

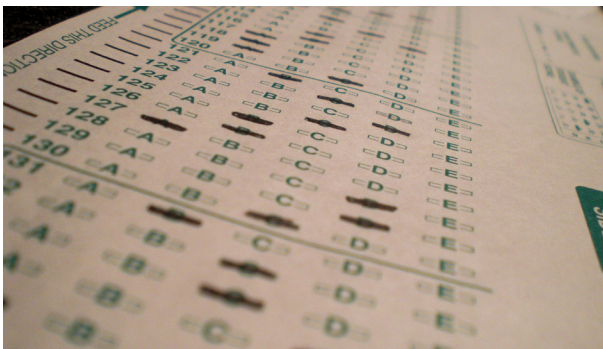
EMPLOYEE PERSONALITIES AND PUBLIC SECTOR PERFORMANCE



RESEARCHERS: Michael Callen (UCLA), Saad Gulzar (NYU), Yasir Khan (IGC), and Syed Ali Hasanain (LUMS)

STAKEHOLDERS: Government of Punjab

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IN BRIEF...

- » Absenteeism and low productivity among government employees in developing countries is notoriously high
- » Financial incentives or increased monitoring to improve performance have proven unsuccessful
- » Appointing staff identified via personality tests could improve productivity in a cost effective way

Governments are the primary provider of services for the poor in developing countries. Yet, absenteeism and low productivity among government employees, from front-line providers such as teachers and doctors to senior administrators, is notoriously high — doctors in rural Punjab, Pakistan, for example, are absent up to 68% of the time. Employers have often relied on financial incentives or increased monitoring to improve motivation and productivity among staff. However, financial incentives can increase costs and studies consistently show that the effects of financial incentives or increased monitoring provide only temporary improvements.

This IGC study of the Pakistani health service examined whether measurable personality traits affect how public servants perform in their jobs, and, if so, how understanding this relationship might help improve service delivery. Several studies, in particular those led by Nobel prize winning economist James Heckman, have shown that 5 personality traits (known as the 'Big 5': 1. Conscientiousness; 2. Openness to experience; 3. Extraversion; 4. Agreeableness; and, 5. Neuroticism/emotional stability) are robust predictors of behaviour.

The IGC researchers found their personality tests accurately predict doctor attendance and whether or not a doctor will collude with inspectors to falsify performance reports. Furthermore, senior health officials with high 'Big 5' characteristics are also more likely to respond to an audit of an underperforming clinic by compelling better subsequent staff attendance. The study suggests that personality tests could potentially provide useful diagnostics in public sector hiring, training, and promotion decisions. Placing officials who show the right combination of personality traits in strategic positions can greatly improve productivity in a cost effective way.