of strategy; identification of indicators to measure performance; the capacity of management to analyse and interpret the performance measures; and the incentives designed to encourage appropriate organizational responses to performance information.

Hood (1991) discusses the major principles of performance management in public sector are efficient utilisation of resources; empowered public sector managers to make hands on decision; control focussed on outputs/results instead of inputs and activities; and measurement of performance to enhance accountability. The discussion of Hood (1991) can be viewed from two perspective of NPM, i.e., from outcome and strategic perspectives. From outcome perspective, public organisations are expected to be efficient, flexible, accountable and effective in their performances and, from strategic perspective public organisations need to introduce private firm style management, to change input/activity based control to output/result based control. However, the implementation of private firm like management in public organisations may become questionable because the ownership right in private organisations is different from the ownership right in public organisations. A good example of this is the effect of the financial crisis on

the outlook of some politicians on the issue of NPM in the advanced countries.

Models of performance management system

There are a lot of models such as vertical and horizontal integration systems, the critical few factors, Strategic Business Framework, etc. developed for managing performance in the public sector. However, our research focuses on applying Log frame analysis and BSC as they are widely used in Ethiopia.

The traditional Log Frame (logical framework) analysis, started around the early 1960s in the US, divided results in three levels. The first is the **output**, the second is **outcome** and the third is **impact**. Challenging the traditional performance management that focuses on the financial perspectives Kaplan and Norton (1996) developed the balanced scorecard (BSC) model that facilitate the management of performances of organisations towards achieving objectives drawn from four perspectives – financial, customer, internal process and growth and learning.

Behn (2003:598) stressed that there is no simple and easy way to identify best performance measure because they require relevant yardstick, understanding of the context and political complexities within and outside the organization. Banker et al (2004:20-22) highlight that availability of key (strategic) information for decision helps decision makers to come up with 'strategically linked' performance measures than taking common measures to evaluate performance. They suggested an understanding of linkages among the different elements of the strategy as a precondition to the

identification and reliance on strategically linked performance measures. Libby et al (2004:1091) also promote a similar idea suggesting that senior management should require divisional managers to justify their performance evaluations so that they can use all relevant information in evaluating performance using both common and unique performance measures in the BSC.

Akkermans and Oorschot (2005:940) reported that BSC allowed managers in Dutch Insurer Inter polis to arrive at both financial and non-financial performance measures. Based on the experience of Services Inc., Reisinger et al (2003:436) provide the rationale for periodic revision of BSC and the prioritization of performance measures. According to them, such prioritization serves the company management as a communication tool and to allow employees to have similar interpretation of the performance measures.

Accountability

Accountability involves the justifications of decisions and actions, and the managerial answerability of the implementation of agreed tasks according to the agreed criteria of performance (ECA, 2003). In addition to answerability, accountability includes the obligation of the manager, team or individual to report on the results achieved and to assume liability for those results (Artley et al, 2001: 21). Hence, we can derive three important variables that allow us to measure accountability. They are the **performance agreements** made between the public organisation and the government and between management and different individuals down the hierarchy of the organisation, the **reporting relationship** existing between

the parties in the organisation and the **consequences** that may arise as a result of good or bad performance.

Performance management requires the empowerment of managers to make effective operational and strategic decisions. Effective performance management also increases accountability because clear managerial targets together with managerial autonomy makes the public manager to be concerned on achieving outputs and results (Hills and Gillespie 1996, Lane 1995, in ECA, 2003).

Therefore, it can be summarised that accountability in the public sector depends on the product of three variables- performance agreement, performance reporting, and consequence on the results of performance evaluation reports. Therefore, if one of these three variables is missed then existence of accountability becomes questionable.

Performance controlling (monitoring and evaluation) systems

As an agent of the government, the top management of specific public organisation needs to have a monitoring and evaluation systems to manage the performances of its different divisions. One of the strategies may be to create accounting and performance auditing systems. In this connection, one of the focuses of the reform in the public sector was to change the single entry accounting system to double entry accounting system. The assumption is that the adoption of accrual accounting radically reforms the financial accountability of public sector managers and facilitates availability of financial information to the public (ECA 2003). In Ethiopia, MoFED has introduced the modified cash basis accounting instead of accrual basis

accounting because of the problem of valuing the assets of civil service organisations.

Goddard and Mannion (2004) have argued that performance measurement systems incorporate a blend of both vertical and horizontal approaches. According to them, vertical approaches are important for successful achievements of key central targets that are essential for implementing public policy. The measurements of the few performance indicators help to identify and reward/punish outliers in the performance distribution. On the other hand, horizontal approaches facilitate performance improvement in the organisation through continuous learning and through encouraging the use of performance data by front-line staff.

Similarly, Smith and Goddard (2002) discussed two approaches of performance measurement: the cross-sectional approach that compares the performance data of one organisation/unit to that of other comparable organizations; and the longitudinal approach that measures the performance improvement of a single organization through time.

To strengthen their performance management, many countries have started to invest in ICT for enhancing good governance in the public sector. For example Ethiopia has established ICTDA, an agent responsible to expand the use of ICT in Ethiopia. Therefore, ICT is one of the key strategic issues in the public sector performance management. In BSC, once the indicators to measure performance from the perspectives of finance, citizens service, internal process and organisational growth are identified, the use of computerised information systems in the public sector becomes vital to improve the efficiency of public service delivery, the capacity of

management to manage performance, and enhance accountability and transparency in the public sector (ECA 2003). Thus, public organisations need to create databases for their different functions and to integrate the database to enhance the capacity of management to manage performance information.

Empirical evidences in public sector performance management

Considering the experiences of other countries in implementing result based performance management in the civil service helps to understand the distance that the Ethiopian Civil Service needs to travel to transform itself from the highly bureaucratic form of control to result form of control. We would try to review this from the perspective of the experience of western countries and from the perspective of the experience of African countries.

Experience of western countries

Western countries started to reform their civil service organisations in early 1980s with the objective of creating transparent and accountable civil service organisations for which their performance can be evaluated based on the results they produce rather than on the inputs they consume (Flynn and Strehl, 1996). However, Wilks (1996: 35) argue that measuring and evaluating public sector performances have been difficult even for many European countries.

The crusade for result oriented performance management in the public sector was led by Great Britain and New Zealand (Naschold, 1996:1). The

main reasons that led governments in developed countries to adopt result based performance management for the public sector were:

- The economic decline and increased international competition necessitated the need for reduction in the expenditure of the public sector,
- The public dissatisfaction with the bureaucracy,
- The advancement in information technology forced a change in the structure of government bureaucracy,

According to Smith (1990), UK had taken successive measures to establish indicators of performance in its public sector organisations between the year 1978 and 1985. The measures included requiring public organisations to manage performance data and the publication of annual performance reports. However, as cited in Smith (1990), Mayston (1985), and Smith and Ashley Smith (1987) found that authorities were superficially making reports attractive and that there was little evidence to prove that public organisations were making comparisons of performances in their annual reports. In addition, Smith (1990) noted almost all public organisations were using input measures such as unit costs or manpower ratios to measure performances.

When we relate the experiences of western countries to Ethiopia, managers in the public sector emphasized on quantity, quality, time and cost to measure and manage performance. However, time and cost measure the process and the inputs respectively; whereas quantity and quality measure both inputs and outputs. As a result, the Ethiopian civil service organisations have been succumbed once again into measuring activities and inputs instead of measuring results (Tesfaye, 2009).

Reviewing the experiences of implementing result based performance management by some advanced countries suggests that they have taken substantial measures to make public sector organisations flexible in their operation and accountable for their action. For example Australia, Canada, USA and many European countries have relaxed their input control (making organisations autonomous in the use of resources), reduced process controls, have created autonomous organisations, allowed managers to manage their risks(OECD, 1996)

Experience of some African countries

As to developing countries, it was the pressure of international financial institutions to restructure their civil service organisations. During the 1980s, African countries were suffering from the growing burden of external debts, rapid population growth, continuous drought and protracted internal conflicts (ECA, 2003: 2). Structural Adjustment Programme was initiated in the mid-1980s with the objective of reducing the role of the state in production activities and service provision. Since the 1980s, the international organisations including their allies have initiated different major programmes (see Box 1) that they believed would change the African economic condition.

Box 1 Box 1: chronology of establishing African reform institutions

1. *In 1980, Lagos Plan of Action for the Economic Development of Africa with the objective of restructuring the economy of Africa based on the principles of National and collective self reliance and self sustaining development.*
2. *In 1985, the African Priority Programme for Economic Recovery (APPER) with the objective of reducing external debt burden and preparing a common platform for action at regional, sub regional and international level.*
3. *In 1986, The United Nations Plan of Action for African Economic Recovery and Development (UN-PAAERD), with the aim of establishing the foundations for structural transformation, increased productivity and general improvement of African economies.*
4. *In 1991, The United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF) with the objective of transformation, integration and diversification of African economies so as to strengthen them as partners in world trade and to reduce their vulnerability to external shocks. Also, recognizing that greater access to world markets would allow Africa to exploit their comparative advantage while opening up to international competition.*
5. *In 2000, the United Nations adopted the Millennium Development Goals (MDGs) with the aim of eradication of extreme poverty and hunger, achieving universal primary education and the development of a global partnership for development.*
6. *The priorities outlined in the New Partnership for Africa's Development (NEPAD) include good governance, economic growth, mobilization of resources, global partnerships, environmental protection, poverty reduction, and investment in human resources.*

Source: United Nations Economic Commission for Africa (UNECA), 2003: 2-3

The recent economic, social, political and technological changes have shaped the nature and pace of public sector reform in Africa (ECA, 2003:2-3). Ohemeng (2005:442-445) also argues that the local ideas have had their role in the implementation of the New Public Management (NPM) and in shaping administrative reforms in Ghana. In addition, the decentralization of management to field work employees in Uganda Wildlife Authority, the decentralization and performance contracting in Ghana's Community Water Supply Agency (CWSA), where CWSA enters annual performance contract with the State Enterprise Commission (World Bank 2002 cited in ECA 2003) were among the major experiences in implementing RBPMS in Africa.

Ghana is one of the countries which implemented Results-Oriented Performance Management System in Africa. A study by Oudro (2003: xi) indicates that every ministry, department or agency in Ghana has developed mission statements, objectives, outputs and activities and developed a budget system to translate the strategic plans into action. According to Oudro (2003), the performance management system is supported by a Results-Oriented Expenditure Management System. The shortcomings of public expenditure management system, according to Oduro (2003), are weak budget formulation, implementation, monitoring and evaluation; poor data generation and dissemination; poor flow of information between banks and the Ministry of Finance; deficiencies in accounting and auditing; weak regulatory capacity and obsolete financial management laws; too many government accounts; and, low level of awareness among government employees.

In general, the major challenges of performance management reform in Africa are inadequate institutional capacity, inadequate human resource capacity, declining public service ethics, declining social values, declining civil service morale and limited access to ICTs. In addition to these challenges, government organisations in developing countries suffer from multiple accountabilities as a result of conflict of political, managerial, public and financial accountabilities; and conflicting expectations from the public and the political bosses (ECA, 2003: 33). Despite the aforementioned problems, many African countries such as Botswana, Ghana, South Africa and Uganda have continued to implement the new performance management system in their public sector.

In addition, many authors argue that the effort of measuring outputs in the public sector has resulted with confusing consequences because Auditors reports were focussing on procedures rather than on actual results of public organisations (Thiel and Leeuw, 2002, Leeuw, 2000, OECD, 1996); the ambiguousness of policy objectives (Wilson, 1989:32-33) and performance indicators have been subject to different interpretation between politicians themselves and between politicians and managers (McGuire, 2001). The problem of using too many indicators or the inability to identify the appropriate indicators of performance, high expectation and high ambitious plans with lack of organisational capacity are also the major challenges in public organizations.

The Ethiopian experience: structural change strategies in the public sector

A government may think four strategies in restructuring its public sector organisations. These strategies are decentralisation, commercialising services, privatisation and management contracting. Restructuring organisation may lead to downsizing of employees. For example, since 1987, Ghana, Uganda and Zimbabwe have reduced their civil service employees by 50%, 40% and 12% respectively (ECA, 2003). The following are some of the measures, in terms of structural/ownership changes, taken by the Ethiopian government to improve performance in the public sector:

Decentralisation: this is a process of **creating autonomous organisations**, increasing managerial autonomy by reducing the administrative controls through the devolution of budgets and financial controls, creating new forms of corporate governance and board of director's model for restructured public service organisations, and the right to hire and fire employees. To separate executive functions from policy-making and free managers from civil service rules and conditions, the Customs and Excise, and Internal Revenue Departments of Ghana and Uganda were totally separated from the civil service to form separate agencies in the 1980s (ECA, 2003). Similar to Ghana and Uganda, Ethiopia has established Ethiopian Revenue and Customs Authority (ERCA) by merging the Ethiopian Customs Authority, the Ethiopian Inland Revenue and the Ministry of Revenue. ERCA has been granted autonomy starting from the year 2008 (Buyonge, 2008, Tesfaye and Atakilt, 2011). ERCA can expand or contract its organisation structure, design its own salary scale and have its own regulation for personnel administration.

Commercialising public enterprises: This is a process of creating a public enterprise that can operate in the market and compete with other public organisations and private companies. An example of this type of organisation is the Ethiopian Airlines, which has survived the global competition in airlines business since its establishment in 1945. Similarly, Ethiopian Roads Authority (ERA) had two wings- the operational wing which was engaged in construction of roads and the supervision and administration wing, which was engaged in administration and control. As a result of BPR, the former operational wing, which was engaged in construction of roads, emerged as Ethiopian Road Construction Corporation with a 1.5 billion birr capital to compete in the road market. The other wing emerged as ERA, which plays a supervisory and regulatory role on behalf of the government. Another example is the Water Works Design and Supervision Enterprise (WWDSE), which ceded from the former Ministry of Water Resources and became an autonomous commercialized public enterprise, with a mission of providing consultancy services in water resources development, in October 1998

Privatisation: sale or leasing of some government services believing that these firms can be more efficient if they are in the hands of private firms than being in the hands of the state. Since its establishment in 1995, the Ethiopian Privatisation agency has transferred many public enterprises to the private sector. In the years between 1995 and 2005, among the 308 enterprises floated, 214 (69.5%) of them have been transferred to the private sector (accessed on February 9, 2011). Other state owned enterprises are also under the process of auction and transfer.

Contract out/management contracting: This can be a process of arranging contractual agreement between the government and the management of public agencies or ministries. In this, the government and the management of an agent specify the standards of performance or quantifiable targets that should be accomplished over a stated period of time (ECA 2003: 20). For example, the contracting of rural water supply in Ghana was successful (ECA, 2003). Contracting can also be management contracts by which the government out sources the management but retains the ownership right of the organisation. The Ethiopian government outsourced the management of Ethiopian Telecommunication Corporation (ETC) to a French company since November 2010. Currently, the government denied second renewal of the contract. Contracting clearly is in line with agency theory that proposes the existence of three important variables, which are contract, reward and risk.

Methodology

Variables used in the assessment: Performance management is a function of management capacity and organizational factors. Organisational factors can be organisation specific factors and general/external factors. The variables for organisation specific factors are the preparation and cascading of plans to different units of the organisation; accountability, empowerment and responsibility of division heads and professionals; and the readiness of Civil Service Organisations to use MIS for performance management. The variables for general factors are the frameworks, rules and regulations related to planning, budgeting, performance reporting, employee recruitment, resource procurement and expenditure management and contractual arrangement for managing organisational performance.

Sources and methods of data collection: We have used both primary and secondary data of quantitative (scale and ordinal) and qualitative nature. The data was collected in January and February, 2011. The primary data was collected through questionnaire and interview. The questionnaire has been administered to managers, department/division heads, section heads, team leaders and professional employees working in Ministry of Finance and Economic Development (MoFED), Ministry of Civil Service (MoCS), Ministry of Water and Energy (MoWE), Ministry of Agriculture (MoA), Ministry of Industry (MoI), Ethiopian Civil Service University (ECSU), Water Works and Design Supervision Enterprise (WWSDE) and Addis Ababa Transport Branch Office (AATBO). A structured interview was administered to heads of planning and ICT departments. The researchers made personal observation to check the availability and quality of database systems, softwares and web pages of the public organizations. The secondary data was collected from strategic plan and performance report documents, financial and human resource proclamations, rules and regulations related to assess the regulatory environment on public procurement and human resource recruitment.

Sampling and sample size: The researchers used purposive sampling to represent public organisations with different missions in the study. MoFED and MoCS were included as they regulate planning/budgeting and human resource management respectively. In addition, MoWE, MoI and MoA were selected to assess the performance management systems of policy implementing federal organizations. AATBO was purposely selected to obtain highlights on performance management systems of bureaus in Addis Ababa City Administration. Particularly, MoA, AATBO, ECSU and MoWE were among the few public organizations that were selected to

implement BSC. Finally, autonomous and commercialized public enterprises are represented by WWSDE A total of 73 respondents from the seven organizations filled the questionnaire and eight planning/ICT heads were interviewed.

Table 1: Composition of respondents by position

Organisation	Process owners/Team Leaders
ECSU	9
MoA	12
MoFED	8
AATBO	7
MoI	9
MoWE	10
WWDSE	18
Total	73

Source: Own Survey

The managers (directors department/division heads, section heads and team leaders) were included purposively. Table 1 summarizes the distribution of the respondents by organization.

Method of data analysis: This research employed qualitative and quantitative methods of data analysis. Mainly descriptive statistics, such as tables, is employed in analyzing the quantitative data. Qualitative method of analysis is used to analyze the performance management relationship that exists between the government and specific public organizations; the relationship that exists between an organization and its different units; and,

the national systems and legal frameworks governing performance management in public organizations.

Data analysis and results

Since 1992, the government has been taking different policy and administrative measures to enhance the performance of the economy in general and that of the public sector, in particular. Some of these measures can be changes in rules and regulations to relax input control, enhancing systems and organisational capacities, and the introduction of different tools to reform public service. The authors analyse to what extent these conditions were amenable in implementing RBPM

Degree of relaxation of inputs/process control

One of the conditions that we raised in the literature is the extent that the government has relaxed its input control. In this, we raise two important inputs of public organisations. These are the materials resources, which require financial control, and the human resource, which require recruitment control.

Procurement process control

One of the criteria for RBPM is the extent of the relaxation of the procurement rules and regulations. Previously there was one unit under the Ministry of Finance that oversees and processes procurement in public organisation. However, in the year 2009 the government has established an agency called the Public Procurement and Property Administration Agency

through proclamation No. 649/2009. The agency is responsible for controlling and regulating procurement activities of federal government agencies.

Our assessment of changes in rules and regulations for public procurement shows that the relaxation of input control is limited to the relaxation of the maximum financial ceiling for different methods of procurement (see MoFED, 2010). Furthermore, procurement decision is centralised under the procurement unit of each federal organisation. However, the directive (article 5, sub article 13c) opens a room that the minister/head of the government agency can delegate the decision of procurement up to a certain limit to unit heads of organisation. However, executives of many federal agencies have not delegated part of procurement decisions to their unit heads. To substantiate this document review, the researchers evaluated the difference between existing practice of procurement and the preference of division/process owners in procurement decision in public organisations. Table 2 indicates that 88% of process/division managers responded that procurement decisions are made by central procurement unit of the organisation whereas only 12% of process/division managers, mainly from MoWE, make partial procurement decisions.

With regard to preference in having the power to make procurement decisions, only 17% of processes/division managers prefer the centralization of procurement activity. The percentage change between the existing practice of central procurement and the preference towards centralized procurement decision has decreased by 71%. On the other hand, 58% of division/process managers prefer the procurement to be decided partly by process/division and partly by top management (central procurement unit).

This is a 45% increase from the existing practice of 12%. On the other extreme, 26% of processes/divisions prefer complete decentralization of procurement decision to processes/divisions level (see Table 2).

Table 2 Existing procurement decision practice versus preferences

	Procurement Decision		
	Existing Practice (n=49)	Preference (n=53)	Difference in %
100% by centre	88%	17%	-71%
Partly by process and partly by the centre	12%	57%	+45%
All by process	0%	26%	+26%

Source: Own Survey

Therefore, the existing practice of procurement in public organizations shows that managers of different units of the organisation are far from participating (except attending the bid opening ceremony) in procurement decision of their concern. In all cases, they have to wait for the decision of the head of the procurement unit even for a purchase of small quantity needed by their unit.

Process control: organisation structure and HRM

The human resource plan of any organisation depends on the strategic objectives and strategies of the organisation. This calls for civil service organisation to be flexible to contract or expand their human resource need based on the volume of work they have. There are three important issues to be discussed here. They are the design of organisation structure, recruitment and separation of human resource, and the compensation system in the civil service sector.

As to the expansion and contraction of organisation structure, civil service organisations are empowered to study and redesign their organisation structure (Article 30: 2 and 3, article 4:1) to retrench employees if the new organisation structure creates redundant workforce (Article 83). However, MoCS (previously the former Federal Civil Service Agency) is responsible for issuing directives regarding staff planning and the design and the implementation of the new organisation structure. In addition, MoCS requires any civil service organisation to fill the classifications questionnaire and submit new positions to the ministry for evaluation and classifications (Article 5:1). Therefore, any civil service organisation is responsible to implement strategies but not to expand or contract as per to the volume of work.

Regarding employee compensation and performance evaluation, it is the MoCS that has the power to study and to design salary scale of civil servants and implement the scale after it obtains approval from the council of Ministers (Article 6: 1-4). This indicates that the performance done at a specific civil service organisation is separated from the decision to compensate that particular performance. This approach weakens the implementation of result based performance management system in the civil service organisation that requires autonomous, organic and flexible organisation structure. The management of the organisation should agree on level of performance and appropriate compensation with the employee.

With regard to performance evaluation of employees, the manager of a public organisation is responsible to manage performance but MoCS is responsible to prepare the guide line for performance evaluation (Article 31:3).

In conclusion, both expenditure control and human resource control implies the existence of high process control in the civil service that confirms the continuation of the bureaucratic system in the civil service for the foreseeable future to come.

The levels of managing performance in civil service organisations

Performance management in public organizations can be analysed hierarchically at three levels, namely: at organization, process/division and team/individual.

1. At organisational level: to implement result performance management in the civil service sector, the government should have the capacity to clearly state what it expects from its managers, the capacity to finance the operations of the agencies and the capacity to establish systems that make managers accountable for their inefficiency. Systems of contract agreement should reflect the responsibility and accountability between the two parties
2. At process division level: it is believed that each division or process has a share from the strategic plan of the organisation. The hierarchical relationship between the organisation and the division is established by cascading the strategic plan of the organisation to the division level. Hence, the performance of the division can be ascertained by explicit or implicit statements of responsibilities delegated and the management can evaluate the performance of the division that in turn allow us to evaluate the management capacity of the process/division managers.

3. At individual level: The division/process is responsible to cascade its responsibilities to the team individual level and performance agreement is made between the supervisor and the team or the individual.

The government tried to train its employees in different performance management tools such as Performance Planning and Management System (PPMS), and Strategic Plan and Management (SPM). This enabled most public organizations to prepare strategic plans and to craft their mission and vision statements. However, the high turnover, which includes those who took the training, undermined the capacity of the civil service to implement result oriented performance management systems. Recently, the government introduced BSC as an integrated performance management system. MoFED introduced Program Budgeting to support the BSC.

Institutional arrangement for managing organisational performance

Since its establishment during Haileselassie era, the central Planning agency assumed different names, the last one being MEDAC. The Ministry of Finance (MoF) and the Ministry of Economic Development and Cooperation (MEDAC) merged into one Ministry, called MoFED, in 2005. The mission of MoFED is “To formulate development policy and plan ... and to establish efficient and effective system of public finance administration”(http://www.mofed.gov.et/index.php;Accessed on: February 24:2011) MoFED has three major wings now. These are Development Planning and Economic Administration Office, Government Finance Administration and Control, and Foreign Resource and Income Administration Office. Development Planning and Economic

Administration Office, led by a state minister, is responsible to compile the national plan, to allocate budgets and to compile performance reports from public organisations. In order to effectively implement result based performance management system in the public sector, the government should have the capacity to manage the implementation of the strategic plan of the nation and to control the performances of the managers of the public organisations as to performance expectation. Therefore, no one can assume this responsibility except the economic development wing of MoFED, which on behalf of the government can sign performance agreement with the federal agencies. The performance agreement should consist of the performance expected from the public agency, when and where to deliver the results and the consequences on the results of the evaluation of the performance report.

The use of performance indicators in national planning

One of the requirements for RBPM is the clarity of objectives and performance indicators in the strategic plan. One of such plans, which were subject to our scrutiny, was the national strategic plan document – “A plan for Accelerated and Sustained Development to End Poverty (PASDEP)” for 2005 to 2010. Our analysis focused on the identification of strategic themes, strategic goals, outcomes/outputs and the indicators to measure the performances of public sector organisations. As drawn from the policy matrix (MoFED2006), the PASDEP document contains 18 themes, 19 strategic goals, summary of expected outcomes, outputs and inputs/activities. The policy matrix was developed using the traditional log frame analysis that starts from the outcome and goes down the hierarchy through outputs, inputs/activities and budget preparation. The PASDEP

policy matrix has indicators of outcome at the national level such as growth in Gross Domestic Product, poverty reduction, reduction in mortality rate, or other parameters used to measure the economic and social development of the country. It also contains sector-specific indicators of outcomes, outputs, inputs/activities broken down into annual targets for the five strategic plan periods and the responsible agency to implement the strategy. Table 3 contains the number of outcome/output, activities and inputs summarised from the policy matrix for few selected organisations to assess the status of organisational capacity in having measurable indicators for plans formulated.

Table 3: Summary of indicators in the PASDEP

Organisation	Outcome to outputs	Proportion of Measurable Indicators identified for		
		Activities (duration, man-hour, machine-hour)	Input (raw material, or budget)	Total number of measurable indicators
MoARD	13/17	No	No	84/88
MoE	16/16	No	2/2	57/57
MoH	9/9	No	2/2	22/22
MoTI	24/24	No	No	40/44
ICTDA	0/17	Statement	None	None
MoCB	0/32	No	No	None
MoFED	0/8	No	No	None
MoW	6/6	No	No	19/20

Source: Compiled from MoFED, 2006

Table 3 shows that only MoE and MoH are relatively better in having indicators to measure outcome/outputs and inputs of the organisations. Except MoE and MoH, all government organisations have not shown the inputs, even in terms of budget, needed for achieving the outcomes/outputs. Agencies like MoFED, MoCB and ICTDA stated the expected outcomes but

they had difficulty in clearly identifying the indicators needed to measure their performance.

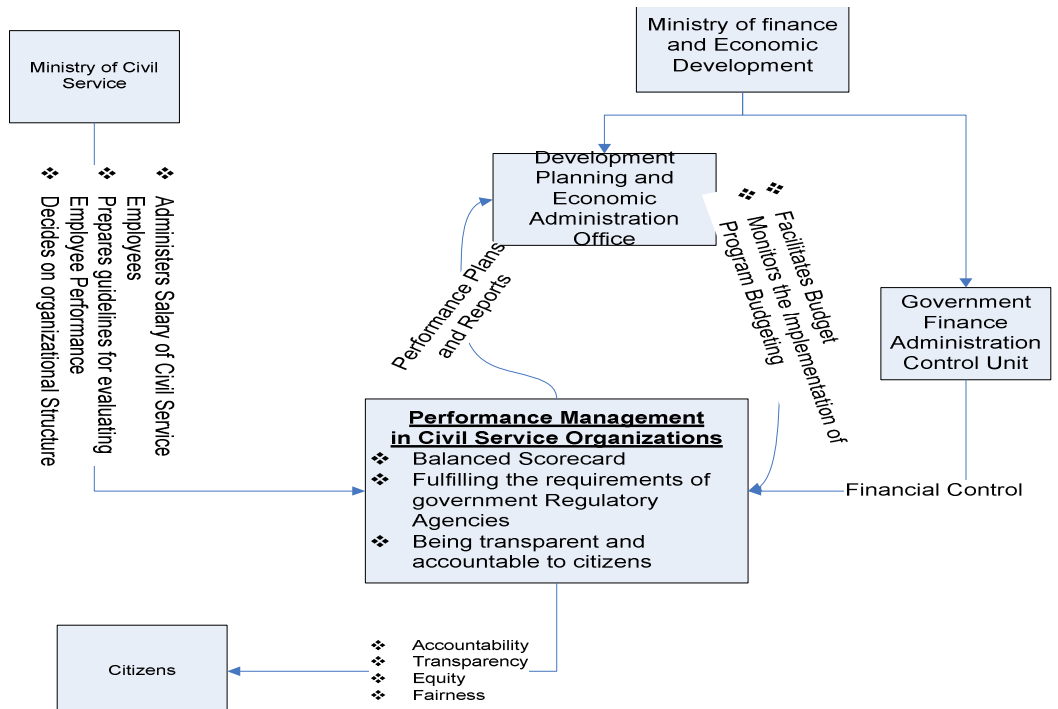
Many of the organisations that have not clearly indicated their outcomes, outputs activities and inputs could have expressed, for example, in terms of number of projects, systems, coverage of organisations, durations and labour hours. For example, if MoFED is planning to introduce a new software to control financial activities of government organisations, then the proportion of government organisations (or number of government organisations) that would be trained and use the new system would become the output indicator and the cumulative proportion of government organisations that use the new system would become outcome target of MoFED for the strategic plan period.

Accountability of top managers in public organisations

An interview was held with the director of the Economic Development Unit in MoFED concerning the existence of performance agreements with public organizations, criteria to compare inter-organisation performance, and the consequences of evaluating performance reports. Responses revealed that performance agreement is neither practiced nor planned to be practiced; the non-existence of performance criteria to compare the performances of public sector organisations; and, the non-existence of any system to reward or punish public managers for the performance of their respective public agencies. In relation to consequences, MoFED warns the underperforming organisations by transferring the unutilised budget to those well performing projects/organisations, or by reducing the following year's budget Apart from these less appealing measures or the emphasis on checking whether the

activities of public organisations comply with the rules and procedures of public expenditure, MoFED is not organised with the capacity to assess the performance of public sector managers and check whether they have delivered results for the budget they have utilised. Therefore, a management group of a public organisation is unaccountable for outcomes/outputs as long as it spends according to financial rules and regulations.

In summary, the non-existence of performance agreement between the government and different policy implementing agencies, criteria for performance comparison and the absence of reward system for good or poor management show the break of the accountability link between the government and different government agencies in managing performance. When we see the bifurcated role of MoFED, the input controlling wing is powerful where as its performance management wing does not go beyond compiling plans and reports of the performance of public organisations. This shows the lack of integrated performance management system and the inability of the government to link performance measurement with the decision making process.

Figure 1: Organisations involved in Performance Management

Source: Relationships sketched by the authors

Figure 1 illustrates the level of involvement of three organisations in managing the performances of a civil service organisation. On one hand, each government organisation strives to use the BSC model to plan, monitor and evaluate its performance from four perspectives: finance (budget utilisation), responsiveness to citizens, internal process and organisational learning. On the other hand, MoFED attempts to make civil service organisations implement program-based budgeting model starting from 2011/12. The MoCS is responsible for preparation of guidelines and direction on how to evaluate the performance of civil servants. Therefore, this purports that the existing system of performance management is too

complex because of the involvement of three organisations: the public organisation, MoCS and MoFED.

Performance management at organization level

A summary of results of the interview administered to planning/ICT department heads of the sample organizations shows (see Table 4) that all organizations have started to use the BSC as a performance management framework. Except in MoA, the case-study organizations do not practice performance agreement at various levels of the organization.

Ministry of Agriculture and Rural Development started to use BSC since the year 2007 immediately after they implemented BPR. The ministry had tried to cascade the strategic plan of the organisation down to the individual level, had made performance agreements between the minister and process owners, and between process owners and teams and individuals. According to planning head, organisational level BSC is completed and each process in the ministry has cascaded its own BSC to individual level. MoFED started practicing BSC in the year 2010 to cascade the national objectives developed in the Growth and Transformation Plan (GTP) of the country.

Interview results from planning/ICT and process/department heads of the selected organizations (see Table 4) did not have performance agreement (except MoA), criteria for comparison of performance within an organization and reward/punishment system. In the case of AATBO and WWDSE, the proportion of professional employees who reported that their team make performance agreement with their process/department/division is also less than 50% The highest response is for MoA (76.9%) followed by

MoWE (58.3%) and MoI (56%) (see Table 5). This purports that all government organisations, except MoA, are found at the same stage of practicing performance management.

Table 4: Interview results regarding performance planning, agreement and reward

Organisation	AATBO	MoI	WWSDE	MoA	MoFED
Is BSC Introduced?	Planning stage	No	No	Yes	Yes
Performance Agreement	No	No	No	Yes	No
Criteria for comparison of performance	No	No	No	No	No
Reward punishment System	No	No	No	No	No
Frequency of reporting	Every 2 weeks	Monthly	Monthly	Quarterly	Monthly
Frequency of meetings	weekly	Monthly	Weekly	Monthly	Monthly
Feedback to processes	Yes	Yes	Yes	Yes	Yes
Agenda of complaints	Yes	Yes	Yes	Yes	yes

Source: Own survey

Performance monitoring and evaluation

The authors have also reviewed the annual reports of some government organisations and analysed to what extent the actual performance are reported in relation to planned performance and to what extent the processes (activities)/input measurement has shifted to results-based performance measurement. The findings indicate that government agencies have shifted from input/activity reporting to output reporting. We found only the marketing division of the Ministry of Agriculture and Rural Development (MoARD) to report in terms of the difference between actual performance

and planned performance in financial terms. The rest of government organisations reported the actual outputs without mentioning the annual plan and the input used to obtain the output. This is one sided measurement that does not enable organisations to measure their efficiency and effectiveness.

Results of the interview administered with planning/ICT heads in the case-study organizations (see Table 4) indicates that the different units within the organizations submit periodic reports to their respective planning departments. The period for reporting ranges between two weeks (in AATBO) and a quarter (in MoA). Furthermore, the organizations conduct periodic performance monitoring/evaluation meetings at least monthly. During these meetings, the respondents also expressed that the complaints of clients are raised and discussed during those meetings. In all cases, feedback is given to the respective organizational units after the meetings. Questionnaire results (from heads) regarding performance agreement, performance reports, periodic management meeting and feedbacks are consistent with that of the interview results (see table 5).

Accountability

RBPM enhances accountability of managers in public organizations and their units. However, accountability doesn't seem to be well developed even in MoA, only about 58% of the professional respondents reported that they are clear with the consequences of performance evaluation. The proportion of such a response for the remaining organizations is less than 50%.

Table 5: Accountability of professionals

Item	Response	ECSU (n=9)	MOA (n=12)	MoFED (n=8)	AATBO (n=7)	MoI (n=9)	MoWE (n=10)	WWDSE (n=18)	Total (n=73)
Performance Agreement	No	78%	20%	50%	86%	67%	80%	83%	68%
	Yes	22%	80%	50%	14%	33%	20%	17%	32%
	Total	100%	100%	100%	100%	100%	100%	100%	100%
Periodic Meeting for Performance Evaluation	No	33%	33%	0%	0%	38%	0%	6%	15%
	Yes	67%	67%	100%	100%	63%	100%	94%	85%
	Total	100%	100%	100%	100%	100%	100%	100%	100%
Clear Consequence on the Results of Evaluation	No	78%	100%	100%	100%	100%	90%	83%	92%
	Yes	22%	0%	0%	0%	0%	10%	17%	8%
	Total	100%	100%	100%	100%	100%	100%	100%	100%
Accountability	No	100%	100%	100%	100%	100%	90%	100%	99%
	Yes	0%	0%	0%	0%	0%	10%	0%	1%
	Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: Own Survey

Note: The composite variable denoting accountability is a product of the proportions of responses to three variables (existence of performance agreement, evaluation and clarity of consequence of one's performance).

Accountability in table 5 is a composite result of performance agreement, performance evaluation and clear consequence on the results of performance evaluation. In general, the result shows that accountability is almost non-existent in all of the sampled organizations.

Budgeting

For many years, civil service organizations in Ethiopia used Line-Item Budgeting. This system has been criticized for its focus on input control rather than on results control. To alleviate the limitations of line-item

budgeting, MoFED introduced Program Based Budgeting in a few selected ministries in the year 2007. However, it failed because of its complexity and incompleteness. Consequently, experts from MoFED prepared a new manual of program budgeting and started training the experts of federal agencies with the aim of implementing the new system starting from July 7, 2011. The program budgeting contains a three-year estimate of expenditure and was assumed to integrate the execution of budget with the strategic plan of the organization that was drawn from GTP (Growth and Transformation Plan) of the nation. Interview with higher official of planning and budgeting in MoFED revealed that successful implementation of Program Based Budgeting requires supportive organizational policies and procedures, capable HR, and information systems that support planning, monitoring and evaluation of organisational performance. Even though the linkage of budget to the strategy of the organisation complements RBPM, it is difficult to judge at this time how much the new manual of program budgeting compatible with the BSC prepared by respective civil service organizations.

Table 6: Opinion of process/department heads regarding budgeting

Response	AATBO n=7	MoI n=9	MoWE n=9	WWDSE n=18	ECSU n=9	MoA n=11	MoFED n=7
9. Does your organization allocate budgets to your unit based on annual action plan or performance agreement?							
No	86%	89%	33%	44%	44%	9.1%	42.9%
Yes	14.3	11.11	66.67	55.6	56%	90.9%	57.1%
Total	100	100	100	100	1	100	100
10. Do you have the power to manage the budget allocated to your process/division							
No	100%	89%	0%	22.2%	50%	0%	50%
Yes	0%	11%	100%	77.8%	50%	100%	50%
Total	100%	100%	100%	100%	100%	100%	100%

Source: Own survey

With the exception of MoA, majority of the process/department heads from AATBO and MoI respondents expressed that their budgets were not prepared based on annual physical plans of their respective processes/departments (see Table 6). 55.6%, 56% and 57% of the respondents from WWDSE, ECSU and MoFED respectively agreed that their budgets were prepared based on their annual physical plan. Table 6 also indicates all of the respondents from MoA and MoWE; majority of the respondents from WWDSE (78%); and, 50% from MoFED and 50% from ECSU responded that they have the power to manage the budget allocated to their processes/divisions. The opinions of the process managers indicate that alignment of budgets with their annual action plan and the power of managers to manage their own budgets varies from organisation to organisation. The result (see Table 6) shows that allocation of budget based on physical plan and the power of managers to manage their own budget strongly matches for MOA and for MoWE; In contrast, process/department heads in AATBO, MoI, ECSU and MoFED use other means to allocate budgets and have weak power to manage their budgets.. The exception of MoA indicates that implementation of BSC prior to other civil service organisations had positive contribution in improving the capacity of unit managers in planning to empowering them to manage their budgets.

Information systems capacity of public organisations

To successfully implement RBPM, public organisations should have an effective information system, which facilitates the business operation; capture and store data; and, produce summary reports that allow the management to measure the gap between actual and planned performance.

The sampled organisations were evaluated in terms of four areas of information systems.

1. The availability of databases for financial, human, procurement and core functions of the organisation
2. The integration of these databases so that concerned individuals can access the data on-line whenever they want to.
3. The availability of MIS systems that allow management to get summarised performance information by identifying the gap between the actual and planned performance.
4. The availability of e-government, which allows employees to share data and enhances the capacity of the organisation to link its operations with citizens, partners, suppliers etc.

The information provided in Table 7 reveals that all organisations have started to use stand-alone and separate data bases for each of the organisational functions – finance, human resource, procurement and inventory and customers' service. In the year 2002, no government organisation had a single type of database (Tesfaye, 2004). This indicates that government organizations have improved their use of computerised information systems. Furthermore, all sampled organisations have servers, have interconnected their computers, use web sites to convey their mission, visions and values to the public. This indicates the readiness of government agencies to use ICT to manage performance. In spite of these facts, functional databases are not integrated to allow divisions/ processes, employees and stakeholders to share performance data, to manage their budgets and to facilitate operations between operations.

As to the MIS, it can be concluded that managers in public organisations have improved their skill of identifying performance indicators but are not paying attention to the M&E of their performance. As their practice of M&E is low there is less interest to use the MIS.

Table 7: ICT status for RBPM

Systems	MOI	WWDSE	AATBO	MoFED	MoA
Financial System	partial	Partial	Partial	Yes	Partial
HR Database system	partial	Partial	partial	Yes	Partial
Property and Procurement Admin. Database system	No	Yes	No.	Yes	partial
Clients' Database System	Slightly	No	partial	Partial	No
LAN or Intranet	Partial	Yes	Yes	Yes	Yes
MIS	No	No	No	No	No

Source: Own Survey

Leung et al (2006:689-690) stresses the importance of using software in implementing BSC, indicating that there are many software packages in the market developed for the analytic hierarchy process & the analytic network process. This indicates the importance of locally developing or buying software for BSC in the public sector in Ethiopia. However, the practice so far in this respect is grey. No organisation has so far reported to have purchased such software while there was an effort to develop functional databases locally.

Challenges of RBPM in the Ethiopian public sector

Based on the responses to the open ended questions, the main challenges of implementing RBPMS in the Ethiopian public sector can be summarised as follows:

1. The conflicting instruction coming from regulatory civil service agencies: the focus of controlling agencies, (e.g. MoFED and MoCS), on inputs/process controls rather than on results control.
2. Shortage of HR, attitudinal problems of civil service employees, less attractive work environment, poor reward/compensation systems, low motivation of hard working people
3. Limited leadership capacity and commitment towards RBPM, shortage of professionals with special knowledge and skills in policy advising, result-oriented planning/forecasting, M&E and budgeting; lack of experience to plan for results, difficulty in objectively measuring results;
4. Weak systems such as inadequate facility; ambiguous manuals and procedures; limited use of ICT, inadequate internet service, weak database systems, lack of awareness on the use of MIS to support RBPM including result-oriented budgeting, performance agreement, ensuring accountability, etc.

Discussion

RBPM is unfinished business in the public sector, even in UK and New Zealand with rich experience in RBPM. The developed countries try to implement RBPM cautiously by considering the relaxation of input/process control, empowering managers, enhancing accountability, etc., in the public sector. In the case of Ethiopia, the environs of implementing RBPM in the public sector was filled with passion without paying much attention to the ups and downs that other countries had gone through.

The government adopted RBPM with the aim of measuring the results of all civil service agencies, irrespective of their differences in their missions and roles. Some government organisations are regulatory/controlling agencies, for example, MoFED and MoCS, and some are policy and strategy implementing agencies, e.g. MoA and MoWE. The regulatory/controlling agencies focus on how to strengthen their controlling system. In contrast, policy implementing agencies try to discharge their responsibilities of implementing government policies within the boundary of the financial regulation of MoFED and the human resource policies of the MoCS. The fundamental issue here is the dilemma of the government between empowering managers of public organisations that decide on issues that deals with public resources and that affect the lives of many employees and citizens; and its interest to strengthen the controlling agencies, for example, MoFED, to control the behaviour of its public managers. However, our analysis indicates that empowerment of managers may hamper the implementation of result based performance management system unless the government has the capacity and the system to make public managers accountable for their actions.

In most cases, policy objectives are ambiguous (Wilson, 1989:32-33) that are open for different interpretations among politicians and managers (McGuire, 2001). This implies that quantifying and measuring the results of policy implementing public organizations and regulatory agencies remains the major challenges in public sector. For example,

- How can we measure the results of the NBE? By the number of monetary policies developed, or by the amount of money in circulation?
- How can we measure the results of MoFED? by the number of rules and regulations developed or by the effort it exerts to make civil service organisations comply to the financial rules and regulations.
- What kind of results does the management of a government agency expect from the administrative and finance support processes, which are responsible to manage the inputs according to the rules and regulation of MoFED and MoCS?

The main challenges of implementing RBPM in Ethiopia were problem of identifying appropriate indicators to measure performance, Inability to integrate the roles between government agencies towards a particular agenda, the lack of the capacity of the government to make its public sector managers accountable for results, negative attitude and lack of motivation of employees towards the reform effort of the government, low capacities in management and systems and low retention capacity of civil service organisations.

Concluding remarks

It is important to highlight some measures that should be taken into account while implementing RBPM. Top managers are responsible to manage organisations, and organisations produce results. Hence; managers are accountable for the results of their organisations. Accountability makes managers to worry on the challenges they have and to feel responsible for assigning the right personnel to the right job, and to coordinate different activities within the organisation and outside the organisation to bring the desired results. Such kinds of challenges make managers to be adept in managing their organisations, improve their communications and negotiation skill with employees and stakeholders. Therefore, the government is advised not to make the management positions permanent tenure of few individuals and should make these positions open for competition so that competent managers can have the chance to bring new ideas and changes to the civil service.

In addition, RBPM cannot be successful unless the government has effective systems that make public sector managers accountable for their actions. To do so, the government has to follow the experiences of other countries (refer to the literature) and strengthen the capacity of Development Planning and Economic Administration Office in MoFED in strategic performance management and in monitoring and evaluation of the performances of organisations. The results of the performance evaluation produced by this office should have consequences on either changing or rewarding the management of a particular public organisation.

Finally, this research has been limited only to assessing the challenges of implementing RBPMS in the Ethiopian public sector. From our assessment, it can be concluded that result based performance management is not the only panacea to measure the performance of all types of organisations, processes/divisions and individuals. Results can be outputs, outcomes and impact. Outputs and impact are the results of organisations but rare to be that of individual employees. For example, it is possible to measure the output of a particular university, for example the number of graduating students, but it is difficult to measure the output of an instructor. Likewise, for a police department, it is difficult to measure its immediate output but easy to measure its impact in the long run, for example reduction of crime rate. This is to imply that situational factors such as identifying the type of result – output, outcome or impact- is more relevant to measure the performance of a particular public sector organisation and to select the right control strategy-behaviour control, social control or result based control- to manage the public sector organisation. Therefore, the direction of the future research would be optimising the type of result expected with that of control strategy needed to maximise the performance of a given government organisation.

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