Improving the Quality of Public Services: Evidence from Nigeria, Uganda, and Elsewhere

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Delivering public services

- Public services matter: 12% of Uganda's economy and direct impacts on the private sector

- Room for improvement in public sector outputs e.g. Chaudhury et al (2006) study public worker absence in Uganda:
  - 27% of teachers absent from primary schools (19%)
  - 37% of medical workers absent from primary health centres (35%)

- Motivation of civil servants is central to the provision of public services

Research question

How do we motivate civil servants to increase public sector output?

- Core civil servants: Policy makers, designers, managers

- Frontline civil servants: Teachers, nurses, tax collectors

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Using external incentives

- **Politicians provide 'top-down' incentives**

  - Ferraz and Finan (2011): Brazilian politicians faced by political competition improve bureaucratic output

  - Rogger (2013): Nigerian politicians facing political competition delegate to autonomous civil servants and provide informal incentives

- **Citizens provide 'bottom-up' incentives**

  - Reinikka and Svensson (2003): Ugandan schools receive an average of 13% of capitation grants

  - Reinikka and Svensson (2005): Ugandan newspaper campaign reduced capture of public funds

Using internal incentives

- **Rasul and Rogger (2013): Focus on management of core civil servants**

- **Autonomy:**
  - Bureaucrats can input into policy formulation; and,
  - Flexibility with which bureaucrats can respond to project peculiarities.

- **Performance management:**
  - Collect performance indicators;
  - Review them at regular intervals; and,
  - Provide associated rewards.

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We collected credible measures of output

- Independent evaluations of 4,700 public projects across 63 organisations (2006/7 Nigerian federal budget)

- 'OPEN evaluation process' used independent engineers and civil society to documented project progress and quality

- They provided reports in standardised logframes, photographs, and video with respect to agreed benchmarks

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- Surveys of management staff at each of the 63 organisations

- Translated existing management surveys to civil service setting (Bloom and Van Reenen, 2007)

- Run in collaboration with the Presidency and the Head of Civil Service of the Federation

    - Questionnaire developed in collaboration with public officials

- Interviews enumerated by Nigerian civil servants

    - Directorate staff formed consensus for each question as well as filled their own surveys

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Management in Nigeria

- High degree of variation in management practices across organisations
  - Tenure based system of progression into management

- Positive correlation between autonomy management and performance management (0.24)

- Distinct managers from the same organisation had similar management scores

What did we find?

- Correlate proxies of organisation output with management practice:

OLS estimates	(1) Proportion completed	(2) Quality-adjusted
Index of autonomy	0.18***	0.11***
	(0.03)	(0.04)
Index of performance management	-0.14***	-0.08***
	(0.02)	(0.02)
Other management practices	0.08***	0.08***
	(0.02)	(0.02)
Organisation and Project Controls	Yes	Yes
Observations (clusters)	4,721 (201)	4,721 (201)

How do we explain our results?

Figure 1: Project Ambiguity and the Response to CS-Incentive Management Practices
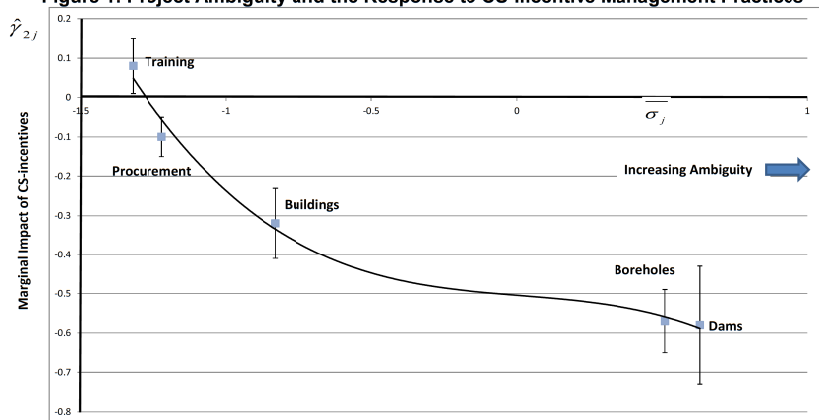
Conclusions

- Core civil servants are critical to the delivery of public services: Evidence from Uganda on capture

- External incentives increase public sector outputs: an additional newspaper leads to 5% higher enrollment

- Management practice has substantial impacts on productivity: 32% increase in output for standard deviation change
  - Proxies of government output in Uganda?
  - Civil servants and management surveys of public sector?

- For more complex tasks, engaging in a partnership with civil servants (targets, flexibility) may be more effective than judging them using performance targets

Thank you

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