

ADDIS ABABA UNIVERSITY
SCHOOL OF GRADUATE STUDIES

**HUMAN RESOURCES MANAGEMENT PRACTICE IN
SELECTED CIVIL SERVICE BUREAUS OF ADDIS ABABA CITY
GOVERNMENT**

BY
GIRUM BERHANU

June 2014

Addis Ababa

ADDIS ABABA UNIVERSITY
SCHOOL OF GRADUATE STUDIES

**HUMAN RESOURCES MANAGEMENT PRACTICE IN
SELECTED CIVIL SERVICE BUREAUS OF ADDIS ABABA CITY
GOVERNMENT**

**In Partial Fulfillment of the Requirements for obtaining the Degree
of Masters of Arts in Public Management and Policy Specialization
Development Studies**

By
GIRUM BERHANU
Advisor
Worku Mekonnen (PhD)

June 2014

Addis Ababa



Addis Ababa University

School of Graduate Studies

Department of Public Administration and Development Management

This is to certify that the thesis prepared by Girum Berhanu, entitled: Human Resources Management Practice in selected Civil Service Bureaus of Addis Ababa City Government is submitted in Partial fulfillment for the Degree of Masters of Arts (Public Management and Policy, Development Management Stream) complies with the regulations of the University and meets the expected standard with respect to originality and quality.

Signature by the Examining Committee:

Internal Examiner _____ Signature _____ Date _____

External Examiner _____ Signature _____ Date _____

Worku Mekonnen (PhD)

Advisor

Signature

Date

Mr. Adem Kedir
Chair of Department Graduate Program Coordinator

Acknowledgment

The completion of this research is a result of many people's effort that deserves appreciation.

I am thankful for my supervisor Dr. Worku Mekonnen for his continuous support and intellectual guidance during all stage of this research and for his valuable feedback on my research design and draft which enabled me to reshape and organize the whole paper.

I am grateful for all my respondents for providing me necessary and relevant information. In the same line, for my research assistant Mr. Abdi Berhanu (My Brother) who disseminated and collected the primary data, for Mr. Lemma Eshetu and Mr. Kefelegn H/Markos from the AACSA who helped by providing me with the necessary secondary data.

Lastly, my sincere thanks goes to my families who have always been helpful as their love and invaluable support has contributed a lot to the accomplishments of this paper.

Table of Contents

Acknowledgment	i
Table of Contents	ii
List of Tables	iv
List of Figures	iv
List of Acronyms	v
Abstract.....	vi
Chapter 1	1
Introduction	1
1.1. Background of the Study	1
1.2. Background of the Organization.....	2
1.3. Statement of the Problem and Research Questions.....	3
1.3.1. Statement of the Problem.....	3
1.3.2. Research Questions.....	7
1.4. Objective and Significance of the Study.....	7
1.4.1. Objectives of the Study	7
1.4.2. Significance of the Study	8
1.5. Scope of the Study.....	8
1.6. Limitation of the Study	9
1.7. Organization of the Report	9
Chapter 2	10
Literature Review and Conceptual Framework	10
2.1. New Public Management Theory (NPM).....	10
2.1.1. Critics of New Public Management.....	12
2.2. Human Resource Management (HRM)	13
2.2.1. HRM and Personnel Management (PM).....	14
2.2.2. HRM in the Public Sector	17
2.3. Recruitment and Selection	18

2.4.	Performance Appraisal.....	18
2.5.	Employees Training and Development	21
2.6.	Rewards.....	22
2.7.	Decentralization	23
2.8.	Devolution.....	24
2.9.	Rationale of Decentralizing HRM Functions	24
2.10.	Public Personnel or the Civil Service Definition.....	25
2.11.	The Public Sector and the Civil Service	26
2.12.	Preceding Research Works on Decentralization in Ethiopia	27
2.13.	Customizing and Linking the Concepts to the Topic of the Study	29
2.14.	Background to the Executions of HRM Functions in Ethiopia.....	30
2.15.	Human Resource Management in Addis Ababa City Government	33
2.16.	Size of the Addis Ababa City Government Civil Service	37
Chapter 3		38
Research Design and Methodology.....		38
3.1.	Research Design	38
3.2.	Research Methodology	38
3.3.	Data Collection	40
3.4.	Sampling Design and Size	41
3.5.	Data Presentation and Analysis	43
3.6.	Validity and Reliability	44
3.7.	Ethical Concern and Consent Statement.....	44
Chapter 4		46
Finding and Analysis.....		46
4.1.	Analysis of Responses from AACSA	46
4.2.	Analysis of Response from Sector Bureaus	56
4.3.	Comparative Analysis	65
Chapter 5		69
Summary, Conclusion and Recommendation		69
5.1.	Summary	69

5.2. Conclusion	72
5.3. Recommendations.....	72
References	74
Annex.....	77

List of Tables

Table 2.1	Personnel versus HRM	17
Table 3.1	Expected Number of Respondents from ten selected Civil Service Bureaus	42
Table 4.1	Respondents' Profile	47
Table 4.2	Compared to the previous system, has decentralization facilitated HRM Functions? (AACSA)	48
Table 4.3	Ability and skill level to carry out HRM tasks	48
Table 4.4	Training Assessment	49
Table 4.5	Performance of Bureaus	51
Table 4.6	Assessment of performance appraisal	52
Table 4.7	Assessment of AACSA support	54
Table 4.8	Recruitment Channel	57
Table 4.9	Recruitment Procedure (1)	58
Table 4.10	Recruitment Procedure (2)	59
Table 4.11	Selection Criteria	60
Table 4.12	Selection Procedure	60
Table 4.13	Training and Development	61
Table 4.14	Reward System	64
Table 4.15	Assessment of AACSA support for sectors (Sector)	65

List of Figures

Figure 2.1	Organization Structure of AACSA	34
Figure 2.2	The size of A.A. Civil Service for the last 12 years	37
Figure 4.1	Responses on Decentralization (Sectors)	56
Figure 4.2	Responses on Performance Appraisal (Sectors)	62

List of Acronyms

AACSA	Addis Ababa Civil Service Agency
ACR	Annual Confidential Report
BOFED	Bureau of Finance and Economic Development
BPR	Business Process Reengineering
BSC	Balanced Score Card
BOTID	Bureau of Trade and Industry Development
CBB	Capacity Building Bureau
CSA	Civil Service Agency
CSRP	Civil Service Reform Program
EPRDF	Ethiopian Peoples' Republic Democratic Front
FCSA	Federal Civil Service Agency
HR	Human Resources Management
HRD	Human Resources Department
HRM	Human Resources Management
MCS	Ministry of Civil Service
NPM	New Public Management
PM	Pubic Management

Abstract

Unlike the Dergue regime, the current ruling party EPRDF decentralizes its power to the federal and regional governments. In the same line, each regional government also formally decentralizes adequate decision-making power to lower administrations level. This aims at promoting decentralization and getting the people together. Consequently, each regional government level has among other things, the right to use its public administration, recruit, transfer and promote.

This research attempts to assess the implementation of HRM functions in Addis Ababa City Government under a decentralized context in Ethiopia using questionnaires collected from ten selected sectors and secondary data from official HRM documents of the AACSA and that of MCSC. The finding reveals better performance of HRM practice compared to centralized administrative system. However, promotion, performance assessment and reward system are not performed well as there are some indications from the findings. Moreover, to some extent the current wage structure and the minimum requirement criteria set by the CSA hinders sectors effort to attract the best candidates. Similarly, selection is often distorted by interference. The study also depicts the need for additional training, as the performance in some sectors level is not satisfactory. Besides, in some instance lack of equal access to training and need assessment is also improper.

The execution of BSC also shows that the need to make the working environment more conducive. Likewise, in some sectors the uniform salary scale the country follows does not attract various professionals and hence not fully improve service delivery. Finally, the support of the CSA to the sector bureaus is minimal. Despite the above stated problems in the region, there is a positive link between decentralization and HRM as it gives each level of government to exercise their power in making decision on HRM issues without waiting another decision maker. Moreover, conducting training, creating strong link between performance and reward, making the performance assessment system more open and carrying out continuous follow up should make the decentralization process more sustainable.

Chapter 1

Introduction

1.1. Background of the Study

The quality of human resources is a critical factor in the capacity of the government to deliver on its mandate. Human Resource Management (HRM) is critically important in that it ensures human capital is well managed and that all issues relating to this resource are effectively dealt with. These issues include compensation, recruitment and selection, performance management, organizational development, safety and wellness, employee motivation, communication, administrative support and training (Magijima, 2010:2).

To a very large extent, the nation's ability to achieve its goals through public administration depends upon the performance, honesty and motivation of public employees. Although we think in terms of institutions and principles, in the final analysis organizations and governments are not charts and words on pieces of paper; they are made up of people and it is necessary to somehow organize the conditions of their employment (Rosenbloom, 1986:4).

The enormous and diverse roles of government is planned and exercised to a large extent by the public employees, the civil service. As the role and activities of modern government are very large and complex in nature, so are the size and nature of the civil service. Public administrative jobs range from the exploration of outer space to sweeping of the streets; some have a nationwide impact; others have virtually no responsibility for policy making and simply carry out the mundane governmental tasks. Public administrators are doctors, lawyers, scientists, engineers, accountants, budgeters, personnel officers, managers, clerks, typists, manual laborers and individuals engaged in a host of other occupations and functions. Furthermore these diversified groups of people come from different cultural, geographic and ethnic background.

The management of these diversified civil services which are crucial in the national development is one of the major components of public HRM. This part of public administration which deals with the management of civil servants at work places, i.e. public HRM has, therefore attracted the attention of many scholars and of public administrators (Ibid, p.4).

This research assumes that if an organization hires poor performers, it cannot be successful even if it has perfect plans, a sound organizational structure and finely tuned control systems. Competent people must be in post to ensure that organizational goals are attained. Even though many organizations have access to advanced information technology, the people are the one who make the real differences. Therefore, focal attention should be given to human resource activities.

In Ethiopia, depending on the government's ideology the country's policies and strategies are executed. From early times up to now different governments with different policies, rules and regulations came in to power. For instance, the Derg regime (1974-1991) had its own socialist idea with a centralized policy system. Consequently, designing of policies and decision making took place in a centralized system. In addition to this, all the civil service organizations were highly centralized (Paulos, 2001).

Unlike the Derg regime, the 1995 federal constitution assigned powers and authority to the Federal Government, the nine regional state governments and two autonomous administrative regions Ayenew, (1998). In doing this, the government of Ethiopia initiated a Civil Service Reform in 1996 to build the capacity and implement decentralization. According to the constitution, each regional state has a quasi-sovereign status with considerable power and authority; among other things grants the right to use its own public administration and own courts. In addition to this, each regional state government has to formally devolve adequate decision-making power to lower administration levels. This aims to promote democratic decentralization and get government closer to the people (UN – HABITAT, 2002:89). As a response to this nationwide scheme, the Addis Ababa Civil Service Commission also decentralized the major human resources management decisions to respective implementing agencies. Among which recruitment, selection, promotion and transfer of employees are some.

1.2. Background of the Organization

The state government has established the Addis Ababa Civil Service Agency to decide on the duties and responsibilities of executive bodies in the region as per the Ethiopian transitional government proclamation no. 14/2001 G.C. When region 14 was established, Civil Servant Administration Bureau was established under that in January 2001 G.C.

Later in 2003 G.C. it was reestablished based on the Proclamation no. 2/2003 G.C. as Civil Service Commission when the administration was reestablished again as decentralized administration to take over the then Federal Civil Service Agency (FCSA) which is currently Ministry of Civil Service Commission (MCSC) in line with the decentralization process to enable regions and sectors to carryout administrative functions. Finally in 2009 G.C. it was once again re-established when the city's administration executive bodies were ascertained and since then it is known as Addis Ababa City Administration Civil Service Agency.

The AACSA's power and duties include issuing directives and guidelines, control and monitor all personnel activities in the region, determine the function classification and grades to which all positions in the government offices shall be distributed as well as the qualification requirements for each class of position (AACSA, 2009)

Moreover, the agency conducts studies on salary scales to be applicable to civil servants, submit these to the regional state council for approval and administer their proper implementation. It also provides support by conducting training based on the need assessment of the bureaus. The agency also has the duty to collect and compile statistical data related to civil servants. Besides, the administrative tribunal will hear and decides appeal brought by civil servants (Ibid).

Issues which are the theme of public human resources management include organizational arrangement, recruitment, job assignment, performance appraisal training and development, promotion, employees' compensation, reward, fringe benefits and exit procedures. In this research paper, efforts will be made to assess the practices and malades particularly on the major dimensions of HRM which include recruitment and selection, training and development, performance management and reward system with a focus on selected Civil Service Bureaus of the Addis Ababa City Government.

1.3. Statement of the Problem and Research Questions

1.3.1. Statement of the Problem

As opposed to centralization, decentralization is often supported on the grounds that it promotes efficient and effective service delivery. Several countries in Sub Saharan African undergoes through this process. However, these decentralization programmes

are designed on an ideological basis rather than on pragmatic reality on the ground. This is further worsened by lack of information regarding local political economy issues that may hamper the success of decentralization (Olowu, 2001:1).

Similarly decentralized Human Resource Management (HRM) functions are of concern, as Olowu (2001:22) stresses that many professionals are reluctant to work in local government for fear of reductions in their status or job security. Furthermore, problems such as high incompetence, lack of effective personnel to perform all-round recruitment and selection tests exist (Adebabay, 1998:27). These have mainly prevented civil service organizations from delivering effective service.

Ethiopia has entered into a promising path of political and social development, particularly with the decentralization of powers to the respective public sector agencies and regional self-governments under the current administration since the year 1995. This process is somehow new to the sector in comparison to the previous system. This process of decentralization had helped in facilitating the implementation of HRM functions in general. Nonetheless, it didn't go unchallenged as abuses of authority, inefficiency, corruption and irresponsiveness still prevail in the administrative structures of all levels of governments in Ethiopia (Federal Civil Service Agency, 2005) cited in Paulos (2007:362).

In line with this, major functions of HRM like recruitment and selection of employees takes place not based on manpower planning but rather on the basis of solving immediate problems. Training is also not given for immediate personnel's, no accountability procedures are in place to take measure whenever decision makers commit mistakes within their authority, promotion is not based on performance, inadequate screening (examination and interviews) not based on merit principles (Ibid).

In the same line, the recently introduced BSC system also suffers from poor human capacity, lack of transparency, weak follow-up, loose linkage between performance and reward that hamper the system (Ministry of Civil Service, 2013).

But at the same time, little has been researched on the decentralization of Personnel/HRM functions and the attendant impacts on organizations from delivering effective service.

In this regard the attempt made by scholars like Meheret and Paulos (2000) and Kassahun and Aklilu (2000) Yigremew (2001), Getachew (1997) and Tegegn and

Kassahn (2004) are praise worthy. Prior to 2002 HRM function decentralization initiatives, human resource functions in the Addis Ababa City Government were highly centralized with a strong power at the city's Civil Service Commission. Government Offices were responsible only to recruit, promote, demote, punish, and transfer, etc with prior acceptance, approval, consent and with checks detailed evaluation of the City's Civil Service Commission. This was a unified type of human resource administration where the CSC was at the apex of all powers with regard to HRM functions.

Since 2002, inconsistent with the proclamation No. 6/2003 that stated the Commissions' power to delegate its powers and duties to government offices for the purpose of efficiency and effectiveness of the civil service, the state government has made a rapid decentralization of human resource functions. According to the CSC, the justification for the decentralization was that the commission encounters myriads of problems to handle its responsibilities and powers (Image, 2003: 7). Hence, to reduce the workload, the CSC delegated some of its powers and functions to respective government offices and bureaus of government organizations reserving some of the powers to it.

According to the HRM directives issued by the AACSA and delegated the HRM duties and responsibilities to each government office, all HRM functions should be consistent with the principles of accountability, openness, transparency and merit (AACSA, 2003: 2). Furthermore, it stated that an authority or a member of a committee, who unlawfully gives an appointment, promotion, salary increment or other benefits, will be liable both for the relevant criminal penal codes and for the unjustifiable expenses (Proclamation No.6/2002:37). This indicates that power and accountability are one side of the coin.

However, after the decentralization of HRM functions, critical problems were repeatedly reported and referred to the AACSA from different government bureaus. Some of these problems are mentioned below:-

1. Shortage of qualified manpower (including councilors) to effectively interpret and implement the rule and directives;
2. Higher labor turnover (including appointees and councilors);
3. Lack of implementing capacity;
4. Deterioration of employee morale;
5. Deterioration of sense of responsibility and accountability.
6. "Brain drain" of most of experienced and educated civil servants from government organization to private sectors, etc.

The above mentioned negative consequences of the hurried decentralization of HRM functions were compounded by (1) the absence of effective controlling, inspection and grievance handling mechanism, and (2) the high intervention of politicians in the redeployment activities. These problems are resulted in the weakening of the rule of law, created opportunity for contravening employees' legal and constitutional rights and generally deteriorate the endeavor for successful human resource decentralization and good local governance.

Researches on the area indicated that a badly managed decentralization will damage the morale and can result in frustration and dissatisfaction of employees. Therefore, according to **Shin (2001)** there are times when waiting is important before decentralization program is implemented (**Shin, 2001:1096**).

It is well recognized that shortage of human resources, particularly professional experts at respective government offices in required level are the fundamental and major problem to implement any reform program designed by the government. Thus, it is not possible to render service to the public, in terms of quality, quantity and time specified. To mitigate the problems created by shortage of manpower, one can see that more than one responsibilities and activities have been assigned for one employee. This is a short-term solution to the problem. In Ethiopia, government bureaus lack a well-functioning organizational structure, and face an acute shortage of skilled personnel, offices and equipment to effectively discharge their constitutional responsibilities (**MOCB, 2003:40**).

There is little attention to build human resource capacity. According to **Adebabay and Meseret, (2004)**, the low performance results and ineffective implementation of annual plans in sectors could be attributed to the lack of human resource capacity. Human resource is a fundamental element in most civil service organizations (**Adebabay, 2004: 30; Meseret, 2004: 24**). Therefore; human beings should remain the centerpiece of capacity building. The objective of capacity building should be to develop individual capabilities, incentives and institutions to enhance their efficiency and effectiveness, since in the end, it is always people that make things work (**MOCB, 2003:125**).

On the other hand, little efforts have been made to advance the public human resource management through systematic and pragmatic studies. Ethiopia's civil service system, therefore, is in urgent need of in-depth analysis that gears towards defining existing problems in specific contexts. The idea behind this research is to initiate such studies in

the public human resource management in Addis Ababa City Government with the context of decentralization to seek solutions to the malpractices of the old-fashioned system that prevailed over the decades.

1.3.2. Research Questions

This research mainly tries to address the following research questions:

- What is the link between decentralization and HRM practice in public sectors in Ethiopia?
- How effective are the HRM practices in the civil service bureaus of the city government?
- Why do problems associated with the four main HRM functions of recruitment and selection, training and development, performance management and reward system occur at decentralized level?
- How does implementation of HRM activities affect the effectiveness of decentralization?

1.4. Objective and Significance of the Study

1.4.1. Objectives of the Study

The main objective of the research is to analyze the prospects and constraints in the implementation of human resources management practice in Addis Ababa City Government. The research will also examine the current policies, procedures and practices of public HRM in the state government and assess its strengths and weaknesses and make recommendations. In general the research has the following major objectives:

- I) To study the link between decentralization and HRM practice in public sectors in Ethiopia.
- II) To see how effective the HRM practices are in the civil service bureaus of the Addis Ababa city government.
- III) To investigate HRM problems that occur in the civil service bureaus of the city government and suggest some aspects to overcome these problems.
- IV) Assess how the implementations of HRM activities affect the effectiveness of decentralization.

1.4.2. Significance of the Study

Systematic studies and researches in public human resource management enables all actors and public officials see past and present strength and weaknesses, learn from their mistakes and capitalize on their strengths. Findings of researches and studies are means to device flexible, up-to-date and demand driven civil service and to foresee future requirement.

The study paper has the following basic significances:

- I. This research will help to add on the existing literatures on the execution of the human resources management practices and propose ways of enhancing harmony and performance in service delivery for the civil servant at the state government level.
- II. To help those responsible to identify the strength and weakness & take corrective actions to enhance the practice of HRM in the civil service bureaus.
- III. The finding will provide basic information on the key challenges or gaps affecting the effectiveness of the HRM practices as well as provide the possible solutions for alleviating the major challenges or hindrance.
- IV. It may serve as a base for further and detailed study on the practice of public human resources management.

1.5. Scope of the Study

The study mainly concentrates on one of the four forms of decentralization involving the transfer of power from the Addis Ababa Civil Service Agency to semi-autonomous regulatory and implementing agencies. Devolution tackles HRM dimensions of recruitment and selection, training and development, performance management and reward system. Because these functions have important aspects such that the impact of HRM is best reflected in these four main drivers as a change engine. As such, these human resource activities have an important role compared to other HR activities. Hence, major focus is given to these selected management activities.

The study covers the Civil Service which is under direct regulation of the Addis Ababa Civil Service Agency. Public undertakings which are commercial in nature and administered by labor law are excluded from the coverage of this study. The focus was on critically examining the recent trends and practices of these four main HR practices in selected bureaus of the Addis Ababa City Government, identifying major problems in current policies, procedures and practices and forwarding feasible and workable recommendations.

1.6. Limitation of the Study

Although there are many HRM functions, this research limits itself on the four major functions namely: recruitment and selection, performance appraisal, training and development and reward. Similarly, it was impossible to cover the whole sectors under the city government because of time constraints. Therefore, it will not give the full picture of HRM functions in the region. Moreover, since little research has been done in this area, it mainly depended on primary data and secondary office documents. It was very difficult to acquire complete data from record systems in all the sectors, which stems from insufficiency of space for archives and poor data management systems. Most informants are also very skeptical when they provide information. When somebody approaches them for research, after evaluating the researcher's position and/or political affiliation, they tend to give out what he/she perceives the researcher would like to hear and not what actually is on the mind.

1.7. Organization of the Report

This research paper is organized in five chapters. Chapter one deals with the introductory part which includes objective, problem statement, research question, significance, scope and limitation of the study. Chapter two is devoted to conceptual frameworks and literature review on the historical background of HRM practices in the in Ethiopia and the implementation of HRM in the city government.

An overview of the research methodology to be used to investigate the research problem will be presented under Chapter three. This chapter covers the research design, source of data, population, sampling method, data collection procedure and methods of data analysis. Chapter four on the other hand is devoted to presenting the findings and analysis of public HRM practice in selected sector bureaus of Addis Ababa City Government.

The last chapter is the conclusion and recommendation. The findings and policy recommendations concerning public HRM at the state level will be presented in this final chapter.

Chapter 2

Literature Review and Conceptual Framework

This chapter reassesses the literature in New Public Management theory, Human Resource Management and Decentralization. Literature of New Public Management will cover issues associated with HRM and Personnel Management. This section focuses on the discussion of NPM and provides an idea of its link to HRM and decentralization.

2.1. New Public Management Theory (NPM)

The concept of new public management (NPM) has been considered as inspiring the initiation of many reforms to improve public service delivery (Poladino, 1999: 1). The fundamental nature of NPM can be described by the new trends in the public administration to shift some important insights and values from the private sector strategy to the public sector to enhance service delivery. These include efficiency, effectiveness, flexibility, responsiveness, competition, result oriented management, more explicit and measurable performance standards, more active control based on preset output indicators and answerability. However, the achievement and failure stories propose that the outcome of the implementation of reforms to improve service delivery relies on the general context and mainly on local contingency factors than general national characteristics (Polidano, 1999:5).

Furthermore, it necessitates new legislation, analyzing the status quo, and subsequently to design, formulate, refine new operating procedures, train staff how to work with them, define new roles and appropriate reward and appraisal systems, set new measurement system in place, inform customers and other stakeholders and work hard to reduce the anxiety all these novelties have probably caused, both among users and staff (Pallet and Boukaert, 2000:7-8).

According to Haque (2007:9-10), the major reasons for the adoption of NPM model include:

- a. reduction of public sector's direct role, redefinition of its role as a facilitator, and involvement of private sector in service delivery through means such as downsizing, outsourcing, and partnership;

- b. Restructuring of the public sector for more internal competition among its various units by introducing performance contracts and market-type mechanisms like the competitive pricing and market testing of various goods;
- c. Expansion of management's operational autonomy and flexibility in financial and personnel matters (as found in business management) through the so-called agencification or conversion of public organizations into various businesses like autonomous agencies;
- d. Assessment of public sector performance by evaluating its final outcomes or results (rather than inputs or procedures) based on the preset performance targets or standards; and
- e. Reinforcement of customer-orientation by providing greater customer choice and ensuring better service quality based on user charges.

Different commentators have variously described the doctrines of public sector management encompassed by NPM and some have identified different phases in the development of NPM. Nonetheless, there is still a good deal of overlap among the different accounts of what NPM entails.

Hood (1995: 96) pointed out the following components of NPM:

1. Shift to disaggregation of units in public sector that is, breaking up large corporatized units around products, funded separately and dealing with one another on an arm's length basis.
2. Shift to greater contract based competition both between public sector organizations and between public and private organizations, move to rivalry as the key to lower cost and better standards.
3. Stress on private-sector style of management practice like, flexible hiring and reward system.
4. Stress on greater discipline and parsimony in use of resource by cutting direct cost, raise labour discipline.
5. Greater emphasis on visible hands-on top management, where managers are provided more freedom to manage by discretionary power which in turn contribute to sufficient accountable administration.
6. Explicit standards and measure of performance, goals are defined and performance are set for success being expressed in quantitative terms.

2.1.1. Critics of New Public Management

There is no clear definition what New Public Management is. Christensen and Lægreid (2001:19) state that, the concept is loose and multifaceted and offer kind of shopping basket of various elements for reformers of public administration. Furthermore, NPM as a reform measure is being undertaken in many countries of North and South. However, it is not foolproof and generates some complexities in implementation. Some also have pointed out that in many countries the avowed objectives of the model are not being attained. Some of the theoretical justifications are also highly questionable (Paulos, 2001:4).

NPM is by definition a managerial initiative, which concentrates on control of subordinates to ensure effective accomplishment of objectives and increase efficiency. NPM therefore tends to bread management not necessarily in terms of numbers rather the search for more effective means of control in the name of accountability. There is increasing pressure to specify and evaluate outcomes beyond output and changing process. Furthermore, it can be argued that while the decentralization of personnel management has reduced bureaucratic transaction in one way, it has enhanced them in another through contracts. A huge amount of time and energy is spent on procedural specifications and negotiations, statement of corporate intent and purchasing agreements compared to the preceding, more traditional administration (Gregory, 2001: 237-38).

In addition to these, Drechsler (2005:17) asserts that “in the middle of 19th, in Public Administration it was still possible to believe in NPM, although there were the first strong and considerable critiques, lately in early 20th highly developed Public administration (PA) scholarship itself NPM is on the defensive if taken as a global view, rather than as one of several useful perspectives for PA reform. The question here is more whether one favors post-NPM or post-post NPM, Weberian-based PA, the latter being the most advanced, and the most sophisticated, and now termed the Neo-WeberianState (NWS). What was an option a decade ago is not an option any more today. In the same line, he argues that in the year 2005, NPM is not a feasible concept anymore. However, in many areas, both of researcher and the world, as well as in policy, NPM is very alive and very much kicking”.

Despite its critics, NPM is said to be stimulating many reforms around the world making citizens in developing countries aware of improved public service due to

knowledge transfer. Moreover, one of the driving forces for the emergence of NPM is that the need for decentralized management so as to break up the vast public bureaucracies to more self-governing executive agencies and giving managers increased control over budgets along with accountability (Paulos, 2001:2).

Even though, deconcentration, delegation and privatization may have also an impact on service delivery, in the context of Ethiopia the government is developing participatory structures at the local level and devolving administrative power away from the center. Therefore, having this in mind this research assumes that decentralization of power to functional authorities or agencies, as one forms of decentralization will lead to change in the implementation of HRM functions, which in turn results in enhancement of service delivery in those government agencies (Ibid).

2.2. Human Resource Management (HRM)

In this section, the literature on HRM will be reconsidered, by defining the concept and explaining its link with Personnel Management (PM). Emphasis will be given on the practice of HRM in the public sector.

The term HRM does not have a widely accepted definition. Storey(2001:5) cites various HRM writers, like Noon (1992:17) who is uncertain whether HRM is a map, which lays claims to being a diagnostic tool aimed mainly at practicing managers. As a model or theory, HRM is elevated to apposition of scholarly and practical significance in terms of its analytical and predictive powers; and Keeony and Anthony say that to explain HRM is to destroy it. Bratton and Gold (2007:7) define:

Human resource management (HRM) is a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving competitive advantage, this being achieved through distinctive set of integrated employment policies, programmes, and practices.

Most private sectors compete with each other so as to gain their productivity and hence to make profit. In contrast, competitive advantage is important in Civil Service Sectors to enhance effective and efficient service delivery for different stakeholders. HRM, as Bratton and Gold (2007:7) portray it, underlines a belief that people really make the difference; people as employees, among other resources, have the capacity to generate value.

Moreover, human knowledge and skills are a strategic resource that needs to be skillfully managed. To this end, it is necessary to integrate employment policies, programmes and practices with organizational strategy. Therefore, if the employee is so crucial for organizational success, the responsibility for HRM activities rests with all line managers and should not be left to HR specialists.

Whereas HRM in different hands may carry mixed connotations it has hard and soft models (Storey, 2001:7-9). The 'hard' version emphasizes the term 'resource' and adopts a 'rational' approach to managing employees, that is, viewing employees as any other economic factor, as a cost that must be controlled. The 'soft' HRM model emphasizes the term 'human' and thus advocates investment in training and development, and the adoption of 'commitment' strategies to ensure that highly skilled and loyal employees give the organization a competitive advantage (Bratton and Gold, 2007:6). Besides, the hard dimension finds its impetus and legitimation in a market-responsive mode of action. It emphasizes detached and coolly rational planning. It reflects also the business strategy focus frequently found in HRM accounts. In contrast, the soft face of HRM traces its roots to the human-relations schools and emphasizes on communication, motivation, culture, values and participation (Storey 2001:9).

2.2.1. HRM and Personnel Management (PM)

Nowadays the idiom 'human resources management' (HRM) is becoming popular instead of personnel administration, personnel management or manpower administration. As Bratton and Gold (1999; 7) stated, personnel management takes place within a context of change. Its evolution has been significantly influenced by the dual pressure of public policy and the rise of workplace trade unionism and collective bargaining.

The shift from the old orthodoxy of personnel management, which views personnel processes as very mechanistic operations as Cox et al (1994, p52) states, is also necessitated by concerns about global competition, internationalization of technology and workers' productivity (Bratton and Gold: 1999.P4). The mechanistic view of personnel administration is properly explained in Cox et al (1994, p52) as:

Employees are recruited from a pool of applicants meeting pre-established guidelines. The hiring process is circumscribed by restrictions on information; employment applications as well as interview questions are carefully screened to avoid illegal questioning but to be certain that any bona fide occupational qualification questions are

included. The fundamental tenants of personnel practice from this perspective are simplistic. Absenteeism should be reduced; employee turn-over is deplored. Hiring is to occur based summarily upon the applicant's "fit" with the requisite knowledge, skills and abilities (KSAS) and defined in the position classification guidelines. Promotion is to be based on merit. While in most cases, a personnel manager could organize his or her office using this "by-the-book" and somewhat robotic approach, the manager learns nothing of why the employees behave as they do. This approach to personnel management ignores the context in which people work – a critical element to any understanding of public sector personnel practice.

Thus, the shift from the term personnel management / administration to human resources management is not simply the matter of choice in the use of semantics; it involves a paradigm shift in the way of looking at personnel administration processes and the dynamism involved. As Cox et al (1994, p52) state, an alternative view begins its examination of personnel practices from the perspective of how to utilize the contributions of government personnel to achieve the objectives of governance. This more dynamic view of personnel practice places personnel management at the very center of governmental activity.

To enlist worker's full potential and to produce behavior and attitudes considered necessary for competitive advantage requires three aspects of managerial control: organizational and job design, organizational culture, and personnel policies and techniques. Thus the developing managerial orthodoxy now posts the need for reengineering of organizations towards 'flat' hierarchical structures, an enlargement of job tasks and job autonomy, ideally centered around work teams (ibid).

Furthermore, it is suggested that senior management can direct and inspire workers through the management of the more intangible aspect of the workplace, such as beliefs, norms of behavior and values (corporate culture). In addition the new orthodoxy asserts the need to recruit, develop and reward workers in ways which create a sustainable commitment to organizations goals and to ensure a "high performance" organization (Bratton and Gold: 1999, p4).

According to Armstrong (2001:18), some personnel regard HRM as just a set of initials or old wine in new bottles. It could indeed be no more or no less than another name for personnel management, but as usually perceived, at least it has the virtue of emphasizing, the virtue of treating people as a key resource, the management of which the directed concern of top management as part of the strategic planning process of the

enterprise. Although there is nothing new in the idea, insufficient attention has been paid to it in many organizations. The new bottle or label can help to overcome that deficiency.

It is also argued that PM and HRM have something in common. First, both have strategies, which emanate from the business strategy. Second, both recognizes that line managers are accountable for administering people. Third, the values of PM and at least the 'soft' model of HRM are similar with regard to 'respect for the individual', balancing organizational and individual needs and developing people to attain their highest level of competence both for their own satisfaction and to facilitate the accomplishment of organizational objectives. Fourth, both recognize that one of their most vital functions is that of matching people to the dynamic organizational requirements: assigning and developing the right person in and for the right job. Fifth, both use the same selection, competence analysis, performance appraisal, training and development, and reward management techniques. Sixth, like the soft HRM model, PM attaches importance to the process of communication and participation within an employee relations system. Despite their similarities, Legge (1989) as cited in Armstrong (2001:19) identified three features, which seem to distinguish HRM and PM:

1. PM is an activity aimed at non-managers while HRM is less obviously focused but it certainly more concerned with managerial staff.
2. HRM is much more incorporated in line management activity but personnel management seeks to influence line management.
3. HRM emphasizes management of culture by senior management but PM has always been rather suspicious of organization development and linked unitarist, social-psychologically oriented ideas.

David Guest 1987, sited in Torrington et al. (2002), enumerates the following differences between PM and HRM;

Table 2.1 Personnel versus HRM

Point of Difference		Personnel Management	HR Management
1	Time and planning perspective	Short term, reactive, ad hoc, marginal	Long term, proactive, strategic, integrated
2	Psychological contract	Compliance	Commitment
3	Control system	External controls	Self-control
4	Employee relations perspective	Pluralistic, collective, low trust	Unitary, individual, high trust
5	Preferred structures / systems	Bureaucratic /mechanistic, centralized, formal defined roles	Organic, devolved, flexible roles
6	Roles	specialist / professional	Largely integrated into the line management
7	Evaluation criteria	Cost minimization	Maximum utilization (human asset accounting)

2.2.2. HRM in the Public Sector

Effective human resource management is a critical function in today's public-sector. HRM in the public sector has been characterized by the creation of structures that are more flexible and processes, the elimination of highly centralized agencies and service-wide consistency of rules and greater responsibility accorded to line managers and supervisors in the management of employees through flatter management structures and programmes of decentralization and devolution. At the job level, broader and multi-skilled jobs were introduced. There was also a greater concentration on performance and output measures (Brown, 2004: 307).

According to Olowu and Adamolekun (1999:87), the practical importance of the recent HRM orientation for African public administration systems is that, it underlines the transformation of personnel departments in public sector organizations from a preoccupation with inactive roles of administering obsolete rules to actively developing and pursuing policies for synergizing the personnel function with overall proactive strategic management within the organization, focused on among other things recruitment and selection, performance appraisal, training and development, and reward system of which will be discussed in the next section.

2.3. Recruitment and Selection

Ensuring that the right people are in the right place at the right time is a critical factor in gaining and maintaining competitive advantage. Recruitment and selection have always been crucial processes for organizations. They are integrated activities. (Bratton and Gold 2007: 239-247) refers to recruitment as “the process of generating a pool of capable people to apply to an organization for employment. Selection is the process by which managers and other use specific instruments to choose from a pool of applicants the person or persons most likely to succeed in the job(s), given management goals and legal requirements”. Recruitment and selection represent the entry point activities.

Hence, emphasis may be placed on admitting only those applicants who are likely to behave, acquires skills and show attitudinal commitment in line with the requirements of the organization’s strategy. Effective recruitment relies on the degree to which overall management philosophy supports and strengthens an approach to HRM that focuses on the deployment and development of new employees once they have gained entry to an organization. In doing this, there needs to be an intelligent uses of recruitment channel. An organization has two sources of labor supply-the internal and the external labor market.

Internal recruitment involves words-of-mouth, recommendation or notice board advertisements. In contrast, recruitment in the external labor market involves different ways: advertising, job centers, employment agencies, walk-in and professional associations (Sisson and Storey, 2000: 170). Merit-based recruitment and promotion is widely acknowledged as the hallmark of well performing public administration systems (Olowu and Adamolekun, 1999: 89-91). They further assert that the African experience of applying merit in the public service has also underlined the significance of balancing merit with other considerations aimed at ensuring some degree of representativeness like race, ethnicity and gender to ensure equal employment opportunity. Merit involves dealing with people based on their knowledge, skills and other capabilities rather than irrelevant characteristics (Lee, 1993: 37).

2.4. Performance Appraisal

Performance management is, of course, about performance. According to Armstrong and Baron (1998) as cited in (Armstrong, 2001: 467-470), “Performance management is

defined as a strategic and integrated approach to delivering sustained success to organizations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors". It is concerned with performance improvement, employee development, satisfying the needs and expectations of all the organization's stake holders-owners, management, employees, customers, suppliers and the community. Finally, it is concerned with open communication and involvement. It creates an environment in which a continuing discussion between managers and the members of their teams takes place to define expectations and share information on the organization's mission, values and objectives. Performance management is an on-going process, which holds the following activities:

1. *Defining role in which the key result areas and competence requirements are agreed.
2. The performance agreement or performance-planning phase, which defines expectations.
3. Performance development stage.
4. Implementation phase which focuses on providing feedback on performance, conducting informal progress reviews, updated objectives and where necessary, dealing with performance problems and counseling.
5. Performance review phase which is the formal evaluation stage that can lead to performance ratings (Armstrong, 2001: 475).

Providing and demonstrating better value and improving performance is at the centre of any public sector organization today. In order to do this, organizations need to agree on strategic priorities and then measure and manage those to achieve better results. However, McCourt and Eldridge (2003:216) declare that in most African countries the Public service still practiced the annual confidential report (ACR) to decide on internal and seniority base promotion. For instance in Ethiopia, performance management as part of Civil Service Reform Program (CSRP) has in its original design (Solomon, 2005: 36).

Feedback is an important element in appraisal. Metcalfe (quoted in McCourt and Eldridge (2003: 212) found that the successful appraiser were those who allowed their staff to participate. This is done by making an annual interview between manager and employee the focus of the procedure. Frequent communication is desirable and

important to good management and assists to maintain good performance throughout the year. Thus, emphasis in developing appraisal should be on developing managers' appraisal skills. The appraisal interview tries to assess, as honestly as possible, where performance has succeeded, where not and why. It presumes that employees, with guidance and encouragement, can identify and deal with their own weaknesses. Consequently, appraisees should be able to communicate without fear of unhelpful blaming, and without inhibition due to the appraiser's higher rank.

Yet, organizations vary in degree of openness. Therefore, the communication style has to be acceptable to both parties in a way that it reflects national and organizational culture (McCourt and Eldridge 2003: 219). Preparing for the appraisal interview is important. The appraiser and appraisee should establish an appropriate time and place for the appraisal meeting. The meeting location should be free from interruptions like office visitors, general conversations. Both parties should have ample time to prepare for the appraisal meeting. Prior to the meeting, the supervisor should take time to review the employee performance related documents, and prepare questions on areas where he/she is weak. In the same line, self-assessment can be a significant part of the appraisal process. Working with their supervisor, employees are encouraged to prepare a self-assessment appraisal if required.

Employees may also wish to provide a report of accomplishments, factors that affect their performance and any comments or questions in advance of the appraisal meeting. This in turn will assist the appraiser in planning and conducting the actual performance appraisal meeting and report. The interview technique should thus be constructive, encouraging learning and improvement (McCourt and Eldridge (2003: 219-220). According to Elaine (2004:1-4) performance management systems, which typically include performance appraisal and employee development, are the "Achilles' heel" of HRM. When a performance management system is used for decision-making [which is described in the hard model of HRM], the appraisal information is used as a basis for pay increases, promotions, transfers, assignments, reductions in force or other administrative HR actions. When a performance management system is used for development [which is described in the soft model of HRM], the appraisal information is used to guide the training, job experiences, mentoring and other developmental activities that employees will engage in to develop their capabilities.

2.5. Employees Training and Development

Training and development constitute an ongoing process in any organization. “Training is the formal and systematic modification of behavior through learning which occurs as a result of education, development and planned experience (Armstrong, 2001: 543).” In contrast, staff development refers to the development of supporting, technical and professional staff in organizations, such as local authorities, in which such staff form a large proportion of those employed. Its aim is to enable such employees to perform their current and future role effectively (Collin, 2001:305).

According to Olowu and Adamolekun (1999: 99-100), enormous resources have been committed by national governments and by Africa’s development partners to the training of public servants. Training was expected to meet a variety of objectives, particularly skill development and improvement and socialization in to a public service culture. Considerable training infrastructure was also developed in almost every African country. However, training has had a rather limited quantitative and qualitative impact in many African countries. This is because of the following reasons:

1. Not all employees are exposed to training;
2. Training is often treated as a discrete event, not part of an overall programme of organizational improvement;
3. Selection of the trainees takes place on the basis of bureaucratic politics and patronage rather than on the basis of the greatest need;
4. Competent trainers are rare, as training is itself a poorly developed profession;
5. Training curricula and models are usually based on borrowed models that are rarely updated;
6. Training evaluation is usually limited to assessing happiness level rather than the impact on knowledge, attitude behavior and job performance;
7. Most training institutions are poorly financed and managed and are usually dependant on government. Consequently, in some civil service organizations some employees were urged to leave their job and joined the private sector.

Nevertheless, some countries have taken a major review of their training programme, funding, management of training and have produced training policies that lay down the principle of mandatory training and retraining for all staff. Effective training can minimize learning cost; improve individual, team and corporate performance speed

and overall productivity, upgrade operational flexibility by extending the range of skills possessed by employees, attract high quality employees by giving them learning and development opportunity. It increases the job knowledge and enhances their skill thus enabling them to obtain more job satisfaction to gain higher reward and promotion.

2.6. Rewards

In the context of managing people, the reward system underlines a core feature of the employment relationship. According to Bratton and Gold (2007:360), "Reward refers to all the financial, non- financial and psychological payments that an organization gives for its employees in exchange for the work they perform." Reward practices engendering debate among academics and organizational leaders on the role that it plays in achieving substantive employee behaviors like task performance, flexibility, quality and commitment. It is also argued that the design and management of reward systems holds one of the most difficult HRM tasks for general managers.

Regardless of any other rewards it gives to its employees, an organization must make three main decisions about monetary reward: how much to pay, for whom to pay (individual or group) and how much emphasis should be placed on monetary reward as part of the total employment relationship.

In the past decade in Africa the pay and benefits view have been dominated by three issues. "First, the attempt to set up the principle of equal pay for equal work within the entire public service. It is this principle that helps to decide the salary scales that are paid to various grades of personnel in the service. The second issue is how to guarantee that salaries are adjusted periodically in response to inflationary trends and in combination with the pay for comparative work in private sectors of the economy. The third issue is how to confirm that benefits really serve as motivators, as if the salaries do (ibid).

In many African countries the remunerations are invisible, even though they have come to denote a high percentage of personnel costs, and most often they are not effectively used to give necessary services (Olowu and Adamolekun, 1999:102). In the same line, they also argued that the search for a decent wages has led to efforts to modify salaries up-ward almost in many countries to correct inflation and wage erosion. Much endeavor has also gone into trying to decompress the wage structure, but only a few countries have succeeded in this area. For instance, in 1995 Ethiopia raised salaries for

public officials for the first time since 1975. This gave special salary increase for professional group such as doctors and teachers.

Nevertheless, like other African countries it has not succeeded in paying salaries in the private sectors, international and non-governmental organizations. Likewise, the most serious challenge that confronts many African countries in the area of reward is not only how to develop systems of performance-related pay and incentive, but also lacking the resource to pay for scarce skills these countries have focused their efforts on monetizing benefits, since benefits often constitute a large percentage of total compensation.

2.7. Decentralization

It is a complex and multidimensional concept. According to Rondinelli (1981:137), decentralization is defined as “the transfer of responsibility for planning, management, and resource raising and allocation from the central government to:

- a. Field units of central government ministries or agencies,
- b. Subordinate units or levels of government,
- c. Semi-autonomous public authorities or corporations,
- d. area-wide regional or functional authorities, or
- e. Organizations of the private and voluntary sector”

On the other hand, the term decentralization refers to a political arrangement involving devolution of specific powers, functions, and resources by the central governments to sub-national level government units like regional or provincial and local governments, which are independent of the central government and have legal status. Normally their existence is enshrined in constitutions in federal and quasi-federal or hybrid (both federal and unitary) systems. For example, Ethiopia (Adamolekun, 1999:49). Several African countries have undertaken major decentralization programmes in the 1990's that focus on popular empowerment. However, decentralization reforms confront two types of problems in many African countries. The first is the absence of capacity in central governments and in the localities to undertake the responsibilities that would make decentralization function as expected. The second problem is to overcome the negative attitude on the part of central officials who see the involvement of regional or local communities as a zero sum(win-lose) rather than a potential positive-sum (win-in) power game between central and local officials (Olowu, 1999:130). Generally, decentralization has been classified as deconcentration, devolution, delegation and privatization.

2.8. Devolution

Devolution refers to “the transfer of legislative, political, administrative and financial authority to plan, make decisions and manage public functions and services from central government to local governments. The primary aim of devolution is empowerment (Olowu, 2001:3). On the other hand, according to Paulos (2007:53) devolution is the most extensive type of decentralization. In addition to this devolution is intended to reduce the gap between government and local population and also to increase control and direction over utilization of resources and ensure effective and efficient service delivery (Ademolekun1999:50-52). In terms of effectiveness and efficiency, Ademolekun (1999:57) stated, “the development performance of local government is more often than not affected by the financial and human resource available to them.”

Devolution improves the HRM functions by placing a greater degree of authority and answerability in the hands of managers at the department and regional level. It is a tool, which will ensure that the civil services have the capacity to do the HRM tasks in an effective and efficient way by giving them the power to recruit and select, to promote, to train and to reward accordingly in appropriate manner. Analyzing devolution will help us to understand the administrative, political, fiscal and geographical aspects of decentralization.

Hence, this study views decentralization as devolution or the transfer of decision-making power and authority from the centre to functional public authorities or bureaus, which have officially demarcated geographic and functional realm.

2.9. Rationale of Decentralizing HRM Functions

Civil services at all levels of government need a capable, motivated and efficient staff in order to deliver quality services to its customers. When HRM functions and structures are decentralized, existing bureaucratic patterns must be reorganized, as roles and accountability are transferred. Decentralization thus strengthens the need for capable staff and increases the importance of capacity-building programmes (MCB, 2003:12). Proponents of decentralizing responsibilities to managers assert that decentralization increases the efficiency and effectiveness of HRM and public administration in general. Decisions can be taken faster, recruitment be tailored to the specific needs of the

organization, less complex procedures are needed. In addition, effectiveness is increased, because decentralization increases the manager's discretion, thus enabling him to recruit, evaluate, offer incentives, promote, suggest training needs and communicate directly (Demmke, 2006:7-8).

In contrast, highly decentralized systems may cause a decline in the professionalism of the core civil service and a certain loss of a civil service ethos as well as the disintegration of policies from a strategic point of view. In addition to this, the problem with a decentralized approach is the increased possibility of conflicts among the different actors and institutions, ministries, agencies or HRM authorities if central coordination mechanisms are ineffective or non-existent. The success of decentralization also seems to depend on the skills of managers and HR professionals to carry out their task and responsibilities. Thus, greater autonomy and decentralization of responsibilities require considerable investment in management qualifications at all levels. It is important to combine decentralization efforts with additional management training to provide the professional skills that are crucial for managing in a decentralized environment. Fairness and equity are another important issue to be considered (Demmke, 2006:7-8).

2.10. Public Personnel or the Civil Service Definition

The term public personnel is often used interchangeably with such terminologies as the civil service, government employees, public sector employees and the like. It is, therefore, very useful to define what a career civil service is to understand public personnel administration. A Hand Book and Public Administration, UN (1961) defines a career civil service as follows:

Career civil services are corps of public officials and employees with tenure of office longer than that of the ministers and who are not charged with ultimate political responsibility. It is also known as the 'civil service' or the 'public service' or 'classified service' and sometimes the 'public administration'... In modern systems of public administration, the members of the career service are appointed and promoted on the basis of objective tests of competence and are assured of protection against arbitrary dismissal (p.18).

A career service (referred to variously as a civil or public service) is the non-political, permanent corps of officials which forms the back bone of a national administration. To be competent and effective such a service should offer the prospect of a dignified and respected career on a full-time, life-time basis, which will attract and retain persons of superior capacities in the service of their country (p35).

Civil servants work for the 'civil' as opposed to the military, ministerial or judicial arms of the state. Members of the armed forces, governmental ministers and judges are not civil servants (Pyper: 1995, p1).

The civil service or public personnel are also some times interchangeably used with the term bureaucracy, although different meanings are attached to it depending on the context in which it is used. In its generic sense, a bureaucracy is 'government by unelected, career officials'. The term was popularized by Weber, who associated it with the exercise of 'legal-rational'- as different from 'traditional' or 'charismatic' authority (Balogun and Mutahaba, p192).

According to Cox et al (1994, p53), public personnel is more than a series of steps or organizational constructs. It is more than recruitment, hiring, retention, job analysis, evaluation and promotion. It is a cluster of activities that are changing and evolving, with some activities changing more rapidly than others.

Thus, our definition of the public personnel administration follows. Public personnel administration refers to the administration or management of the human resources engaged in the civil service through systematic, pragmatic and flexible approach towards the planning, attracting, development, maintaining, coordinating, motivating them in such a way that enhances employees quality of life and creates sustainable commitment to serve the public and promote social, economic and social development.

2.11. The Public Sector and the Civil Service

The public sector is a broad concept that includes all sectors of the government as opposed to the private sector. It embraces three main categories, viz, the government with all its subsidiaries (government departments / ministries, commissions, agencies, authorities), the public enterprises and the social security. The public sector also includes the judiciary, the security and the national defense. In general, it refers to the three branches of government, viz, the legislative executive and the judiciary. TizianoTreu (1967:p15).

In other words, it embraces the wide range of activities where government directly operates by employing people of different capacity at different levels including policy making, regulatory bodies, policy implementation, maintenance of law and order and

the provision of public goods and sometimes private goods (as in the case of developing countries).

The size of the public sector in a given economy depends up on many factors including the political ideology, level of economic development, and the global environment. The definition of the public service, therefore, could be different from country to country depending upon the specific condition of each country. Tiziano Treu (1967:p4) said, the concept of public service varies in different countries in terms of the employing authorities and the services covered on the one hand, and the personnel covered on the other. In fact, the concept and the scope and determined by the overall constitutional, political and social system on which the organization of each state is based.

2.12. Preceding Research Works on Decentralization in Ethiopia

The first wave of decentralization in Ethiopia was limited to regional/state levels. It is in the second wave of decentralization that the empowerment of civil service sector bureaus came into being in 2002 G.C. Checking several library catalogs in Ethiopia and as well as browsing several web pages has not elicited much scientific literature except the World Bank working papers on this topic. In proof of this Asefa and Gebre-Egziabher (2007:11), in their review of decentralization related articles, said: “Some topics in the literature review have no [limited] literature and therefore it was not possible to provide adequate information. This could be an indication of a gap in research on decentralization in Ethiopia”.

In Ethiopia, decentralization of power to implementing agencies is not accompanied by the supply of enough number of trained and skilled personnel to implement the delegated authority. Thus, the critical challenge for Ethiopia’s decentralization in general is lack of skilled, well-trained and adequate civil service. Different researches indicated that the shortage of trained and adequate personnel is severe at sectors level administrative hierarchies. Furthermore, the problem is exacerbated by the prevalence of appointments based on political loyalty that weakens the civil service principles of merit and competence (Kassahun and Aklilu, 2000: 37-38)

The editors have also recommended further study in their conclusion, saying (ibid: 54): “...the value added of decentralization in view of increased autonomy, adequacy of resource flows, building capacity of executers and employment creation, [as well as]

augmented capacity [has not been] sufficiently studied [nor] articulated in a rigorous manner”.

Another very practical work is Yigremew’s (2001) evaluation of performance of [the] decentralization system in the Ethiopian human resources management practice. In this extensive evaluation, he also argued that most countries who are implemented decentralization encountered all kinds of skill shortage and the lack of coordinating and controlling capacity at sub-national units (Yigremew, 2001: 105). Before decentralization, local governments must be strengthened to help discharge their new responsibilities.

The lack of trained personnel and leadership, particularly in rural areas, are critical constraints for successful decentralization. Decentralization policies require technical skills and organizational capability, which are actually scarce at lower- level units. Hence, support from the central government is an important precondition for successful decentralization policy (ibid: ii).

However, researchers like Kefyalew(1990) argued that all problems are not directly related to training and cannot be cured by training. Improper job design and ‘over loaded jobs’ are, for example, cited as reasons that lowers performance (Kefyalew, 1990:4-5).

While the above works by individual researchers highlight where the decentralization program stands since its inception, some assessments have also been made by external multilateral organizations.

The World Bank assessment report of thirty countries stated the following: “The surprising outcomes include, for example, the overall assessment of Ethiopia and Namibia, which appear in the same category of countries having moderate decentralization. Since its revolution in 2002 G.C., Ethiopia elaborated a constitutional framework that was most progressive in giving authority to the regions and executing agencies. However, it has also commented that the two constraining factors of Ethiopian’s decentralization are shortage of trained and experienced manpower and scarce financial resources. In addition, lack of coordination, monitoring and follow-up systems are cited as the major handicaps to effective decentralization in Ethiopia (Ndegwa 2002: 18).

2.13. Customizing and Linking the Concepts to the Topic of the Study

In the above literature, New Public Management (NPM) theory, Human Resources Management, practices of decentralization in general, relevant theories and related issues have been discussed. Concept of NPM and its critics has been summarized and presented. Fundamentally, NPM can be described by the new trends in the public administration to shift some important insights and values from the private sector strategy to the public sector to enhance service delivery. Furthermore, it is being undertaken in many countries of North and South. However, in Ethiopia NPM as a reform measure is not foolproof and generates some complexities in implementation. Some also have pointed out that the avowed objectives of the model are not being attained yet. To this effect, much work is needed in that regard.

In terms of decentralization, the meaning and the different forms of decentralization are explained. In addition the arguments in favor of and against decentralized forms of governance are considered. Further, a number of factors which should be taken into account in determining the adequacy of the empowerment of public sectors are established. Accordingly, civil service bureaus should be democratically constituted and it should have an exclusive area of governance.

Also it should be autonomous in a sense that it should not be controlled by the central government. The role of the central government should be limited to supervising it. Even though some writers contend that the decentralization program in Ethiopia did not emerge mainly to disperse the power concentrated in the center to the states, others maintain that it was the security and revenue collection issue that pushed the government to decentralize. However, the explicit attempt of decentralization in Ethiopia focuses on development, on empowering local bodies, creating wealth and bringing overall development.

To this effect, according to decentralization program documents, the program has focused on empowering local tiers to practice self-rule and enhance their capacity to change their localities.

However, decentralization reforms in Ethiopia suffer from the absence of capacity in those government offices to undertake the responsibilities that would make decentralization function as expected. The success of decentralization also seems to depend on the skills of managers and HR professionals to carry out their task and

responsibilities. Thus, greater autonomy and decentralization of responsibilities require considerable investment in management qualifications at all levels. It is important to combine decentralization efforts with additional management training to provide the professional skills that are crucial for managing in a decentralized environment where fairness and equity are also other important issues to be considered. As such, it is thus the purpose of this study to see how it progresses and what has been achieved as a result of this program, focusing on variables mentioned above.

2.14. Background to the Executions of HRM Functions in Ethiopia

2.14.1. HRM Practice in Ethiopia pre and post decentralization

For the last four decades, Ethiopia has had formal rules and procedures in accordance with the principle of developing a meritocratic/professional civil service. However, serious failures in execution marked the two previous regimes (Paulos, 2007:361). The Civil Service is the operational arm of the government charged with the implementation and administration of public policy. The origins of the "modern" civil service in Ethiopia dates back to 1907 when Menelik II initiated the formation of a few ministries with the aim of lending an orderly and efficient arrangement to the workings of government (Ibid).

Nevertheless, such inspiration and great enthusiasm for instituting better and modern civil service was not fully materialized as desired by the ruler of the day. Mainly, Menelik's subsequent illness until his death in 1913 stunted further modernization. Though, the institution underwent a series of changes commensurate with a host of new needs and imperatives, the period was marked by weak leadership until Haile Selassie succeeded Menelik's daughter, Zewditu, in 1930 when he embarked upon an unprecedented process of centralization (Getachew and Richard, 2007: 368).

In the following year, Emperor Haile Selassie undertook a series of institutionalization and restructuring measures. His aim was focused mostly towards bringing about an effective and efficient civil service governed by homogeneous rules and procedures. The civil service made structural and functional change during this reign especially after issuance of the Public Services Order No.23/1961, which was later amended by Legal Notice No.20/1962 and created the Central Personnel Agency (CPA) currently Ministry of Civil Service. It is an organ of the Federal Government Administration, which is responsible in all matters related to civil servants' recruitment, selection,

promotion, transfer, salary increment, position classification, salary scale and exclusive right to issue regulations after approval by council of ministers (Alemayehu, 2001:2-4).

Notwithstanding there were problems. These were lack of strong participation from the concerned organs especially in the preparation of position classification, salary scale and job descriptions; and lack of trained personnel to prepare the same and inclusive policy. Furthermore, the absence of strict devotion to the civil service rules and regulations and political intervention in personnel matters were seen as chronic problems of the time (Paulos, 2001:7).

The Dergue (1974-1991) replaced the imperial era. It was a highly centralized unitary government following a soviet-inspired centralized economic planning and command economic system. Throughout this period there were no fundamental reform measures propagated to change or modify the functioning and management of the civil service. Except for the introduction of a few reform measures, the civil service operated under the various orders and decrees issued during the reign of Haile Sellassie (Paulos, 2001:7).

As Atkilt (1996: 46-47), puts: Although continued to be directed by identical administrative rules and regulations, the civil service excessively grew in volume and quantity and it was centralized and at the same time not structured. The civil service was neglected; political attachment and patronage rather than merit were prevalent; discharge of civil servants was based on political ground. There was also low morale of civil servants due to incommensurable pay and working conditions. Moreover, during the Dergue regime the rate of corruption had extremely amplified and reached its peak. Outright plunder, giant commissions, bribes, and mis-appropriation characterized the period.

Consequently, the above stated problems could give rise to the fall of the administrative system of the Dergue regime. The Ethiopian government has since steadily improved the economic performance of the country following market reforms. However, the 1990's also witnessed the intensification of the involvement of international institutions. The adoption of Structural Adjustment Programmes (SAPS) focused on two major areas: macroeconomic policy and institutional reforms (Getachew and Richard 2007: 368).

As it was discussed earlier, Ethiopia was among the few independent African countries, which introduced what was called “Administrative Reform” in the early 1960s. No progress was made until the fall of the military regime in 1991. The foundation of state governance has changed from a highly centralized apparatus to a decentralized federal structure. The regions are largely responsible for their respective social and economic development (Alemayehu, 2001:2). According to Getachew and Richard (2007: 369), following the consolidation of power in May 1991, the Ethiopian People’s Republic Democratic Front (EPRDF) also acknowledged the deep institutional constraints on basic functions like policymaking, service delivery and regulation. Core public management at federal and regional levels were hampered by outdated civil service legislation and working system; the absence of a medium-term planning and budgeting framework; ineffective financial and personnel management controls; inadequate civil service wages and inappropriate grading systems; poor capacity for strategic and cabinet-level decision making; and insufficient focus on modern managerial approaches to service delivery.

In identifying of these limitations, the government embarked on a comprehensive Civil Service Reform Program (CSRP) in 1996. Devolution of powers from the federal government to the regional governments, reorganization and restructuring ministries and agencies, manpower rationalization and salary enhancement efforts were intensified by launching a national capacity-building programme (Alemayehu, 2001:8). In the same year, the government established a task force aiming to assess problems in the civil service system. The task force found that the orientation, attitude and work practices of the bureaucratic machinery were ill suited to the needs of the new policy environment of the country. Some of the problems included: attitudinal problems, lack of clear national service delivery policy; insufficient recognition of citizens’ rights; lack of accountability; excessively hierarchical organizations; giving priority to the convenience of providers, not customers; more concern on inputs and routine activities, less on achieving tangible outputs; lack of consultation with clients, lack of complaint handling mechanism and lack of capacity (Government of Ethiopia, 2001: 2).

Accordingly, the government initiated its second phase (1996-2003) programme in the form of comprehensive Civil Service Reform Programme (CSRP) that included five major sub-programs: expenditure control and management reform, human resource management reform, service delivery reform, top management system reform and ethics reform sub-programs. The most recent reform phase began in September 2001,

with the launch of the Public Sector Capacity Building Program /PSCAP/ (Getachew and Richard 2007:369). Following the launch of this programme in May 2003, the government initiated the third phase of its reform agenda in the form of five-year Public Service Delivery Capacity Building programme aiming to strengthen working systems, improve organizational effectiveness and rapidly developed human resources in public, private, civil society and higher education sectors(Tilaye,2007:18).

In the year 2009, a national evaluation has been conducted and a conclusion has reached that most of the programs were matured and a conducive environment has been created that could be conducted by their respective sector ministries. Therefore, the former ministry of Capacity Building has accomplished its mission and hence no longer in existence. As the name implies, the Civil Service Reform program is under taking in the Ministry of Civil Service presently.

2.15. Human Resource Management in Addis Ababa City Government

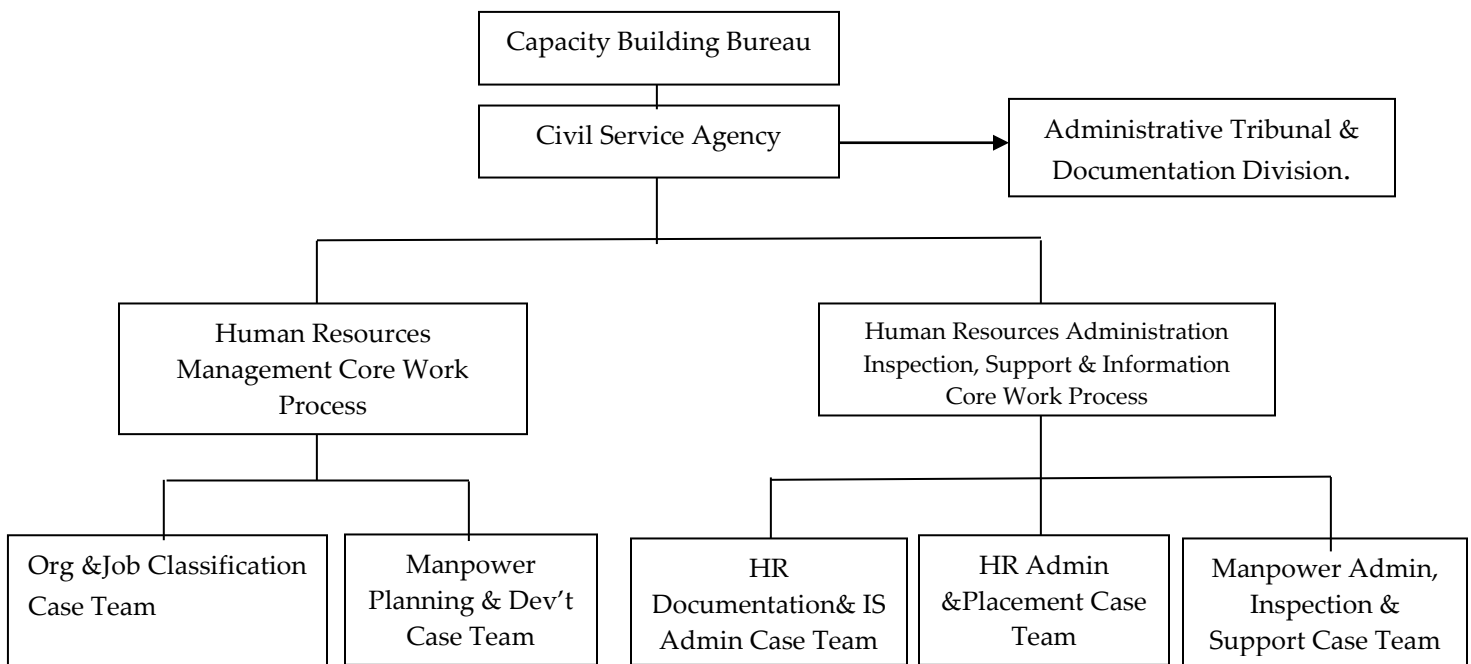
The overall objective of decentralization is providing effective and efficient services to the public. Hence, the city government based on the constitution of the region issued the Civil Servants Proclamation No. 6/2008. In line with this, for the implementation of this proclamation the city government's CSA apart from its support and supervision role issued an HRM manual. This manual has two volumes. The first one is dealing with, the execution of recruitment, selection, salary increment, reward, promotion and transfer. Similarly, the second one concerns with the handling of disciplinary and inspection measure. These manual enables bureaus to perform the HRM functions using their authority and to create sense of accountability. Moreover, to ensure merit based personnel administration and equal employment opportunity in the city administration.

The proclamation also provides for the reorganization and redefinition of the powers and duties of the executive organs of the city administration. In each bureaus, there exist HR function department, which is responsible for handling the personnel matters of the corresponding sectors. In this regard, according to the AACSA, 2009 Article 5 it's role includes supervising implementation of the proclamation, regulation and directives issued. It has two main departments namely, Human Resources Management Core Process and Human Resources Administration Inspection, Support & Information Core Process. Besides, it has also Administrative Tribunal and Documentation Division. Each

of the above departments have sections under their supervision as shown in the diagram below.

In order to exercise its power and duties, the CSA at any time either sends inspectors to government offices to examine files or orders sectors to submit files and records. Besides, in performing this activity if an inspector discovers that the law is infringed or a discriminatory act is committed, the agency has the power to order the authorization of the wrong doing. Finally, cause the taking of administrative measures against the official or the civil servant responsible for the act.

Figure 2.1: Organization Structure of AACSA



Source: AACSA, 2013

The bureaus which are established as executive organs of the city government by the proclamation include the following:

- 1) The Mayor's Office
- 2) Addis Ababa City Administration Communication Affairs Bureau
- 3) Addis Ababa City Administration Justice Bureau
- 4) Addis Ababa City Fire & Emergency Prevention & Rescue Agency
- 5) City Council of Addis Ababa
- 6) Addis Ababa City Administration Capacity Building Bureau
- 7) Addis Ababa Mass Media Agency

- 8) Addis Ababa City Administration Small Micro Enterprises Development Bureau
- 9) Addis Ababa City Administration Environment Protection Authority
- 10) Addis Ababa City Administration Civil Service Agency
- 11) Addis Ababa City Administration Educational Bureau
- 12) Addis Ababa City Administration Park Beautification and Cemetery
- 13) Addis Ababa City Administration Trade and Industry Development Bureau
- 14) Addis Ababa City Administration Finance & Economic Development Bureau
- 15) Addis Ababa City Administration Labor and Social Affairs Bureau
- 16) Addis Ababa City Administration Audit Bureau
- 17) Addis Ababa City Administration Health Bureau
- 18) Addis Ababa City Administration Culture and Tourism Bureau
- 19) Addis Ababa City Administration Design and Construction Bureau
- 20) Addis Ababa City Administration Women, Children and Youth Affairs Bureau
- 21) Addis Ababa City Administration HIV/AIDS Prevention and Control Bureau
- 22) Addis Ababa City Road and Transport Bureau
- 23) Addis Ababa City Administration Productivity Improvement Center
- 24) Addis Ababa City Administration Sport Commission
- 25) Addis Ababa City Administration Housing Development Project Office

Based on the above explanations the following section describes the implementation of recruitment and selection, performance appraisal training and development and reward in those executive organs.

2.15.1. Recruitment and Selection

According to the Addis Ababa City Administration Civil Service Proclamation No. 6/2003, Article 12 each sector bureau has the right to advertise every vacant position. Moreover, every government office may solicit graduates of higher educational institutions for recruitment in cooperation with institutions.

In doing this, each office shall follow the City Administration's HRM manual. The vacancy announcement should be widely advertised to attract the best candidates from the labour market. Exceptionally, for those civil servants having social and health problem, for employees who upgrade themselves based on their office manpower planning, positions like top-level manager executive secretary, cabinet members' driver and cashier, it is possible to assign without advertisement.

However, those employees who were assigned in this manner must fulfill the minimum requirement of the vacant post (AACSA, 2009:8). Furthermore, the recruitment and selection committee of each office conducts selection and appointments based on merit (AACSA, 2009:12-15).

2.15.2. Performance Appraisal

The bureaus under the city administration follow a Balanced Score Card (BSC) system. Preparation of the performance appraisal plan must be participatory, transparent, result oriented, measured based on work quality, quantity, cost and time dimensions. Besides, it should be extracted from the general institutional strategic plan. Generally, the BSC system in the city administration has five phases: 1) Planning which includes setting work plan and/or performance objective against which evaluation will be conducted. 2) Follow up performance and give feedback. 3) Measuring performance based on results of self-appraisal and performance report. 4) Conduct training for poor performer. 5) Giving reward for best performer (AACSA, 2009:25).

2.15.3. Training and Development

Under the City government, every civil service bureau shall have the duty to identify the training needs of the office, the civil servants, to prepare plans and budget for training and thereby ensure that the civil servants receive the necessary training and furnish information there on to the Agency.

The Agency in turn shall train HRM staff based on the training needs of the sector bureau, coordinate and support the training program of the different government offices. In addition to this to make training of civil servants effective, the Agency shall issue a policy with regard to the conditions of their training locally and abroad and supervise the execution of same (AACSA, 2009:34).

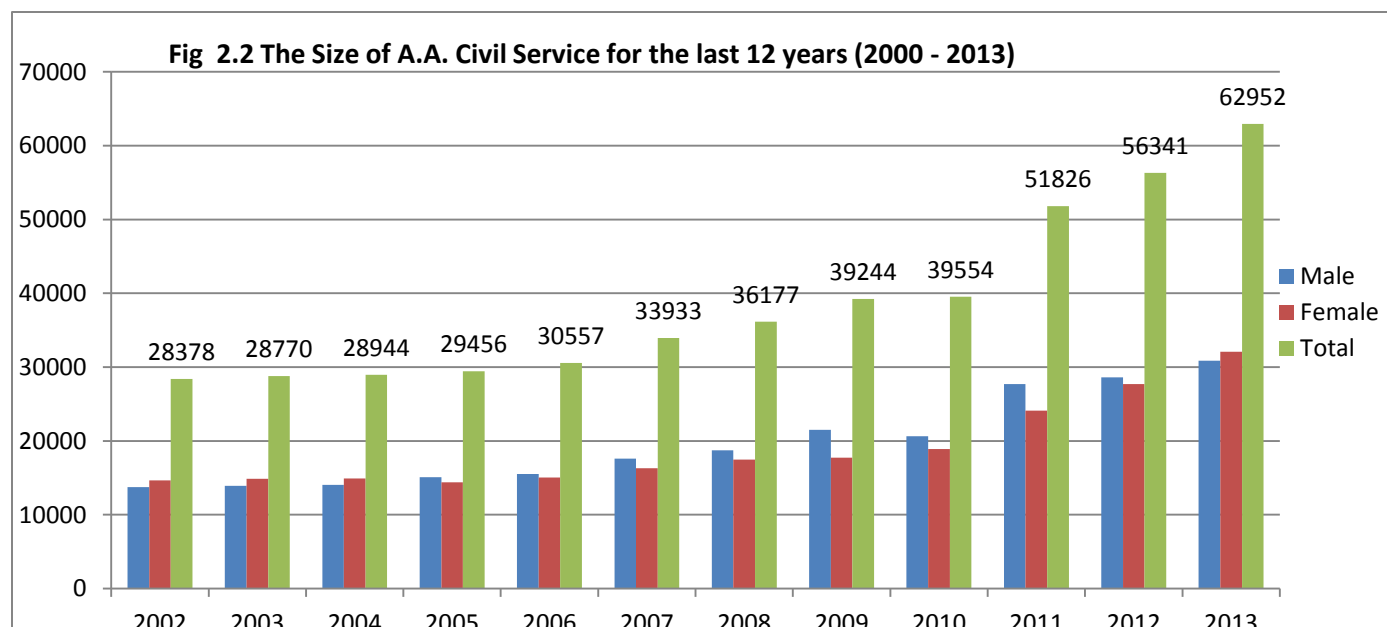
2.15.4. Rewards

Reward is one instrument of motivating employees to execute to the maximum degree of their capacity. According to the city's Capacity Building Manual 2008-section 13 subsections 13.6 if an employee performance results will be above satisfactory level he/she will be rewarded based on performance-related pay system. In addition to this as stated in the civil servants HRM manual section 8.3 subsection 8.3.1 B-C if, an employee

performance result will be higher or highest for the first time the organization prepares thank you letter and put it on the notice board together with his picture, if he/she repeats this result again, he/she will get a reward of 50% and 75% of his/her salary respectively. However, within a year if an employee performance result is below satisfactory level he/she is not entitled for any reward (AACSA, 2009:36-37).

2.16. Size of the Addis Ababa City Government Civil Service

The size of the Addis Ababa City Government civil service is the fourth highest next to Oromia, Amhara and SNNPR regions. According to the Ministry of Civil Service Commission annual personnel statistics report for 2013, the civil service of Addis Ababa City Government is 62,952 which comprises of 6.24% of the total civil service at national level. The size of the civil service in the city government is also increasing over the past twelve years especially during the last three years it had shown a steady increment as indicated in the figure below. The male/female composition for the year 2013 shows 30,872: 32080 that is a male/female ratio of 49 to 51.



Source: Ministry of Civil Service, 2013

The data above also shows that there is an encouraging representation of women in the composition of male to female ratio which shows an increasing role of women in the nation building activity.

Chapter 3

Research Design and Methodology

The primary focus of this chapter is to provide an overview of the research methodology used to investigate the research problem. It covers the research design, source of data, population, sampling method, data collection procedure and methods of data analysis in relation to the practice of Public Human Resource Management in selected Civil Service Bureaus of the Addis Ababa City Government.

3.1. Research Design

In order to address the research questions and also achieve the research objective, the researcher has determined the suitable research design. A research design is arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in consideration. In fact, a research design is the conceptual structure within which research is conducted; it constitutes the blue print for the collection, measurement and analysis of data (Kothari 2004:7).

This research has a descriptive nature describing the existing phenomenon as it exists. According to Kothari (2004:8), descriptive research includes surveys and fact-finding enquiries of different kinds. The major purpose of descriptive research is description of the state of affairs as it exists at present. In a very real sense, description is fundamental to all research. And hence, to better see the how effective the implementation of human resource management within the context of decentralization in selected civil service bureaus of the city government, the role of each identified effectiveness variables shall be described in detail.

3.2. Research Methodology

There are generally three types of research methodologies identified by Creswell (2003). These are highlighted below along with their advantages and disadvantages.

3.2.1. Quantitative approach

Quantitative data is about numbers in general terms. They are all such data that are usually quantified to help answer research questions and meet pre specified objectives

(Lewis et al, 2007). These claim post positivism knowledge with experimental strategies of enquiry. Quantitative analysis uses methods such as, cost and effect thinking, measurement and observation as well as test of theories. Proponents of this approach claim that it is a great example of deductive logic of natural science. This is because it allows for comparison which is done through objectively determined validity and reliability. However, since by this approach variables may only be measured by specific point in time, one may not achieve an in-depth analysis of for example psychological factors.

3.2.2. Qualitative Approach

Qualitative data is about words so to speak in general terms. These include all non-numerical data that are not quantified or quantifiable and can be a product of all research strategies. This type of analysis claims constructivism of set of knowledge and mainly uses ethnographic and narrative strategies of enquiry. Qualitative analysis uses methods including, field observation, open ended interview and theory deductions among others. The main advantage of such approaches is that there is a greater degree of wholeness and richness of data collected since it focuses on natural occurrences within natural settings. This makes it a powerful tool to study the process (Creswell (2003).

3.2.3. Mixed Methods

Mixed approach to a research incorporates elements of both quantitative and qualitative approaches. It claims the knowledge of pragmatic assumptions for its rigor and validity. In essence, it uses both qualitative and quantitative strategies and methods of enquiry. This approach draws advantages of the two approaches discussed above. It as well draws a complexity of disadvantage of these approaches. This makes mixed method of research more time consuming and thus inevitably inappropriate for a master's research given the limited time and resources.

From the above argument, this research paper shall lend itself to the combination of qualitative and quantitative data collection tools along with the tools that go with them. While the first is chosen for it's convenient to help identify the nature and reasons (causes) of problems and their consequences.

It is especially suitable for the study of phenomenon where least is known and a few secondary data are available. As such qualitative method has been chosen as it uses “unreconstructed logic to get at what is really real -- the quality, meaning, context or images of reality in what public sectors under the city government actually do, not what they say they do as on questionnaires” (Berg, 1989: 239). Whereas, the quantitative method helps for quantification of certain variables in the study population.

3.3. Data Collection

Multiple data gathering techniques were used to collect data from the study area. Thus, Questionnaires, unstructured interviews and document analysis were employed to gather data. The study uses both primary and secondary data in order to get a view on the implementation of HRM in the selected civil service bureaus under the city government.

3.3.1. Questionnaires

For primary data collection, questionnaire was taken as a preferable data-gathering tool for this research because of two reasons. It allows the researcher to collect information on facts and attitudes from a wide range of sources. Moreover, it is one of the most important tools to guide the respondent since it gives clear choices to check. Two types of questionnaires (coded 1 & 2) were designed in English language and have been distributed to 166 samples purposively drawn from HRM officers as well as those concerned staffs from the selected bureaus under the city government of Addis Ababa. The first questionnaire was distributed to permanent civil servants from the AACSA and the latter for those HR officers from the selected sector bureaus.

Of the 166 questionnaires distributed, responses have been obtained from 120 employees i.e. 73%. However, the returned questionnaires were largely useable.

3.3.2. Interview

Though questionnaires are considered as the major data gathering tool, unstructured interview with heads of Manpower Planning & Development Department and HR Documentation & Information System Administration Department has also be used as a means of getting additional information.

These are officials at the AACSA who are much experienced in the areas of public human resources management practice in selected civil service bureaus of the city government in a decentralized context along with the changes and the prospects in that regard.

3.3.3. Document Analysis

The public sector organizational profiles, statistical data from the Addis Ababa Civil Service Agency and Annual Statistical bulletin of the Ministry of Civil Service and Addis Ababa Civil Service Agency were utilized. Critical examination of previous literature is also used for describing the evolution of public HRM practice in Ethiopia, the problems and improvements in the past.

3.4. Sampling Design and Size

The questionnaires were administered to a sample purposively drawn from HRM officers as well as concerned staffs from the selected bureaus under the city government of Addis Ababa. The sampled officers were all responsible for conducting their office recruitment & selection, training, performance appraisal and reward systems. The Bureaus surveyed include:

- Addis Ababa Civil Service Agency (AACSA),
- Finance and Economic Development Bureau (BOFED),
- Trade and Industry Development Bureau (BOTID),
- Addis Ababa City Health Bureau,
- Road and Transport Bureau,
- Culture & Tourism Bureau,
- Small and Micro Enterprises Development Bureau,
- Housing Development Project Office,
- Fire & Emergency Prevention & Rescue Agency,
- Education Bureau, and
- Audit Bureau.

The rational of selecting the mentioned bureaus is that AACSA is the executive organ of the city government established to control the execution of HRM rules and regulations and provide HRM services to attract and retain a diverse, productive and creative workforce for the achievement of an excellent service for the city government, communities and other stakeholders.

Concerning the other selected bureaus, even if there are many other offices governed by the rules of AACSA, in terms of manpower and financial aspects they have a wider scope than the others do. In addition to these, they are core economic and social sectors of not only the city government but also the country.

From each of these offices minimally 15 respondents were selected which total a sample of 166 staffs. The table below shows the number and arrangement of respondents to the questionnaire from selection of the above-mentioned sectors.

Table 3.1.Expected Responses from ten selected Civil Service Bureaus

Sectors	HRM Officers	Departments/Sections				Total
		Training	Finance	G/Service	Logistics	
BOFED	4	3	3	3	2	15
BOTID	3	3	3	3	3	15
Education Bureau	3	3	3	3	3	15
Health Bureau	3	2	3	3	4	15
Road & Transport Bureau	3	3	3	4	3	16
Culture & Tourism Bureau	2	2	3	3	3	14
Small & Micro Entr. Dev't Bureau	2	2	3	3	3	13
Housing & Dev't Project Office	3	3	3	3	3	15
Fire & Emergency Prevention	4	4	2	3	2	18
Addis Ababa City Audit Bureau	3	3	3	3	3	15
AACSA	4	HR Documentation & Info Admin Case Team	Manpower Planning & Dev't Case Team	HR Administration & Placement Case Team	Manpower Admin, Inspection & Support Case Team	
		3	3	2	3	15
Total	34	31	33	33	34	166

Source: Data collected by Author

Furthermore, secondary data sources were used to analyze the situation after decentralization and to put the study in the context of the Addis Ababa City Government. Sources include mainly books, journal, government regulations and internet. Among the secondary sources are previous studies, the public sector organizational profiles, statistical data from the Addis Ababa Civil Service Agency and Annual Statistical bulletin of the Ministry of Civil Service and Addis Ababa Civil Service Agency were also utilized. Critical examination of previous literature is the major method used for describing the evolution of public HRM practice in Ethiopia, the problems and improvements in the past.

3.5. Data Presentation and Analysis

The collected data were clearly presented using tables and charts which are in turn expressed in the form of percentage. Then descriptive analysis technique was applied to interpret and analyze the organized data. This is the transformation of the processed data to look for patterns and relationship between and/or among data groups by using descriptive or statistical analysis.

3.5.1. Data Analysis

The attempt was to explain the causal links between decentralization and HRM in public sectors and see the challenges and arrive at analytic generalization of the phenomenon. The quantitative data obtained from primary, secondary sources were organized through the method of descriptive tabulation and analyzed by way of corresponding them with/against the qualitative data obtained from primary sources.

It is that nature of the qualitative research that makes it an extremely strenuous task and requires researchers who chose this method to continuously think and get engaged (Yin 2009:38,141). Hence, checking completeness and coherence, converting figures to narration, testing relevance, transcription/writing down from questionnaire and interview records, obtaining consent where possible, classifying, reiterating, connecting and generating the metadata and analyzing/synthesizing was a comprehensive process throughout this study. Organization included manual tabulation into logical categories, Bar charts to show the summary of the responses obtained and descriptive methods in which simultaneous in-depth analysis of recurrent themes and issues and triangulation of the data through different techniques were carried out in such a way that they enabled me to conduct a cross check between different sources.

As the purpose is to identify “*what is actually there/ what has reached there*” compared to “*what had been told*”; and more importantly if there are deviations “*why and how the discrepancies happened*” or extent of conformity, it involved description of facts and phenomenon and explanation of the processes and the outcomes. It also involved both the assessment of factual trueness and analytical trueness of the phenomenon against the reported/anticipated outcomes and the general principle.

3.6. Validity and Reliability

Validity is usually defined as, “*the best available approximation to the truth or falsity of a given inference, proposition or conclusion*”. It can be subdivided into internal and external. While internal validity is about causal relationship and truthfulness of inferences, external validity is a concern about generalizability of results. Reliability refers to “*the extent to which results are consistent over time if reproduced under [using] a similar method*” (Cook and Campbell, 1979:37).

All raw ideas and concepts that came out as emotional and spontaneous reflection and biases at the early stage of this work have been cut back and deleted from this document. Efforts have also been made to maintain neutrality and not to compromise the validity of data and the outcomes of the research. Many writers have different lists (in quality and quantity) for data quality dimensions based on the task of the research.

For this research, dimensions such as: *relevance* (applicability and helpfulness of data), *accuracy* (correctness, reliability and acceptable margin of error), *credibility* (distance from bias and truthfulness and trust worthiness in terms of their source and content), *timeliness* (the age of the data are appropriate for the task at hand – data delayed is data denied), *accessibility* (data are available, or easily and quickly retrievable), *interpretability* (data are clear and unambiguous so that users can understand and properly use them), and *integrity* (data are mutually consistent and reconcilable) were given close attention all the way through to ensure validity and reliability (McGilvray 2008:49).

Above all the design and convergence of data collected by means of different tools were guards to validity and reliability. Some explanations given by interviewees have been directly quoted in the document. Even though it would be difficult to generalize based on these explanations, I believe they can tell the existing phenomenon with local tone, which can also facilitate the triangulation of data obtained from different sources.

3.7. Ethical Concern and Consent Statement

Ethical considerations are expected to arise in any kind of research study. This paper therefore takes into consideration of those ethical issues on formulating and clarification of the topic, design, access and use of data, analysis and report of the findings in a moral and responsible way. Participants were assured that the source of data collected would remain confidential and that anonymity will be maintained. Also oral consensus

with all the participants and an official letter from the Department of Public Administration and Development Management was filed and taken along.

The integrity of all participants to the study shall be upheld with the objective and other processes of the study made explicit. The study shall use ways and methods of analysis and report the same in the manner that shall not be embarrassing, stressful, discomforting, painful or harmful to the readers and the participants.

The study shall take proactive stance not to engage in fraudulent procedures that affect the study results neither shall it misuse the same. The researcher aims at maintaining responsible behavior and objectivity as much as possible in conducting the study.

Thus, due attention has been given to balance the advantages and the disadvantages in all the research processes.

Chapter 4

Finding and Analysis

This section examines the findings of the study as related to the four major functions of human resource management namely recruitment and selection, performance appraisal, training and development and reward in selected civil service bureaus of the Addis Ababa city government in the context of decentralization. First, it analyses the response from the CSA and then from the ten sectors. Finally, a comparative analysis was made based on the findings.

4.1. Analysis of Responses from AACSA

The analysis of public human resources management practice in selected sector bureaus of the city government in a decentralized context is mainly based on primary sources of data obtained through questionnaire and interviews. Unstructured interviews have also been made with the officials of the AACSA particularly Department Heads for Manpower Planning & Development and HR Documentation and Information System Administration.

Questionnaires have been distributed to 166 samples purposively drawn from HRM officers as well as those concerned staffs from the selected bureaus under the city government of Addis Ababa. The sampled officers were all responsible for conducting their office recruitment & selection, training, performance appraisal and reward systems. Responses have been obtained from 120 employees. The profiles of the respondents are indicated in the table below.

Table 4.1. Respondents' Profile

Sr No	Bureaus Surveyed	Sex		Level of Education				Age				Years of Experience				Total
		M	F	Dip	Adv Dip	BA	MA & Above	25-30	31-40	41-50	>50	<5	5-10	10-15	>15	
1	BOFED	8	3	-	1	8	2	2	6	3	-	4	5	2	-	11
2	BOTID	4	5	-	2	6	1	2	5	2	-	3	5	1	-	9
3	Education Bureau	5	6	-	1	8	2	3	3	4	1	2	4	5	-	11
4	Health Bureau	6	4	-	2	7	1	1	5	4	-	2	5	3	-	10
5	Road & Transport Bureau	10	2	1	2	9	-	3	6	2	1	3	7	1	1	12
6	Culture & Tourism Bureau	7	3	-	3	7	-	2	4	4	-	3	6	1	-	10
7	Small & Micro Entr. Dev't Bureau	11	2	2	4	7	-	3	7	3	-	5	5	3	-	13
8	Housing & Dev't Project Office	2	7		1		-	2	4	3	-	3	6	-	-	9
9	Fire & Emergency Prevention	7	5	1	2	8	1	3	5	3	1	3	4	3	2	12
10	Addis Ababa City Audit Bureau	8	2	-	3	6	1	3	5	2	-	2	5	2	1	10
11	AACSA	11	2	-	1	10	2	2	7	4	-					13
	Total	79	41	4	19	75	10	26	57	34	3	30	52	21	4	120

Source: Data collected by Author.

As it can be observed from the above table, female respondents are 34% whereas male respondents constitute 66% of the total. The age of the respondents range from 25 – 52. The majority of the respondents (48%) are between 31 and 40 years of age. About 28% are between 41 and 50 while those whose ages are between 25 and 30 are 21% of the total. Less than 3% of the respondents are above 50 years of age. Therefore the majority of the respondents are found to be relevant to the topic under study as they can make comparisons of the current regime's practice to the previous one as they have experiences of working under the then regime.

Analyses of respondents are based on simple statistical techniques such as ratio and percentage using Ms Excel spread sheet. These were summarized in tabular form and detailed analysis and conclusions derived are described in the subsequent pages.

Table 4.2
Compared to the previous system, has decentralization facilitated HRM functions?
(AACSA)

HRM Functions	S.Disagree + Disagree	Neutral	Agree + S.Agree	Total (%)
Recruitment	0	30%	75%	100
Selection	0	40%	60%	100
Promotion	20%	60%	20%	100
Training	10%	40%	65%	100
Performance Appraisal	10%	30%	60%	100
Monetary Incentive	10%	40%	50%	100

Source: Data collected by Author.

Table 4.2 illustrates that compared to the centralized system as more than 50% of the respondent's replied, decentralization has facilitated almost all of the HRM functions in the state government. This implies that, decentralization helps to solve problems by reducing the bureaucracy involved in decision-making and the time of work process.

Moreover, with a couple of limitations, decentralizing activities in the form of devolution creates avenue for communication, accountability, transparency, independency of doing activities, exercising power and responsibilities. This in turn fastens service delivery in the regional government. The finding on recruitment, selection, training, appraisal and incentive is in agreement with Demmke (2006) as he asserted decentralization increases the efficiency and effectiveness of HRM and public administration in general. The result showed that the HRM practitioners in AACSA also are of the opinion that decentralization has helped them in their work with one exception which is promotion. The reason for this could be that it is related with the evaluation of individual performance, which does not yet function very well.

Table 4.3
Ability and skill level to carry out HRM tasks

Item	Alternatives	Total %
Do you feel that HR officers & staffs at sector levels are adequately prepared for the task?	Yes	40%
	No	60%
Total		100
Item	Alternatives	Total %
Do employees at the sector level have the appropriate skill level?	Yes	30%
	No	70%
Total		100

Source: Data collected by Author.

The above table shows the respondents' opinion concerning employees' ability to handle the HRM functions. As we have seen in Table 4.3, majority of the respondents from the agency felt that staffs who are responsible for the implementation of HRM functions in their offices were not adequately prepared. This implies that before the execution of any policy, conducting training for the work force within the organization, assessment of human resource in terms of size and quality to take over the responsibilities and financial resource is necessary.

As Demmke (2006) argued, the achievement of decentralization effort depends on the skills of managers and HR professionals to carry out their task and responsibilities. However, Table 4.3 shows that a large proportion of the respondent replied employees at sector level are perceived not to have the appropriate skill level to manage the devolved HRM functions. As stated above in chapter two, each sector bureau has the right to recruit, transfer, promote, train and develop their human resources (AACSA, 2009:12-35).

Conversely, it is seen that they lack capacity to effectively execute these tasks. Respondents reported that at sector level they see inability to exercise their power, misinterpretation of guidelines, irregularities in decision making and sticking to outdated manual. All these results in poor performance which implies that unless the above stated problems get immediate solutions it will have a huge impact in bringing sustainable development as the civil service is one of the key force in bringing change in that regard as a Civil Service Change Army (Yelewit Serawit).

4.1.1. Training

In the city government, the AACSA is also responsible to train HRM staff in each sector bureaus based on their need assessment. It also coordinates and supports the training program of those government offices. To make the programme effective, it issues policies to facilitate trainings on directives and guidelines issued regarding recruitment, selection, transfer, promotion, performance appraisal and discipline measure.

Table 4.4
Training Need Assessment

Item	Alternatives		Total %
	Yes	No	
Is the training given by AACSA and Capacity Building Bureau on HRM sufficient or adequate?	20%	80%	100
Are you satisfied with the result of that training?	30%	70%	100

Source: Data collected by Author.

As shown in Table 4.4 above, although the AACSA provided training it is considered to be not sufficient or adequate. Respondents claimed that, there is lack of budget to conduct intensive training and improper selection of trainees by the bureaus. The other problem cited by respondents is that the trainings are based on ad hoc needs and makes to serve the short term interests of individuals and institutions and also absence of annual training policy review and impact assessment. No training impact assessment has been made on the employees and the offices performance after completion of particular trainings. Since each training has its own objectives, there should be continuous and participatory impact assessment after some periods. The contribution of those trainings, workshops and seminars should be evaluated both at the agency and sector levels. This will help to mitigate earlier the problems seen in trainers, training institutions, etc and improve the quality of trainings.

In theory, training is not a one-time task and it could not be taken as a separate activity rather as part of the organizational strategic plan. This entails that even if training is costly, as part of the capacity building at all levels of government should be considered as an important part of decentralization to address the problem of access to service.

As Olowu (2001) argued, the primary goal of decentralization is empowerment. Moreover, investment in employee training is one method of creating a primary internal source, which reduces organizations dependency on external channel. Similarly, Table 4.4 also depicted the respondents' opinion concerning the effect of training given by the agency at sectors level. However, again the majority of the respondents were not satisfied with the outcome of the training. The reasons given as also illustrated by table 4.4 are that, the staffs at sector bureaus are not adequately prepared. Second, they did not have the appropriate skill level to handle their tasks due to lack of proper training. Consequently, the result is not satisfactory. These results in weakening of the decentralization effort and hence attention should be given to extend the level trainings given at various levels.

4.1.2. Attitude towards performance of Bureaus

Organizational success depends on effective handling and implementation of HRM functions like recruitment, selection, promotion of employees and performance assessment upon accomplishment. When the attitude of respondents towards the performance of HRM functions at each level of government is analyzed the performance at the sector level is less than expected as it can be seen in the table below.

Table 4.5
Performance of Bureaus

HRM Functions	S. Disagree	Disagree	Neutral	Agree	S. Agree	Total (%)
Recruitment	10%	10%	60%	20%	0	100
Selection	10%	10%	70%	10%	0	100
Promotion	20%	10%	50%	20%	0	100
Performance Appraisal	20%	20%	50%	10%	0	100

Source: Data collected by Author.

It was felt that, before the implementation of decentralization, the existing situation was not assessed along financial, human capacity and infrastructure lines. Besides, as the finding in Table 4.4 indicates sufficient training was not given and most employees lack capacity. This shows that the focus will be on supporting and conducting training at each sector bureaus.

In line with this, as for the interview question asked whether or not there exist poor performances, the respondents replied the performance of HRM practice at sector level is also not as expected. Some of the main reasons as argued by the respondents include lack of extensive training on HRM guidelines, ignorance of HRM by the top-level management and lack of HRM professionals. Consequently, experts trained indifferent specializations such as Language, Education, and Accounting were responsible for undertaking the tasks needed. Furthermore, misplacement of professionals, misuse of power, budget constraints, lack of ethics, absence of continuous support and supervision and lack of accountability are related problems. They also state the possible courses of action need to be taken in order to improve the practice of HRM function across the bureaus of the city government.

When the response is summarized, to make the HRM practice effective empowering and conducting extensive training on HRM and manpower planning, continuously monitor and evaluate the implementation of HRM practice, ensure assignment of the right person on the appropriate place based on merit so that employees will be encouraged to perform their tasks as expected.

Moreover, as cited in Bratton and Gold (2007) since success of an organization depends on employees, the responsibility for HRM activities rests with all line managers and should not be left to HR professionals.

Concerning the question related to the role of the agency when any bureau make mistakes in the field of HRM, all the respondents stated that the Agency will try to influence bureaus and there exists controlling mechanism where-by it uses to take corrective action. First, it orders the rectification of the irregularities, and then suspends the execution of the matter until decision is made there on. Finally, initiate the taking of administrative measure against the official or the civil servant responsible to act. This entails the effort made by the agency (HR Manual, Vol. 2).

4.1.3. Performance Appraisal

Since 1996, after the declaration of CSRP in Ethiopia, efforts have been made to implement (ROPA) in government bureaus. In 2002, it started to execute result oriented performance appraisal system replacing the traditional appraisal system (ACR). However, again later by 2010 the Ministry of Civil Service Commission had initiated one of the performance management tools called the Balanced Score Card (BSC) to be implemented across government institutions throughout the country. However, it has not been well cascaded to the bureaus and is a work in progress. Nonetheless, according to the region's capacity building, before the bureaus start to carry out the new appraisal system training was given to employees' in order to create awareness. The following section shows the response on BSC.

Table 4.6
Assessment of Performance Appraisal

Case/Level	1+2	3	4+5	Total %
Staffs understand the purpose of BSC.	10%	40%	50%	100
Performance appraisal has improved performance	0	20%	80%	100
The working environment facilitates the appraising of performance	10%	60%	30%	100
Employees feel happy by the results of appraising their performance.	30%	40%	30%	100
Department heads feel happy of the results of appraising their performance.	10%	60%	30%	100
A positive performance appraisal leads to rewards.	0	20%	80%	100
A negative performance leads to a sanction.	0	20%	80%	100
There is transparency & continuous follow up when evaluating employees.	50%	20%	30%	100
There is a strong link between performance & reward in your office.	60%	40%	0	100

Note: Strongly Agree: 5, Agree: 4, Neutral: 3, Disagree: 2, Strongly Disagree: 1

Source: Data collected by Author.

As indicated above in Table 4.6, performance appraisal system is perceived to have improved the performance of the bureaus and some of the employees understood its purpose. However, 10% of them replied the working environment was not facilitating performance assessment and majority of them were neutral. Similarly, as the system is expected to improve the performance of the bureaus both civil servants and department heads are partially happy with the result of the assessment since the new system gave chance to improve performance. However, 30% of the respondents indicated that employees did not feel happy by appraising their performance. The possible reasons for this could be lack of objective and effective performance evaluation mechanism, loose linkage between performance criteria and evaluation, lack of training and unattractive remuneration.

Regarding the question whether a positive performance leads to reward and vice versa, majority of the respondent replied that if an employee perform well he will be entitled for reward if not he/she can't get any reward. Unless, employees are rewarded based on their performance, it creates resentment upon their task and hence influence service delivery. As stated above in chapter two in the HRM manual (AACSA, 2009) higher performer employees are rewarded and poor performer cannot be rewarded.

As cited by McCourt and Eldridge (2003), Metcalfe asserted that the success of performance appraisal depends on participation of employees. Nevertheless, transparency and continuous follow up concerning evaluation is also weak. If employees are not allowed to participate and communicate openly with their appraiser, they do not have the chance to know about their strength and weaknesses. This implies that in some instance the annual confidential report system is still in place.

As Solomon (2005) argued and again later as cited in 2010 by the Ministry of Civil Service Commission, the Balanced Score Card (BSC) initiated to be implemented across government institutions throughout the country has not been well implemented across all the bureaus just yet. And because it's a work in progress, absence of transparency in managing employee performance and weak follow-up of corrective measures are still prevailing in Ethiopian civil service performance appraisal system.

In addition, the BSC was introduced as one of the reform tool which would help to manage, communicate and measure. However, from the very outset there were misunderstandings at the design level. For instance, the city administration of Addis

Ababa, under the auspices of bureau of capacity building, selected sectors began the design as well as implementation of Balanced Score Card in 2011/12. The challenges at the design level includes on how to set higher level objectives. Firstly the sectors focused on their very mission, later among the 18 higher level objectives almost all sectors took 17 and only one unique objective-related to their mandates. These resulted in cascading difficulty as well as later on measuring performances of each sector i.e. the shared 17 objectives are not relevant to all sectors (MCS, 2013).

As stated above in the first paragraph, lack of linkage between performance and reward is also the main drawbacks of the appraisal system in the civil service. Informants claimed that, a positive performance leads to reward and a negative performance leads to sanction. However, the finding concerning linkage between performance and reward revealed a negative result. This implies that, even if it is written in the regional HRM manual, in practice its implementation is inconsistent in the bureaus as the finding from sector bureaus revealed. The reason for this could be that, the manual is not binding and there exist budget constraints. Hence, the above stated problems make the assessment system to be sluggish.

4.1.4. Support

One of the most important roles of the agency is to provide the necessary support on personnel matters for sectors, consistent with its proclamation. The Agency plays its supporting role by conducting training, guidance and counseling concerning HR manual, issuing HRM manual, handling complaints and supervising the bureaus while performing the HRM functions (AACSA 2009).

To find out more about this supporting role, we have asked the AACSA staffs how they thought that the Bureaus valued their support. The responses are in table 4.7 below.

Table 4.7
Assessment of AACSA Support

Item	Alternatives	Total %
How do you think people in the bureau value the support of AACSA?	Valued very much	40%
	Much	10%
	Not good-Not bad	40%
	Not	10%
	Not at all	0
	Total %	100

Source: Data collected by Author.

As shown in Table 4.7 above, the agency's staffs felt that a significant number of people in the bureaus would not value the support from the agency that much. The reason for this might be the attitude of external customers towards the Agency. Customers perceived that AACSA as an office, which is still sticking to the traditional approach, having bureaucratic nature, consists of unskilled employees and characterized by unattractive salary.

As pointed out by Polidano (1999), the basic concept behind New Public management theory is the transfer and use of valuable and productive management values from the private sector to the public administration. The important activities in this transfer include efficiency, best management performance, flexibility, and responsibility (Polidano, 1999, 5).

Hence, in the process there would be a shift from public administration to public management. In this transition there are certain actions needed to be accomplished (Hood, 1991, p96). These activities include reduction of public sector expenses, application of private sector management model, use of result oriented management system, high degree of efficiency and accountability. The process of establishing New Management reform needs the full participation of the public sector. To this end, inviting the civil service society for taking part in the process is paramount to the success of the reform programme. The main mechanisms to carry out this transition are decentralization, privatization and contracting-out.

In Ethiopia, together with the civil service reform agenda, the country had declared to use free market economy system which had liberalized and transferred most of public organizations to private ownership. This had helped organizations to keep their staffs' with attractive salary and other motivational factors drawn from the practices of those private sectors. But still much remains to be done in that regard.

4.1.5. Performance of HR officers

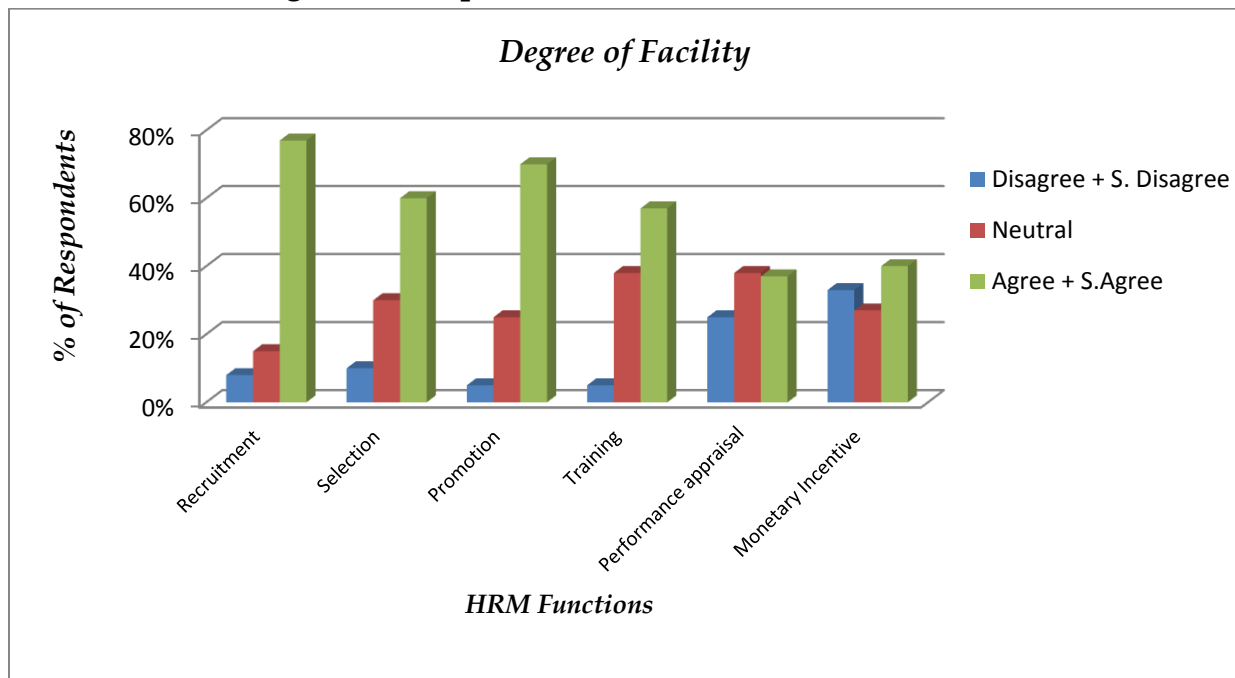
In regards to the question raised as to whether HRM officers in the bureaus take their work seriously, majority (60%) of the respondent replied that while the HRM activities were decentralized, HR officers in respective sector bureaus are considered not to perform their task as expected. Reasons of inadequate training and lack of capacity, negligent of HRM by higher management body explain the situation.

Furthermore, they stated that the agency should issue directives that create accountability regarding unjustifiable expenses of HRM functions emanating from lack of enforcing mechanism. Implementations of human resource management information system could play a role in simplifying the civil service file handling system in the regional government for which the agency has already established an independent department called HR Documentation and Information System Administration Department which could be considered as one of positive steps taken by the agency to bring improvements in the HRM function. These findings and results lead to the analysis of sector bureaus as to how they undertake recruitment, selection, training and development, performance appraisal and reward system using their power.

4.2. Analysis of Response from Sector Bureaus

The following section analyses the response of the selected ten sectors namely BOFED, BOTID, Education, Health, Road and Transport, Housing and Dev't Project, Fire and Emergency, Culture and Tourism, Small and Micro Enterprise and Audit Bureaus in a summarized manner.

Figure 4.1 Responses on Decentralization (Sectors)



Source: Data collected by Author.

As shown in Figure 4.1 above, majority of the respondents indicated that, decentralization has facilitated recruitment, selection, promotion and training.

However, performance appraisal as 25% and monetary incentives 33% of the informants indicated, in comparison with the other functions both has some problems. The reason for this could be, lack of awareness and commitment, lack of budget and the bureaus failure to prepare budget schedule for reward purpose. This shows that, overall, decentralization facilitates the HRM functions. Yet, attention should be given for the proper implementation of BSC and corresponding monetary incentives.

4.2.1. Recruitment

In the regional government after the decentralization of power, each sector has the right to recruit employees to fill vacant posts. To do so, they either use internal or external channels to attract the best candidate that can suit unoccupied post. Tables 4.8-4.10 depict responses on recruitment.

Table 4.8
Recruitment Channel

Item	Alternatives	Total %
When you were recruited for the first time to join your bureau, how did you find the job opening?	Radio	25%
	Newspaper	47.50%
	On-campus	5%
	Television	7.50%
	Word of mouth	15%
	Others	0%
	Total	100

Source: Data collected by Author.

As shown in table 4.8, majority (47.5%) of the employees were recruited through newspaper advertisements. One fourth of the respondents said that recruitments were made through announcements made on radios. About 15% of the respondents were employed through word of mouth, which is an informal and internal source of recruitment. It usually has an adverse effect upon reaching other job seekers. Since the sectors also use internal source of recruitment using internal promotion, new applicants may not get the chance to be recruited. However, there are also cases where some of the respondents obtained their jobs through information by television advertisements and on-campus recruitment.

Cited in the Addis Ababa City Administration Civil Service Proclamation No. 6/2003, Article 12 each sector bureau has the right to advertise every vacant position. Moreover, every government office may solicit graduates of higher educational institutions for recruitment in cooperation with institutions. In addition, exceptionally for those civil

servants having social and health problem, for employees who upgrade themselves based on their office manpower planning, positions like top-level manager executive secretary, cabinet members' driver and cashier, it is possible to assign without advertisement so long as they fulfill the minimum requirement of the vacant post (AACSA, 2009:8).

In this regard, based on the responses obtained respective bureaus are pursuing a widely advertised mechanism to reach out to large pool of candidates in order to fill vacant positions. Nonetheless, as 15% of the respondents cited employments are also being effected through word of mouth over informal and internal source of recruitment which is against HR manual and guideline set out by the CSA as this is expected to happen only on exceptional cases not on a regular basis. Such practice has an adverse effect upon reaching out to other job seekers and it also has a compliance issue in terms of not following the guideline set out by the agency.

4.2.2. Recruitment Procedure

The impact of HRM on achieving and retaining employees is seen using some of the underlying issues related to human resource. To this end, a sound HRM procedure and practice has become increasingly important. The following table shows whether the regional civil servants recruitment procedures allow bureaus to recruit the right candidate for a right position or not.

Table 4.9
Recruitment Procedure (1)

Item	Alternatives	Total %
Do you think that the current recruitment procedure allows bureaus to recruit the right person to the right job?	Yes	27.5%
	Sometimes	67.5%
	No	5%
	Total	100

Source: Data collected by Author.

As shown in Table 4.9, more than half of the respondents replied that, the current recruitment procedure of the region sometimes allows bureaus to hire the right person to the right post. Nevertheless, only 5% of them responded that the procedure has some drawbacks. The possible explanation for this could be the severe competition in the external labour market coupled with the ever increasing cost of living and the restricted recruitment condition in civil service organizations, which makes finding candidates difficult who meet the requirements for some positions.

The minimum requirements which are prepared by the agency are also some of the limiting factors to recruit professionals from the labour market. The ability of an organization to attract competent applicants is the base for improving service delivery in the regional government. Table 4.10 below depicts the responses related to attraction of suitable applicant for a vacant post.

Table 4.10
Recruitment Procedure (2)

Item	DisAgree+S. DisAgree	Neutral	Agree + S.Agree	Total %
Your bureau is able to attract suitable applicants to fill vacancies.	12%	30%	58%	100
The current wage attracts the best recruits for the various posts	40%	37%	23%	100

Source: Data collected by Author.

According to the HRM manual, the recruitment process in the regional government civil service sectors begins with filling a requisition form of vacant post from department or sections by checking whether it is supported by budget or not. As shown in table 4.12, 58% of the respondents indicated that, their respective bureaus have the abilities to attract suitable applicant. Only 12% of the respondents express their disagreement. The reasons given as also illustrated in Table 4.9 are that, the minimum requirement which is prepared by the agency, is the restraining factor to recruit professionals from the labour market. Besides the other possible explanation for this might be, some of the bureaus did not follow manpower-planning, poor screening, which results from lack of capacity, and absence of merit based recruitment.

On the other hand, the table also revealed that the current wage structure of the civil service was not fully attracting the best candidates for various positions although it is agreed that if performed well recruitment improves service delivery. As (Paulos 2007:65) argued, the structures of the Ethiopian public sector pay system are uniform in most of the institutions and hence civil service professionals' salary scale has based on their position and seniority. Similarly, this is also the case in the Region.

4.2.3. Selection

The goal of selection process is to make a proper match of employees with jobs and the organization. To do so, the practice in the City government's bureaus concerning

selection of candidate is based on the selection criteria set by the AACSA manual. Table 4.11 and 4.12 shows the responses on selection.

Table 4.11
Selection Criteria

Item	Alternatives	Total %
Is the selection Criteria Set by Civil Service Agency manual useful?	Yes	93%
	No	7%
Total		100

Source: Data collected by Author.

As shown in Table 4.11, almost all of the respondents replied that the criterion prepared by the Agency's manual has practical importance. In the absence of consistent criteria, it would have been impossible to select the best candidate and create a proper match between people and jobs. In order to make the selection process simple AACSA set selection criteria, which is useful when conducting recruitment and selection. It is divided in to two parts based on the nature of the position. The first one is for those tasks, which demand practical, written exam and interview. The second category is for those tasks, which require written exam and interview only. In both cases affirmative action is also considered (AACSA 2009). Although using these criteria the bureaus are exercising to select the right person among a pool of candidates, as indicated by few respondents regardless of the criteria, selection might also be distorted by interference of an outsider.

Table 4.12
Selection Procedure

Item	DisAgree + S.DisAgree	Neutral	Agree + S.Agree	Total %
Selection is based on merit only.	27%	40%	33%	100
A candidate can influence the decision to be selected.	48%	25%	27%	100
An outsider can influence the decision to be selected.	40%	30%	30%	100

Source: Data collected by Author.

As shown in Table 4.12 above, more than 20% of the respondents replied that selection of candidates is not only based on merit but also some other criteria like personal contact as claimed by respondents from finance 5%, Education 4%, Housing & Dev't Project 9%, Small and Micro Enterprises 2% and 7% from Health bureaus.

Although, it is also written in the agency's civil servants HRM manual, some institutions could not follow the manual often as they interpret it wrongly. This finding

is in line with Paulos (2007) argument, which states inter-organizational transfer selection is made based on personal contact and promotion is being made not on individual performance. Although some of the respondents argued that selection is made based on merit only, as 48% of the respondents indicated a candidate could not influence the decision to be selected.

Besides, regardless of the HRM manual, an outsider has the ability to influence the decision to be selected as 30% of the respondents claimed. The possible reason for this could be, interference, which creates an influence on personnel's and may have an effect on hiring new and promoting senior staff. Moreover, the manual is not binding and there is still more work need to done by the agency as far as monitoring is concerned.

4.2.4. Training

According to the civil servant proclamation, each office has the responsibility to identify and assess training needs, to prepare action plan and budget schedule. Training and development plays a significant role in improving individual and organizational performance. In this respect, AACSA and CBB conducted training on civil service reform. The following Table 4.13 shows the response on training and development practice in the bureaus.

Table 4.13
Training and Development

Item	DisAgree + S.DisAgree	Neutral	Agree + S.Agree	Total %
The training organized by the Capacity Building & Civil Service Agency improves functioning of your department.	22%	28%	50%	100
Training is effective in improving the bureau's performance in service delivery.	10%	27%	63%	100
Training is effective in motivating employees.	12%	15%	73%	100
Within your office there is equal access to training employees.	55%	25%	20%	100
Selection for training is based on a proper need assessment.	55%	30%	15%	100

Source: Data collected by Author.

As shown from Table 4.13, the training organized by the CBB and the CSA on the Civil Service Reform Programmes improved the functioning of the departments. Similarly, it is effective in enhancing the performance of the bureaus as a whole in terms of service delivery.

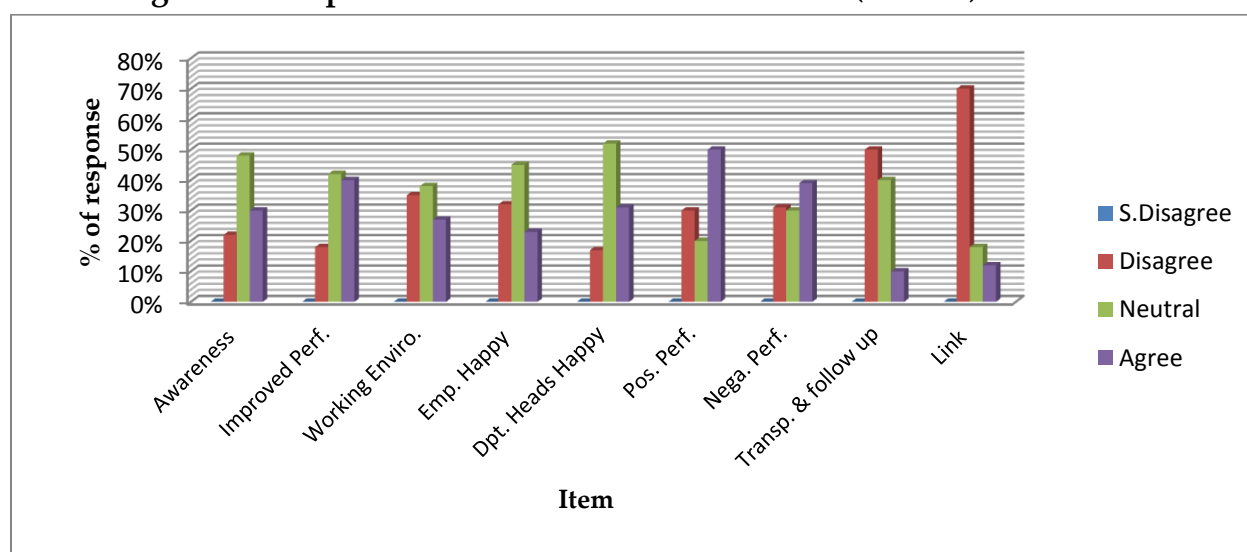
According to the AACSA manual (2009:34), under the City government every civil service bureau shall have the duty to identify the training needs of the office, the civil servants, to prepare plans and budget for training and thereby ensure that the civil servants receive the necessary training and furnish information there on to the Agency. The Agency in turn shall train HRM staff based on the training needs of the sector bureau, coordinate and support the training program of the different government offices. In addition to this to make training of civil servants effective, the Agency shall issue a policy with regard to the conditions of their training locally and abroad and supervise the execution of same (AACSA, 2009:34).

Nevertheless, based on the responses as can be seen from the above table, there is no equal access for training and at the same time selection of trainees is not based on proper assessment as more than half of the respondents indicated it respectively. The possible explanation for this could be during selection of trainees, the relevant organizations were not consulted properly. Consequently, not all employees get the chance for training.

4.2.5. Performance Appraisal

In the region, at present every government sector implements the Balanced Score Card (BSC) as part of one of the five Sub Programs of the Civil Service Reform Program. Performance management is one of the most important aspects of HRM. It is the base for enhancing individual and organizational improvement. It needs integrating among other things, information, training and performance related pay. Figure 4.2 below shows the responses on BSC.

Figure 4.2 Responses on Performance Assessment (Sectors)



Source: Data collected by Author.

As shown in Figure 4.2, some of the civil servants understood the purpose of Balanced Score Card (BSC). Nevertheless, majority of the respondents were uncertain whether this assessment system has improved the performance of bureaus or not. Implementation of BSC is a recent phenomenon not only in the region but also at country level. Consequently, most employees did not have in depth knowledge.

According to the AACSA manual (2009) although intensive training has been given, lack of awareness, bureaus attitude in preparing the assessment based on job description than institutional strategic plan; evaluating behavior than performance, failure of institutions to change government key objectives into implementable targets and lack of participation during preparation were some of the reasons. The table also showed that the working environment was not facilitating performance assessment in the bureaus. This is shown by 35% of the respondents. Similarly, some of the employees and few of the department heads are not satisfied when assessment is conducted reasons being lack of commitment, misunderstanding of employees that BSC as a political agenda than a management approach and in most organizations there exist a tendency to meet deadlines and not to go further. However, if appropriately executed, this BSC will add value for the improvement of performance culture.

The same number of respondents replied that neither positive performance lead to reward nor negative performance leads to sanction. The possible reason for this could be inconsistent implementation of reward. As Armstrong (2001) claimed, performance management is concerned with open communication and involvement. Follow up is also necessary when implementing assessment since it helps to take remedial action. Yet, as indicated in the table above, more than 40% of the respondents indicated that, transparency and continuous follow up during evaluation were not that much. Besides, majority of the respondent also replied that there is no strong link between performance and reward in their office.

In reality, motivating employees is one factor for enhancing performance. Though it is cited in the agency's manual that based on individual performance there is a means of rewarding employees, it is not properly practiced with the exception of some bureaus in the region. A study conducted at country level also showed that, the performance appraisal system suffers from lack of transparency, weak follow up and the linkage between performance and reward system is loose (Solomon 2009). From the finding, this is also the case in the bureaus surveyed. This leads us to the assessment of the reward systems in the region.

4.2.6. Reward

Reward system is one means of attracting and retaining potential employees. Table 4.14 shows responses on reward. In the region, every sector is responsible to create a means for rewarding best performers.

Table 4.14
Reward System

Item/Level	Disagree	Neutral	Agree	Total %
The bureau has been empowered to put differences in salary structure.	87%	10%	3%	100
The uniform salary structure attracts different skills and professionals.	55%	28%	17%	100
There is a reward system based on performance in your office.	80%	5%	15%	100
Is the current salary structure improving service delivery?	68%	30%	2%	100

Source: Data collected by Author.

Regardless of the declaration of a decentralized HRM system, bureaus have not been entrusted with developing own salary structure as majority responded. Nevertheless, as Paulos (2007) asserted, the country follows uniform personnel structure, salary is administered at the federal level and hence the regional governments and the corresponding government bureaus follow uniform salary scale.

Related with this, as depicted in Table 4.14 the homogeneous salary structure did not attract different skills and professionals, as 55% of the respondents replied. Though uniform salary scale has the benefits of restricting organization to organization brain drain, it hinders bureaus from recruiting qualified employees. This in turn breaches the decentralized policy and confines authority of the sector bureaus from attracting and maintaining employees. This implies that there exists an increase in turnover in the region.

In addition to the above finding, majority of the respondents indicated that, there is no reward system based on performance. In some case, it is implemented. As claimed by respondents from BOFED 3%, Fire & Emergency Prevention 5% and Health Bureau 7%. As 68% of the respondent replied, the current salary structure is not improving service delivery. The finding in Figure 4.6 above indicates 60% of the informants respond performance of employees is not attached with the reward system. Consequently, the pay structure may be a necessary but not a sufficient condition for enhancing service delivery. Relatively, non-monetary incentives like recommendation letters and awards might be considered for extensive use.

4.2.7. Support

Support from the AACSA is expected to improve administrative and technical capacity. However, as shown in the table below 85% of the respondents indicated that the support from the agency is not sufficient. In theory, however, the agency has the power and duty to supervise and issued directives for the proper implementation of HRM functions in the region. The possible explanation for this might be lack of manpower and professional's turnover that makes the Agency not to play its supportive role as expected.

Table 4.15
Assessment of AACSA Support for Sectors
(Response from Sector Bureaus)

Item	Alternatives	Total %
Is the support given by the CSA sufficient in terms of HR functions to improve the service delivery?	Yes	15%
	No	85%
Total		100

Source: Data collected by Author.

4.3. Comparative Analysis

The following part provides a comparison of the response from the AACSA and the sectors under the heading decentralization, recruitment and selection, training, performance appraisal, reward and support.

4.3.1. Decentralization

In general, the respondents from the agency and the bureaus were of the opinion that decentralization facilitates the executions of HRM function in the city's government. Regarding recruitment, selection and training the two sets of staffs show a great agreement. However, in both cases some respondents were neutral, 20% of the informants from the AACSA indicated that promotion of employees was not facilitated. It has a direct link with full implementation of BSC and partially with the incentive system. Compared to the AACSA, sector bureaus responded more positively concerning promotion. The reason for this might be previously it was centralized but currently it is decentralized. Hence, it gives them chance to decide. The finding also revealed some of the respondents from the sector bureaus described that decentralization is not facilitating performance appraisal (25%) and monetary incentives (33%) in the regional government. The reason for this could be lack of awareness and commitment about BSC, lack of finance and failure to prepare a budget plan for reward purpose.

4.3.2. Recruitment and Selection

The role of AACSA as indicated in the civil servant proclamation is that, preparing and updating the necessary manual. Moreover, whenever necessary approving recruitment of a new employee, who is entitled to a payment of higher salary than the base salary by the recruiter office. Similarly, supporting and supervising sector bureaus as to whether they are performing this activity based on the manual or not.

In doing this, the finding from the agency (Table 4.5) concerning performance of sector bureaus in the city's government indicated that, there is still a lot of work to be done in that regard to bring them to the required level. The possible reason for their weak performance is attributed to, as the finding in Table 4.3 revealed, they were not adequately prepared 60% and they lack the required skill 70%.

In contrast as shown in Table 4.8 and 4.9, 5% of the sector bureaus informants claimed that the recruitment procedure set by the agency did not allow sectors to recruit the right person. Besides, 40% of them argued that the current salary structure was not attracting the best applicants. The reason for this might be the restricted recruitment procedure and the singular wage structure the civil service follows.

Related to this, as indicated in Table 4.10, 7% of the respondents claimed that, the selection criteria in the manual are not being as useful as they should be for sectors. Likewise, Table 4.13 depicted that selection is not made based on merit (27%) an applicant cannot influence selection (48%) rather an outsider can influence selection decision (30%). The reason for this could be interference, lack of enforcing mechanism and weak controlling by the agency.

4.3.3. Training

The city's agency conducted training on HRM functions for HR officers in sector bureaus. However, as shown in Table 4.4 informants of the Agency reported that, the training was not sufficient at each level and the result was unsatisfactory. This can be expressed in terms of weak performance as the finding in Table 4.5 depicted. In the same line, latter the CSA together with CBB conducted training on CSRP which is currently one of the capacity building programs being undertaken by the government.

As the finding in Table 4.13 showed, it improves the functioning of sector bureaus. However, in most sectors access for training is minimal and assessment is improper as

similar informants (55%) in both case responded. The reason for the above stated problem could be lack of budget to give training and lack of skilled training officer to conduct need assessment.

4.3.4. Performance Appraisal

As shown in Table 4.6 and Figure 4.2, in both case despite difference in percentage the response indicated that some of the employees understood the BSC. Hence, performance assessment is expected to enhance the performance of bureaus. In effect from the two sides some respondents were neutral. However, as 10% of the agency and 22% of sectors informants replied that employees did not understand the BSC and it has not improved the performance of the bureaus 18% as given by sector respondents. Similarly, 10% of the agency's and 35% of sector informants argued, the working environment is not as such conducive.

The finding also revealed that 30% of the agency and 32% of sectors informants reported employees were not fully happy on the result. Equally, 10% of the agency and 17% of sector bureaus respondents claimed, department heads felt the same. Besides, 80% of CSA informants reported a positive performance lead to reward and vice versa compared to 50% and 39% of sector bureaus respondents respectively. Likewise, half of the respondents from both sides stated that, transparency and follow up is also weak to take corrective measure. Finally, 60% of CSA and 70% of sectors informants argued, the link between performance and reward system is not that much strong. From the above findings, the two sets of respondent show agreement except issues regarding the working condition and whether performance lead to reward or not. The reason for this gap might be lack of awareness, inconsistent implementation of reward, lack of transparency, weak follow-up and loose attachment between performance and reward.

4.3.5. Reward

As the finding in Table 4.6 and Figure 4.2 revealed, in the agency and sector bureaus the link between performance and reward was not strong. In both case, more than half of the respondents argued respectively. As well, as shown in Table 4.14 response from sector bureaus showed that, the uniform salary structure was an obstacle to attract skilled professionals (55%); employees were not rewarded based on their performance (80%), though some sectors were exercised. Finally, the recent salary scale did not improve service delivery (68%).

4.3.6. Support

Concerning support from the agency, as shown in Table 4.7 majority of the respondents replied that the support of the Agency towards the bureau is good. However, the respondents from sector bureaus as indicated in Table 4.15 claimed that the support of the Agency towards the sectors is not to the expected level just yet.

Chapter 5

Summary, Conclusion and Recommendation

5.1. Summary

The paper has explored the link between decentralization and HRM function in selected Civil Service Bureaus of the Addis Ababa City Government in order to answer two interrelated questions of whether decentralization has facilitated or hampered the implementation of HRM function, and to identify possible problems that occur after the implementation of the policy. The study has established that, though the degree of facilitation differs, decentralization has facilitated the execution of HRM functions. However, promotion, reward system and performance assessment affected the policy. The findings from the AACSA and the ten sectors surveyed on each of the activities are summarized in the next section.

Findings from AACSA

The application of decentralization in the regional government has facilitated the implementation of HRM functions in general. This is shown in Table 4.2. However, as 20% of the respondents from the agency indicated, promotion as one function of HRM is not facilitated. The reason for this might be attributed to the lack of proper implementation in BSC. Further, adequate preparation was not made before the implementation of the policy at sectors level. As shown in Table 4.3, shortage of skilled personnel, inability to exercise power, lack of information, misinterpretation of manuals and lack of uniform decision making could be some of the main reasons not to fully attain improvement in some of the HRM functions.

Although trainings had been given, it was still not sufficient and the result was not satisfactory at bureaus level. As the finding depicted, it results from inadequate preparation and lack of capacity. Moreover, as the informants reported other problems related to the lack of attention for HRM by top-level management, lack of HRM professionals, which forced sectors to assign non-management graduate. Likewise, misuse of power and misplacement of professionals were some of the reasons given for poor performance.

The other finding is that, as indicated in Table 4.6, half of the informants claimed that employees were aware of BSC. However, 30% of them responded that employees were not happy and transparency and follow-up is weak (50%). Furthermore, the link between performance and reward is loose (60%). The reason for this could be that the manual is not binding; some sectors use an old system.

The AACSA supports sectors among others, by conducting training, issuing HRM manuals and controlling. Yet, 40% of the respondent indicated that its support to sectors was not satisfactory. This could be linked to high turnover and shortage of manpower. Similarly, half of the respondents do not put high value on the agency's support for reasons associated with the attitude of external customers towards the Agency. Looking at the performance of HR officers, it can be said that poor performance of personnel is also observed due to shortage of skilled professionals in the area and failure to follow HRM manual.

Findings from Sector Bureaus

Recruitment and Selection

Using their authority each bureau employs both internal and external source of recruitment to fill a vacancy. Nevertheless, as the response showed the current recruitment manual does not allow the bureaus to hire the right person for the right post (5%). This is due to the restricted minimum requirement needed for a specific position. In fact, the bureaus were trying to attract applicants for a vacant post. Yet, as indicated by 12% and 40% of the respondent respectively, their bureaus were not able to attract best applicants as the current salary scale was not attractive. This could also be attributed to failure to follow manpower-planning, absence of merit, lack of proper training after entry, and the uniform salary scale in the civil service.

Selection of candidates need a parameter to choose the best fit among a pool of applicants. In doing this, as the feedback indicated the bureaus use the selection criterion. In contrast, selection is not made only based on merit but also friendship and interference. Some respondents claimed that selection has been made based on merit only and insisted that a candidate could not influence selection decision. On the other hand, as some of the respondent replied an outsider could influence the decision to be made.

Training and Development

Training and development is vital for the improvement of individual and organizational goal attainment. As the finding in Table 4.4 and 4.13 correspondingly depict, the training conducted by the agency was not sufficient and satisfactory. While, the training given by the capacity-building bureau and AACSA on CSRP improved the functioning of each office. Hence, there is a change in service delivery. Further, training is effective in motivating employees as majority of them indicated. Nevertheless, there is unequal access to training and the assessment procedures need attention. The reason for this might be consulting irrelevant organization and lack of skilled HRM specialist to handle need assessment.

Performance Appraisal

The execution of BSC is a recent phenomenon in sector bureaus of the city government. Most employees understood its purpose. In effect, it was expected to improve the performance of the bureaus. However, the working environment is not conducive as the finding from sector bureaus revealed. The reason for this could be lack of incentives and training, poor human capacity to set targets, lack of objective performance criteria and lack of commitment. The response also illustrated that some employees and department heads were not happy of the result of their performance. Equally, BSC gives room for open dialogue but, transparency and continuous follow up is so weak and there is loose attachment between performance and reward. This might be due to lack of participation, inconsistent implementation and lack of resource.

Rewards

The reward system as one major function of HRM has not had facilitated under decentralized HRM context as the finding above revealed. The regional bureaus did not have the capacity to put different salary structure. As stated earlier, the country as a whole follows uniform salary structure. Moreover, the homogeneous salary scale did not allow some sectors to attract skilled professionals, as the scale is constant; it hampers bureaus not to recruit qualified employees compared to the scale in private sectors. The salary structure again had not been necessarily improving the service delivery. Lastly, the support from the Addis Ababa Civil Service Agency for sectors needs focus.

5.2. Conclusion

It is clear from the preceding discussions that the regional government decentralizes recruitment, selection, promotion, training and development, performance assessment and reward system. Their execution showed better performance. However, promotion, BSC and reward system did not perform as expected, because of resource shortage, lack of capacity and awareness, and loose linkage between performance and reward. Moreover, the current wage structure and to some extent the recruitment criteria in the civil service sometimes hinder sectors effort to attract the best candidates. Likewise, selection often is distorted by interference.

The finding also revealed there exists inadequacy of training, unequal access for training and improper need assessment. Related with this, BSC was expected to improve bureaus performance. Nevertheless, the working environment is not fully conducive as responded by sector informants. Besides, some employees and few department heads felt unhappy of the result. Similarly, transparency, follow-up and linkage between reward and performances are also weak.

Regarding reward, the uniform salary scale did not allow some sectors to attract various skilled professionals and it was not fully enhancing service delivery. Further, the effort to make reward system based on performance is insignificant. Finally, support from the agency towards sectors is minimal.

Above all, there is a positive link between decentralization and HRM functions in sector bureaus, as decisions can be made faster, simpler procedures are needed and it raises the efficiency and effectiveness of HRM and public administration. In addition, effectiveness is increased, because decentralization increases the manager's discretion, thus enabling him to recruit, evaluate, offer incentives, promote, suggest training needs and communicate directly. Hence, this will lead to enhancement of service delivery.

5.3. Recommendations

To overcome the problems that occur in the execution of the policy, there is a need for skilled human and financial resources, searching a means to differentiate high and low performers by using performance criteria like quantity, quality, timeliness and budget spent on doing a job. Moreover, competitive advantage in the form of effective and efficient service delivery can be ensured in public sectors if employees get proper

training and development, which is the soft model of HRM. In line with this, there has to be a mechanism in increasing the efficiency and effectiveness of training programs by checking out whether the provided training has improved the trainees' managerial skills and knowledge as well as their performance.

Thus, conducting on the job and of the job training at each managerial and government level using a selection criteria, creating strong link between performance and reward, implementations of non-monetary incentive such as recommendation letter is also essential.

Besides, making the performance assessment system more open and carrying out continuous follow up, strengthening the monitoring and evaluation role of the city's Civil Service Agency and providing the necessary technical and interpersonal support from the top-level managers should make the decentralization process more sustainable.

Moreover, Civil service is a reputable sector of employment in developed countries. This is because the civil service has a strong legal protection, job security and fringe benefits. The level of pay is also comparable with the private sector in these countries. The reverse is true in some developing countries like Ethiopia.

This is because of a range of factors including low level of pay compared to the private sector, low level of benefit packages, job insecurity due to political patronage and lack of legal protection. As a result, the public service is experiencing as big problem of brain drain to the private and the NGO sectors. Following which the civil service sector is in severe shortage of educated, skilled and experienced personnel. At the same time, those few experienced and educated employees in the civil service are dissatisfied with the low level of pay, lack of office facility, low or nonexistent fringe benefits and poor working environments.

Therefore, improving the reward system in the civil service is a basic requirement to attract and retain qualified civil servants. Reward system is one of the components of human resources management sub-program which has not yet practical. This urgent and crucial program needs special attention to lift the civil service from its current situation – low prestige, poor pay and poor staffing.

References

- Addis Ababa City Government Civil Service Agency (2009) *'Human resource management manual'*, (in Amharic). Addis Ababa.
- Addis Ababa City Government *'Civil Service Proclamation No. 6/2003'*, (in Amharic). Addis Ababa.
- Addis Ababa City Government Civil Service Agency (2013) *'Annual Statistics Report'*, (in Amharic). Addis Ababa.
- Adebaby Abay (1998) *"Checklist of common personnel/Human Resource Management Problems in the Ethiopian Civil Service"*, Merit: Ethiopian Federal Civil Service Quarterly Bulletin, Addis Ababa, 3, no.4:27.
- Alemayehu Hailemariam (2001) *"Overview of Public Administration in Ethiopia"*, Taniger, Morocco. Pp 2-4.
- Armstrong, M. (2001) *'A Hand book of Human Resource Management Practice'*, London: Kogan Page.
- Atiklt Assefa (1996) *'Enhancing Accountability in the Ethiopian Civil Service'*, Merit: Ethiopian Federal Civil Service Quarterly Bulletin, Addis Ababa, 2, no.246-47.
- Ayenew, Meheret (1998). *Some Preliminary Observations on Institutional and Administrative gaps in Ethiopia's Decentralization Process. Working Paper No.1. Addis Ababa: Regional and Local Development Studies, Addis Ababa University*
- Bratton, J. and J. Gold (2007) *'Human Resource Management Theory and Practice'*, New York: Palgrave.
- Brown, K. (2004) *'Human Resource Management in the Public Sector'*, Public Management Review 6(3): 303-309.
- Christensen, T. and P. Laegreid (2007) *'Transcending New Public Management: The Transformation of Public Sector Reforms'*, England: Ashgate Publishing.
- Common, G. H. M. a. R. (2007) *'Public Sector Capacity Reform Program In Ethiopia: A Tale of Success in Two Ministries?'* Public Administration and Development 27(5):367-380.
- Demmke, C. (2006) *'Decentralisation of HR Practices – A European Comparative Perspective'*, EGPA Conference, Milan.

Drechsler W. (2005) *'The Rise and Demise of the New Public Management'*, Estonia: University of Tartu and Tallinn University of Technology.

Government of Ethiopia (2001) *'Service Delivery Reform Sub-Programme: Performance Management Report'*, Addis Ababa.

Gregory R. (2001) *'Transforming Government Culture: A Skeptical View of New Public Management.'* In Christensen Tom and Laegreid per (eds.) *New Public Management: The transformation of ideas and practice*, England: Ashgate Publishing.

Haque S.M. (2007) *'Theory and Practice of Public Administration in Southeast Asia: Tradition, Direction and Impact'*, *Public Administration* 30: 1297-1326.

Lee, R. D. (1993) *'Public Personnel Systems'*, 3rd (ed) Maryland: Gaithersburg, Aspenpublisher. pp 25-38.

Ministry of Civil Service (MCS) (2013) *'Annual Statistics Report on Ethiopian Civil Service'*, Addis Ababa: Federal Republic of Ethiopia.

Ministry of Civil Service (MCS) (2013) *'Booklet on the CSRP in Ethiopia'*, Addis Ababa: Federal Republic of Ethiopia.

Olowu, B. (2001) *'African decentralization policies and practices from 1980 and beyond'*: Working paper Series No.334; Institute of Social Studies, The Hague, The Netherlands.

The Public Service Commission (PSC) (2010), *"Assessment of the State of Human Resource Management in the Public Service"*, Pretoria, South Africa.

http://www.psc.gov.za/documents/2010/PSC_March_2010_Review.pdf, accessed 24/12/2013.

Olowu, D. and L. Adamolekun (1999) *'Human Resource Management.'* In Ladipo Adamolekun (ed) *public Administration in Africa Main issues and selected country studies*. Pp. 86-107. Boulder, CO: West view Press.

Olowu, D. (1999) *'Public Service Delivery.'* In Ladipo Adamolekun (ed) *public Administration in Africa Main issues and selected country studies*. Pp.123-138. West view Press.

Paulos Chanie (2001) *'The Challenges of Civil Service Reform in Ethiopia: Initial Observation'*, Addis Ababa University, Ethiopia. <http://www.ossrea.net/> accessed online, 12/02/2014.

Polidano, C. (1999) *'The New Public Management in Developing Countries'*, University of Manchester: Institute for Development and Policy and Management.

Pollitt, C. and G. Bouckaert (2000) *'Public Management Reform: A Comparative Analysis'*. Oxford: Oxford University Press.

Pulakos, D. E. (2004) *'Performance Management: A road map for developing, implementing and evaluating performance management systems'*, USA: SHRM foundation. pp 1-4.

Rondinelli, D.A. (1981) *'Government Decentralization in Comparative Perspective: Theory and practice in Developing Countries'*, *International Review of Administrative Sciences* XLVII (2): 133-45.

Sisson, K. and J. Storey (2000) *'The Realities of Human Resource Management: Managing the Employment Relationship'*, Buckingham: Open University Press. PP 168-188.

Solomon Maseresha (2005) *'Performance management in the context of the Ethiopian Civil Service'*, Merit: Ethiopian Federal Civil Service Quarterly Bulletin, Addis Ababa, 10(2): 36-38.

Tilaye Kasshun (2007) *'Civil service reform in Ethiopia'*. In *Proceedings of the first national conference on the achievements, challenges and prospects of the civil service reform program implementation in Ethiopia*, Addis Ababa.

UN-HABITAT (2002) *'Local Democracy and Decentralization in East and Southern Africa, Experiences from Uganda, Kenya, Botswana, Tanzania and Ethiopia'*, Nairobi. Kenya.

Yekunoamlak Alemu (2007) *'Challenges and Prospects of Performance based Management.'* In *Proceedings of the first national conference on the achievements, challenges and prospects of the civil service reform program implementation in Ethiopia*, Addis Ababa. Pp 125-126.

Annex

Annex A

QUESTIONNAIRE (AACSA)

Addis Ababa University

College of Business and Public Administration

Department of Public Administration and Development Management

**A Study on the Practice of Public Human Resources Management with a focus on
selected Civil Service Bureaus of Addis Ababa City Government**

The questionnaire is prepared by Girum Berhanu. I am currently a postgraduate student at the Addis Ababa University Department of Public Administration & Development Management majoring in Development Management studies. The objective of the questionnaire is to collect data regarding the practice of Human Resource Management in selected Civil Service Bureaus of the Addis Ababa City Administration and their impact on a decentralized context, which will be used to prepare a Thesis required for my MA degree. The aim of this research is to contribute to a better understanding of the circumstance under which HRM practitioners in Ethiopia have to function. You are kindly requested to read the questions thoroughly and respond accordingly. The result of this survey will be treated with utmost confidentiality and will be strictly used for academic purpose only.

I thank you in advance for your cooperation.

Instructions:

- You are not required to write your name on this questionnaire.
- Please answer question by tick mark.

Are you

Male Female

☐☐

Education Status

a) Diploma

c) BA Degree

b) Advance Diploma

d) MA & above

1. For how many years have you been working in the agency? (circle)

c) 1-5 b) 6-10 c) 11-15 d) 16-20 e) 21-25 f) >26

2.	Note: Strongly Agree:5, Agree:4, Neutral:3, Disagree: 2 Strongly Disagree:1					
	Compared to the previous system	1	2	3	4	5
1	Decentralization facilitated the implementation of human resource management functions in the sector bureaus.					
2	Decentralization made recruitment easier for civil service.					
3	Decentralization made selection of candidates easier for civil service.					
4	Decentralization facilitated promotion.					
5	Decentralization facilitated training of civil servant.					
6	Decentralization improved the quality of performance appraisal.					
7	Decentralization Facilitated monetary incentive system.					

3. As a result of decentralization sector bureaus have received more duties. Do you feel that staffs at these levels are adequately prepared for their task?

a) Yes

☐

b) No

☐

4. Do employees at the sector level have the appropriate skill levels?

a) Yes

☐

b) No

☐

5. Is the training given by the Capacity Building and AACSA on HRM sufficient?

a) Yes

☐

b) No

☐

6. Are you satisfied with the result of that training?

a) Yes

☐

b) No

☐

7. If you could introduce new types of training for those sector bureaus, what would that be?

8. Based on your overall assessment, do you believe that the following activities are being performed as expected at the sector level? Strongly agree: 5, Agree: 4, Neutral: 3, Disagree: 2, Strongly Disagree: 1					
Activity	1	2	3	4	5
Recruitment					
Section					
Promotion					
Performance Assessment					

9. If you indicated above that at the sector level an HRM function was not performed well, please indicate what – in your view the reason for this underperformance could have been?

- a) _____
- b) _____
- c) _____

10. What could be done to improve the HRM function?

- a) _____
- b) _____
- c) _____

11. When any bureau makes mistakes in the field of HRM (recruitment, promotion, transfer) what can the Civil Service agency do?

- a) _____
- b) _____
- c) _____

12. Performance Appraisal

Note: Strongly Agree: 5, Agree: 4, Neutral: 3, Disagree: 2,Strongly Disagree: 1						
Question		1	2	3	4	5
1	The civil servants understand the purpose of the BSC.					
2	Performance appraisal has improved the performance of the sector bureaus.					
3	The working environment in your office facilitates the appraising of performance					
4	Employees feel happy by the results of appraising their performance.					
5	Department heads feel happy of the results of appraising their performance.					
6	A positive performance appraisal leads to rewards.					
7	A negative performance leads to a sanction.					
8	There is transparency & continuous follow up when evaluating employees.					
9	There is a strong link between performance & reward in your office.					

13. Do you think that the AACSA can adequately support the HRM function in the bureaus?

a) Yes

☐

b) No

☐

14. How do you think people in the bureaus value the support of the Civil service Agency?

a) Valued very much

☐

b) much

☐

c) not good- not bad

☐

d) note

☐

e) not at all

☐

15. Overall, do HRM officers in respective sector Bureaus take their work seriously?

a) Yes

☐

b) No

☐

16. Would you have any additional comments?

a) _____

b) _____

c) _____

THANK YOU!

Annex B**QUESTIONNAIRE (SECTORS)****Addis Ababa University****School of Business and Public Administration****Department of Public Administration and Development Management****A Study on the Practice of Public Human Resources Management with a focus on
selected Civil Service Bureaus of Addis Ababa City Government**

The questionnaire is prepared by Girum Berhanu. I am currently a postgraduate student at the Addis Ababa University Department of Public Administration & Development Management majoring in Development Management studies. The objective of the questionnaire is to collect data regarding the practice of Human Resource Management in selected Civil Service Bureaus of the Addis Ababa City Administration and their impact on a decentralized context, which will be used to prepare a Thesis required for my MA degree. The aim of this research is to contribute to a better understanding of the circumstance under which HRM practitioners in Ethiopia have to function. You are kindly requested to read the questions thoroughly and respond accordingly. The result of this survey will be treated with utmost confidentiality and will be strictly used for academic purpose only.

I thank you in advance for your cooperation.

Instructions:

- You are not required to write your name on this questionnaire.
- Please answer question by tick mark.

	Name of Bureaus	Bureau(✓)
1	Finance and Economic Development	
2	Trade and Industry Development	
3	Education Bureau	
4	Health Bureau	
5	Road & Transport Bureau	
6	Housing & Dev't Project Office	
7	Fire & Emergency Prevention & Rescue	
8	Culture & Tourism Bureau	
9	Audit Bureau	
10	Small & Micro Enterprise Dev't Bureau	

Are you

Male Female☐☐**1. Education Status**

a) Diploma

c) BA Degree

b) Advance Diploma

d) MA & above

2. For how long did you work in your bureau? (Circle)

a) 1-5 b) 6-10 c) 11-15 d) 16-20 e) 21-25 f) >26

I. Decentralization

Note: Below follow a number of general statements. Please indicate your agreement or disagreement (5=strongly agree, 1=strongly disagree).

3.	Note: Strongly Agree:5, Agree:4, Neutral:3, Disagree: 2 Strongly Disagree:1					
	Compared to the Previous System is:	1	2	3	4	5
1	Decentralization facilitated the implementation of human resource management functions in your bureau.					
2	Decentralization made recruitment easier for civil service.					
3	Decentralization made selection of candidate easier for civil service.					
4	Decentralization facilitated promotion.					
5	Decentralization facilitated training of civil servant.					
6	Decentralization improved the quality of performance appraisal.					
7	Decentralization facilitated monetary incentive system.					

II. Recruitment

4. When you were recruited for the first time to join this bureau, how did you find the job opening? (Circle).

a) Radio b) Newspaper c) On-campus recruitment d) television e) Words of mouth
 F) Other, please specify _____.

5. Do you think that the current recruitment procedure allows your bureau to recruit the right person to the right job?

a) Yes ☐ b) Sometimes ☐ c) No ☐

III. Selection

6. Is the selection criteria set by the Civil Service Agency manual useful?

a) Yes ☐ b) No ☐

7.	Note: Strongly Agree:5, Agree:4, Neutral:3, Disagree: 2 Strongly Disagree:1					
	Question	1	2	3	4	5
1	Your bureau is able to attract suitable applicants to fill vacancies.					
2	The current wage attracts the best recruits for the various posts.					
3	Selection is based on merit only.					
4	A candidate can influence the decision to be selected.					
5	An outsider can influence the decision to be selected.					

8. Training and Development

Note: Strongly agree:5, Agree:4,Neutral:3, Disagree:2, StronglyDisagree:1						
	Question	1	2	3	4	5
1	The training organized by the Capacity Building & Civil Service Agency improves functioning of your department.					
2	Training is effective in improving the bureau's performance in service delivery.					
3	Training is effective in motivating employees.					
4	Within your office there is equal access to training employees.					
5	Selection for training is based on a proper need assessment.					

9. Performance Appraisal

Note: Strongly agree:5, Agree:4,Neutral:3, Disagree:2, StronglyDisagree:1						
	Question	1	2	3	4	5
1	The civil servants understand the purpose of the BSC.					
2	Performance Appraisal has improved the performance of bureau.					
3	The working environment in your office facilitates the appraising of performance.					
4	Employees feel happy by the results of appraising their performance.					
5	Department heads feel happy of the results of appraising their performance.					
6	A positive performance appraisal leads to rewards.					
7	A negative performance leads to a sanction.					
8	There is transparency & continuous follow up when evaluating employees.					
9	There is a strong link between outcome& reward in your office.					

10. Reward System

Note: Strongly agree:5, Agree:4,Neutral:3, Disagree:2, StronglyDisagree:1						
	Question	1	2	3	4	5
1	The bureau has the capacity to put differences in salary structure.					
2	The uniform salary structure attracts different skills and professionals.					
3	There is a reward system based on performance in your office.					
4	Is the current salary structure improving service delivery?					

11.Is support from the CivilService Agency sufficient?

a) Yes

☐

b) No

☐

THANKYOU!