

**Declaration**

I, Annie Chitentu Malambo, do hereby declare that this dissertation is my own work and has not been submitted by anyone else at the University of Zambia or at any other University for the purpose of acquiring a degree.

Signed:.....

Date:.....

**Certificate of Approval**

This dissertation for ANNIE CHITENTU MALAMBO has been approved as fulfilling the requirements for the award of the Masters Degree of Public Administration of the University of Zambia

**Examiner's Signatures:**

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**Dedication**

This Study is dedicated to my beloved children, Peter and Michelo. You mean so much in my life.

## **RETRENCHMENT AND THE ZAMBIA PUBLIC SERVICE REFORM PROGRAMME IN THE MINISTRY OF AGRICULTURE AND COOPERATIVES, 1993 - 2003**

### **Abstract**

Retrenchment of the Public Service was part of the restructuring that took place during the Public Services Reform Programme (PSRP) of 1993. Among others, the aims of government through the PSRP were: to restructure to make the Public Service leaner through a targeted retrenchment programme so that the costs of running it can be manageable, bring efficiency in the delivery of public services through performance related incentives for a smaller and better remunerated workforce and the creation of professionalism by way of attracting and retaining skilled and professional staff. The goal of the PSRP was to improve the quality, delivery, efficiency, and cost effectiveness of public services to the people of Zambia. The PSRP was to be undertaken in all central government ministries including provinces and district offices as well as local authorities under the responsibility of the Management Development Division, Cabinet office while this study focused on Ministry of Agriculture and Cooperatives (MACO).

Government through the PSRP particularly retrenchment made efforts to improve performance in the delivery of public services and also reducing the wage bill; however there is no clear evidence of improvement while similar efforts prior to 1993 met with challenges. The question remains: did retrenchment of the PSRP of 1993 meet its intended objectives in MACO.

The general objective of this Study was to investigate the extent retrenchment in MACO led to a leaner and efficient Public Service with a highly motivated and professional staff.

The target population was MACO and farmers being recipients of the ministry's public services. Primary data was collected from both target populations. The sample size was 66 of MACO employees, 60 of whom were administered with questionnaires and 6 from management were interviewed. Research was undertaken at the Ministry's Headquarters and Provincial Agricultural Coordinator's offices in Lusaka, Central, Southern and Eastern provinces and the Department of Veterinary and Livestock Development, Lusaka. For farmers, 70 questionnaires were administered in Kanakantapa, Chongwe District, Shibuyunji, Mumbwa District, and Kaleyia in Mazabuka District.

Secondary data was from books, journals, reports from MACO, Bank of Zambia, Cabinet office, Ministry of Finance and National Planning, University of Zambia Library, and Internet. Data analysis was done using the Statistical Package for Social Sciences and interpretation made.

Retrenchments in MACO did take place during the restructuring of 1997/1998 after developing the 1994 Strategic Plan that was approved in 1995 and consequently the 2001 Strategic Plan. The planned targeted establishment reduction was 5,000 from 7, 000 (Public Expenditure in the Agricultural Sector: 1996 – 2000). The process commenced with the advertisement of all positions in the new organizational structure and employees had to apply and interviewed. Those who did not qualify in the new structure and could not be fitted in were given option whether to go down in rank or leave the system such as: Typists and some Administrative staff included under the Casual Daily Employees. Some positions were scraped off. Through the Voluntary Separation Packages (VSP), 270 employees lost employment (Ministry of Agriculture Food and Fisheries, Semi-Annual Report; 1<sup>st</sup> October 1998 to 31<sup>st</sup> March 1999). In the 2000 Annual Report, the Human Resources and Administration indicated 165 VSP cases. By year 2003, there was some decrease in the size of the Civil Service Establishment from 6,614 to 6,396 with an increase for Non Civil Servants from 1,350 to 1,411. The financial implication on the personal emoluments was a nominal wage increase from K36,751,765,202 to K36,821,953,264 for the Civil Service and from K8,616,529,624 to K10,095,606,616 for Non Civil Service. The new organizational structures resulting from the 1994 and 2001 Strategic plans enhanced efficiency and professionalism as qualified people were recruited. Motivation through improved remuneration was not achieved greatly as there was no comprehensive salary review. Further established that hindrances to efficiency in the delivery of services prior to retrenchment continued: inadequate funding and transport, and internal processes and procedures that resulted in delays.

Overall, the PSRP had positive results as some objectives were met. Users indicated some positive effects apart from delays in the delivery of services like the provision of inputs and purchase of produce where the government played a major role through policies.

## **Acknowledgements**

My first acknowledgement goes to my Lord Jesus Christ who has made it possible for me to undertake and complete this study. All the way His mighty hand guided me. My thanks go to my parents and other family members for their support.

I do also acknowledge the great contributions rendered by my Supervisor, Professor J. C. Momba, and also Dr. M. C. Bwalya, who assisted me at the initial stage of my study. My mentors for all their contributions; morally, materially and spiritually some of whom are: Professor. R. Krishna, Dr. A. Akakandelwa and Mr. U. Haankuku for guidance, Mr. Trust Munamwimbu, Mr. Herbert Nyirenda and Dr. Effron Lungu for their time during the time of data collection.

My thanks also go to my employer, the University of Zambia for the provision of time and financial resources and members of staff in the Department of Political and Administrative Studies, School of Humanities and Social Sciences of the University of Zambia.

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**Acronyms**

APAS	=	Annual Performance Appraisal System
ASIP	=	Agricultural Sector Investment Programme
DACO	=	District Agricultural Coordinator
DVLD	=	Department of Veterinary and Livestock Development
IMF	=	International Monetary Fund
MACO	=	Ministry of Agriculture and Cooperatives
MAFF	=	Ministry of Agriculture, Food and Fisheries
MDD	=	Management Development Division
PACO	=	Provincial Agricultural Coordinator
PAS	=	Political and Administrative Studies Department, University of Zambia
PMS	=	Performance Management Systems
PSM	=	Public Service Management Division
PSRP	=	Public Service Reform Programme
PSCAP	=	Public Service Capacity Building Programme
RIF	=	Rural Investment Fund
SAP	=	Structural Adjustment Programme
SPSS	=	Statistical Package for Social Sciences
UNDP-MDG	=	United Nations Millennium Development Goals

## CHAPTER 1

### INTRODUCTION

#### **Background to the Study**

Retrenchment was part of the restructuring of the Public Service in Zambia which took place during the Public Service Reform Programme (PSRP) of 1993. Some of the aims of government through the PSRP which have been discussed in this study were: to restructure to make the Public Service leaner through a targeted retrenchment programme so that the costs of running it could be manageable, bring efficiency in the delivery of public services through performance related incentives for a smaller and better remunerated workforce and the creation of professionalism by way of attracting and retaining skilled and professional staff.

The goal of the PSRP was to improve the quality, delivery, efficiency, and cost-effectiveness of public services to the people of Zambia (Public Service Reform Programme, 1993:2). From reviews of the background to the PSRP, many countries had a general assumption that reforming the Public Service, would bring about efficiency in public service delivery and address issues of the wage bill in relation to the overall national economic changes for example: Sub Saharan Africa during the 1990s (Lienert, 1998). In the United Kingdom, in the year 2004 under the Tony Blair government, in the Gershon Report, government set out in the Comprehensive Spending Review (CSR) detailed changes that were to be made to the Public Sector and part of these changes was the announcement of 104,000 job cuts and relocations across different civil service departments, agencies and non- departmental public bodies (European Federation of Public Service Unions (EFPSU, 2006). The cuts when announced amounted to 1 in every 5 civil service job (Ibid., 2006). In Canada, during the year 1989: government announced a process of reform and renewal of the Federal Public Service. This initiative, known as Public Service 2000 ("PS 2000"), was described by the Prime Minister as "the policy of the Government of Canada concerning the measures necessary to safeguard and promote the efficiency and professionalism of the Public Service in order that it may serve Canadians effectively into the 21st century, "(1993 Report of the Auditor General of Canada). The PS 2000 was

examined in light of reforms in “selected jurisdictions”: Australia, New Zealand, and the United Kingdom. The “selected jurisdictions”: Australia, New Zealand, and the United Kingdom according to the report were chosen because each had undertaken significant reforms and had a similar system of government. The investigation came up with three most important common factors underlying reforms in Canada and the “selected jurisdictions’ and these being: changing economic circumstances, increasing and shifting public expectations of government; and the need to modernize public service management, "(1993 Report of the Auditor General of Canada). Hence countries both developing and developed have used Public Service reforms to address issues of efficiency in the delivery of public services and weakening economic performance which prompted the need to cut the size of the Public Service as part of the cost saving measures.

The rationale of the PSRP was the need for government to provide a more enabling environment for socio-economic development of Zambia (Public Service reform Programme, 1993:2). The Public Service Reform was therefore a strategy to transform the Civil Service. The Public Service was also to benefit as individuals and members of the organizations, being part of a better managed and efficient public service (Ibid., 2). The reform program was to enhance incentives to motivate and retain key personnel in technical and managerial positions while reducing the size of the Public Service. The strategy was to identify high priority government functions which were to be strengthened and reducing employment in the areas of lower priority and the savings realized from the exercise were to be used to “restore the morale and enhance efficiency of the Civil Service” (Zambia. Budget Speech, 1990:12).

The PSRP was to be undertaken in central government ministries, provincial administration and government agencies (Public Service Reform Programme, 1993:10); hence the programme was inclusive of the Ministry of Agriculture and Cooperatives (MACO) which is under study. The implementation of the PSRP was the responsibility of the Public Service Management Division at Cabinet Office (Ibid., 1993:4). The duration of the PSRP was three years and funds were allocated both by the Zambian government and the donor community.

The Agricultural sector within which MACO falls in relation to national

economic development, has been one of the major sectors contributing to the development of the Zambian economy. The agricultural sector, if fully developed, has the potential to enhance economic development. It has been argued that, ‘good performance in this sector would, “translate into overall improvement of the country’s Gross Domestic Product (GDP), create jobs, and expand the tax base’, (ZTNDP, 2002 – 2005:51). In the year 1996, “the agricultural sector’s contribution to the GDP was said to have increased from 16 per cent in 1995 to 20 per cent” (Zambia. Budget Speech, 1997:4). In the Budget Speech of 2000, it was indicated that in the year 1999, the agricultural growth increased to 16.4 per cent from 1.8 per cent in 1998 contributing to GDP from 16.4 per cent in 1998 to 18.3 percent in 1999.

The Zambian government has been supportive of this sector through allocation of funds. In the 1990 budget, a total of K480.0 million was set aside for the construction of storage facilities. In the year 1996, the government introduced the Agricultural Sector Investment Programme (ASIP) which was aimed at meeting the challenges of the market driven economy, support the private sector investment and strengthen the public sector’s agricultural services. ASIP included the provision of a Rural Investment Fund (RIF) which was aimed to provide grants to most vulnerable farmers for building animal dips, farm storage, small scale irrigation and other essential infrastructure (SERVICE: a PSRP bulletin, 2001:18). The Rural Investment Fund started operating in 1996, with an initial capital injection of US \$10 million from the World Bank and was proposed to have a lifespan of up to December, 2000 (Zambia. Budget Speech, 1997). Government’s main objective was to promote more efficient small scale farming in order to increase output. In the 1999 budget, K5.4 billion was allocated for the improvement of the provision of rural infrastructure projects under the RIF.

With such involvement of government through huge financial investments in the Agricultural Sector through MACO and the major contribution the sector provided in the national economy, it was important to assess the effect of retrenchment. In addition, the PSRP was to be undertaken in all government ministries and provinces: hence MACO would represent other ministries. The effect of retrenchment in this study has only focused on the provision of services for the crop and livestock industry.

Of all the main components of the PSRP the study focused on “retrenchment”

due to the wide scope of the programme. A comprehensive study of all components could have been very costly, requiring a lot of human and financial resources and time. Ministry of Agriculture and Cooperatives under study was until 2002 called the Ministry of Agriculture, Food and Fisheries (MAFF). The name was changed as an emphasis of developing agriculture through cooperatives. The name was changed in 2002 under the 2001 Strategic Plan that was to run up to 2005 in order to align the Ministry to its new functions. According to this new title, cooperatives were to be revamped and the marketing system streamlined for the benefit of farmers.

Retrenchment through the PSRP was implemented, however, according to the Civil Service Reform Paper of the United Nations Millennium Development Goals it has been said that, “whether in developed or developing countries, few success stories exist in the field of the civil service reform”. Would there be a success story in the Zambian context, so far there is no clear evidence that the objectives were met.

### **Statement of the Problem**

At independence, Zambia inherited a sound economy, and more jobs were created and the public service wage bill increased (Dresang, 1971). In the 1970s the country started experiencing an economic decline due to the fall of copper prices on the world market (The World, GRZ/UN: 1996) which was the country’s main economic backbone. However, the size of the Public Service had grown excessively large and did not only surpass the number of the established positions but also outstripped the capacity of government to provide a sufficient operating budget to make the Public Service productive and efficient (The National Commission for National Development: 1991). Consequently, the government could not sustain the huge public service wage bills. In view of this, efforts were made to reduce the Public Service through retrenchment, one of the effects of the PSRP of 1993. The PSRP was part of the Structural Adjustment Programme (SAPs) that was adopted in response to the challenge posed by the poor economic performance that existed since 1970s (Political and Administrative Studies Department: 2005).

Though a Civil Service Reform programme may be undertaken, it has been said that,” it is not to be taken as an end in itself or as a mere reaction to fiscal problems, without careful planning and respect for the law of unintended consequences,

retrenchment programmes carry major risks,” (Linert, 1998). The problem of a bloated and ill paid public service therefore may not be fully addressed.

The Zambian government through the PSRP of 1993 in particular retrenchment made efforts to improve performance in the delivery of public services and also reducing the wage bill: however there is no clear evidence of improvement while similar efforts prior to 1993 met with some challenges. Thus the question remains: did retrenchment result in efficiency in the delivery of services through the provision of better remuneration while at the same time reducing the Public Service wage bill in MACO.

### **The Study objectives**

The general objective of this study was to investigate the extent to which retrenchment in MACO led to a leaner and efficient Public Service with a highly motivated and professional staff.

Specific objectives of the study were:-

1. To establish the effect of retrenchment on the size and wage bill of the Public Service in MACO.
2. To establish the effect in which retrenchment led to enhancement of professionalism in MACO in the form of well trained and qualified staff occupying the right positions.
3. To establish the extent to which retrenchment enhanced increased motivation of staff in MACO.
4. To establish the extent of satisfaction by the users of the services of MACO with the performance of the Ministry after retrenchment.

### **Significance of the Study**

Retrenchment and the PSRP have been used by many governments of both industrialized and developing countries to address the problem of bloated and ill paid Public Service and also bringing efficiency in the delivery of public services. If governments use retrenchment as a policy to address major problems, the subject is not only worthy of study, but significant to the government being the policy maker and the Zambian people

who are recipients of public services. The services of the MACO to the public are about agriculture which consequently, is food production and affects everyone on daily basis. An assessment of the performance of this Sector was therefore very important. Efforts to reform the Public Service through retrenchment have been made before by the Zambian government since obtaining independence in 1964 (Mataka, 1998) but met with some challenges, it was therefore necessary to find out if the efforts through the PSRP of 1993 succeeded, if not identify what went wrong and at which stage, and the way forward through recommendations from both the providers and users of the services themselves. While the rationale and objectives of reforming the Public Service through retrenchment in MACO were derived from the main objectives of the PSRP, this is a standalone and specific academic study on this Ministry combined with responses from the recipients of the public services hence the findings were additional knowledge. The study was also significant to me as the Researcher as it was a partial fulfillment of the requirement for the degree of Master of Public Administration at the University of Zambia.

### **Scope of the Study**

This study was on MACO and investigated and established the extent retrenchment contained the cost of the wage bill and also led to efficiency in the delivery of public services. The study further investigated whether retrenchment enhanced professionalism in the Public Service by way of attracting and retaining skilled and professional staff. Ministry of Agriculture and Cooperatives is charged with the responsibility of the provision of public services to farmers in Zambia. These services according to this study include: the provision of farming inputs such as seed and fertilizers, and the marketing of their produce together with technical agricultural information. The Ministry's headquarters is based in Lusaka, the capital city of Zambia with branches in all the provinces of the country both at provincial and district levels. It is also one of the Ministries where the PSRP in particular retrenchment was undertaken (Ministry of Agriculture and Cooperatives, 2003:1).

The investigations were carried out on the employees of MACO in the four provinces namely: Lusaka, Central, Eastern and Southern provinces being the providers of the public services. The study also investigated whether users of services offered by MACO were satisfied with the delivery of services after retrenchment and were taken

from Lusaka, Central and Southern provinces. The users of the services in this study being the farmers.

### **Conceptual Framework of the Study**

Retrenchment is a strategy or mechanism organizations use to cut or reduce expenses and in the financial world and according to the Collins English Dictionary (2003); to become more financially stable. Retrenchment is synonymous with downsizing, and has many definitions such as: to cut down or do away with an item of expense (Simpson and Weiner. 1991:792) and comes about as a management's strategic response to the external environmental and institutional changes that have occurred and varies from one employer to another in order to survive a crisis: to cut on waste and the reasons also vary. The three major strategies of retrenchment as found in Scribd (2012) are turnaround, that is: reversing the negative trend which usually comes when there are continuous losses, over manpower, high turnover of employees, and low morale and implies loss of jobs for some workers who have been retrenched while there is the continuity of the operations of the employer. The other two major strategies are more business oriented: divestment which involves the sale or liquidation of one part of the business as a restructuring plan and the third being, liquidation strategy which is the extreme form of retrenchment strategy as it involves the closing down of the organization. Retrenchment could be in the form of redundancies: where an employer makes a position redundant, that is, duties of that post are no longer needed to be done by anyone and once the position is made redundant, the person doing its duties may either be redeployed or retrenched that is; lose their job and not be offered another.

One of the approaches to the problem of resources constraints is downsizing: shrinking an organization's workforce (Rehman, Naeem, February 2012) which attempts to balance resources with providing services to minimize change to recipients. According to Druker and Betty (1994) the issue of balancing repeated demands for cuts and providing services at current and in many cases higher levels is the greatest retrenchment dilemma for governments. The second strategy to approach the problem of resources constraints had been right sizing or restructuring which is a long term and permanent approach to budget cuts that may mean the deliberate redefining of the mission of an agency, department, or institution, ranking of services provided on the basis

of their importance and finances being shifted to those high priority items and dropping some services. In both two strategies, the main concern is the retention of trained and motivated staff who continue to serve in the new environment.

The Public Service in most developing countries has been said to be the administrative machinery, the major agency for development (Sapru, 2002:301). When discussing the Public Service, one is discussing the structures of government especially its' ministries and forms of administration, mechanisms for policy making, coordination and implementation of programmes (Ibid., 2002:301). The term generally refers to administrators paid for implementing the policies of national governments and the extent of this definition vary country to country where in some, those in politics or military are excluded. It is in line with this importance of the Public Service that different models have been put forward on how to get the best of performance out of this administrative machinery. The three broad models or Schools in Public Administration outlined under this subject are: the Traditional Public Administration, Public Management and the most recent; New Public Management (World Public Sector Report 2005).

Traditional Public Administration model was associated with the emergence of Civil Service systems in countries undergoing industrialization in the second half of the nineteenth century (Ibid., 2005). The Traditional Public Administration system among others: was based on the principles of office hierarchy and also embodied a set of rules about merit-based recruitment and promotion such as the use of competitive examinations (Ibid., 2005). One of the purposes of this, as with the institutionalization of merit, was to take politics and politicians out of the field of personnel management so as to eliminate political patronage. The second model; Public Management or, "Managerism" was brought about practices that developed in the private sector (Ibid., 2005). There was a belief that management is a generic art or science, applicable to any context whether in the private or the public sector with one enduring theme; the notion that management (not "administration") has a primary focus on efficiency and results. The Public Management paradigm disliked rigid rules, formal procedures and uniform systems such as those that prevailed in the traditional civil service but emphasized the hands-on skills of the manager and the need for managers at all levels to exercise initiative.

The third and most recent model: New Public Management (NPM). The NPM has a primary focus on efficiency and results and is driven by business objectives and organizational performance (World Public Sector Report 2005). The main hypothesis in the NPM reform wave was that more market orientation in the Public Sector will lead to greater efficiency for governments and better management of the public budget and advocated for a smaller, faster moving service delivery organization that would be kept lean, user responsive and outcome oriented in order to survive (Ibid., 2005). The fundamental criticism of the Traditional Administration in this view of the NPM was that it had no answer to efficiency except more rules and regulations, the usual result of which was greater inefficiency. The NPM also considered adequate pay as a key component in improving and sustaining the motivation, performance and integrity of the Public Service than low salary levels.

Considering all the three models, one can observe that to a great extent, they all evolved around how to bring “efficiency” in the delivery of services by the Public Service. Efficiency according to Longman’s Dictionary of Contemporary English (2011) has been described as; “the quality of doing something well and effectively without wasting time, money or energy.” Measuring efficiency in an organization is about the relationship between the outputs it produces and the inputs it uses where the factor “efficiency”, would be one that produces the maximum possible outputs given its inputs, or one that produces a certain level of output with the minimum amount of inputs (Teresa Curristine, Lonti and Joumand, 2007). Hence inputs and outputs need to be defined and measured. For governments that usually produce goods and services that are provided either free at the point of use or at a price that is not determined by market forces, it is difficult, hence for this study, efficiency was measured using what was feasible, the perception of the recipients of the public services provided by MACO. One of the factors assumed could bring efficiency especially in the public service had been merit recruitment which consequently would create professionalism. Gudino Bertucci (2000) indicated that with the advent of the modern state, by and large, the role of the Public Service and the need for its neutrality, impartiality, integrity and competence is widely acknowledged. Hence to promote professionalism in the public Service; the merit principle needs to provide the foundation for all human resources management actions

from recruitment and selections for promotions to fair remuneration and disciplinary procedures (Bertucci, 2000).

### **Literature Review**

There is limited academic literature that assesses the effect of retrenchment in the Public Service of MACO. Equally, there is limited literature that investigates the effect of retrenchment by the users of public services from MACO. A few academic contributions that have been made and are available have mostly dealt with other components of the PSRP than retrenchment as the programme was wide in scope. On the contemporary PSRP of 1993, we have scholarly contributions from Michelo (2007) who considered the PSRP as a mechanism for improving performance of the Public Service, which was a Case Study of the Ministry of Education, Mate (2006) who made an Evaluation of the Performance Management Package (PMP) in the Zambia Civil Service. Much literature on retrenchment and the PSRP in Zambia so far is from government publications like annual budgets, reports from SERVICE: a PSRP Bulletin at Cabinet office, Commissioned works like that of the Political and Administrative Studies Department of the University of Zambia which was a comprehensive work on both the PSRP and the Public Service Capacity Building Project. Other contributions on the effect of retrenchment have been from donor agency reports like the World Bank/IMF. These reports were very important to the study as they highlighted issues starting from the formulation and development of the PSRP, the implementation process with reviews and outcomes.

While MACO also does have some literature though mostly the Strategic Plans, Estimates of Expenditure and the Annual reports and bulletins on the overall effect of the PSRP in the ministry and the performance of the agricultural sector, these like other government reports are not scholarly items. In addition, these reports do not reflect the views of recipients of services on the effect of retrenchment.

The Department of Political and Administrative Studies (2005) of the University of Zambia was commissioned by the Zambian government through Management Development Division, Cabinet Office to assess the impact of both the PSRP and PSCAP, facilitate the dissemination of the benefits of the PSRP and PSCAP and develop strategies for effectively restructuring the Public Service (Political and Administrative

Studies Department, 2005:1).

Some of the findings of the study were: that the Management Audits which were the first stage in the retrenchment or restructuring process, essential in the establishment of Strategic Plans leading to finally retrenchment or restructuring were in some instances, poorly conducted, leading not only to excessive redundancies, but also to the separation of key technical and competent staff with many years of experience (Ibid., 2005:18). The second stage of restructuring: the Strategic Plans also had problems that though they were developed, except for the establishment of new structures, the plans that came out of them were not strictly implemented mainly as a result of inadequate and ad hoc funding and also due to delays in the approval processes (Ibid., 2005:18). The reduction in the size of the Public Service progressed as soon as the PSRP was implemented and the target was to reduce from 139,000 to 80,000 over a period of two years (Ibid., 2005:19). The planned down-sizing was expected to result in a reduction of the wage bill from K231 billion in 1997 to K180 billion per annum by 2002. While some reductions were made in the size, the set targets for reducing the size of the Public Service were not met (Ibid., 2005:19). The Public Service real wage bill increased from 1995 to 2003. The remuneration did not also compare well with the private sector. The introduced Performance Management System (PMS) which were meant to improve performance of the Public Service did not work too (Ibid., 2005:23) as these were not firmly established mainly due to lack of resources and implementation and also the problem of linking the work plans to the budget as funds that were being made available were generally below the required levels (Ibid., 2005:23).

Though this was a government commissioned work and not an academic exercise, its' outcome was very rich in relation to the current study since it dealt with the PSRP from its implementation stage, processes put in place up to the outcome, the work was comprehensive based on all government ministries. In addition, the researchers were academicians whose results may not have been affected by the political will of the government who commissioned the research. Due to the comprehensiveness of the investigation dealing with all ministries; it meant that the findings and conclusions drawn on the impact of the PSRP of 1993 had to accommodate all outcomes and views from all ministries. Hence the assessment lacked the internal nit - grit of each ministry's historic

issues of what has been the problems (constraints) in the delivery of public services, the management of the wage bill, and achievements of the PSRP objectives besides the differences in the goals and objectives, internal organisations and procedures, besides work culture. Therefore, a specific study on one ministry, MACO was still necessary to reveal these individualistic internal challenges and successes and recommendations which upon being availed to senior management, may be addressed accordingly.

Michelo (2007) in his dissertation of the Case Study on “the Public Service Reform Programme as a mechanism for improving the performance of the Public Service in the Ministry of Education” made some contributions to the current study since Ministry of Education is a government ministry like MACO where the PSRP was undertaken. In addition, the study was investigating the mechanism put for improving the performance of the Public Service. Some of the aims for restructuring the Ministry of Education were to decentralize the education delivery and access to schooling, rehabilitate the infrastructure, supply sufficient teachers and setting standards of performance and achievement and increase the educational budget. The study showed that though there were some changes in the salaries and allowances as a result of the restructuring, these were still at levels that were not attractive enough to motivate and retain qualified workers. Most of the staff interviewed indicated that they were in wrong positions, hence they were receiving wrong salaries and that they were engaged in other income generating activities as survival strategies. As salaries were still not attractive enough to retain trained staff, there was still an exodus of staff for greener pastures. However, there were slight improvements in the delivery of public services which were measured by the number of hours someone had to wait before they could be served. This study was similar to some extent to the current investigation on MACO on the aspects of the effect of the PSRP on performance improvements and also that views from recipients of services from the Ministry of Education were considered. The main departure from Michelo’s study was that the current study was a Case Study of MACO which apart from assessing the effect of the PSRP on performance, extended to retrenchment being the main focus and its’ effect not only on performance but the size and wage bill of the Public Service.

Njekwa (2006) in his dissertation on the “Evaluation of the Public Performance

Management Package in the Zambia Civil Service, among other findings indicated that as a result of failing to reduce the size of the Public Service during the period 1993 to 1996, personal emoluments and allowances continued to take a large proportion of the government's budget thereby reducing the recurrent departmental charges. The study also outlined some of the problems encountered in the implementation of the revised PSRP such as the high target of employees which was too unrealistic, insufficient financial resources and an unavailability of a fully developed system to establish a payroll control system to facilitate implementation of the programme of the Civil Service. These findings are similar with those in MACO under the current study; the size did not reduce significantly; the target of reduction from 7,000 to 5,000 by year 2000 (Public Expenditure in the Agricultural Sector: 1996 – 2000) was not achieved, the wage bill did not reduce significantly due to continued recruitment for example a total of 638 were employed in MACO while 270 were lost through the Voluntary Separation Programme (Ministry of Agriculture, Food and Fisheries Semi- Annual Report from 1<sup>st</sup> October, 1998 to 31<sup>st</sup> March, 1999). Assessing improvement in the delivery of public services after retrenchment; an outcome of the PSRP was one of the specific objectives of this study. Njekwa's study provided an overview of the effect of the Public Performance Management Package; one of the mechanisms put to improve efficiency in the Public Service. The point of departure from Njekwa's study was lack of views from the recipients' of the public services. A combined response as included in this study would have provided a comparative analysis on the effect of the introduced Performance Management Package with possible positive recommendations on performance improvement from the recipients as well.

Kawatu (2006) in his Case Study on, "Improving the Quality or Efficiency of the Zambia Public Service" outlined the changes resulting from the achievements such as: the development of the strategic plans which in turn facilitated the production of annual performance audits. The audits provided an objective basis of assessing each ministry's overall performance. There were also the establishment of the PMPs whose features were the annual work plans for departments and individual public servants and the APAS. During the process, ministries were equipped with the requisite skills and knowledge to develop/review their strategic and work-plans and undertake performance

management. Kawatu (2006) goes to outline the lessons learned during the process of implementing the PSRP if the reform programme was to succeed some of which were: availability of financial resources, having an effective policy framework that takes into account the social, economic and political context in which the reforms take place without which there would be a limitation on the achievements. Commitment to information sharing on the goals of the PSRP so that there is less resistance to the implementation. There was also need for the recognition of the Public Service's capacity to participate in the reforms so that there would have been effective participation in the reform process. The other factor was stakeholder consensus such as trade unions, senior management and politicians as they are critical in the reform implementation process. Kawatu's work is based on the PSRP's processes, procedures, and mechanisms and how it would have succeeded in achieving its intended objectives but lacks an analysis of the effect of retrenchment.

Kawatu's work is based on processes, procedures, and mechanisms on improving efficiency of the Zambia Public Service. The issue of availability of financial resources was also identified as one of the key factors to efficiency in the delivery of public services in MACO. Employees in MACO in their recommendations indicated the importance of the provision of adequate funding and its' timely disbursement among the major factors that would have contributed to efficiency and professional delivery of public services. The difference with the current study on MACO was that both the providers and recipients of the public services had a say on how efficiency in the delivery of services by the Public Service could have been improved.

Mataka (1998) though not a scholarly contribution is relevant. Mataka's contribution is on the previous efforts by government to reduce the size of the Public Service. The government in order to reduce the size indirectly, in 1986 lowered retirement age from 60 to 55 for men and 55 to 50 for women. At the same time as an incentive for early retirement, government made substantial increase to pension benefits and lump sum gratuities. These measures were not effective as shown in the World Bank Report on the Public Sector Management Review which recorded that the public service grew at an average of 60 percent per annum between 1975 and 1990. This contribution shows that government failed to contain not only the size but also the wage bill since

everyone on payroll had to be paid. The outcome of the previous efforts compared to the outcome of retrenchment and the PSRP of 1993 shows some similarities, government failed to contain the wage bill. The point of departure from the current study was on other aspects of the effects that were part of the major focus in this study: performance improvement and professionalism in the Public Service in particular MACO and that this was an academic study.

Other literature on retrenchment from other countries is appreciated as general learning lessons that may be useful especially if the countries have a common background like the economy, in that outcomes may serve as a guide for other states. Certain issues which may bring similar problems may be avoided and those which may facilitate success considered for inclusion. This could particularly assist for the Zambian situation since many Public Service Reforms in Africa were advocated by the World Bank/IMF and arising from similar background, the economic crises. However, though literature on experiences of other countries may be of use, it has limitations to its application. It has been observed that there are some problems with the cross country literature: the actual results on retrenchment may not really cut across on other countries. Some of the problems are: defining what categories of staff constitute the Public Service, what constitutes government employment wages as different benefits in different countries make it impossible to be sure and also the assessment of wage adequacy of different governments due to different economic activities and growth, rate of industrialization and modernization of the economy. Depending on the economic activities of a nation, therefore what constitutes a high public wage bill in one country may just be a reflection of the level of economic activity in another. The study does however proceeded to consider the outcomes of the Public Service Reforms in two African countries namely Uganda and Ghana.

Yasin (2002) in his PhD thesis on, “ Public Service Reform in Uganda (1989 - 2002) ” considered both the objectives of the reforms of 1992 whose long term vision among others were: to create a Public service that was going to be smaller, better paid, more efficient and effective as well as pay its employees a living wage. A number of ministries were reduced by 1991 and there was a major reduction in the size of the service which was reduced by about 54 percent. As a part of salary enhancement

programme, the government in the financial year 1991/92 effected a salary increase of 43 per cent across the board and 85 per cent by the financial year 1993/94. However, these increments did not significantly raise the pay levels compared to the living wage recommended by the Public Service Review and Re-organisation Commission. At the same time the actual pay levels were higher because there were a number of hidden allowances. By the period 1996/97, the government was compelled to adopt a policy of “no change” in the salary levels at the beginning of the financial year because the projected revenue collection was lower. The issues of inadequate pay continued to be a great draw back in the reform of the Public Service.

The findings in the Uganda Public Service Reforms where the Public Service pay levels did not significantly improve are similar to the effect of retrenchment in Zambia. Despite the implementation of retrenchment and the PSRP in the Zambia Public Service, the findings reveal that remuneration of the Public Service was still lower compared to the private sector as a result: there was still a problem of the exodus of professional and technical staff for greener pasture. However, as already pointed out on constraints of cross country comparisons, even within the Uganda Public Service, there was a problem of measurement of the actual pay due to hidden allowances. Hence the findings can only be applied to the Zambian situation in general as a lesson so that identified hindrances could be taken into consideration. In addition, determining wage adequacy is a problem due to differences in the economic activities and economic growth.

Agyekum-Dwamena, Head of the Performance Management Monitoring Evaluation Division of the Office of the Head of the Civil Service in Ghana in his paper presentation on the “Ghana Civil Service in Context: A constraint or an Opportunity for Improving Performance in Public Organisations”, described the characteristics of an efficient Public Service as that characterized among others: high levels of professional/technical performance in terms of efficiency, effectiveness and initiative, with well-trained staff who are knowledgeable, proactive and responsive to the aspirations of the government and the people, high motivation and commitment. However, the status of the Ghana Public Service was said to lack vision and clear sense of direction with inappropriate structures and systems, ineffective leadership and weak

management, low morale and negative corporate image, excessive bureaucracy and delays, shortage of skilled manpower, poor working environment and conditions of service. Despite reform efforts aimed at rationalization to achieve economy, effectiveness and efficiency, the Public Sector reforms still had a poor track record with the main reasons being: inadequate political sponsorship, inability to tackle the system-wide issues (pay, right sizing, human resource development), severe capacity constraints at managerial and professional levels, high dependence on external consultant's inputs, inadequate monitoring and evaluation function. Various recommendations as a way forward to the building of a new Public Service in the Ghana Reforms were made like changing of agents in key strategic positions empowered with authority to implement agreed upon programmes, training and development of the Public Service, the reviewing of organization methods to be in line with the modernized procedural systems to improve efficiency of service delivery which were to be accompanied by the computerization of the Public Service, strictly enforcing the Code of Conduct and reviewing the compensation systems.

The findings on hindrances' to the achievement of goals in performance improvement are good for lessons of learning and some of them are similar to the results on the effect of retrenchment and the PSRP in Zambia. The recommendations in improving efficiency of service delivery such as: computerization of the Public Service and strictly enforcing the Code of Conduct and reviewing the compensation systems were also part of the recommendations in MACO under study. The inadequacy of this contribution is that it was based on the experience of another country whose economic standing and the general government aims and policies differ. Hence when the government of Ghana was recommending for improvement in the performance of the Public Service that had to be related to the overall government vision, this may not necessarily be the same for Zambia, irrespective of whether the PSRP was advocated by the same donors. In an organization, there are also unwritten organizational cultures which cannot be ignored when addressing issues like performance. Hence experiences and recommendations across countries may not completely be applicable to another, thus a specific country study was still needed to be made which suits the local environment.

## **Research Methodology**

In this study, the target population was MACO and the farmers. The total population in MACO was approximately 10,500 employees on the establishment before the split off of the Ministry of Livestock and Fisheries Development in 2010. Ministry of Agriculture and Cooperatives was chosen because it is one of the key ministries that play a vital role in the development of the Zambian economy. For example the goal of the ministry when its' name was reconstituted into MACO was to promote sustainable agriculture production and productivity in order to ensure food security, income generation, creation of employment opportunities and reduction in poverty levels. Agriculture was to be the mainstay of the economy. Since the PSRP was to be implemented in all government ministries, it's assumed that the findings on retrenchment would be representative of the outcome in all ministries which underwent the same reforms. The important role the government placed in agriculture in the national economy makes this study vital.

On the other hand, farmers were also the target population being recipients of public services from MACO. The total population of the farming community is not easily quantified since they are in variety forms spread throughout the country. Farmers are a key not only in establishing whether there has been an improvement in the provision of public services but also their role in the economy by provision of food to the nation. They are the ones who directly make the government realize its' objectives through food production. When public services are not provided efficiently, food production would suffer consequently the whole nation would be adversely affected.

It is from this population that the study samples were drawn from: employees in MACO and farmers. The sampling was done by selecting a sample size of 66 employees of MACO out of which 60 were administered with questionnaires and of these, 37 were completed and returned and used for data analysis representing 61.67% response rate. The other 6 that belonged to management were interviewed. A sample was preferred due to limitations of time, financial and human resources. The sample was drawn from employees that had worked in MACO during the period of study 1993 to 2003 and before. This was for the purpose of collecting data from employees who experienced the restructuring in the Ministry and would compare outcomes.

## **Research Design**

Primary data was collected both from employees of MACO and farmers. Questionnaire and interview instruments were used in the collection of primary data as discussed above. The collection of data was done from October, 2009 to February, 2010. The questionnaire instrument consisted of both open and closed format questions. The open ended questions which were without predetermined set of responses were meant to solicit varied responses reflecting opinions of respondents with a view of receiving unexpected and insightful suggestions. Closed questions which were in the form of multiple questions gave respondents several options from which they chose from. These were meant to easily calculate statistical data and percentages and do a preliminary analysis.

Questionnaires to employees were administered at the Ministry's headquarters in Lusaka, at the Provincial Agricultural Coordinator's (PACO) offices in Lusaka, Central, Southern and Eastern provinces and also at the Department of Veterinary and Livestock Development in Lusaka. Additional data was received from respondents as provided in the questionnaire. Clarification was also sought by asking questions outside the questionnaire instruments. Some respondents preferred to provide extra data which helped in the interpretation of findings by filling gaps, conclusions and recommendations while others did not answer certain questions. The questionnaire instrument used to collect primary data from employees from MACO is in "Appendix I". The questionnaire constituted of six sections. In the first section, under personal details: question number one was put as a precautionary measure to ensure the data collected was from employees who had worked in MACO during the period of study. The second question was intended to see whether there was a balanced view on the effect of the PSRP and retrenchment in particular from people of different levels of education and consequently understanding. The other five main sections were under the below headings:-

- i) Staffing and Recruitment - intended to assist answer on two of the objectives of retrenchment: the reduction in the staffing levels and bringing professionalism in the Public Service.
- ii) Salary and Allowances - with focus on the comparison of remuneration before and after retrenchment whether there was improvement, and how

the new salaries and allowances compared with what was obtainable in the private sector so as to attract and retain skilled and technical staff.

- iii) The Wage bill - which is self explanatory was intended not only to answer whether there was a reduction in the Public Service wage bill, but as well as identifying and addressing some of the perceived issues which led to the bloating of the Public Service wage bill.
- iv) Retrenchment - intended to give respondents opportunity to express their views on how they perceive the retrenchment of the Public Service undertaken by government.
- v) Performance of Employees - was a loaded section which tried to investigate many issues pertaining to performance such as reasons for inefficiency in the delivery of services if any, and the possible remedy.

The administration of questionnaires commenced with a pilot study in MACO since the research questions were specific to this Ministry. The purpose was to get an advance warning where the main research could fail or whether the questionnaire instruments were inappropriate. Considering the constraints of time, financial and human resources a pilot study was going to be cheaper and quicker in case of the need to correct a problem. The pilot study of 5 subjects (employees) were given time to study the instrument in order to identify ambiguities and difficult questions and give a feedback. Upon receipt of a feedback, questions which appeared ambiguous were amended and made clear and removed those that seemed unnecessary. The responses were checked too to ensure they were in line with the research questions and where it seemed respondents had a different understanding, the questions were rephrased. From questions which permitted the respondent to put additional data, the new vital data that emerged which were not captured in the questionnaires initially were constituted into questions in the final questionnaire instrument. There was no data contamination in the main research outcome since results of the pilot study were not included in the main results. The peer-review of questionnaires was done on the revised questions to some Lectures from the School of Veterinary Medicine. These processes made the instruments more suitable for the actual research and able to bring the required results.

The questionnaire instrument for farmers consisted of both open and closed format questions. Questionnaires were administered to the farmers in Chongwe District, Lusaka province especially, Kanakantapa Farming Block where there are a majority of farmers. The research was also undertaken in Shibuyunji in Mumbwa District of Central province and Kaleya in Mazabuka District of Southern province. In both instances, when necessary, additional data was received from respondents and also clarification was sought by asking questions outside the questionnaire. Some respondents preferred to provide extra data which helped in the interpretation of findings, conclusions and recommendations while others did not answer certain questions. The number of respondents was 70 and these constituted the responses which were analysed and interpreted. The distribution of farmers was done in such a way as to obtain experiences from the closest to the Ministry's headquarters' those from Chongwe. Dwelling within the shortest distance range, these farmers were expected to be advantageously placed in terms of receiving public goods and services with minimal costs. Farmers from Shibuyunji represented rural farmers while those in Kaleya fell between small and large small scale farmers.

The questionnaires constituted of one section with 18 questions basically on the services offered by MACO. The questions were designed in a manner as to bring out information on one the objectives of the study: the extent of satisfaction by the users of the services of MACO with the performance of the Ministry's employees after retrenchment. This consequently led to finding out whether there was efficiency in the delivery of services. The collection of data using questionnaires commenced with a pilot study of 10 farmers from Kanakatampa, in Chongwe District being the nearest place. For the questionnaire instrument used to collect primary data from farmers refer to, "Appendix II".

As the research was done during the planting season, the main problem in the conduct of this research was the logistics to get to the farms: there were the long distances to get to the farms, the bad roads which were sometimes impassable due to heavy rains.

The Management Interview Instrument was administered only to employees in MACO. The sample size of the interviewees was 6 besides the 37 who were administered

with questionnaires. The purpose of this instrument was to obtain specific information from some employees in management which was used as additional information. The Management Interview Instrument is in, “Appendix III”.

Secondary data was collected from books, journals, reports and other documentation from MACO, Bank of Zambia, Cabinet office, Ministry of Finance and National Planning, Central Statistical office, the University of Zambia Library, Catholic Church library, and the Internet.

### **Methods of Data Analysis**

Data analysis in this research was done using the Computer Software Applications: Microsoft Word and the statistical software: the Statistical Package for Social Sciences (SPSS). The first step was data reduction where the selection and condensing of data was done putting into consideration which data best answered the research questions and grouping this according to related subjects using Microsoft Word. For open-ended questions, similar responses were given headings and then coded according to the frequency of the heading or topic of discussion. This was followed by coding of similar or related responses using the SPSS. The analysed observations were presented in form of tables, frequencies and graphs. For data collected using interviews, since they were almost similar with those in questionnaires, the responses were used in the interpretation of data by filling in gaps.

The findings from the analysis helped establish relationships between and among variables: and also determined the extent to which each variable (objective) was achieved after the implementation of retrenchment, one of the objectives of the PSRP.

The study consists of six chapters with subsections except for the overall conclusion. Chapter 1 gives the background to the study. It highlighted the problem statement which was whether retrenchment which has been used by many countries to address issues of bloated wage bills and inefficiency in the delivery of services achieved the intended objectives in the Public Service of MACO. This was followed by the study purpose. Since governments have used retrenchment to address problems of major policy, the study was worthy of study and significant not only to the government being the policy maker but the Zambian people who are recipients of public services as well as scholars. Currently, there was no major evidence of any academic study on the performance of

MACO in terms of delivery of services to the public despite agriculture being a means of livelihood for many Zambians and its performance is about food and affects everyone. In addition, the study combined investigations on the extent of satisfaction by users of services. The study was also a requirement as a partial fulfillment of the requirement for the degree of Master of Public Administration at the University of Zambia. A conceptual framework was done where variables used in the research were discussed followed by a review of related literature and the method of data collection and analysis. Chapter 2 considers the overall background to retrenchment and the PSRP, its implementation with a discussion on retrenchment of the Zambia Public Service in general. The chapter closed with some background information on retrenchment in MACO. Results of retrenchment commence from Chapter 3 which considered the size of the Public Service and the wage bill. Efficiency in the delivery of service in MACO was discussed in chapter 4 based on satisfaction by the users, in this case the farmers. Chapter 5 considered performance and professionalism of the Public Service in MACO after retrenchment. Factors considered were the effect of retrenchment in enhancing motivation and performance as well as creation of professionalism in the Public Service. Professionalism was also considered in relation to institutional support. Chapter 6 concludes the findings of the study with recommendations.

## CHAPTER 2

### **BACKGROUND TO RETRENCHMENT AND THE PUBLIC SERVICE REFORM PROGRAMME**

#### **Introduction**

This chapter gives an overview background to retrenchment and the PSRP in Zambia commencing with a brief outline of the factors leading to the PSRP of 1993 where there was a discussion both of the performance of the Zambian economy and that of the Public Service from the time of the First Republic. This was followed by the PSRP implementation process. From the implementation process, there is a discussion on the retrenchment of the Public Service resulting from the PSRP of 1993. Finally, the chapter narrows down to retrenchment of the Public Service in MACO, the main subject of this study.

#### **Background to the Public Service Reform Programme**

The PSRP in Zambia was launched in November, 1993. The PSRP was part of the wider Structural Adjustment Programme that was adopted in response to the challenge posed by the poor economic performance that had existed since the late 1970s (Political and Administrative Studies Department, 2005). Among other factors: were the economic and social pressures experienced over the two decades since the 1980s that exposed the need for a changed role of government, demands for improved capacity by government to develop or formulate and implement appropriate policies, which were exacerbated by the popular dissatisfaction with the performance of the public service, inability by government to sustain a continually growing number of public servants and external pressure to reform as a condition for balance of payments (Ibid., 2005:1). The main aim of the PSRP was to transform the Public Service into an effective and efficient institution to deliver quality services to the people of Zambia, in line with the overall economic liberalisation programme, which the government had embarked upon (Ibid., 2005:2). The objectives of the original programme were like those of the public service reforms in Ghana: to improve government capacity to formulate, implement and analyse national policies for social and economic development; enhance ministerial capacities to effectively manage public expenditure and meet fiscal stabilization objectives and make the public service more efficient and responsive to the needs of the country's population

(Political and Administrative Studies Department, 2005:2). These objectives were to be achieved through three major components (Public Service Reform Programme, 2003): restructuring the Public Service in order to make it less costly but more efficient and effective by streamlining and rationalising structures and operations of government ministries and departments. The second component was management and human resources improvement which was to involve the introduction of Performance Management System and processes and procedures in order to improve organizational and individual performance in the Civil Service and the third component being decentralization and strengthening the Local Government in order to provide and facilitate improved service delivery at the Local Authority level.

The historical issues leading to the PSRP of 1993 trace back to the period just after Zambia obtained its' independence in 1964. Mataka (2003) former Permanent Secretary to Cabinet (Zambia) wrote much on the historical background to the PSRP starting from the period after the nation obtained independence in 1964 and also efforts to reform the Civil Service prior to year 1993. While the government needed a bigger Public Service upon obtaining independence in 1964 to carry out a developmental role such as building of schools, roads, hospitals and other social and economic infrastructure, a shift from that of maintaining law and order during the colonial period, this led to the expansion in the size of the Public Service. As a result the public service expanded from the mid 1970s to the extent that it was the major and by far the largest single employer in the country. For instance in 1965 the number of civil service was estimated at about 34,149 while in 1993 this figure rose to 98,331 (Mataka, 2003:1). The impact of this growth in the numbers of public service was reflected in the growth of the government wage bill. About mid 1980s, personal emoluments regularly absorbed approximately 8 to 10 percent of the Gross Domestic Product (GDP) compared to less than 5 percent in the 1960s (Ibid: 1). The government could sustain this bloated Public Service with the availability of enormous foreign exchange reserves due to the favourable world market prices for Zambia's base metals namely, copper, zinc and cobalt. However, from the 1980s into the 1990s, there was a general decline in the world commodities which led to a drop in the price of copper, the main source of export earnings. On the other hand, as contained in the report compiled by the Ministry of Finance and National Commission

for Development Planning in 1991, the size of the Public Service had grown excessively large. It did not only surpass the number of established positions, but also outstripped the capacity of government to provide a sufficient operating budget to make the Public Service productive and efficient. As far back as 1979, government through the Presidential Guideline Number 5 proposed a reduction of the Civil service by 50 per cent in order to make it more manageable, efficient and cost effective, however this was not fully implemented because it was too unrealistic (too ambitious) and also efforts met resistance arising from vested political interests (Mataka, 2003: 2).

In 1983, the government was advised by the IMF/World Bank to seriously tackle the question of the bloated public service. In response, the government again appointed an Administrative Committee of inquiry to probe conditions of service in the public service with a view to recommending measures that would make it leaner, better motivated and more responsive to the aspirations of the general public. Efforts to streamline the operations of the civil service continued in 1986 with the policy of freezing recruitment, creation and filling of administrative and non-professional posts and the requirement that all new appointments to professional and technical posts were to be authorized by the Cabinet office (Mataka, 2003). In addition, a decision was taken to lower retirement age from 60 to 55 for men and 55 to 50 for women as a way of indirectly reducing the size of the service. All those within the new age limit were retired immediately. At the same time as an incentive for early retirement the government made substantial increase to pension benefits and lump sum gratuities. However, these reform efforts resulted in the loss of a good number of young, well qualified and experienced officers from the public service.

These measures were not effective as shown in the World Report of 1991 on the “Public Sector Management Review” which recorded that the public service grew at an average of 60 percent per annum between 1975 and 1990. With these challenges, government realised the need to reform the Public Service as a tool to revamp the economy, however it was noted that even during the First Republic there was a capacity problem in the Public Service. It was said that, the effectiveness of the Civil Service had suffered as a result of a decline in real earnings over the years and the government was determined to, “restore the morale and efficiency of the Public Service”(Zambia. Budget

Speech, 1990:12) that was to be carried out within the constraints of the budget. The government's financial constraints by early 1990s were reflected in the national budget estimates such as the estimated budget expenditure of 1990 which was K29,926.3 billion against an estimated revenue of K4,509.4 billion which was a deficit budget. The government was therefore to embark on a reform programme for the Public Service that would identify high priority government functions which were to be strengthened. In the same budget, it was indicated that a census of all Public Service employees aimed at eliminating possible non-existent workers from the government payroll was to be carried out followed by a careful assessment of the workload in the ministries and departments in order to identify optimal staffing needs and levels. This was to be followed by a pay survey. With the cost considered, Zambia needed, "a small but efficient and well remunerated Civil Service" (Ibid., 1990:12).

In the January 1992 budget which was the first budget for the new government of the Movement for Multiparty Democracy (MMD), it was mentioned that the economy had declined for the third consecutive year, the total budget stood at K70,420.5 billion against an estimated revenue of K42,592.5 billion which was also a deficit budget. The problem of a large Public Service was said to be that, "resources had to be spread thinly over a large labour force, much of which was said to be idle" (Zambia. Budget Speech, 1992:14). The Public Service was also said to be demoralised hence, "often could not even put in their best due to poor conditions of service", (Ibid., 1992:14). Some of the ways government was to address this problem were outlined in the same budget as follows: to freeze all recruitment and not replacing natural wastage wherever it occurred except in essential services. There was to be relocating of labour from non-productive wings of the same economic area into the productive area as it was said that there were inappropriate management and organisational structures and inefficient systems of personnel management which could not facilitate the best use of the available manpower (Zambia. Budget Speech. 1998:18). Financial incentives were to be offered on a wide scale for those wishing to engage in small scale business ventures. There was to be a severance package for those of the ages between 45 to 55 years age who wished to voluntarily leave the Public Service. This was in view that the few that would remain could be getting a living wage. For professionals a special package was being worked

out with the aim of retaining those essential workers in the Zambian economy. There was need to, “keep the top grade manpower” and to do this, the wages and salaries were to be able catch up with those paid in neighbouring countries. (Zambia. Budget Speech, 1992:15). There was to be hiving off of certain government departments, commissions and other bodies that either had become defunct or could survive on their own on commercial basis.

In addition to the large size and the cost, the Public Service had also suffered from the loss of skilled manpower as a result of a large decline in real wages. One of the recommendations by the Commission of Inquiry into the Salaries, Salary Structures and Conditions of Service in the Zambia Public Service published in 1994 as contained in the Government Paper Number 1, 1994, was to improve the salaries and conditions of service so that they could become competitive within the region. The Zambian government it was reported, had by then started losing trained and professional personnel to other countries in the region where they were offered better conditions.

During the first session of the ninth National Assembly, on 22<sup>nd</sup> February, 2001, the Third Republican President, Dr. Levy P. Mwanawasa still bemoaned the state of the conditions of service for the Public Service which he said had, “deteriorated over the years, resulting in the brain drain and failure to attract and retain the right caliber of personnel”. It was pointed out that the people who were trained at a cost, could not deliver if they were not given competitive conditions of service and if the government did not provide a conducive working environment. There was therefore, according to the Third Republican President, an urgent need to adopt and implement bold measures to deal with the long standing problem of poor salaries and conditions of service.

A study to develop a strategy for enhanced pay and conditions of service in the Public Service commissioned by the MDD in 2002 indicated the stages of the decline in the real pay of the Public Service for various salary groups for the period 1975 through 2000. The significant patterns which emerged in the Public Service real pay trends in Zambia were as follows:

- i) 1975 – 1983, where real public service salaries declined sharply (by about 30- 40% for most salary groups between 1975 and 1979), before

recovering much of their value in 1980 (returning to 70-85% of their 1975 value).

- ii) 1983 – 1991, where all salary groups experienced significant and uninterrupted decline in their real public service pay: with real public service pay by the end equaling only 11 – 22% of its 1975 value for most salary groups.
- iii) 1991 – 2000 a period marked by change of government and the introduction of a number of economic reforms and a comprehensive Public Sector Reform Programme. The real Public Service salaries fluctuated significantly but for most part moved in a downward direction for most salary groups.
- iv) 2000 when most salary groups had experienced real Public Service decline of the magnitude of 85-90% in comparison to their value in 1975.

The outlined trend in real pay had negative consequences which were outlined in the cited in the various Annual Budgets and also the outcome of the above commissioned study by the Management Development Division: declining motivation, reduced work effort with its declining levels in performance: diminished ability to recruit and retain qualified managerial, professional and technical manpower. The capacity of the Public Service suffered increasingly because many public servants pursued an exit strategy, leaving government employment altogether or by exiting on-the-job which was: using work hours and public resources to engage in their own income-maintenance strategies. There was also the declining government budgetary allocation.

With the above background, the PSRP was necessary to be undertaken by the Zambian government to address the issues of efficiency in the delivery of services and the budgetary financial constraints which affected not only the capacity to meeting the wage bill but also affected the performance of the Public Service. Improving the Public Service delivery of services was very important to the nation's economic development.

### **The Implementation of the Public Service Reform Programme**

It was against this background that the PSRP was launched in 1993. The PSRP was proposed to be for a period of three years from the time of launching. The MDD at Cabinet office was charged with the responsibility of coordination and implementation of the PSRP (Public Service Reform Programme, 1993:3). A PSRP Technical Committee under the Chairmanship of the Permanent Secretary, Management Development Division, Cabinet office was set whose responsibility was to advise Cabinet on the programme and actively support its implementation throughout the Public Service. The PSRP was given both technical and financial support by the donor community (Ibid., 1993: 3). The total estimated cost for component 1 of the Public Service Restructuring was K9.25 billion (Public Service Reform Programme, 2003:13) while the second component of Management and Human Resources Improvement was K2.80 billion (Ibid., 2003: 24).

Restructuring of the Ministries and institutions consisted of ten steps (Political and Administrative Studies Department, 2005) some of which were: having a one day meeting of all Provincial Permanent Secretaries, who were briefed and consulted over the restructuring and the Provincial Restructuring Programme, Management/Performance Audits that were to be undertaken in all provinces and districts by external consultants working in liaison with the Management Development Division which were to be done in six provinces, Provincial Planning Workshops to come up with five year strategic plans and optimized structures for provinces and districts. This exercise was to include the preparation of staff retention and redeployment plans (Ibid., 2005). The development of generic structures were to be done by external consultants in consultation with the Management Development Division. The next step was the holding of a National Convention of Key Stakeholders who were to debate and agree on new structures and strategic plans for provincial, district, and local government administration. This was followed by getting approval from Cabinet and Treasury Authority. Cabinet approval for the new structures was to be sought before they could be implemented. Treasury Authority was to be automatically granted upon Cabinet approval of new structures and budgetary estimates required for implementation. The next step was the Selection and Placement of staff where the right people were to be selected for the right positions in the

new structures on a phased basis. Phase 1 was to advertise and recruit internally amongst existing personnel regardless of current ministry or department of employee. Phase 2 was opened to external recruitment for positions where no expertise existed within government. The process was also to involve staff retention plans. This was to be spearheaded by the Public Service Commission which was to conduct selection and placement tests and interviews for new comers to the public service. The next step was to be the Installation of Performance Management Package, a tool for improving individual and organisational performance. This was followed by Capacity Building, Monitoring and Evaluation of the performance of the provinces. Effort was to be made to assess the effectiveness of the new structures and extent of implementation of strategic plans. Building capacity at provincial and district level was to be undertaken to improve quality of service delivery. This was followed by the establishment of Strategic Plans and finally the Restructuring or Re-organisation whose outcome among others was retrenchment.

The PRSP during the period of study 1993 to 2003 underwent a review in the year 2000 (Political and Administrative Studies Department, 2005:6). Under the PSRP 2000 review and adoption, the general goal was to create an affordable, efficient, effective and responsive Public Service that was to provide quality and cost effective services to the people of Zambia (Ibid., 2005:6). Some of the objectives of the PRSP 2000 as outlined (Ibid., 2005:6,7) were (1) to right size the Public Service through the reduction of the Establishment, rationalization of structures and divestiture of noncore government functions (2) to strengthen the Establishment and payroll controls through computerisation of personnel information and decentralization of large payrolls (3) strengthen the financial management systems through developing and implementing financial management systems to control effectively the budgeting and expenditure of public resources at strategic and operational levels and (4) monitor service delivery performance through established systems for the regular objective measurement of quality and coverage of services delivered to citizens, including access to services by poor and vulnerable groups.

The government was committed to achieving the objectives of the PSRP as we see a financial allocation towards the programme in each of the consecutive government budgets from the year 1994 since the PSRP was launched in November, 1993. In the

1994 budget K6.5 billion was set for the Civil Service Reform and in 1995; a total of K33.0 billion was set for the PSRP (Zambia. Budget Speech, 1995) while in the 1996 budget: K35.0 billion was set for the PSRP and wage adjustment (Ibid., 1996). During the 1997 budget, a total budget of K20.0 billion was allocated. In the 1998 budget, K116.00 billion was allocated for the PSRP (Ibid., 1998) with K80.0 billion in the 1999 budget and the government in the year 2000 spent K104 billion in terminal benefits and pension of affected employees. For the year 2001 budget, a reduced amount of K20 billion was put to meet retrenchment packages for those who were to be separated from the Civil Service, and to avoid the anguish and suffering that would be experienced, government was to ensure that only those who could be paid from this amount were to be separated (Ibid., 2001). For the following year 2002, an allocation of K80.0 billion was set for the PSRP (Ibid., 2002). Since PSRP was ongoing, in the year 2004, a total of K33.0 billion was set (Ibid., 2004).

### **The Retrenchment of the Zambia Public Service**

Retrenchment was one of the outcomes of restructuring of ministries, provincial, district or local government administration. The component objectives of restructuring was to, “develop a leaner, more efficiency Public Service, develop and implement an appropriate exit programme to assist retrenched officers find alternative livelihood while instituting improved remuneration and conditions of service for those who were to be retained and streamline and harmonise planning, programming and budgeting activities in order to improve fiscal discipline” (Public Service Reform Programme, 2003:10). In order to support the PSRP, in October, 2000 government launched the Public Service Capacity Building Project (PSCAP) whose overall purpose was to create a Public Service that efficiently and effectively supports social and economic development and contributes to poverty reduction in the country.

Reductions in staff during the three year period 1994 to 1996 were to be based upon reorganised and restructured ministries and provinces and it was only after that process was all underway that specific numbers and levels for retrenchment were known. The investigations by Political and Administrative Studies Department (2005) outlined a detail of the outcome of the PRSP. The effect of PRSP on retrenchment was not very significant since restructuring only covered a small part of the Public Service (Political

and Administrative Studies Department, 2005:18). It was established that while new structures for 19 out of 21 ministries and 16 out of 17 institutions had been approved by the end of April 2004 the process had not even started for provincial, district and local government administrations. Hence in terms of making the Public Service leaner, this objective was not fully realised. The management audits that were specifically intended to ascertain among others: how many employees the ministry had, at what levels and the current structure, management and/ or operational structures and procedures, current objective(s), expected outputs, activities, and work plans, current job descriptions and required qualifications for positions in the ministry or province and any other information deemed important to restructuring (Ibid., 2005:3) were not equally very successful. These were in some cases poorly conducted, leading not only to excessive redundancies, but also to the separation of key technical and competent staff with many years of experience (Ibid., 2005:18).

Still under restructuring, the strategic plans that were developed had challenges too in that they could not be fully implemented due to inadequate and adhoc funding besides the delays in the approval process. The Strategic Plans, the outcomes of the management audit were intended to develop sound, comprehensive, time bound organisational and most effective organisational structures and job descriptions for every ministry. It was however; found out that of the 14 public organisations that were covered by the research conducted by (Ibid., 2005:18) only 7 indicated having had adequate funding though these responses were also in lower levels. There was however some positive outcomes on job descriptions and specifications as most of respondents from the ministries and other public organisations indicated having job descriptions.

The last stage, Reorganisation and Restructuring took into account the core functions as identified during the strategic planning and was intended to develop an organisational structure and job descriptions which were to reflect priorities and work plans developed in the auditing and strategic planning processes. The purpose was to analyse the strategic plans, develop the most efficient organisational structure and job descriptions for carrying out the strategic plan, within the boundaries of the strategic plans. It was under these restructuring steps that non-core functions and service were hived off through: commercialisation, privatisation or abolishing them.

On the size of the Public Service establishment, the target of reduction in order to reduce the wage bill which was reviewed in 1997 was from 139,000 to 80,000 over a period of two years (Political and Administrative Studies Department, 2005:19). There was a subsequent target reduction to 7,000 employees in 1999. The planned downsizing was intended to reduce the wage bill from K231 billion in 1997 to K180.0 billion per annum by 2002 (Ibid., 2005:19). The result was that 16,000 out of 17,000 Classified Employees (CEs) were retrenched and only about 2,000 employees out of the target number of 12,000 applied for voluntary separation by the end of 1999 (Ibid., 2005:19). The identification of ghost workers and termination of recently hired personnel were hampered by the absence of a reliable establishment and payroll control system. As the majority of the retrenched were those of the lower level bracket in terms of remuneration it meant that the reduction in the wage bill did not reduce significantly. The nominal wage that stood at K178.0 billion in 1995 and was supposed to be reduced, stood at K1,301,98.0 billion in 2002 and at K1,728.0 billion in 2003 rising to K1,912.50 billion in the 2004 budget (Ibid., 2005:20) though these figures included retrenchment packages and retention of those waiting for their terminal packages while on the payroll. The redundant and excess staff were separated and the vacancies in the restructured ministries/institutions were advertised, first internally and then externally if they could not be filled in internally. Table 3 of Appendix “A” Salaries and Wages shows the Public Service Wage bill for the period 1995 to 2004 together with the Nominal exchange rates for the period. On the other hand, Figures 10 and 11 of Appendix “A”, give a summary of the effect of the PSRP on the Public Service Nominal Wage Bill which had an upward trend from 1995 to 2004 while as the Real Wage Bill that which were adjusted for inflation, there was some slight downwards trend from 1997 to 2000 and sort of stabilised during the years 1998 to 2000 before shooting upwards in 2001.

On the effect on staffing levels, putting the right people in right positions, there were shortages of staff and many positions were not filled even by the year 2003 due to some extent unattractive conditions of service and delays in recruitment and placement of staff. Restructuring also brought in some job insecurity among public workers in the institutions that were not yet structured.

The Management and Human Resources Performance Improvement, component

two of the PSRP was intended among others to: “improve the efficiency and effectiveness of the Public Service in the performance of its functions by establishing management systems of accountability and performance in the public service, and developing skills which were to enable senior civil servants to more effectively manage the Public Service” (Public Service Reform Programme, 1993: 8). In terms of management and human resource improvement, the APAS set the stage for performance improvement in the Public Service. The challenges on these forms were that after they were sent to the headquarters, there was no feedback. There was also the problem of not being well established due to lack of resources.

In order to mitigate the impact of restructuring, the government entered into contract with a firm for the provision of job counselling, job search and entrepreneurship development training that was to be provided for up to 15,000 people that were being retrenched from the public and parastatal sectors (Public Service Reform Programme, 1993:8). According to the findings from Future Search, a Unit under the Public Service Management Division at Cabinet office, the contracted firm was the Management Systems International (MSI) of America that set up a Social Safety Net. The firm was under the supervision of the Permanent Secretary for the Public Service Management Division at Cabinet office. The Project was a strategy to service retrenched and retired Public Service workers by channelling them into a productive future (SERVICE: a PSRP bulletin, 2004:21). The Project was based at the National Institute of Public Administration (NIPA) (Ibid., 2004: 21). The main activities of the programme were to offer social counselling, training in entrepreneurship and job search techniques. Social counselling dealt with the concept of change and major life transitions including the HIV/AIDS pandemic. Entrepreneurship development workshops were mainly designed to equip potential entrepreneurs to start successful developers grow their own enterprises through the development of behavioural competences and participants were encouraged to be job creators for themselves and their people than being job applicants and the Project had associations countrywide. A Future Search Newsletter was also launched. The training provided was in addition to the monetary retrenchment packages that they were entitled to. Figure 1 is an extract of some of the activities undertaken through the Social Safety Net by Future Search, under the supervision of the Permanent Secretary for

the Public Service Management Division at Cabinet office in some years:

**Table 1 Activities undertaken through the Social Safety Net by Future Search**

	1993	1994	1996	1997	1999	2000	2002	2003	2005
Counseling	1683	2356	1599	1946	2217	2528	1964	2336	3233
EDP	281	639	634	947	602	665	954	553	1391
SBA	0	0	0	0	0	0	329	0	63
JSS	254	530	222	431	1090	1376	99	128	245
Total Participants	2218	3525	2455	3324	3909	4569	3346	3017	4932

Source: Future Search, a Unit of the Public Service Management Division, Cabinet office March, 2013

**Foot Note:**

EDP – Entrepreneurship Development Programme

SBM – Small Business Programme

JSS – Job Search Seminar

**Retrenchment in the Ministry of Agriculture and Cooperatives**

Under the PSRP, all central government ministries, including provinces and district offices as well as local authorities, were to be restructured in order to improve their efficiency, cost effectiveness and responsiveness in the delivery of public services to the people of Zambia (SERVICE: a PSRP bulletin, 2001:3). This was confirmed during the launch of component three of the PSRP, on 12<sup>th</sup> May, 2001, when the Secretary to Cabinet informed that, using a systematic step – by – step process, all the 22 central government ministries and three institutions had been restructured under component one (Ibid., 2001:3). By the year 2005, all the government ministries and some 8 institutions had gone through the processes of strategic planning and structural reorganisation and the Performance Management Systems installed in 12 ministries and 5 institutions (Political and Administrative Studies Department, 2005:11). Hence, the process of retrenchment of the Public Service in MACO which came about through the restructuring process was similar with other Ministries and provinces where the PSRP of 1993 was implemented.

According to the implementation schedule, component one of the PSRP: Restructuring the Public Service in the then MAFF was to commence from March to June, 1994. The programme commenced with the Management Audit, consequently, a

Strategic Plan was developed outlining its mission, goal, objectives, roles and functions of the ministry in the same year 1994. Based on this Strategic Plan, “appropriate organisation structures and staffing levels were determined, finalised, and promulgated through the Restructuring Report of the Ministry in May, 1997”(Ministry of Agriculture and Cooperatives, 2003:1). The initial targeted figure of reduction at the commencement of the programme was to reduce the Ministry’s establishment size from 7,000 to 5,000 (Public Expenditure in the Ministry of Agricultural Sector: 1996 - 2000). By the year 1995, according to the Annual Report of 1999 of MAFF, the structure of the ministry (now called MACO) was approved under the restructuring of the PSRP and it was after the approval of the structure that retrenchment took place. By 1997/1998, the restructuring commenced in MAFF and the exercise progressed in the following years.

Ministry of Agriculture Food and Fisheries underwent further restructuring soon after. According to the revised Final Restructuring Report on MACO of 2003, the findings are that since 1994 when the Strategic Plan was developed, (Ministry of Agriculture and Cooperatives, 2003:1), a number of significant socio-economic and political developments took place in the country and political decisions were made which had some implications in the current structure and operations of the Ministry for instance the government’s decision to enact the Cooperatives Societies Act of 1998 (Ibid., 2003:1). Consequently, in 2001, the Strategic Plan that was developed in 1994 was revised in order to align it with the changes in the environment and enable the Ministry to further improve the quality of service delivery to its clients. The revised Strategic Plan of 2001 which was to run from 2001 to 2005 redefined the Ministry’s Mission (vision of success), goal (specific target), objectives (what was intended to be achieved within the next five years) and strategies (means) to achieve the objectives and ultimately the mission (Ibid., 2003:1).

With the revision of the Strategic Plan in 2001, the Ministry was to reflect government’s emphasis on developing agriculture through, among other means: the revamping of cooperatives and the streamlining of the marketing system for the benefit of the farmers so that they will be able to compete favourably within the country and in the region (Ministry of Agriculture and Cooperatives, 2003:3). The government’s Strategic vision was also reflected in the refocusing of the government’s participation in

agriculture activities through the ministry. The government was now to “play a more active role in agricultural activities in order to attain its vision of having in place a sustainable and viable agriculture sector which would contribute to food security, poverty reduction and income generation at both household and national levels” (Ministry of Agriculture and Cooperatives, 2003:3). The government was determined to have the small scale farmers graduate from subsistence and become the main stay of the country in the provision of food and security. This was unlike in the previous structure which restricted the Ministry’s functions to formulating and monitoring the implementation of appropriate policies that enhanced the capacities of private sector participation in overall improvement of the agricultural industry”(SERVICE: a PSRP bulletin, 2001:7). In the old system, Government through MAFF was not required to be directly involved in activities such as buying and selling of agricultural goods, provision of agricultural inputs as well as the development of cooperatives.

Some of the objectives formulated which were meant to realise the mission as well as to provide the ministry with specific accountabilities against the overall performance which were to be measured in the following five years 2001 – 2005 (Ministry of Agriculture and Cooperatives. 2003:1), were:

1. To promote agricultural production, productivity and efficient management of agricultural produce and products in order to ensure sustainable household and national food security
2. To promote appropriate information, knowledge and skills on the agricultural sector to clients in order to create awareness on the agricultural development and improve productivity.
3. To effectively develop human and institutional capacity in the Ministry for the efficient and effective delivery of services.
4. To effectively manage the utilisation of human, financial, material and their resources in order to ensure the attainability of the Ministry’s objectives.

In line with the revised Strategic Plan of 2001, there was need for the reorganisation of the organisation structures and staffing levels of MACO to bring them in line with the revised 2001 Strategic Plan for example the existing titles in some of the departments

under MACO that did not reflect the core business and functions of these departments. As a result, “there was fragmentation of certain functions resulting in operational difficulties and ultimately inefficiencies in the delivery of quality services” (SERVICE: a PSRP bulletin, 2001:7). The restructuring of MACO that followed therefore, consisted of a review of the existing organisational structure and staffing levels and creation of new ones per Department according to the Strategic Plan in conformity with the government’s renewed interest and focus that agriculture should become one of the main contributors to the national economy and in support of the revised Strategic Plan (2001 – 2005). After country wide consultations with various stakeholders, it became necessary to rename MAFF as MACO in February, 2002.

## CHAPTER 3

### THE SIZE AND WAGE BILL OF THE PUBLIC SERVICE IN THE MINISTRY OF AGRICULTURE AND COOPERATIVES

#### Introduction

This chapter considered and assessed the effect of retrenchment on the size and wage bill of the Public Service including aspects of changes to the organisational structure and establishment in MACO. It is from these two structures: organisational and establishment that the resultant size and wage bill were affected and determined. The discussion starts with the effect of retrenchment on the size and then proceeds to assess the effect on the wage bill which is supposed to correspond to the changes in the size.

#### Effect of retrenchment on the size of the Public Service

Retrenchment in MACO was a result of the restructuring which commenced in 1997/1998 when the ministry was still called MAFF (Ministry of Agriculture and Cooperatives, 2003:1) and the exercise progressed in the following years as seen in the revision of the 1995 Strategic Plan (Ministry of Agriculture and Cooperatives, 2003:3). At the commencement of the programme, the Ministry's establishment size was to be reduced from 7,000 to 5,000 (Public Expenditure in the Agricultural Sector: 1996 – 2000). According to responses obtained from the Human Resources Department of MACO: December, 2009, the programme commenced with the internal advertisement of all jobs in the ministry, both newly created and the old together with the required qualifications and job descriptions as was contained in the booklet. All employees starting from the position of Directors had to apply, and were interviewed. Staff that had the right qualifications were taken on. Retrenchment of staff in the MAFF was undertaken where some employees were separated especially at lower levels like Typists and some Administrative staff included under the Casual Daily Employees, others were given voluntary separation incentives like the technical staff at the level of Camp/Extension Officers. Some positions were scrapped off like the Provincial Marketing Cooperative Offices while others were upgraded. For those that were upgraded, if the occupant of that position did not qualify for the upgraded position, they were given an option to either go down in the rank or leave the system. In certain instances, positions were just renamed like the District Agricultural officer to Senior

Agricultural officer, and the position now required a degree holder. Some departments were also just renamed for example the Zambia Agriculture Research Institute from being called the Department of Research. As the IMF/ World Bank were one of the major advocates for the PSRP, most of the payment for the programme including the retrenched workers was made by this institution. During the same period 1997/1998, the IMF/ World Bank though at national level required that there be a freeze of recruitment of new hiring which was to run for a period of three years.

Retrenchment in the form of Voluntary Separation Scheme was also undertaken in MACO. According to MAFF Semi-Annual Report for the period from 1<sup>st</sup> October 1998 to 31<sup>st</sup> March 1999, a total of 270 members of staff lost employment through the Voluntary Separation Programme (VSP). At the same time, a total of 638 staff were recruited under the Department of Field Services and the Branches of: Soils and Crop Research and the Animal Production and Health. Though there was recruitment, the same Department of Field Services still had 600 vacant posts out of an Establishment of 2,858 under its Extension Services Branch (excluding the Fisheries Extension Branch). Overall, MAFF by the end of 1999, reported a total of 1,205 members of staff who were appointed under the recruitment and placement activity of the Human Resources and Administration Directorate following the restructuring.

During the year 2000, the Human Resources and Administration in its' annual report, indicated having processed a total of 165 cases involving members of staff who went under the Voluntary Separation Scheme. From these two reports therefore, a total of 435 employees were separated from the Ministry under the Voluntary Separation Package of retrenchment. However, this figure may not be conclusive as there could have been other documentation that may not have been availed during the research.

It should be mentioned too that retrenchment of the Public Service through the PSRP of 1993 in MACO during the period under study, could also have been affected by changes of government policy emphasis. From the year 2001, government changed the dimension of the PSRP with the launch of Public Service Capacity Building Project (PSCAP) in October, 2000 which aimed at providing efficient, public service delivery processes, to facilitate economic growth, and reduce poverty. One of the five components of PSCAP was rightsizing and pay reform, which was to bring about the restructuring

required to rationalize government functions, and to generate the financial resources needed to initiate pay incentives. Considering the components and objectives of PSCAP, there was still furtherance of some of the objectives of retrenchment but with a different theme. Under PSCAP, for example, there was also a call for the separation of redundant staff and the Project included monetary payment reforms and the establishment of a payroll control system.

As MAFF underwent further restructuring according to the revised Strategic Plan of 2001 which was to run from 2001 to 2005 discussed in chapter 2, further changes occurred to the establishment and structure which affected the size. Under the reorganisation, objectives were clustered according to their similarity and relatedness to form specific functional areas, which were to constitute the Ministry's core business of operation where attention was to be focused and results expected to be seen. Under this, five core functions were identified and one of these was Agriculture: which as a core functional area was to relate to the development and promotion of appropriate and viable agriculture activities that were to enhance production and productivity and contribute to food security, income generation and poverty alleviation. The restructuring of MACO that followed therefore consisted of a review of the existing organisational structure and staffing levels and creation of new ones according to the Strategic Plan in conformity with the government's renewed interest and focus that agriculture becomes one of the main contributions to the national economy and in support of the revised Strategic Plan (2001 – 2005). The review was done per Department for each post with its salary scale of the existing establishment. Tables 2 and 3 show the process of restructuring per Department and Branch for Civil Servants and Non-Civil Servants under the 2001 Strategic Plan. The tables also show the overall staffing and financial implications in terms of personal emoluments for the two categories of employees: Civil Servants and Non-Civil Servants.

**Table 2 Civil Servants**

<b>Department</b>	<b>Establishment</b>		<b>Costing</b>	
	<b>Existing</b>	<b>Proposed</b>	<b>Existing K''</b>	<b>Proposed K''</b>
Veterinary and Livestock Development	1,297	968	8,399,571,994	6,907,512,574
Agriculture Department	3,446	3,190	17,149,498,456	16,657,622,916
Agriculture Research Institute	446	419	2,407,291,284	2,171,479,992
Fisheries Department	410	419	2,235,813,398	2,395,580,596
Seed Control and Certificate Institute	65	99	390,991,036	596,131,100
Cooperatives Department	76	170	366,358,068	949,131,100
Agribusiness and Marketing	157	171	905,068,136	1,067,991,084
Policy and Planning	51	59	416,958,710	601,241,442
National Agriculture Information Service	174	202	1,001,360,064	1,194,424,264
Office of the Provincial Agricultural Coordinator	90	108	549,325,698	712,982,816
Office of the District Agricultural Coordinator	260	438	1,939,138,500	2,480,991,432
Human Resources and Administration Department	142	153	990,389,858	1,086,392,652
<b>Grand Totals</b>	<b>6,614</b>	<b>6,396</b>	<b>36,751,765,202</b>	<b>36,821,953,264</b>

**Source:** Final Restructuring Report for the Ministry of Agriculture and Cooperatives. February, 2003(Revised)

**Table 3 Non-Civil Servants**

Department	Establishment		Costing	
	Existing	Proposed	Existing <u>K</u>	Proposed <u>K</u>
Veterinary and Livestock Development	25	81	90,428,316	289,860,684
Agriculture Department	185	186	668,651,616	672,302,016
Agriculture Research Institute	345	348	1,280,554,800	1,322,910,892
Fisheries Department	182	167	633,125,752	595,479,948
Seed Control and Certificate Institute	44	27	15,719,936	97,487,584
Cooperatives Department	2	14	7,640,100	54,280,556
Agribusiness and Marketing	21	13	77,057,712	40,775,472
Policy and Planning	14	12	51,942,156	43,994,628
National Agricultural Information Service	26	22	107,954,748	89,738,460
Office of the Provincial Agricultural Coordinator	81	81	288,684,864	288,624,864
Office of the District Agricultural Coordinator	390	438	5,269,808,700	6,519,498,600
Human Resources and Administration Department	35	22	124,960,924	80,652,912
<b>Grand Totals</b>	<b>1,350</b>	<b>1,411</b>	<b>8,616,529,624</b>	<b>10,095,606,616</b>

**Source:** Final Restructuring Report for the Ministry of Agriculture and Cooperatives February, 2003(Revised)

Tables 2 and 3 above show the existing and proposed staffing and financial implications in terms of personal emoluments for the two categories of employees in the Ministry: Civil Servants and Non- Civil Servants (Casual Daily Employees). From these figures of the reorganisation resulting from the 2001 Strategic Plan, in terms of the size, the proposed structure was a decrease in the Establishment of the Civil Service from 6,614 to

6,396. Comparing the initial plan to reduce from 7000 to 5000, by the time of the 2001 Strategic Plan as shown in Table 2 above, there was already some reduction of 386. The actual number of filled positions for the Civil Service by year 2003 was 3,585 as shown in Table 9 as compared to the establishment of 6033. When the existing and the proposed figures in Table 2 are compared, the implication was again a decrease of 218 in the size of the Civil Service Establishment and a slight increase of 61 in the size of the Establishment of the Non Civil Service.

While others were being separated, the Ministry in its annual report among the constraints, indicated that inadequate staffing was still a problem where some Districts were still unmanned. Most of the Classified Daily Employees who used to assist District Agricultural Coordinators were retrenched and the few clerical officers who remained were not enough to cope with the challenges of the new structured Ministry. The Provincial Agriculture Coordinator, North Western Province in the annual report of 2002, indicated that in certain Districts, the Ministry operated with less than half of the staff in the establishment while in Eastern province, most of the positions remained unfilled at Camp and Block levels. Commenting on the staffing levels, from the questionnaires administered to employees, the respondents did not agree with the government assertion that the Public Service was overstaffed prior to the PSRP of 1993. From the responses of the sampled employees, 51.5% of respondents said no to the assertion of being bloated compared to 21.2% who agreed to a greater extent, 18.2% agreeing to a lesser extent while 9.1% said there was no problem of overstaffing. It was indicated that even before retrenchment, there were vacant positions in the Ministry and the situation had been so especially at the field level even during the time this research late 2009 to early 2010 still needed to be increased. An example was given that one extension officer had a clientele size of about 1000 farmers to service in the field.

The resultant organizational structures and establishments of the 1994 and 2001 Strategic Plans were considered in this study since it was through them that the new size of the Public Service were determined which also indicated numbers of posts filled and unfilled. Details of changes to the Establishment in the Public Service in the MAFF and MACO are indicated in Appendix B “Changes in the Establishment Structure” under Tables 7, 8 and 9. A comparison between the Establishment of 1994 and 1996 indicates a

relative increase in the General Administrative, Medical/Paramedical/Nursing and Medical Doctor Scale posts leading to an upward adjustment in the overall size from 7,090 to 7,138. There was also a minimal reduction at the lower level salary scale for Technical scale posts from 4,530 to 4,514. After the establishment of the 2001 Strategic Plan having reviewed the 1994 Strategic Plan, we see in Table 9 the 2003 total Establishment (Civil and Non Civil) standing at 6,797 from 7,138 in 1996 while the total filled stood at 4921. The reduction in size from 1994 therefore stood at about 293 positions. However, not all the establishment was filled since only a total of 4,921 posts were filled by end of the year 2003. Understaffed levels were actually indicated in almost all reports: MAFF and MACO or its' Departments that this hampered performance.

The outcome of the effect of retrenchment on the size of the Public Service were fluctuations: increases and decreases in the two categories of employees, that could also be alluded to what Drucker and Betty (1994) established as discussed under the conceptual framework, that while many governments have approached the problem of financial constraints with downsizing; that is, shrinking the workforce, they face a dilemma as they are still required to provide services at the current or even more higher levels. It is this dilemma that recruitment continued especially at higher levels even after efforts to retrench in MACO. Retrenchment has been described as, "more than a surgical operation aimed at cutting the fat, it eats the bones as well." Instead of improving efficiency like in the case of Uganda, where some government departments were left understaffed, it created room for inefficiency"(O El-Tom, 1994). In the case of the current study, these reported understaffing levels in MACO resulting from the retrenchment affected performance.

It was also noted that the actual numbers of employees in the Ministry's payroll also included nonexistent workers that had bloated the size of the Public Service to some extent.

In concluding the discussion on the effect of retrenchment on the size, it was observed that many changes occurred in both the Ministry's organisational structure and establishment. In cases where new positions were created the numbers in the salary scales increased while in some cases not all positions were filled. These fluctuations affected the

size finally leading to the failure to reach the planned targeted reduction of 5,000 from 7,000 even by the year 2003. By the year 2003, the establishment for both categories: Civil Service and Non-Civil Service stood at 6,797 as shown in Table 9, of Appendix “B”.

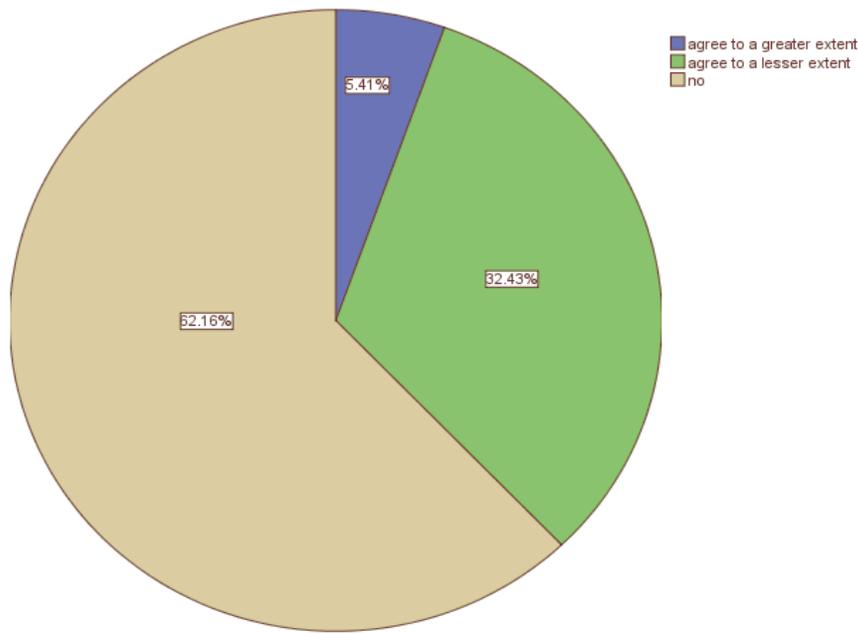
### **Effect of retrenchment on the wage bill of the Public Service**

The establishment in the Ministry reduced from 7,090 in 1994 to 6,797 in 2003 though the planned target of reduction was not met. This reduction would be assumed could have led to some reduction in the wage bill. However, there were fluctuations in the size as recruitment continued and there was the creation of new jobs for example the increase in the number of Directors from the 1997/98 Strategic Plan to that of 2001. In the year, 1993 under different Departments, the total expenditure on Personal Emoluments (salaries and wages) in MAFF as contained in the Recurrent and Estimates of Revenue from 1<sup>st</sup> January to 31<sup>st</sup> December 1993, stood at: K235,838,100 (Actual) against the Estimated budget of K388,083,000 as shown in Table 6 of Appendix A, “Salaries and Wages”. From the financial implication of the wage bill of the 2001 proposed restructuring of MACO in Table 2 and Table 3 discussed previously under the section on the effect of retrenchment on the size of the Public Service, there was no reduction in the wage bill for both categories of employees: the Civil Service and Non-Civil Service. The financial implications on the personal emoluments for both categories of employees in the Ministry was a nominal increase from K36,751,765,202 to K36,821,953,264 for the Civil Service and an increase from K8,616,529,624 to K10,095,606,616 for Non-Civil Service. When one compares the personal emoluments in 1993 to that of 2003 even just for one category of employees, the Civil Servants, using the nominal exchange rates between the United States Dollar (\$) and the Zambian Kwacha (K) which at that time had an upward trend with reference to Table 5 of Appendix “A”, Salaries and Wages, the wage bill in MACO was far much higher after retrenchment.

This is confirmed from the responses from the sampled employees in MACO in Figure 1 who did not agree that retrenchment resulted in a reduction in the Public Service wage bill. The majority at 62.2% did not agree that retrenchment resulted in the reduction of the Public service wage bill, while 32.4% agreed to a lesser extent and 5.4% to a

greater extent.

**Figure 1 Respondent's views on whether retrenchment resulted in the reduction of the Public Service wage bill**



The majority of respondents in figure 1 above, at 62.16% did not agree that there was a reduction in the size of the wage bill because according to submissions on whether retrenchment resulted in the reduction of the wage bill from the sampled employees, recruitment continued especially at higher levels. However, some respondents did agree that there was some reduction in the wage bill at 32.4% an observation which could have arisen due to variations in the size between the Civil and Non Civil Service during the years of study where the size between the period 1994 and 1996 showed some reduction on the technical positions and an increase for senior positions and again an increase in non Civil Service category in the 2003 size. It was indicated that while some employees were retrenched, government started employing again: hence the government expenditure now became inclusive of the retrenchment packages as well as wages of newly created Departments as well as recruited staff as observed that 1,205 new appointments of staff were made in the Ministry in 1999. With the continued recruitment process, the implication was that the wage bill correspondingly increased as all employees had to be

remunerated. These findings from respondents on the effect of retrenchment on the size of the wage bill are similar with those of the overall trend of the Zambia Public Service wage bill for the period 1995 to 2004 as shown in Table 5 of Appendix “A” Salaries and Wages, where there was a continuous upward trend. In addition, it was indicated that, “Classified employees, who are at the tail end of the wage scale, appear to have borne the brunt of retrenchment” (Political and Administrative Studies Department, 2005:19). The gain in terms of wage bill reduction consequently was minimal. Hence the results could be interpreted as government not having fully achieved the objective of reducing the wage bill.

Removing ghost workers (nonexistent employees but on the pay roll) was part of retrenchment since these affect the size, consequently, contributing to the bloating of the wage bill. Retrenchment brought about the removal of some of the ghost workers under MAFF/and or MACO. Through advertising all positions and requiring that all employees apply and be interviewed, it meant that the new organizational structure was now filled with existing persons. This was besides the benefits of decentralization of the payroll. Previously, the payroll was centralized and was coming from Lusaka. According to information obtained from the office of the Provincial Agricultural Coordinator in Choma: February, 2010 with a decentralized system, the offices of the Provincial Agricultural Coordinators were able to give input on the payroll. If one resigned or died at the District level, the District Agricultural Coordinator would present a death certificate in case of the latter at the provincial offices. For those who retired, through the Permanent Secretary, the person would be written to by the Civil Service Commission. Once the person got the retirement letter, they would be removed from the payroll. The decentralization of the payroll from Lusaka, also assisted in controlling performance, if an employee was not at the station like a Camp Officer, their salary could be withheld upon a report by their Block Supervisors.

The existence of ghost workers was confirmed by employees sampled in the study as the majority at 72.7% agreed to the existence of these nonexistent workers in the Ministry with 12.1% agreeing to a lesser extent and 6.1% agreeing to a larger extent against 9.1% who said no. Of these respondents, the majority again indicated that the problem of ghost workers was addressed by retrenchment through varying extents: 40.0%

agreeing to a lesser extent, 20.0% agreeing to a greater extent against 17.1% who said ghost workers will always exist and 22.9% who said no. This variation could have arisen due to the observed excess staff on the ministerial payroll for example year 2000, of about 135 employees and year 2003, about 902 employees. According to the findings in the Status Report on the Wage bill and Housing Allowances submitted to the Secretary to Cabinet in August, 2003, there were 6,191 employees on the payroll yet only 5,289 positions were filled which meant an excess of 902 employees on the payroll. In the same Report, it was mentioned that the Ministry was still in the process of identifying the excess employees who were observed could have been those that were not appointed in the new structure but still on the payroll awaiting separation. Among others: there was a recommendation for the computerization of the Records Systems and Operational Systems as a solution to the problem of nonexistent employees.

In concluding the discussion on the effect of retrenchment on the government wage bill in MACO, the reduction was not significant either as a result of retrenching excess and redundant staff since recruitment continued or by the removal of ghost workers (non-existent workers) since not all were removed from the payroll. The wage bill actually increased as observed from Tables 2 and 3 in the section discussing the size of the Public Service. The cost of the existing establishment as reflected in the 2001 Strategic Plan was K36,751,765,202 for the Civil Servants and K8,616,529,624 for non-Civil Servants. In the same 2001 Strategic Plan there was a proposed nominal increase of these same figures to K36,821,953,264 for Civil Servants and K10,095,606,616 for non Civil Servants. The German economist Adolph Wagner (1835 – 1917) in his law also called the Law of Increasing Public Expenditure indicated that as progressive nations industrialize, the share of the public sector in the national economy grows continually. Wagner states that the increase in state expenditure is needed because of three main reasons and identified these as: social activities of the state, administrative and protective actions and welfare functions and the law was still found applicable during a study on public expenditure for the period 1891 – 1955 in the United Kingdom conducted by Peacock and Wiseman. The need by the Zambian government to attract and retain highly technical and professional was to bring efficiency in the delivery of public services, and since salaries were to be made attractive and competitive, this ultimately contributed to

the minimal or no reduction at all in the public service expenditure even after retrenchment.

Various proposals were made by employees of MACO on the ways government could have reduced the public service wage bill other than retrenchment. Similar themes that emerged were tallied and then processed using the SPSS statistical software and the output from the highest score were: expansion of the private sector tax base for more revenue so that government would be able to sustain its' budget expenditure, the creation of more private sector employment and reducing allowances for political appointees and unnecessary travels and workshops especially by senior management and their entitlements. These were followed by: retiring people at the right time and paying them immediately, and not filling vacant positions of natural wastage. On the proposals for the removal of non-existent employees the same format was used where similar themes were tallied and processed using the SPSS statistical software and some of the recommendations from the highest scorer were: strengthening of record keeping and monitoring of staff returns, regular and comprehensive head counts, computerizing the wages and salaries systems, physical visits to rural areas, and improving workers' wages and conditions of work.

## **Conclusion**

Retrenchment did take place in MACO formerly MAFF and progressed on through the years even after 2003. Through retrenchment, MAFF intended to reduce the workforce from about 7000 to 5000. Through the restructuring process, redundant and excess staff and positions were identified. This was through the development of Job requirements and Job descriptions resulting from the newly established organizational structures of the Strategic Plans. The first restructuring commenced in 1997/1998 under the then MAFF and the employee separation consisted of people who could not qualify in the new organizational structure. Through interviews for the positions in the new organizational structure, qualified persons occupied the rightful positions. The establishment as of 1994 stood at 7,090 employees and by 1996, the establishment slightly increased to 7,138. The size was reduced to some extent though not reaching the intended target as it stood at 6,797 by 2003 for both categories of employees: Civil Servants and non Civil Servants. However, in almost all annual reports both at provincial

and ministry levels, inadequate or low staffing levels were reported.

Concerning the intended reduction in the Public Service wage bill, considering the reduction in the size of the Public Service from an establishment of 7,090 in 1994 to 6,797 in 2003 of both categories of employees, Civil Servants and non Civil Servants, there would have been some gain by way of reductions in the government expenditure. However, following up the trend, the reduction may not have been significant in that the major reduction was after a span of about 10 years and there were fluctuations for example in the year 2001, the establishment stood at an increased figure of 7,964. In addition, considering the other aspect of the effect of retrenchment, new positions were created while many positions were now occupied by qualified persons whose remuneration was much higher for example the 1999 Organisational Structure where each Department was not just headed by a Director, but included Deputy Directors except for the Department of Human Resources. Under the Strategic Plan of 2002 to 2005, the Cooperative and Marketing Development Division for example had a proposed establishment which had significant increases in the professional and technical staffing levels: from 2 to 95, and from 166 to 213 for the Departments of Cooperatives and Marketing and Entrepreneurship Development respectively. These top grade positions while on one hand were good for achieving efficiency in delivery of services, were said to be the highest paid. In addition, the government payroll by the year 2003 was not yet completely cleaned of excess staff.

## CHAPTER 4

### PERFORMANCE AND PROFESSIONALISM OF THE PUBLIC SERVICE IN THE MINISTRY OF AGRICULTURE AND COOPERATIVES

#### Introduction

The chapter examines the effect of retrenchment in enhancing professionalism in the Public Service of MACO in the form of a well trained and qualified staff occupying the right positions. The chapter also examines the extent to which retrenchment enhanced increased motivation of staff. Creation of professionalism and motivation of the Public Service were intended to improve performance in the delivery of public services. Performance improvement assessment in this study was not based on the output of the agricultural sector, that is: its' contribution to the GDP as there are complete different players though MACO has a major input. The agricultural sector performance assessment during the period 1996 to 2000 for example was done within the framework of ASIP which was designed to facilitate the promotion of the agricultural sector as the source of growth in Zambia. The performance assessment in this study was based on the delivery of services by MACO employees.

Following the reduction of the Public Service, it was hoped that, “the government would be able to decompress salaries for senior and middle ranking staff so that their salaries are comparable to those obtaining in the private sector” (Budget Speech, 1998:18). Performance of employees is affected by many factors such as a good working environment, improved pay benefits and incentives which are also classified as motivational factors. Though there is no single motivational factor, two of these which have been referred to in this chapter are the “Expectancy Theory” (Vroom, 1964) which deals with motivation and management and the Equity Theory of motivation (Adams, 1963). Some of the motivational factors such as improved salaries and conditions of service were essential in the creation of professionalism as government would have been able to recruit and retain qualified managerial, professional and technical manpower. Hence consideration of some of the factors as outlined in the stated theories of motivation was essential to see how this would have related to creation of professionalism in the

Public Service since apart from remunerative factors; the behavioral aspect also play an important part in one's conduct.

Government by reducing the size, hoped to create an affordable, well remunerated and professional Public Service. According to the Zambia Budget Speech of 1992, it was mentioned that government was working a special package for professionals with the aim of retaining these essential workers in the Zambian economy. There was need to, "keep the top grade manpower" and to do this, the wages and salaries were to be able catch up with those obtainable in neighbouring countries. (Zambia. Budget Speech 1992:15). Professionalism: the competence or skill expected of a professional is the key to quality and efficiency. It is the value that determines how the activities will be carried out and encompasses all other values that guide the public service such as establishing an administrative context in which officials carry out their duties in a professional, impartial and controllable way, training and the development of managers (Synnerstrom, 2010). It includes having employees carrying out the right jobs and possessing the appropriate skills to undertake them through merit recruitment and promotion (Bertucci, 2000) while being motivated to perform well though the provision of wage improvements to be able to retain and attract qualitative technical and professional employees. During the launch of the PSRP in 1993, the second Republican President Dr. Fredrick T. J. Chiluba in relation to the restructuring of the Public Service mentioned that the country needed a Public Service with, "less political interference which made the principles of technocrat thrown away to the wind" (SERVICE. A PSRP bulletin, 2000:1). Professionalism is further enhanced through the provision and an improved work environment within which officials are working that includes sufficient resources to carry out duties.

The assessment of creation of professionalism in this study was done much at the organizational level: the factors or systems put in. Professionalism was first assessed in relation to wage improvements introduced in the Ministry whether they were motivating for employees to perform their duties professionally and whether remuneration was able to retain and attract qualitative technical and professional employees. Improvements in remuneration included other incentives to motivate staff. Secondly, professionalism was assessed by considering the aspect of recruitment: having employees carrying out the

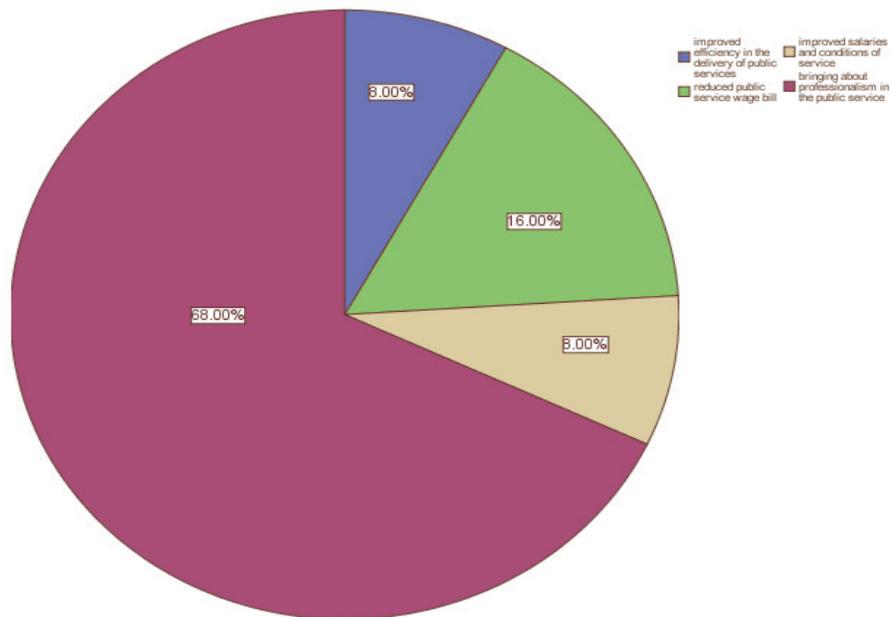
right jobs and possessing the appropriate skills to undertake through merit recruitment and promotions. The third aspect considered was institutional support in terms of the provision of adequate resources to carry out plans which affect performance consequently, professionalism. The output of the Public Service is not easily quantifiable: however the assessment was based on how supervisors as well as individual employees perceived whether there had been some professionalism in the delivery of public services after retrenchment through interviews as well as institutional reports.

### **Retrenchment and Enhanced Professionalism**

Professionalism in MACO was achieved through the restructuring process of 1997/1998 discussed in chapter 3 under the section which considered the effect of retrenchment on the size and wage bill. Through the development of the Strategic Plans of 1994 and 2001, the most effective organisational structure and job descriptions were established. The job descriptions assisted in the objective selection and placement of relevantly qualified personnel through the process of advertising all positions and recruiting on merit. Job descriptions defined the duties, responsibilities and contributions needed of a position and the required qualifications of the job holder which came as a result of a job analysis.

According to responses from the sampled employees on the most highly achieved objectives of retrenchment in MACO in figure 2, professionalism scored the highest. The majority of respondents indicated professionalism as the most highly achieved objective of retrenchment at 68%. Professionalism in the Public Service was followed by a reduction in the wage bill at 16%. The least achieved objectives that tallied at 8% were: improved conditions of service and efficiency in the delivery of public services.

Figure 2 Respondent's views of the most achieved objectives of retrenchment



Professionalism which scored highest in Figure 2 above was achieved since people were employed to positions of their qualifications as an outcome of the Strategic Plans which were to identify why a ministry existed as an organisation, its mission, objectives and internal strategies for accomplishing the objectives, thereby creating the most effective organisational structures and job descriptions where the right people were selected and placed. The second highest scoring was the reduction on the Public Service wage bill at 16.0% which was also consistent with the findings on the size of the wage bill that to some extent, there was a reduction. The least scoring were improved conditions of service and efficiency in the delivery of public services at 8.0% each.

The achievement of professionalism in Figure 2 above was further confirmed from the question as to whether retrenchment resulted in employees being placed in positions equivalent to their qualifications. Though in varied extents, the majority of respondents agreed with 32.4% agreeing to a lesser extent, 24.3% agreeing to a greater extent and 16.2% of those who said have always been in right positions. This was against the 27.0% of respondents who disagreed. Considering the two positive responses of 32.4% agreeing to a lesser extent and 24.3% to a greater extent, whose total when tallied is more than half of the sample: people were placed in the right positions of their qualifications, which was, merit recruitment and placement. The only immediate impact

that affected performance to some extent was lack of experience by some of the newly appointed qualified staff like the Administrative staff that were cited as an example. Previously, it was a requirement that these undergo training on how to administer in the Public Service, that is, obtain knowledge in the administration of a government institution at the National Institute of Public Administration upon appointment into the Civil Service, however this scenario changed. It was even highly recommended that if possible, this training of administrative staff at the National Institute of Public Administration should resume in order to prepare personnel in their new roles in the government. The training should be part of the requirement for the people in senior positions. Apart from right qualifications, it was also indicated that professionalism would have been further enhanced through conducting of regular workshops which would have updated employees on new inventions and technologies.

Ministry of Agriculture and Cooperatives continued in its efforts to create professionalism in the Public Service as shown in Table 10 of Appendix “C” under Creation of Professionalism in the Ministry of Agriculture and Cooperatives which shows changes in the Establishment Structure resulting from the 2002 to 2005 Strategic Plan for the 2 departments of the Division of Cooperatives and Marketing Development. In the Department of Cooperatives there was a proposed increase for the professional and technical Establishment: from 2 to 95 professional, and from 86 to 193 technical positions while in the department of Marketing and Entrepreneurship Development, there was a proposed increase in professional positions from 166 to 213.

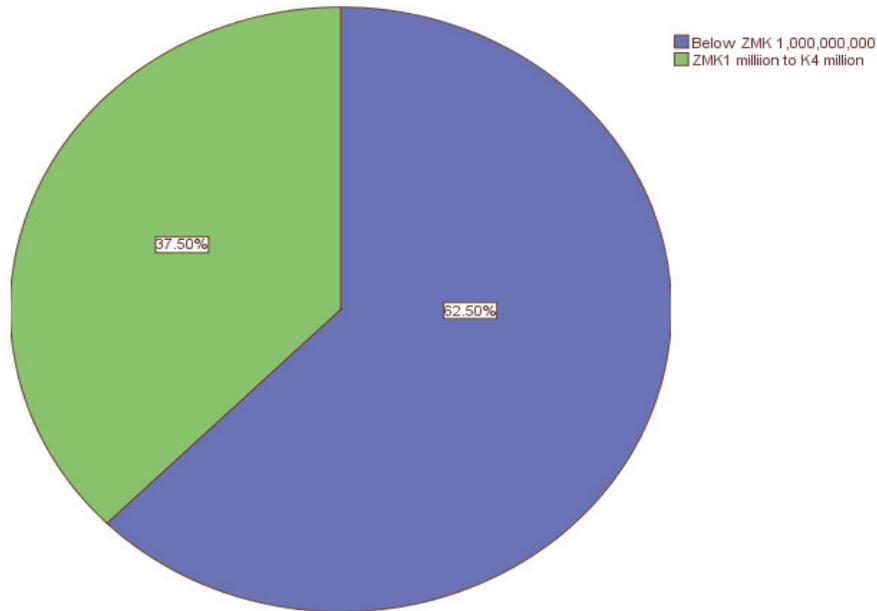
Professionalism which is all about the principle of merit in recruitment through to promotion though had some challenges as observed in the Public Service of Canada where the concept evolved far back as year 1918, has been taken by many governments as a way to bring about efficiency and effectiveness in the delivery of public services. This goes further in the New Public Management philosophy where according to the United Nations World Public Sector Report of 2005, it was observed that the growing competition for talent from the private and non - governmental sectors was making the recruitment and retention of quality staff difficult, hence added that an adequate pay could be a component in improving and sustaining the motivation, performance and integrity of the Public Service as discussed in the next section.

## **Retrenchment, enhanced motivation and performance**

Remuneration is one of the motivational factors to performance. Vroom (1964) in his “Reward Theory” referred to remuneration as reward and suggested that individuals choose work behaviors that they believe lead to outcomes they value. In deciding how much effort to put into a work behavior, individuals are likely to consider their expectancy. Thus, managers should attempt, to the extent possible, to ensure that their employees believe that increased effort will improve performance and that performance will lead to valued rewards. Retrenchment was meant to reduce the size so that it could not only be manageable, but be efficient in the delivery of public services through addressing the problem of inadequate remuneration and conditions of service of the Public Service. By removing the excess, ill qualified, the savings was to be directed to motivate, attract and retain the qualified technical and professional staff.

The assessment of remuneration of the Public Service was based both prior and after retrenchment. Under salaries and allowances, findings were that 91.4% of employees in MACO were getting below the Zambian Kwacha (ZMK) 1,000,000 and 8.6% were getting between ZMK 1,000,000 to K4,000,000 million as their basic salary and allowances prior to retrenchment. In comparison with what was obtainable after the implementation of retrenchment up to year 2003, still the majority, more than half of the sample of respondents at 61.1% indicated that their salary and allowances were below the Zambian Kwacha (ZMK 1,000,000) against 38.9% of those that were getting above ZMK 1,000,000 to K4,000,000. While there could have been minimal salary increments, even for those within the bracket of 61.1%, during the period 1993 to 2003, the results show that there had been no significant increments in remuneration. The above figures were approximate monthly basic gross salaries and allowances and excluded mandatory regulatory deductions such as Pay As You Earn (PAYE) and the National Pension Scheme Authority (NAPSA), hence the net income was lower. The investigation was basically on changes in remuneration in the Public Service and did not consider issues of the Public Service Union who may have been involved through negotiations.

Figure 3 Respondent's basic salary and allowances between 1993 to 2003



From Figure 3 above, though as per information obtained through interviews from the Department of Human Resources and Administration, December: 2009, no pay reform was effected specifically as part of the retrenchment or the PSRP in MACO, one could observe that there was some form of upward adjustment of salaries and wages in MACO as a result of retrenchment. This was however, not as a result of a deliberate effort by government to review and increase salaries and wages but could be assumed resulted from the restructuring process where new structures were created. Hence it was assumed that the decrease on the number of employees getting below K1,000,000 per annum from 91.4% before retrenchment to 61.1% after could also be a result of the creation of the new organisational structures resulting from the 1994 and 2001 Strategic Plans besides the normal annual salary increments as negotiated by Unions. Using the prevailing exchange rates between the United States Dollar (\$) and the Zambian Kwacha (K) presented in Table 5 of Appendix "A" Salaries and Wages: it was established that 91.4% of employees who used to get less than ZMK 1,000,000 were getting less than US \$712.0 in 1997 when retrenchments commenced, whereas by year 2003, 61.1% of these were getting United States \$211.2.

On the factor of whether remuneration and conditions of service for the Public

Service in MACO were adequate and satisfactory after retrenchment, the majority of respondents of the sampled employees indicated that after retrenchment, they were not satisfied with the salaries and allowances at 70.3% in addition to the 16.2% who said there was no change as compared to the 13.5% who said they were satisfied. Still on salary and allowances, on whether they were able to meet their average basic monthly financial obligations after retrenchment than before, 63.9% of respondents said no, with 25% saying on average while 11.1% said there was no change. While it is difficult for one to say they are satisfied with their remuneration because it is affected by many external factors like the rate of inflation in the economy and the cost of goods and services, and also one's needs, we can still take the majority's response that remuneration after retrenchment was not satisfactory or able to meet the average monthly financial obligations. As an emphasis to the assertion that their remuneration was not adequate, respondents pointed that the Public Service salary scales were too low, below the living standard such that even if there was an upward adjustment, the effect was minimal. Using the same exchange rates between the United States Dollar (\$) and the Zambian Kwacha (K) that prevailed and presented in Table 5 of Appendix "A" Salaries and Wages: the real value of the increment when contrasted with the United States Dollar was not very significant at \$211.2 for the Zambian Kwacha K1,000,000.

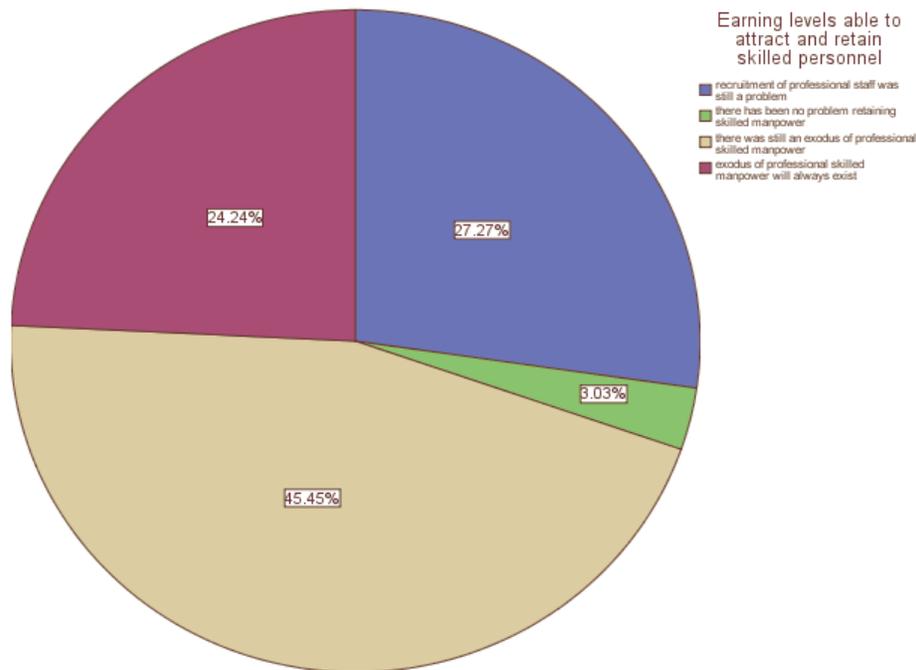
With the above variables compared, it was necessary to find out whether employees perceived any relationship between a better pay (motivation) and performance improvement. This was important as it was the government's view that by offering better remuneration, employees would be motivated, hence there would be efficiency in the delivery of services. From the findings, it was established that a better pay would improve performance with 78.4% of respondents agreeing while 13.5% said there was no relationship between the variables: and 8.1% who gave an outright answer no. Motivation to employees through improved salaries and allowances could thus have enhanced performance. This is agreeable with Vroom's assertion that employees believe that increased effort will improve performance and that performance will lead to valued rewards. Vroom in his "Reward Theory" referred to remuneration as reward and suggested that individuals choose work behaviors that they believe lead to outcomes they value. In deciding how much effort to put into a work behavior, individuals are likely to

consider their expectancy. In relation to this study therefore, though professionalism was achieved, the factor of reward that bring about motivation would still have affected the performance of the Public Service.

The study further examined reward in relation to equity of remuneration as a motivational factor. According to Adams (1963) in his Equity theory proposed that an employee's motivation is affected by whether the employee believes that their employment benefits/rewards are at least equal to the amount of the effort (input) that they put into their work which include: the number of hours worked by the employee, an employee's work responsibilities and an employee's work duties. Benefits or reward, according to Adams (1963) among others is in terms of: salary, recognition of the employee's contribution and work promotions. If an employee therefore, believes that their work outputs are not equal or greater than their inputs then the employee will become de-motivated. Furthermore, the Equity theory of motivation suggests that: individuals engage in social comparison by comparing their efforts and rewards with those of relevant others. The perception of individuals about the fairness of their rewards relative to others influences their level of motivation, hence managers, should emphasize the importance of a reward system that is perceived as fair by employees. Prior to retrenchment, government was losing qualified technical and professional staff that left for greener pastures in the private sector and even neighbouring countries as indicated in the previous chapter. Retrenchment was meant to reverse the trend by offering competitive reward. From findings on whether retrenchment resulted in the earning levels for skilled positions able to attract and retain skilled personnel in figure 4, the majority of respondents of the sampled employees at 45.4% indicated there was still an exodus of professional skilled manpower, 27% that recruitment of professional staff was still a problem, 24% that exodus of professional skilled manpower will always exist while 3% said there has been no problem retaining skilled manpower. There was therefore, still a problem of attracting and retaining skilled personnel even after retrenchment. While a few respondents said the greener pasture will always be there, hence people especially professionals will always exit for better conditions, the majority indicated low salaries as the main cause, a trend which was existing before retrenchment. Hence the perception of the Public Service about the fairness of their rewards relative to others was that there was

no equity of remuneration and the exodus continued while retention could still have been a problem.

**Figure 4 Responses on whether retrenchment resulted in earnings able to attract and retain professionals**



The problem of remuneration not attracting and retaining professional staff in Figure 4 above may have been the reflection in Table 9.0 of Appendix “B”, Changes in the Establishment Structure, where out of the Civil Service Establishment of 6,033 in 2003, only 3,585 were filled leaving a variance of 2,448. The high response that the exodus of professional and technical staff still existed was an indication enough that the conditions in the private sector were still better than those of the Public Service. The Zambian government was said to have been willing to, ‘favour higher levels of public service employment over higher levels of remuneration” (Public Service Capacity Building Project, 2002). The respondents further indicated that they had different remuneration from some other Ministries even if they had the same qualifications. Some of the examples cited were: the Ministry of Education under the Teaching Service Commission, Ministry of Home Affairs under the Police and Prisons.

Furthermore, the problem of remuneration in the then MAFF was substantiated by the findings in the Status Report of the Commission of Inquiry into Salaries, Salary

Structures and Conditions of Service in the Public Service of 1993. In the report on MAFF, some of the issues indicated were that a good number of staff particularly those who were highly qualified and experienced were leaving the Ministry in search of better employment opportunities. In this report, it was indicated that there was a major brain drain of professional and technical staff to the private sector and even neighbouring countries and the Commission recommended for an improvement in the Conditions of Service in order to retain and attract this category of staff. Recommendations included equal pay for equal work. The Commission revealed some problems into salary scales whose entry points for professional and technical staff for the same years and length of training was lower than for other professions in other Ministries and Departments. For technical staff that generally had a Diploma training, they were getting lower than their counterparts in the Ministries of Education and Health while some Agricultural Degree and Diploma holders were placed in the Administrative scales instead of professional scales. In addition, the salary scales of technical and professional staff were narrowly spaced making their difference negligible. The report indicated that employees were underpaid with several unclear grade structures. Since there was no pay reform, except for the establishment of the structure during the restructuring of 1997/1998, this problem of differential salaries for similar qualifications with other Ministries could have been carried on.

On other incentives than salary and allowances, such as the award of merit increments or promotions in appreciation of hard work to an employee, it was established that no significant reward was provided to employees in recognition of good performance. Figure 5 below shows responses on whether good work was rewarded where the majority of respondents at 61.1% indicated no rewards, while the rest agreed in varying extents: 22.2% said yes to a lesser extent, with two tallying at 8.3% yes, and to a larger extent respectively.

Figure 5 Respondent's views on whether good performance was rewarded

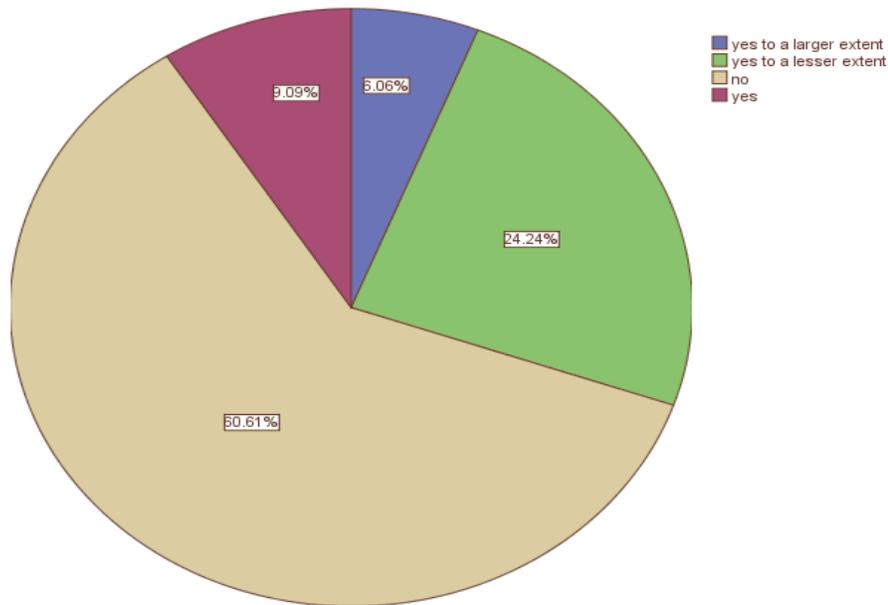


Figure 5 above, was an indication that good performance was not rewarded to a great extent as a way of remuneration. The procedure for promotion in the Ministry according to respondents was that recommendations for promotion were made when there was a vacant position, hence when there was no vacancy, a good performer may not have been rewarded. This could be the reason why many respondents perceived that there was no reward for good performers despite the introduction of the Performance Management System and the new APAS designed in 1996. The APAS was a fair and open appraisal system which ensured a continuous superior - subordinate dialogue in the process of individual performance evaluation, replacing the confidential reporting system which did not afford the appraised a chance to defend themselves. With the objective of bringing morale in the Public Sector a deliberate staff training programme should have been part of the incentives offered by government after making the size of the Public Service lean. However, it was established that there was no deliberate training programme designed to develop employees after retrenchment. Employees continued their training and development through the normal identified training needs of each Department supported by the Ministry itself or by some international donor institutions like the World Bank. Lack of further training and development was identified as one of the missing incentives which if provided would have added to the motivation of staff.

The Zambian government made further efforts to enhance professionalism in the Public Service such as PSCAP launched in October, 2000. PSCAP that was meant to, “provide human and institutional capacity building support to the on-going and long-term activities of the Government’s Public Service Reform Programme”(Public Service Capacity Building Project: Concept Paper, 1999:1). In November, 2006, government launched the, ”Public Service Management” (PSM) which was to address the problem of efficiency in the delivery of public services, put budget controls and improve the remuneration of the Public Service.

### **Conclusion**

Retrenchment as a result of restructuring brought about professionalism in the Public Service in MACO formerly MAFF through merit recruitment resulting from the 1997/1998 restructuring of the 1994 Strategic Plan and later the Strategic 2001 Plan. The resultant Establishments that were created also favoured the recruitment of professional staff as shown in Appendix “C”. This was evidenced from responses on the wage bill where employees indicated that the wage bill could not reduce significantly as government continued to recruit more especially at the top levels. In addition, there was some upward adjustment in salaries and allowances where from 91.4% of the sample who were getting less than ZMK1,000,000 before retrenchment, there was an adjustment to 62% after year 1993. With professional staff, there was going to be efficiency in the performance of the Public Service in the Ministry. The achievement of professionalism in the Public Service was however still hampered mainly by inadequate funding or untimely disbursement of funds, transport and poor remuneration. Without adequate and timely allocation of funds coupled with inadequate transport facilities since MACO had offices and centers scattered throughout the country, it was difficult to carry out the planned activities as well as supervision. Equally important to the creation of professionalism after reducing the size, were issues of reward for good performers which did not improve. Financial constraints, as was discovered under the NPM model in the conceptual framework was indicated to hamper professional appointments and promotions of the Public Service in developing countries of which Zambia belongs. The financial constraints in this study affected both the pay reform which was not effected and operations of MACO.

In the Strategic Plan of 2005, which was to run from 2006 to 2010 prepared in conjunction with the MDD, Cabinet office, it was still reported that the MACO was understaffed to a level where in some cases, the capacity was actually 50 percent (Ministry of Agriculture and Cooperatives Strategic Plan 2006 – 2010, 2005:17). This resulted in the inability for the Ministry to timely deliver the extension services to farmers. It was indicated that at the Camp level where there was a high level of interaction between farmers and technical staff, it was at the same critical point where staffing levels were at their lowest. The consequence was that farmers could not contribute meaningfully to improved agriculture production and poverty reduction. In the same report it was mentioned that after restructuring, personnel had high expectations in the form of improved conditions of service and salaries, which was not realized to some extent although some positions were upgraded a situation that would have resulted in the demotivation of staff.

Some of the above outlined obstacles to Public Service professionalism were also identified at the United Nations Forum of the Division for Public Economic and Public Administration of the Department of Economic and Social Affairs. The United Nations had been involved in activities that would promote Public Service professionalism and ethics. Since retrenchment was one of the objectives of the PSRP advocated by the World Bank/IMF, the outcomes of these three conferences held between 1997 and 1998 were worth considering. At these conferences, the major challenge identified in setting up a Public Service professional system was the resource constraints. It was found out that most times the Public Service was requested to carry out the impossible from meager or borrowed funds. On a personal level, the Public Service may not even be paid for months, or was underpaid. These conditions bred low morale though still, a number of selfless Public Service continued serving the public. Though there were different conceptions of what the Public Service professionalism was, some similarities were observed as a way of promoting professionalism in the Public Service such as: that the Public Service must be more outward looking, consultative and responsive to the needs of businesses and community groups. There should be no political interference which disregards the merit principle leading to the breakdown of the required competences, important skills, and professional attitudes that affected the morale of the Public Service

badly, thus the dominance of the state must diminish if to achieve professionalism in the Public Service. The third factor was that the Public Service must be responsive to the users of the public services which was seen as a crucial ingredient of professionalism.

## CHAPTER 5

### **EFFECT OF RETRENCHMENT ON EFFICIENCY IN THE DELIVERY OF SERVICES TO USERS**

#### **Introduction**

Having examined the extent to which retrenchment reduced the size and wage bill of the Public Service and the extent to which retrenchment led to professionalism and motivation of staff in MACO, this chapter examined the extent to which all these factors led to users' satisfaction. For purposes of this study, only the crop in form of maize production and livestock (cattle) industries were investigated. The other farmers: poultry and fish were not part of the study as that would have widened the study scope which would have required a lot of resources. In considering the effect of retrenchment in the delivery of services, factors at the organisational level that is, in MAFF or/and MACO that had potential and affected efficiency in the delivery of services were first investigated from the providers of these services, the employees. This was followed by an assessment at the operational level, the effect as perceived by the users of the public services after retrenchment.

#### **Institutional Support and Efficiency in the delivery of public services**

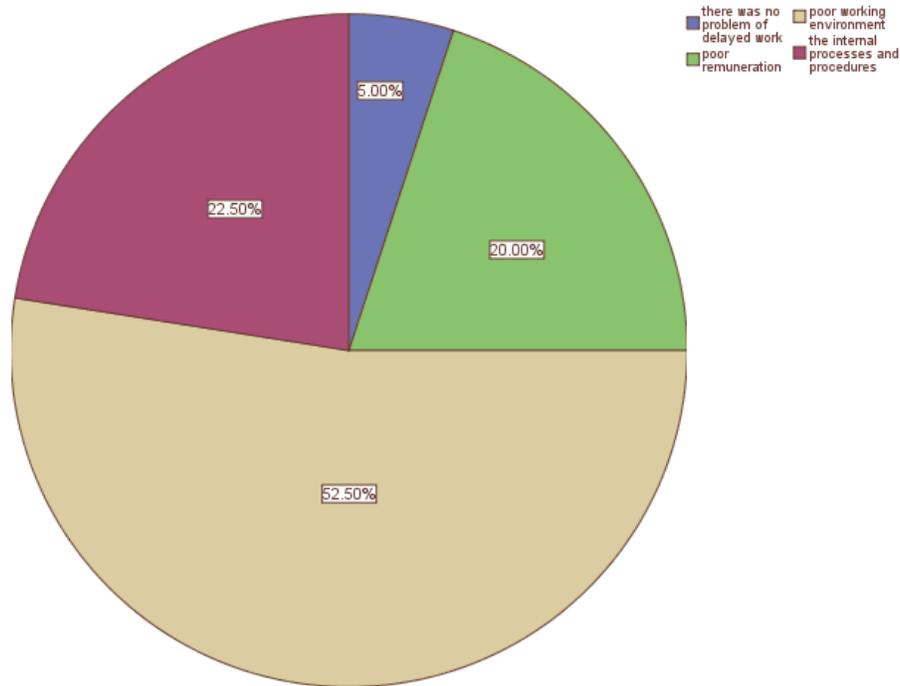
Institutional support in terms of adequate finances to run the planned activities timely and effectively, human resources with appropriate qualifications and skills provided with the necessary equipment and tools are essential and major factors in contributing to efficiency in the delivery of services. Hence it was necessary to investigate if institutional support affected efficiency in the delivery of public services.

From responses of interviews from Management in MACO, under performance improvement in the Ministry, funding was cited as the major constraint which had continued to affect delivery of services to some extent even after retrenchment. The other identified constraint was inadequate transport facilities. Lack of modern office equipment was a problem prior to 1993, but was addressed.

Of the main causes of inefficiency in the delivery of services, the respondents indicated three main factors as shown in figure 6: poor working environment, internal processes and procedures and poor remuneration. The poor working environment scored

the highest at 52.5%, followed by the internal processes and procedures at 22.5%, poor remuneration at 20.0% while the rest at 5.0% indicated that there was no problem of delayed work.

**Figure 6 Responses on factors that hindered work performance prior to retrenchment**



On the same question in figure 6, respondents as part of their elaboration on the factors that hindered efficiency in the delivery of services, the environmental constraints that scored the highest were said to include: unavailability of adequate funding, provision of appropriate tools and transport. Internal processes and procedures were attributed to a lot of bureaucratic activities resulting in delays: the protocol was too long due to the centralized system. It was indicated that while there were some improvements in the working environment through the provision of equipment, there was the problem of erratic government funding from the then Ministry of Finance and Economic Development where funds were not sent on time, and at times not being allocated sufficiently. These responses showed contrary views between employees of the Ministry and government on the perception of the major contributing factor to inefficiency. While government perceived poor remuneration, employees' major problems were

environmental constraints and internal procedures though poor remuneration played a part but according to employees, it was not the major factor inhibiting efficiency in the delivery of public services.

All these factors were essential and needed to be addressed for the lean and newly created professional Public Service to perform well. How much institutional support MAFF/and or MACO received, whether adequate or not and the timeliness of the allocation affected operations, consequently, efficiency in the delivery of services of services to users. From annual reports whether midterm or annual of MAFF/and or MACO, inadequate or erratic funding was always on top of the list of constraints even after implementation of the PSRP in 1993. Operations of the Ministry during the period under review were reported to have been affected by inadequate funding from the then Ministry of Finance and Economic Development, which by the period of study was called Ministry of Finance and National Planning. In the annual report for North Western province for the period 1<sup>st</sup> January to 31<sup>st</sup> December, 2002, it was reported that many Departments failed to implement most of the planned activities due to inadequate funding. Out of the expected budget of K2,151,670,700, the province only received K276,865,885. Inadequate and erratic funding also affected sub programmes. This problem continued in the following years. The Provincial Coordinating Office, Lusaka province in its annual report for the period 1<sup>st</sup> January to 31<sup>st</sup> December 2004, still bemoaned the problem of little funding which was described as being, “unbearable to work” for the situation made it difficult to supervise provinces. In addition to funding, there was the problem of inadequate transport which hampered the supervision of the District Agricultural Coordinating Offices by the Provincial Agricultural Coordinating Offices.

Overall, the inadequate funding from the Ministry of Finance and Economic Planning to MAFF is reflected in the Public Expenditure in the Agricultural Sector for the period 1996 to 2000. When compared to the two other Ministries: Education and Health during the period 1994 to 1999 for example, the allocation of funds for the Agricultural Sector was fluctuating more downwards as indicated in the extract summary below:

**Table 4 Percentage of the Public Expenditure Allocation**

	<b>1994</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
Agricultural Sector	10.6	2.5	6.0	3.1	3.0
Ministry of Education	9.9	13.5	15.8	14.5	12.0
Ministry of Health	8.8	9.4	11.1	10.9	10.1

**Source:** Ministry of Finance and Economic Planning: *Public Expenditure*, 1996 - 2000.

In addition to irregular and inadequate funding, the same annual reports showed another major environmental constraint that affected operations, the unavailability of adequate transport facilities as most of the fleet was old and depleted and needed replacement. Institutional support has been included in that it has been recognized under the theory of motivation by Vroom about the individual's belief about whether they can achieve the task. It's indicated that this view will be influenced by a number of things including: the type of skills needed for the task, support expectations of co-workers and line managers, type of equipment/materials and availability of pertinent information. From the responses therefore, it was established that institutional support is vital to efficiency in the delivery of services.

Having established the factors that impeded efficiency from the providers of public services, the study proceeded by considering the effect of retrenchment on efficiency from the point of view of the users. Farmers have been the users of public services offered by employees of MACO before and after the implementation of the PSRP of 1993. From the section on the effect of retrenchment on the size and wage bill, it was established that retrenchments did occur both under MAFF as well as MACO. Thus though some recruitment did continue; the Public Service was trimmed of the ill qualified persons as seen from the restructuring that proceeded: qualified people were employed and occupied the right jobs as well as the increased numbers in the higher positions such as that of Directors. In addition, through the management audits that led to the identification of redundant positions, one would expect that even other constraints to efficiency in the delivery of services apart from the above discussed were identified and addressed, thereby enabling efficiency in the provision of services.

## **Effect of retrenchment on the delivery of services**

The effect of retrenchment on the delivery of services from the perspective of users like the rest of the study, investigated activities after 1993. As mentioned in the introduction there were two areas of focus in this study: maize and cattle. Maize is produced by 80% of Zambian farmers and is the staple food of the majority of Zambians (Mwanaumo, 1994:1). As a single most important food crop, government has been involved in the production of this staple food through passing of Acts. In this same industry, there are three main types of farmers: the small scale, emerging or middle scale and larger scale. With the advent of the MMD government, the marketing and pricing system were reorganized and private traders were allowed to purchase and sell maize. Prior to this, government used to subsidise the costs of maize marketing, hence the prices never used to reflect the actual cost, this was besides having uniform pricing that did not reflect transport costs irrespective of distance. Due to the same economic crises which prompted the launching of the PSRP in 1993, it became difficult for the government to continue the subsidies, hence under the Food Security Act of 1993, among other things, the government's authority to control pricing of agricultural commodities including maize was removed. The Act was to liberalise all agricultural produce and input marketing leaving the government to operate on unspecified storage and price stabilization. For the livestock farmers, the veterinary services were also commercialized: entailing charging for services provided. The government again got more involved in the Agricultural Sector in 2001, during the Third Republic though the Veterinary Services remained commercial. Investigations on the performance of employees dealt with only one variable: the delivery of public services.

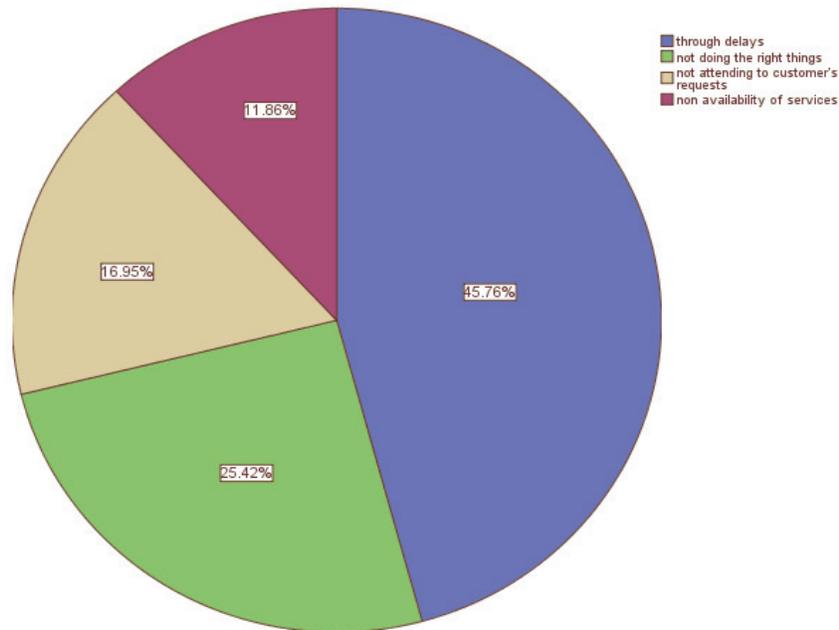
As the performance of the agricultural sector is predominantly determined by the rainfall in any given year (MAFF, Agricultural Station Bulletin. 1999/2000:31), the effect of retrenchment in the service delivery to the farmers was based on a customer satisfaction: whether their expectations were met after retrenchment than before, job knowledge of employees that is: possession of or lack of technical knowhow and the ability to meet requests per schedule. Since retrenchment was to result in better remuneration and a motivated workforce, the attitude which included the disposition of employees and their willingness to attend to farmer's queries was also assessed.

Responses from these factors determined whether retrenchment resulted in efficiency in the delivery of services.

Though with a small margin of difference, the majority of farmers who were users of public services from MAFF/ and or MACO, indicated that retrenchment through the PSRP of 1993 introduced among other objectives to improve the delivery of public services was not necessary at 51.4% in addition to the 1.4% who said it was necessary to a greater extent against those that agreed at 47.1%. When further asked whether they supported the observation that there was inefficiency in the delivery of public services in relation to the Agricultural Sector the majority at 60% agreed, 2.9% agreed to a greater extent while only 37.1% said no. However, this inefficiency in the delivery of public services was attributed to the period after retrenchment.

Inefficiency, according to farmers as presented in figure 7 below was observed through the following indicators: delays at 45.8%, not doing the right things at 25.4% with 16.9% that of not attending to customer's requests and 11.9% non availability of services.

Figure 7 Indicators of inefficiency in the delivery of services

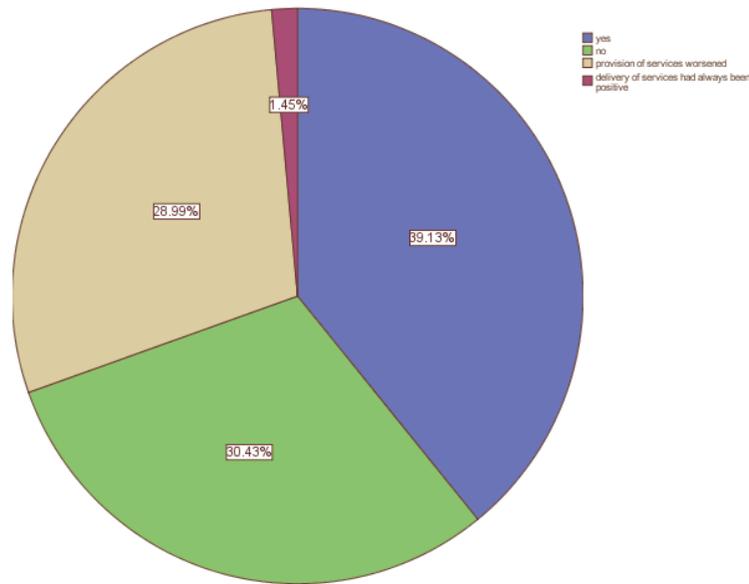


Inefficiency which was observed by farmers mostly through delays as shown in figure 7 above was according to respondents caused by lack of transport as foremost major problem for field workers (being the immediate contact persons) to enable them reach farmers in time. This was followed though not to a great extent, by meteorological and environmental information which needed to be disseminated efficiently. It was explained that sometimes production was affected because of meteorological announcements for example that the rain will fall in this pattern so farmers should plant only from this period or pattern when the opposite did also occur. In addition though a government policy, it was indicated that there was lack of support to farmers from government during the Second Republic until year 2001 after the Third Republican President Dr. Levy Patrick Mwanawasa came into power. From the year 2001, government moved from the free market to government involvement in the crop industry where subsidies were re-introduced. For livestock farmers, the problem was that of limited Extension staff who were manning vast areas. Prior to retrenchment, government used to engage some local people as Casual Workers who used to assist in the catchment areas. Some of these held the positions of Dip Supervisors but were cut off during retrenchment. At the same time,

the government was not assisting farmers through the provision of drugs like dip and vaccinations either for free or sale at the local levels. Employees of MACO did also agree that there was inefficiency in the delivery of public services. The majority of employee respondents though in varying extents agreed that there was inefficiency in the delivery of services prior to retrenchment, with 27.0% agreeing to a lesser extent, 24.3% saying yes and 18.9% agreeing to a greater extent with only 29.7% respondents who disagreed.

On the effect of the PSRP launched in 1993, the majority of farmers as presented in figure 8 at 59.4% said there were no positive changes in the delivery of services to farmers: 30.4% saying no change and 29% that delivery of services had worsened while the rest thought there were positive changes at 39.1% and 1.4%, that the delivery of services had always been positive.

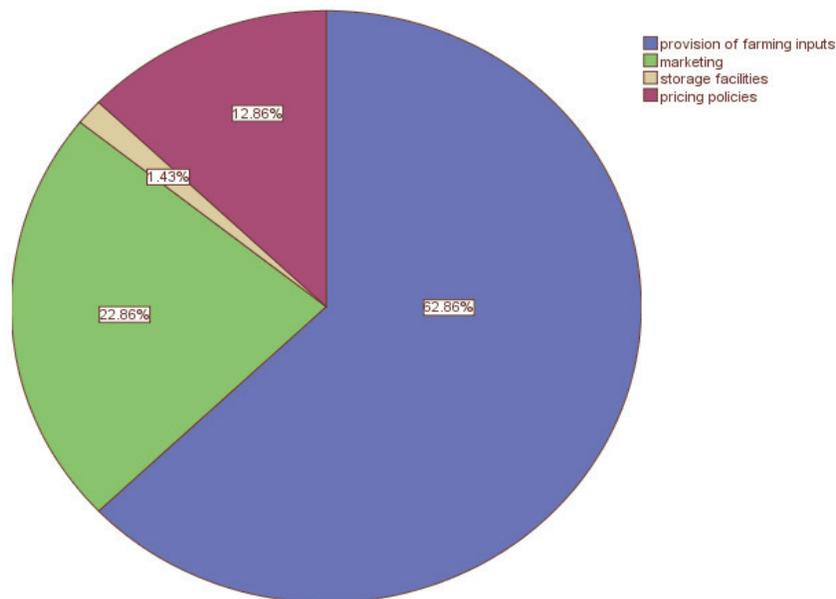
**Figure 8 Respondent’s views on whether there were positive changes in the delivery of services after 1993**



From the responses in figure 8 above, recipients of public services from MACO did not observe significant improvements in service delivery which was coupled with the government’s earlier decision to liberalise the agricultural sector until 2001 when there was change of policy. From the effect of retrenchment on the delivery of services to

users after retrenchment in figure 8 above, the next factors considered were the actual problem areas that continued to be faced in the agricultural sector even after retrenchment. The identification of the actual factors was necessary in order to establish a link with the previously discussed indicators of inefficiency for example the delays which scored the highest. From the responses, the main factors that continued having problems in their delivery emerged as presented in figure 9 were the provision of farming inputs at 62.9%, marketing at 22.9%, pricing policies 12.9% with the least score of 1.4% for storage facilities.

**Figure 9 Responses on the main problems that were still faced in the delivery of services after 1993**



The problem of inputs in figure 9 was consistent with the findings of delays presented in figure 8. The early provision of farming inputs was an important factor if farmers were to start their planting activities in time to have a good harvest. The farming inputs for crop farmers mostly referred to the provision of seeds and fertilizers. Farmers informed that to get better yields especially for maize the dominant food crop in Zambia, they needed to plant by the month of November. Hence the delays in the provision of inputs, was a cost to farmers in terms of output, consequently in loss of profit which was contrary to the efficiency as defined by the Classical School of Public Administration where output should be greater than input, or the output remains constant while the input decreases. The New Public Management which countries strove for during the 1980s

advocated for among others: a faster moving service delivery organisation that would be kept lean, user responsive, and outcome oriented in order to survive (Kaul, 1997). The delivery of inputs according to the findings were not user responsive.

The attainment of efficiency in the delivery of public services was hampered by the procedures and processes which were briefly discussed for understanding: the provision of farming inputs, marketing and pricing. In the provision of farming inputs, farmers indicated that even if the inputs arrived early at the main points of distribution in districts; the actual distribution to users the farmers was done late around the month of November when rains would have already commenced. In this case farmers did not have the privilege of planting early. For farmers from Shibuyunji in Mumbwa District, inputs were collected from the district by their Cooperative Officer when available late in the year and the Officer would take many days queuing for fertilizer and seed. In all areas visited, apart from late provision of farming inputs, there was another common complaint that the provision of inputs was never enough as a result: farmers were made to get any type of seed available even if not high yielding. Loan facilities were however available for the purchase of inputs which were to be paid back, the problem was the low pricing of produce for users to realize some profit.

The inefficiency in the marketing of produce was also a result of the procedures and processes. The process was that farmers would take their produce to the Cooperatives who weighed the bags and tested moisture content. From the Cooperatives, the farmer would be given a receipt which was presented to the bank whenever funds were made available by the government, through the Food Reserve Agency. Due to delays in payment, sometimes farmers ended up selling their produce to briefcase businessmen some of whom were fake and not only bought at very low prices, but sometimes never even paid as they issued wrong addresses. However, those who managed they did take their produce and sold directly to millers where they would instantly get cash at a slightly favourable price. The pricing process which ranked third included: setting of producer prices, that is, “prices received by the farmers for their products at whatever point of sale” (Sipula, 1993:25). Even at the time of research, the price of produce was determined by government for the produce sold through Cooperatives. The problem was the delay by the government in announcing the prices of produce which resulted as in the

marketing process, in the exploitation of farmers by private buyers.

The effect of retrenchment in the livestock industry through the provision of inputs/services, the majority of respondents' from users showed no improvement in the delivery of public services. Detailed responses on whether the provision of inputs/services for livestock industry improved between the periods 1993 to 2003 were: 60.3% respondents said no to the view that the provision of inputs/services for livestock improved with 32.4% saying yes while 4.4% indicated provision of services worsened and 2.9% that there had been no problem. While Extension Officers/Veterinary Assistants provided services like advice to farmers for instance on the outbreaks of diseases, there was the problem of availability of drugs for vaccination and dipping of animals. In addition, due to large catchment areas these veterinary employees were charged with, it was difficult for example for a farmer who had a sick animal to get immediate attention or treatment of the animal. Still on the wide catchment areas, dissemination of information continued to be a problem. As earlier mentioned unlike the crop industry, the animal health which was under the Department of Veterinary and Livestock Development remained liberalized even after 2001. A similar trend was observed on whether the marketing of farming inputs/services for the crop industry improved between the periods 1993 to 2003 where 59.4% respondents said no to the view that the marketing of farming inputs/services improved, with 36.2% saying yes while 2.9% indicated having no problem in the provision of services and 1.4% saying provision of services worsened.

On the effect of retrenchment on the disposition of employees and their willingness to attend to farmer's queries, there was a positive result in that farmers did have access to MACO staff in case of need for advise during the period under review with 50.7% of respondents indicating easily accessible and 23.2% saying there had been no problem of accessibility against 26.1% who said not easily accessible. Furthermore, the majority of farmers indicated that there was improvement in the provision/or dissemination of information to farmers through the media with 67.1% saying there was improvement against the rest at 32.9%. Farmers had a mechanism of putting their complaints/or suggestions and their proposals had chances of being adopted by the Ministry in the long run.

The assessment of the effect of retrenchment in the delivery of services to users highlighted distinct issues. According to the users, retrenchment of the Public Service in MACO was not necessary. The inefficiency in the delivery of services was attributed to the coming into power of the MMD government when policies towards the agricultural sector changed, a free market was introduced. With the free market, government became less responsive to the needs of farmers. From indicators of inefficiency; the delay in the sanctioning of the delivery of farming inputs, announcing the producer prices was more of government policy normally which was made by the political appointee heading the Ministry. With these pronouncements at the highest level, even if an employee (Extension Officer) who had a direct contact with users was a good performer, it was difficult in a situation where the government was fully involved in making policies on what to do and when.

The problem of the agricultural policies and strategies was also found by Mwape (1984) in his Thesis on, "Zambia's Agricultural Policy and Performance during the period 1960 to 1980". Zambia's agricultural policy during the period 1960 to 1980 was aimed at increasing output and efficiency of production among rural-small scale farmers. The policy was regarded as the most appropriate way to contribute among others: solving unemployment, income inequality and diversification of the economy. The formal comprehensive planning and implementation of policies and strategies regarding agricultural development started with the Transitional Plan prepared in 1963 which was followed by the First, Second and Third National Development Plans of 1966 - 1971, 1972 - 1976 and 1979 - 1983 respectively. The common main objectives of these public policies were to: expand the agricultural production with the aim of improving income and nutrition standards of the whole population, cut down on imports of food and increase agricultural efficiency of production in the traditional farming sector as the most direct way of contribution to the solution of employment and income distribution between the rural and urban. With these aims, various strategies towards the agricultural sector were introduced such as the; Agricultural Cooperative Movement (1964 - 1980), Family Farming Schemes (1966 - 1980) and Intensive Development Zone (1972 - 1980). The study found out that the agricultural policies and programmes tended to support those who were commercially better off in urban areas, re-enforcing further inequalities

between groups in rural areas. This was emanating apart from the external factors; internal investment and agricultural support facilities that were biased towards urban areas. The performance of both the crop and livestock sector in general failed. Mwape in his overall conclusion indicated that the performance of the agricultural sector was no nearer to achieving sustained increases in rural production. The presumed benefit to peasant farmers in rural areas did not materialize.

Despite these short comings in the delivery of services in relation to inputs, marketing and pricing, users appreciated some of the services offered by employees of MACO either as having improved or introduced such as; organizing of field days, the provision of the small scale support programmes, animal vaccination programmes, insemination vaccination and training programmes.

### **Conclusion**

Unlike economic performance which can be measured in terms of an increase in gross national product per capita, administrative performance is measured by the performance of personnel in achieving the desired objectives. Different theories have been put forward to define what efficiency means. The description of efficiency by the Classical School of Public Administration qualify with the objective for retrenching the Public Service, “reduce the human input while the output increases”. In other words, efficiency was to be achieved with cost effectiveness in the sense that benefits of the systems were to be obtained without undue expenses (cost containment) of the Public Service. Having considered the effect of retrenchment on the size, the wage bill and efficiency in the delivery of services, the question then is, was this achieved from the PSRP of 1993 in Zambia.

Retrenchment did take place in MACO formerly MAFF and the size was reduced to some extent. Through interviews for the positions in the new organizational structure, qualified persons occupied the rightful positions and remuneration improved to some extent. From the users of public services by the Public Service of MAFF/ or and MACO the effect of retrenchment to users was mixed. The problem of delays in the provision of services, in this case farming inputs remained outstanding even after retrenchment and was a cost since it affected the yields negatively. Inefficiency in the

delivery of public services to a greater extent was however attributed to government which makes policies for the agricultural sector than staff. When considering the other aspects of service delivery other than those which had direct government intervention and policy, it can be concluded that there was service delivery improvement by staff of MACO after retrenchment: users were able to access the field staff if needed advise, the Public Service was more responsive to the needs of farmers, and it was even possible for users to put in suggestions of what they thought was better for them. Field staff even trained farmers on the types of soil required for growing various crops and commendations were made. What was within staff to do was done and users appreciated, but what could only be done upon government announcement, the users complained of inefficiency. This conclusion is evidenced where among recommendations in the open ended questions, users proposed that the field workers needed to have been given transport which would have made it much easier for them to do farm visits since their catchment areas were vast. The problem of transport to enable staff mobility was also indicated in almost all annual reports of the Ministry.

## CHAPTER 6

### CONCLUSION AND RECOMMENDATIONS

The study considered the effect of retrenchment in MACO and was conducted through the administration of questionnaire and interview instruments to the employees of MACO and farmers. The results of the study have been presented and interpreted. The conclusions drawn in this study were based on a comparison of the research findings and government's assumptions (through the objectives of retrenchment) that retrenchment and the PSRP would result in: improved performance of the Public Service in the delivery of public services, reduced size and wage bill of the Public Service and improved salaries and conditions of service thereby enhancing professionalism in the Public Service by way of attracting and retaining professional and qualified staff.

Retrenchment through the Public Service Reform Programme was implemented in MACO through the restructuring of the Ministry of 1997/1998 which resulted in the retrenchment of some employees and the programme continued on. Employees agreed that retrenchment of the Public Service in the Ministry of Agriculture and Cooperatives was necessary mainly on 2 major aspects:

- i) Retrenchment resulted in the reduction of the size of the Public service. Even if recruitment continued, some employees who could not fit in the new structure were removed including those separated through the Voluntary Separation Programmes during the 1997/1998 restructuring.
- ii) Retrenchment resulted in the removal of staff that were perceived to be redundant and unproductive. This was observed from the restructuring of 1997/1998 where all positions in the Ministry were advertised with their job requirements and job descriptions and staff that qualified were taken into the positions equivalent to their qualifications.

The conclusions drawn in this study were that retrenchment of the Public Service in MACO had mixed results: some of the objectives were achieved significantly while others were not as briefly highlighted below. The size was reduced to some extent as some employees that were ill qualified were retrenched though this was affected by the continued recruitment especially at higher levels of technical and professional positions. Even by 2003, the initial target of Establishment reduction from 7000 to 5000 (Public

Expenditure in the Agricultural sector: 1996 – 2000) was not fully achieved. The establishment by 2003 only reduced to 6,797 as shown in Table 9 of Appendix “B”. This also affected the Public Service wage bill which did not reduce. The reduction in the size did however, affect staffing levels as in almost all the Ministry’s annual reports both at provincial and ministry levels, inadequate or low staffing levels was indicated among the main constraints in carrying out the planned activities. As indicated earlier, the established Strategic Plans were intended to develop sound, comprehensive and time bound and most effective Organisational Structures and Job Descriptions, hence it follows that if the intended structure was not filled, performance would be affected to some extent. In addition, there was the problem of inadequate funding and the internal processes and procedures the latter of which caused delays.

There was improvement in remuneration to some extent as seen from the increase in the number of employees whose salaries and allowances adjusted upwards after retrenchment. The new salaries and allowances did not however attract and retain qualified professional and technical staff to a greater extent. This was evidenced from the Establishment of the Civil Servants which had a variance by 2003. Of the total size of 6.033 of the Civil Service, only 3,585 were filled ten years after the launch of the PSRP.

Retrenchment resulted in the creation of professionalism which was the most highly achieved objective for retrenching the Public Service. The achievement of professionalism was substantiated by the restructuring process where through the development of the Strategic Plans 1994 and 2001, the most effective Organisation Structure and Job Descriptions were established. The Job Descriptions assisted in the objective selection and placement of relevantly qualified personnel after the Ministry was restructured which was done through advertising all the positions and taking only qualified staff into positions equivalent to their qualifications. Professionalism also enhanced motivation to some extent as people occupied the right positions.

The effects of retrenchment to the users were also mixed: there were no significant positive effects in respect to the delivery of services to users in relation to the delivery of inputs, marketing and selling of produce. For livestock farmers, the main problem was the non availability of drugs and the vast areas Veterinary Assistants had to look after which was difficult for farmers to get immediate attention in case of

emergence to their livestock. However, on the conduct of employees towards recipients of services the farmers there were positive changes. The Public Service was more responsive to needs of farmers and conducted various training for them. Farmers had a mechanism of putting their complaints and suggestions and their proposals had chances of being adopted by the Ministry in the long run.

Therefore, despite that government did not achieve fully the intended objectives for retrenching, there were some positive results which were of benefit not only to the public but MACO and the government in its effort to boost the Agricultural Sector in order to contribute to the nation's economic development.

### **Recommendations**

The main recommendations on what the government should have done if retrenchment was to achieve its objectives apart from improving the salaries and conditions of service and motivating workers by appreciating performance of deserving staff was the need for the provision of sufficient funds to carry out work efficiently and professionally as well as improving the working environment and logistics. These funds should have been disbursed in time for consistence with the work plans for MACO. On the excess wage bill, it was recommended that government should have retrenched but not employed again. The government should have also considered expanding the private sector employment so as to streamline some of the functions of the Public Service which would have resulted in some reductions on the size and expenses. From users of public services, the main recommendations were for early provision of inputs and announcement of producer prices for the crop industry while for livestock, the provision of drugs for vaccination and that government should have employed more Veterinary Assistants after retrenching the Casual Workers due to the wide catchment areas.

Despite other efforts government put to reinforce the objectives of the PSRP of 1993, such as PSCAP of October, 2000 and the Public Service Management of November 2006, the findings and recommendations of this study still provided a unique and consistent effects of retrenchment and the PSRP in general that are worthy of consideration in the academic world, the general public and policy makers in MACO and Cabinet office.

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**APPENDICES**

**APPENDIX “I” EMPLOYEE QUESTIONNAIRE INSTRUMENT**



**THE UNIVERSITY OF ZAMBIA  
SCHOOL OF HUMANITIES AND SOCIAL SCIENCES**

**DEPARTMENT OF POLITICAL AND ADMINISTRATIVE STUDIES**

Date of interview:.....2009/2010

**Questioner**

**No:**

**EMPLOYEE QUESTIONNAIRE INSTRUMENT**

Dear Respondent,

This questionnaire is intended to collect primary data for the research on “Retrenchment and the Zambia Public Service Reform Programme (PSRP) in the Ministry of Agriculture and Cooperatives for the period 1993 to 2003. The information collected is for academic purposes only as part of the fulfillment of the Master of Public Administration. The responses will form part of the data to be collected which will be analysed in order to find out the effect. Responses will be kept with confidentiality. Please tick or fill in as appropriate in the spaces provided.

**Section 1 Personal Details**

1. Number of years worked in the Ministry of Agriculture and Cooperatives:

- |       |                |     |
|-------|----------------|-----|
| (i)   | 06 to 10 years | { } |
| (ii)  | 11 to 14 years | { } |
| (iii) | 15 to 18 years | { } |
| (iv)  | 19 and above.  | { } |

2. Highest level of Education Attained: { }
- (i) University (Postgraduate) { }
  - (ii) University Undergraduate) { }
  - (iii) College (Diploma/Certificate) { }
  - (iv) Primary/Secondary Education { }
  - (v) No formal education { }

## Section 2 Staffing and Recruitment

1. Did retrenchment that emanated from the PSRP of 1993 result in employees being placed in positions equivalent to their qualifications?
- (i) Agree to a greater extent { }
  - (ii) Agree to a lesser extent { }
  - (iii) No { }
  - (iv) Employees were always in right positions { }
2. After retrenchment was implemented, was there a reduction in the size of the Public Service?
- (i) Agree to a greater extent { }
  - (ii) Agree to a lesser extent { }
  - (iii) No { }
  - (iv) There has been no problem { }
3. Was the Public Service overstaffed prior to the implementation of the PSRP?
- (i) Agree to a greater extent { }
  - (ii) Agree to a lesser extent { }
  - (iii) No { }
  - (iv) There had been no problem { }

## Section 3 Salary and Allowances

1. Which of the below listed categories of monthly basic salary and allowances did your remuneration fall within prior to the retrenchments of the 1993 PSRP?
- (i) Below ZMK1,000,000=00 { }
  - (ii) ZMK1 million to K4 million { }
  - (iii) ZMK 5 million to K8 million { }
  - (iv) Above ZMK8 million. { }
2. What was your monthly basic salary and allowances by the year 2003?
- (i) Below ZMK1,000,000=00 { }
  - (ii) ZMK1 million to K4 million { }
  - (iii) ZMK 5 million to K8 million { }
  - (iv) Above ZMK8 million. { }

If there was an upward adjustment due to promotion please indicate:.....

3. Were you satisfied with the introduced salaries and allowances after the retrenchment exercise than before?

- (i) Very satisfied { }
- (ii) Satisfied { }
- (iii) Not satisfied { }
- (iv) There was no change in remuneration{ }

Please elaborate on your answer:.....  
.....  
.....

4. Were you more able to meet your average basic monthly financial obligations after retrenchment than before?

- (i) Yes { }
- (ii) On average { }
- (iii) No { }
- (iv) There was no change { }

Please elaborate on your answer:.....  
.....  
.....

5. Did retrenchment result in the earning levels able to attract and retain skilled personnel?

- (i) Recruitment of professional skilled manpower was still a problem { }
- (ii) There has been no problem retaining skilled manpower { }
- (iii) There was still a great exodus of professional skilled manpower { }
- (iv) Exodus of professional skilled manpower will always exist { }

Please elaborate on your answer:.....  
.....  
.....

6. How did your new basic salary and allowances compare with those obtainable in the private sector after retrenchment?

- (i) Great improvement { }
- (ii) Had always compared favourably { }
- (iii) Too below the private sector { }
- (iv) Improved to a lesser extent { }

7. Do you think a better pay would improve performance in the delivery of public services?

- (i) Performance had been good always { }
- (ii) No { }
- (iii) Yes { }
- (iv) No relationship between the two variables { }

8. Do you agree that a reduced size of the Public Service would enable government offer a better pay.

- (i) Agree to a greater extent { }

- (ii) Agree to a lesser extent { }
- (iii) No { }

Please elaborate on your answer:.....

.....

**Section 4. The Wage bill**

1. Did the PSRP in particular retrenchment, lead to a reduction in the Public Service wage bill?

- (i) Agree to a greater extent { }
- (ii) Agree to a lesser extent { }
- (iii) No { }
- (iv) The wage bill was always normal { }

Please elaborate on your answer:.....

.....

.....

2. The Public Service was said to have ghost workers that is, nonexistent employees but on the payroll prior to retrenchment. Do you agree with this perception?

- (i) Agree to a greater extent { }
- (ii) Agree to a lesser extent { }
- (iii) No { }
- (iv) Yes { }

3. If your answer to question 2.0 above was YES or you AGREED, do you think the problem of ghost workers was addressed by retrenchment?

- (i) To a greater extent { }
- (ii) To a lesser extent { }
- (iii) No { }
- (iv) Ghost workers will always exist { }

Please elaborate on your answer:.....

.....

.....

4. Which other ways would you suggest should have been done to address the problem of ghost workers?

(i).....

(ii).....

(iii).....

(iv).....

5. In which ways do you think the government could have reduced the Public Service wage bill other than retrenchment?

(i).....

(ii).....

- (iii).....
- (iv).....

6. Do you perceive any relationship between a bloated Public Service and a huge public wage bill?

- (i) Agree to a greater extent { }
- (ii) Agree to a lesser extent { }
- (iii) No relationship at all { }
- (iv) Yes { }

Please elaborate on your answer:.....  
 .....  
 .....

**Section 5. Retrenchment**

1. What is your view of the retrenchment exercise that took place during the Public Service Reform Programme of 1993?

- (i) Very necessary { }
- (ii) Necessary { }
- (iii) Not necessary { }
- (iv) Necessary to a lesser extent { }

Please elaborate on your answer:.....  
 .....  
 .....

2. Some of the objectives of retrenchment were to improve efficiency in the delivery of public services, reduce the public service wage bill and improve salaries and conditions of service and bring about professionalism in the public service. Which of these do you think were mostly achieved?

- (i) Improved efficiency in the delivery of public services { }
- (ii) Reduced public service wage bill { }
- (iii) Improved salaries and conditions of service { }
- (iv) Bringing about professionalism in the public service { }

Please elaborate on your answer:.....  
 .....  
 .....

3. If some of the objectives in Question 2 above were not met, what would you propose the government should have done if an exercise like this had to achieve its objectives?

- (i) .....
- (ii) .....
- (iii) .....
- (iv) .....

4. Do you think the criteria for those who were retrenched were according to the laid down regulations?
- (i) Agree to a greater extent { }
  - (ii) Agree to a lesser extent { }
  - (iii) No { }
  - (iv) Yes { }

**Section 6. Performance of Employees**

1. Did you understand the overall vision of the Ministry of Agriculture and Cooperatives during the period prior to retrenchment as compared to after?
- (i) Understood the vision very clearly { }
  - (ii) Did not understand the vision { }
  - (iii) Understood only after retrenchment { }
  - (iv) There was no difference { }

2. As part of enhancing performance, government introduced Job Descriptions to individual employees. If the Job Description instrument was provided, was your contribution in the overall vision of the Ministry of Agriculture and Cooperatives attainable?
- (i) Agree to a greater extent { }
  - (ii) Agree to a lesser extent { }
  - (iii) No { }
  - (iv) Yes { }

Please elaborate on your answer:.....  
 .....  
 .....

3. Would you agree that there was inefficiency in the delivery of services in your Ministry prior to the retrenchment exercise of the PSRP of 1993?
- (i) Agree to a greater extent { }
  - (ii) Agree to a lesser extent { }
  - (iii) No { }
  - (iv) Yes { }

Please elaborate on your answer:.....  
 .....  
 .....

4. What do you think would have been the main reason for inefficiency in the delivery of public services?
- (i) Poor remuneration { }
  - (ii) No clear job description { }
  - (iii) People placed in wrong positions { }
  - (iv) No incentives like further training { }
  - (v) Any other, please specify { }

Please elaborate on your answer:.....

.....  
.....

5. Did you get more motivated in your job after retrenchment than before?
- (i) Agree to a greater extent { }
  - (ii) Agree to a lesser extent { }
  - (iii) No { }
  - (iv) Things have been the same { }
6. What were some of the factors that you think would have boosted your morale in order of priority?
- (i) .....
  - (ii) .....
  - (iii).....
  - (iv) .....
7. One of the objectives of your Ministry is to provide public services to farmers. How would you rate the service delivery after the retrenchment exercise?
- (i) Great improvement { }
  - (ii) There were still complaints from farmers { }
  - (iii) Things were the same { }
  - (iv) There was no problem in service delivery { }

Please elaborate:.....  
.....  
.....

8. Performance Management Systems may have been introduced as a way of improving the delivery of public services, how would you describe these systems?
- (i) Very effect { }
  - (ii) Not effective { }
  - (iii) On average effective { }
  - (iv) Was not aware of anything { }
9. Was good performance rewarded, such as award of merit increment or promotion?
- (i) Yes to a larger extent { }
  - (ii) Yes to a lesser extent { }
  - (iii) No { }
  - (iv) Yes { }

*End of questionnaire, Thank you*

## APPENDIX “II” FARMER QUESTIONNAIRE INSTRUMENT



### THE UNIVERSITY OF ZAMBIA SCHOOL OF HUMANITIES AND SOCIAL SCIENCES

#### DEPARTMENT OF POLITICAL AND ADMINISTRATIVE STUDIES

Date of interview:..... 2009/2010

Questioner

No:

### FARMER QUESTIONNAIRE INSTRUMENT

Dear Respondent,

This questionnaire is intended to collect primary data for the research on “Retrenchment and the Zambia Public Service Reform Programme in the Ministry of Agriculture and Cooperatives (MACO) for the period 1993 to 2003. The information collected is for academic purposes only as part of the fulfillment of the Master of Public Administration. The responses will form part of the data to be collected which will be analysed in order to find out the effect. Responses will be kept confidential. Please tick or fill in as appropriate in the spaces provided.

#### The Public Service Reform Programme (PSRP)

1. Which type of farming were you involved in during the period prior and after 1993?
  - (i) Beef { }
  - (ii) Crop production { }
  - (iii) Beef and Crop { }
2. One of the goals of the Public Service Reform Programme of 1993 was to improve the delivery of public services to the people of Zambia. Do you think the programme was necessary in relation to the delivery of services Ministry of Agriculture and Cooperatives?

- (i) Yes { }
- (ii) Not at all { }
- (iii) Necessary to a greater extent { }
- (iv) Necessary to a lesser extent { }

3. As a recipient of public services from MACO, would you agree that there was inefficiency in the delivery of services?

- (i) Yes { }
- (ii) No { }
- (iii) To a greater extent { }
- (iv) To a lesser extent { }

4. If your answer in 3.0 above supports that there was inefficiency, where was this problem observed?

- (i) Through Delays { }
- (ii) Not doing the right things { }
- (iii) Not attending to customers' requests { }
- (iv) Non availability of services { }
- (v) Others (specify).....  
.....

5. Were there been any positive changes in the delivery of services to farmers after the year 1993?

- (i) Yes { }
- (ii) No { }
- (iii) Provision of services worsened { }
- (iv) Delivery of services were always been positive { }

6. Which of these do you consider was still the main problem during the period after 1993? Indicate in the order of seriousness of the problem as 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup>.

- (i) Provision of farming inputs { }
- (ii) Marketing { }
- (iii) Storage facilities { }
- (iv) Pricing policies { }

7. Did the provision of farming inputs/services for livestock improve between the periods 1993 to 2003?

- (i) Yes { }
- (ii) No { }
- (iii) Provision of services worsened { }
- (iv) There has been no problem { }

8. Did the marketing of farming outputs/services for livestock improve between the periods 1993 to 2003?

- (i) Yes { }
- (ii) No { }

- (iii) Provision of services worsened { }
- (iv) There were no problems { }

9. Do you think the Public Service were more responsive to the needs of farmers during the period under review?

- (i) Yes { }
- (ii) No { }
- (iii) Things have become worse { }
- (iv) There has been no problem { }

10. What would you recommend the Ministry should have done to improve its' delivery of services other than retrenchment?

- (i) .....
- (ii) .....
- (iii) .....
- (iv) .....

11. When you compare with the period before 1993, would you say the conduct of employees in MACO towards you as a client was improved?

- (i) Conduct was good { }
- (ii) Conduct was bad { }
- (iii) Conduct worsened { }
- (iv) Conduct was always good { }

12. Would you rate the provision/dissemination of information from MACO to farmers through the media such as television, radio and newspapers as having improved?

- (i) Yes { }
- (ii) No { }
- (iii) Provision/Dissemination has become worse { }
- (iv) There has been no problem { }

13. As a farmer, were there mechanisms of putting your views/complaints or proposals to MACO?

- (i) Yes { }
- (i) No { }
- (iii) Others (specify).....
- .....

14. If your answer was YES in question 14.0 above, do you perceive any adaptation of your proposals by MACO in the long run?

- (i) Yes { }
- (ii) No { }
- (iii) Others (specify).....
- .....

15. How accessible was it for you to get advice from staff in MACO during the period under review?

- (i) Easily accessible { }
- (ii) Not easily accessible { }
- (iii) Very difficult to access { }
- (iv) There had been no problem of accessibility { }

16. Which services would you commend the Ministry of Agriculture and Cooperatives as having improved after year 1993?

- (i) .....
- (ii) .....
- (iii) .....
- (iv) .....

*End of Questionnaire and thank you*

**APPENDIX “III” MANAGEMENT INTERVIEW INSTRUMENT**



**THE UNIVERSITY OF ZAMBIA  
SCHOOL OF HUMANITIES AND SOCIAL SCIENCES**

**DEPARTMENT OF POLITICAL AND ADMINISTRATIVE STUDIES**

Date of interview:..... 2009/2010

**Questioner**

**No:**

**MANAGEMENT INTERVIEW INSTRUMENT**

Dear Respondent,

This interview is intended to collect primary data for the research on “Retrenchment and the Zambia Public Service Reform Programme in the Ministry of Agriculture and Cooperatives for the period 1993 to 2003. The information collected is for academic purposes only as part of the fulfillment of the Master of Public Administration. The responses will form part of the data to be collected which will be analysed in order to find out the effect. Responses will be kept with confidentiality. Please fill in the spaces provided.

**Section 1: Retrenchment**

1. The Public Service Reform Programme of 1993 resulted in the retrenchment of some employees, how many employees in the Ministry of Agriculture and Cooperatives were retrenched during the exercise?
  - i).....
  - ii).....
  
2. What are some of the posts that were abolished?
  - i).....

- ii).....
- iii).....
- iv).....

3. What would your comment be on the staffing levels in the Ministry of Agriculture and Cooperatives during the period prior to the reform programme of 1993 and after?

- i).....
- ii).....
- iii).....
- iv).....

4. Which form of reducing workers was used during retrenchment?

- i).....
- ii).....

5. Were all the retrenched paid their dues?

- i).....
- ii).....

**Section 2: Salary and Allowances**

1. The wages of the Public Service was said to be unable to attract and retain highly skilled and professional staff. How was the trend after the retrenchment of the Public Service Reform Programme of 1993?

- i).....
- ii).....
- iii).....
- iv).....

2. Was there a pay reform? If so, were employees better placed in terms of salaries and allowances than before the retrenchment exercise?

- i).....
- ii).....
- iii).....
- iv).....

3. What is your comment on the wages of the public service compared to those obtainable on the market for similar skills and qualifications?

- i).....
- ii).....
- iii).....
- iv).....

**Section 3: Wage Bill**

1. One of the objectives of retrenchment was to reduce the wage bill so that it is affordable. What is your comment after the retrenchments?

- i).....
- ii).....
- iii).....
- iv).....

2. Resources are very vital in the operations of any organisation. How was the funding to the Ministry during the two periods: before and after retrenchment?

- i).....
- ii).....
- iii).....

3. Ghost workers, that is, nonexistent employees but on the payroll was one of the problems indicated in the public service. What is your comment concerning your Ministry during the period after retrenchment?

- i).....
- ii).....
- iii).....
- iv).....

**Section 4: Performance improvement in the Ministry of Agriculture and Cooperatives**

1. What were some of the major services provided by the Ministry of Agriculture and Cooperatives to the farmers before and after retrenchment?

- i).....
- ii).....
- iii).....
- iv).....

2. Which were some of the major hindrances in the delivery of public services to farmers during the period before retrenchment which were addressed?

- i).....
- ii).....
- iii).....
- iv).....

3. In general, what were some of the mechanisms put for employees not only to understand the role of the MACO and their own individual role but also improve performance which were not there before 1993?

- i).....
- ii).....
- iii).....

iv).....

4. What would your comment be concerning employee's performance after the implementation of retrenchment?

i).....

ii).....

iii).....

iv).....

5. One of the objectives of retrenchment was to bring professionalism in the public service. What were some of the hindrances as well as measures undertaken to improve professionalism?

i).....

ii).....

iii).....

iv).....

**Delivery of services to farmers.**

1. What were some of the common complaints from the farmers on the delivery of public services which were addressed during the Public Service Reform Programme?

i).....

ii).....

iii).....

iv).....

2. What would you propose was needed for the improvement of the delivery of services to farmers?

i).....

ii).....

iii).....

*End of the Questioner, Thank You*

## APPENDIX “A” SALARIES AND WAGES

**Table 5** Nominal Exchange Rates (NER) between the United States Dollar (\$) and the Zambian Kwacha (K)

	Public Service Wage Bill (K' billion)	Period average NER (ZK per US\$)
1995	178	938
1996	229	1293
1997	324	1405
1998	327	2300
1999	402	2614
2000	538	4141
2001	888	3851
2002	1301	4307
2003	1728	4733
2004	1912.5	4779

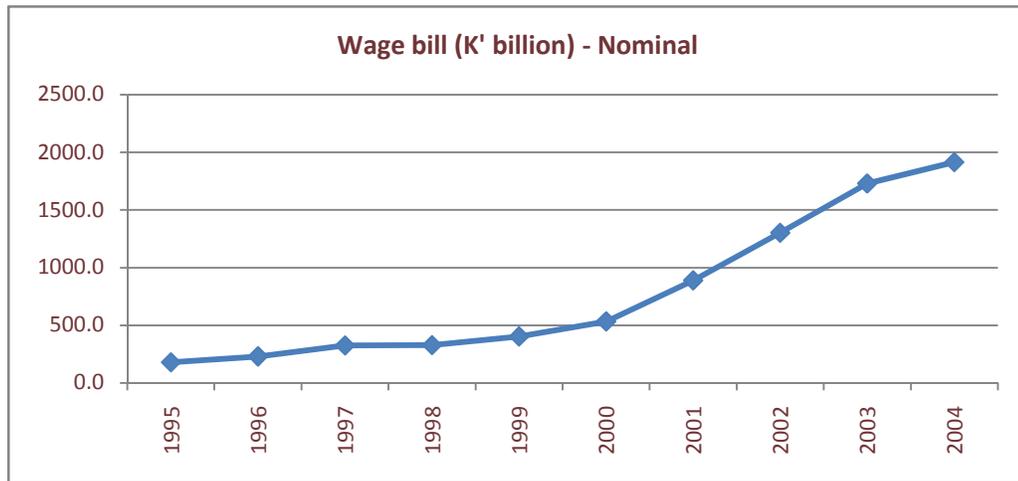
**Sources:** (1) Bank of Zambia. Zambia: Nominal Exchange rates.  
(2) Political and Administrative Studies Department. The University of Zambia. GRZ: PROJECT NO.PSCAP/015/0015,.The Public Service Reform programme (PSRP) and the Public Service Capacity Building Project(PSCAP) Impact Assessment Report. 2005.

**Table 6 Ministry of Agriculture, Food and Fisheries: Personal Emoluments 1993**

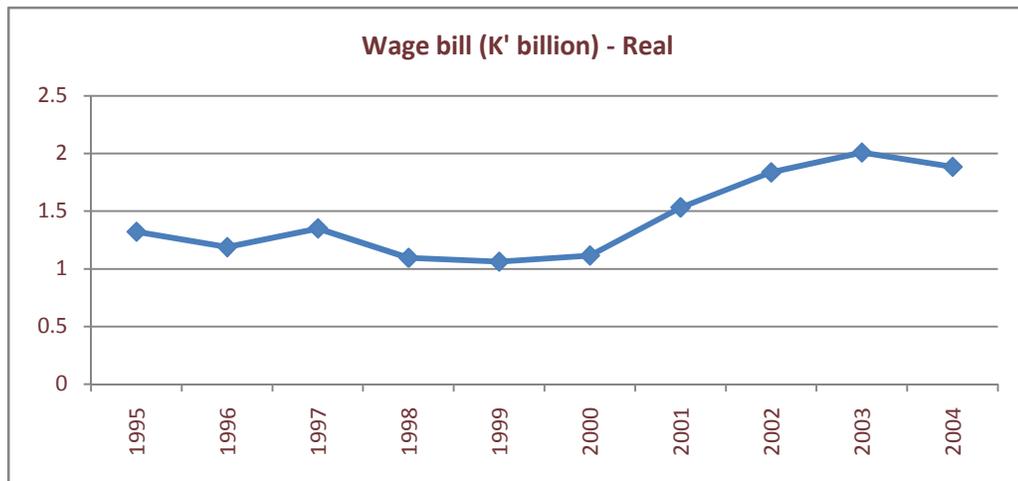
	<b>Department</b>	<b>Actual</b>	<b>Estimated</b>
1.	Ministry Headquarters	22,626,000	67,734,000
2.	Department of Agriculture	17,164,000	13,088,000
3.	Veterinary and Tse Tse Control	20,197,000	17,861,000
4.	Training Institutes	11,798,000	nil
5.	Agricultural Research	21,770,000	36,836,000
6.	Veterinary Research	21,308,000	nil
7.	Natural Resources Development College	34,357,000	
8.	National Farming Information Services	7,553,000	9,952,000
9.	Fisheries Department	18,244,000	38,412,000
10.	Agricultural Extension Services	15,008,000	70,777,000
11.	Seed Control and Certification Institute	16,662,100	30,619,000
12.	Food Security Provision	6,894,000	18,798,000
13.	Cooperative College	5,233,000	18,609,000
14.	Marketing and Cooperative Development	17,024,000	20,303,000
15.	Zambia College of Agriculture, Monze		19,198,000
16.	Zambia College of Agriculture, Mpika		17,870,000
17.	Zambia Institute of Animal Health		8,672,000
	<b>Total</b>	<b>235,838,100</b>	<b>388,083,000</b>

**Source:** Government Republic of Zambia. Volume 1.Recurrent and Estimates of Revenue Including Capital and Constitutional and Statutory Expenditure for the year 1<sup>st</sup> January to 31<sup>st</sup> December, 1993.(Head 89. Ministry of Agriculture, Food and Fisheries).

**Figure 10** Trend of the Zambia Public Service Nominal Wage Bill (1995 - 2004).



**Figure 11** Trend of the Zambia Public Service Real Wage Bill (1995 - 2004).



Figures 10 and 11 were calculated by the Economics Department of the University of Zambia using the Public Service Wage Bill figures as obtained from the findings of the Political and Administrative Studies Department (2005). The calculation took into consideration the Consumer Price Index (CPI) from the Central Statistical Office and the Nominal Exchange Rate (NER). The real wages (the wages that have been adjusted for inflation in contrast to nominal wages or unadjusted wages) showed some form of stabilization from 1998 to 2000 while the nominal wage bill had a continuous upward trend. Nominal wages were ideal for this study as they are ideal for undertaking some form of measure by showing the monetary value of wages in that year and do not take into account other compensations.

## APPENDIX “B” CHANGES IN THE ESTABLISHMENT STRUCTURE

**Table 7 1994 Establishment Summary by Salary Scales for the Ministry of Agriculture, Food and Fisheries**

<b>Establishment Summary</b>	<b>Establishment</b>
Open Scale posts	2
Senior Management Scale posts	1
General Management Scale posts	4
General Administrative Scale posts	638
Professional Management Scale posts	96
General Professional Management Scale posts	647
Medical/Paramedical/Nursing Scales	1,013
Medical Doctor Management Scale posts	159
Technical Scale posts	4,530
<b>Total</b>	<b>7,090</b>

**Source:** 1994 Establishment Register Supporting the Estimates of Expenditure for the year 1<sup>st</sup> January to 31<sup>st</sup> December, 1994. Head 89. Ministry of Agriculture, Food and Fisheries. Government Printers.

**Note:** These did not include posts not paid from personal emoluments.

**Table 8 1996 Establishment Summary by Salary Scales for the Ministry of Agriculture, Food and Fisheries**

<b>Establishment Summary</b>	<b>Establishment</b>
Open Scale posts	2
Senior Management Scale posts	1
General Management Scale posts	4
General Administrative Scale posts	649
Professional Management Scale posts	111
General Professional Management Scale posts	642
Medical/Paramedical/Nursing Scales	1,042
Medical Doctor Management Scale posts	173
Technical Scale posts	4,514
<b>Total</b>	<b>7,138</b>

**Source:** Republic of Zambia. Complements and Gradings of Posts in Ministry and Provinces to support Estimates of Expenditure for the year 1996. Public Service Management Division. Head 89. Ministry of Agriculture, Food and Fisheries. Government Printers.

**Table 9      The 2003 Establishment of the Ministry of Agriculture and Cooperatives**

The total establishment based on the structure of MACO was 6,797 for both Civil Servants and Non- Civil Servants. The establishment was as follows:

	Establishment	Filled	Unfilled
Civil Servants	6,033	3,585	2,448
Non- Civil Servants	764	1,336	(572)
<b>Total</b>	<b>6,797</b>	<b>4,921</b>	

**Source:** Republic of Zambia. Ministry of Agriculture and Cooperatives. Status Report on the Wage Bill and Housing Allowances submitted to the Secretary to Cabinet. August, 2003.

Notes - The overall establishment of Non - Civil Servants was attributed to the implementation of the guidelines of the Public Service Management Division Circular on the retrenching of this category of staff. This circular was issued after MACO had already determined specifically the guidelines among others: that one Office Orderly should man 8 offices and one Driver to man two vehicles. Out of the 2,224 unfilled Civil Service posts, MACO was in the process of filling 1,254 vacant positions.

**APPENDIX “C” CREATION OF PROFESSIONALISM IN THE MINISTRY OF AGRICULTURE AND COOPERATIVES**

**CREATION OF PROFESSIONALISM IN THE MINISTRY OF AGRICULTURE AND COOPERATIVES**

**Table 10:** Salary Scales of Professional and Technical Staff under the Cooperative and Marketing Development Division (Strategic Plan for 2002 to 2005)

**The Establishment Register**

**1. Department of Cooperatives**

	Current Establishment	Proposed Establishment
A. Professionals	02	95
B. Technical Staff	86	193
Financial Implications		
A. Professionals	29,211,444	907,649,296
B. Technical Staff	413,447,676	1,370,838,676

**2. Department of Marketing and Entrepreneurship Development**

	Current Establishment	Proposed Establishment
A. Professionals	166	213
B. Technical Staff	72	76
C. Administrative	166	213
Financial Implications		
A. Professionals	591,388,740	1,078,934,184
B. Technical Staff	372,823,776	420,174,192
C. Administrative	1,003,856,472	1,620,530,472

**Source:** Republic of Zambia: Cooperative and Marketing Development Division. Strategic Plan (2002 – 2005). March 2002.

Table 8 above shows how the Ministry of Agriculture and Cooperatives proposed to increase the number on the Salary Scales of Professional and Technical Staff under the Cooperative and Marketing Development Division Strategic Plan for the period 2002 to 2005.