International Growth Centre

PROJECT MEMO

PUBLIC SECTOR PERFORMANCE AND MOTIVATION



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IN BRIEF

- Civil servants' performance contracts ('imihigo') are intended to improve the speed and quality of Rwanda's government programming
- » This project analysed the current imihigo system and makes recommendations for its improvement
- The researchers recommended designing performance contracts in light of the 'causal chain' that will deliver the desired output

Civil servants' performance contracts ('imihigo') are intended to improve the speed and quality of Rwanda's government programming, to accelerate progress towards economic goals. However, they are operating below capacity. IGC Rwanda was asked by the Ministry of Public Service and Labour (MIFOTRA) and the Office of the Prime Minister to evaluate the 'imihigo' system. The President also made a public call for the imihigo system to be made more 'scientific' and 'results-based'.

This study contributes to the reform of Rwanda's inihigo system of performance contracts for civil servants by drawing lessons from economic theory and Rwandan and international policy experience. It focuses on the selection of performance metrics for individual civil servants, highlighting how these can avoid gaming, be both fair and incentivising, and contribute optimally to institutional objectives. It touches on questions of grading to a curve, group-based incentives, and integrating performance contracting more deeply into institutional planning processes.

The paper makes a number of recommendations for the improvement of the imihigo system. Some merely imply reformed implementation of imihigo, whereas others would demand more substantial policy revision. They include: optimising risk for employees by contracting against outcomes that are under their control; grading employees to a curve, to prevent grade inflation; avoiding gaming and 'multi-tasking' problems; and more systematically mapping the causal chain needed to produce desired institutional outcomes, using this to derive contracts.

The findings were communicated in person to senior members of the MIFOTRA and SPU teams working on imihigo reform.





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