

## A CASE EXAMPLE GOVERNANCE PROGRAMME

The purpose of this Annex is to demonstrate how some of the capacity assessment and development guidelines had been adapted to an actual programme of governance and public administration reform. The country (“Country X”) had implemented a series of socioeconomic development reforms, but insufficient capacities in the “systems of governance” were beginning to jeopardise further socioeconomic progress.

In response, the government developed a national programme to develop governance and public sector capacities. Once this programme was designed and approved, the government then sought the assistance of UNDP to support capacity development in targeted areas. The role of the UNDP and the development of a “Hierarchy of Objectives” in the Programme Support Document (PSD) format is also presented. This shows the linkage between a UNDP PSD and a national programme framework, which is discussed in Chapter 8 of the guidelines.

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## 1.0 CONTEXT

Country X was facing challenges similar to those confronting many nations during the latter part of the twentieth century—challenges of addressing regional and international economic opportunities and threats, of redefining the role of government, of expanding the role of the market economies and the private sector, of diversifying and strengthening national sources of income, and of balancing the national budget.

Unlike other countries in the immediate region, Country X was early off the mark in terms of defining and implementing an economic strategy which could respond to meeting internal needs of economic and social development, social and political stability and security, and reduction of internal disparities. In the mid 1980's, a progressive socioeconomic development policy was implemented, its prime features being a pronounced shift to a market economy from a command economy. This also involved the striking of a new balance between centralised and decentralised government functions, and the forging of more cooperative regional and international relationships. The implementation philosophy incorporated a willingness to experiment and innovate, pragmatism, and putting tangible results ahead of ideology.

To support the reform policy, the government in the early 1990's reorganised the ministries, created new agencies and public organisations, and downsized the civil service by 20%. Most government reforms, however, had been implemented at a high level—mostly in terms of policy intent and direction. A considerable amount of work was left to be done in terms of operationalising such reforms and translating policy intent into concrete actions. This implied the putting in place of appropriate structures, management and administrative frameworks, the development of human resources, and instituting decision support mechanisms, accountability structures, and supporting management systems—a process which had barely begun.

Reforms in the public sector lagged behind those in other sectors of the country, and were seriously beginning to jeopardise further socioeconomic development progress. The prime limiting factor was the low capacity for change within the public sector, this being attributed to a lack of management, technical and professional skills—a human resources deficiency. Existing systems—mostly manual and unnecessarily complicated—were stretched to the limit. There was insufficient awareness and understanding, at most levels within government, of either the need for or the nature of governance and public administration reforms, and their linkages to economic and social development priorities.

## 2.0 THE CHALLENGE

In view of the above situation, the cumulative pressures for governance and public administration reform were seen to be strong by the mid 1990's. The challenges were primarily in the realm of capacities, and originated from four broad areas:

- ▲ **Transition Issues.** There existed insufficient understanding of the role of government in a market-based society. The transition to a market economy was placing pressure on the government to be more accountable and transparent in its decision making.
- ▲ **Macro Socio-Economic Issues.** There existed no integrated approach to the development and implementation of macro-economic policy. There were shortfalls in investment and further globalisation trends and pressures created additional pressure on the government to respond.
- ▲ **Fiscal Issues.** There were major problems with expenditure control and revenue enhancement. Operating deficits and accumulating debt were jeopardising the delivery of basic services. There existed no effective policy or management frameworks and supporting systems to integrate the policy agenda with expenditure activity. This included low capacity in the budgeting and planning systems.
- ▲ **Capacity Issues.** There was declining performance of the public service. Human resources were underutilised and improperly allocated. The management techniques and skills were not appropriate for the transition and democratic/market based systems. There were inadequate management and accounting systems, insufficient staff and training, and a pronounced shortage of skilled senior managerial, professional and technical staff. Policies and procedures on administration were either inadequate or absent. The combined effects of this poor administrative environment were low productivity levels, poor motivation, deteriorating morale and confidence.

### 3.0 THE NATIONAL PROGRAMME RESPONSE

By 1996, a comprehensive, cross-sectoral and multidimensional governance and public administration reform programme was seen to be the only viable solution to the meeting of the challenges. A Programme Strategy was devised by the government, through extensive consultation and participation of numerous stakeholders.<sup>1</sup> The primary thrusts were to **develop capacities** at the systems, entity (government ministries and agencies), and individual (civil servants) levels. The main national programme components were:

- (1) a redefinition of the **role and culture** of government from that of commanding and doing, to one of setting the right conditions for the society and the economy to develop (service and leadership). This included the rationalisation of central-local government relationships; enhancing government-private sector relationships; bringing government closer to the people through greater participation; and converting the management style of government from one of following rules and regulations to one of meeting the needs of people, the economy and society through programmes and services.

<sup>1</sup> The development of the programme strategy was supported by the UNDP through a separate, small project, based on the Process Consulting methodology.

- (2) a restructuring and rationalizing of the **machinery of government** to focus on the formulation of policy, and the seeking of cost-effective alternative means of service delivery.
- (3) a reform of the authority and **accountability structures** to emphasise increased delegations of authorities to those service units that are closest to its clients, combined with a management philosophy and organisational culture to one of openness, client-service, transparency and accountability.
- (4) significantly strengthened **executive decisionmaking** and decision support structures, including a better integration of the policy-program-planning-expenditure systems; and a rationalisation and more effective inter-relation of the legislative, executive and judiciary.
- (5) potential **redeployment** of the civil service and reductions in public expenditures, including related revenue/tax reform, regulatory reform, and public administration legislative reform.
- (6) innovation and adaptation of **modern management**, information technology and organisational solutions to achieve significant improvements in administrative and operational efficiency, effectiveness and economy.

#### 4.0 NATIONAL PROGRAMME OBJECTIVES

The national programme had a well-defined mission: to adapt the government to the full support of the socioeconomic development of the society and market economy through redefining the role of government in a market economy. The mission would be achieved through a set of strategic capacity development objectives at all levels (systems, entity and individual). Each objective was related to measurable performance results and outcomes, guiding principles and management values, and integration or coordination with other development programmes. The capacity development objectives were:

- (1) to restructure and strengthen the national role and supporting machinery of government.
- (2) to strengthen the government's central management and coordination functions.
- (3) to strengthen local governance and administration capacity.
- (4) to strengthen public sector personnel management capacity.
- (5) to strengthen financial management capacity.
- (6) to strengthen public sector legal environment.
- (7) to support other socioeconomic policy objectives of the government.

Each objective was supported by a separate (but integrated) strategy comprising operational objectives, outputs, activities, resourcing and accountabilities. For example, the strategy for the first objective (on the

role of government) focussed on an examination of the overall relationships between and the respective roles of the various levels of government (national, provincial, district and village, plus the possibility of municipalities) to ensure that there were no overlapping or duplicating functions between the levels of government, and that government programmes and services were to be delivered as close as possible to the service recipient or customer. Supporting strategies also addressed the existing instruments of governance: i.e., the rules pertaining to sound governance and public administration, the overall thrust of which was to ensure that the “legal”—in the broader sense—instruments supported the capacity development requirements.

## 5.0 IMPLEMENTATION APPROACH AND METHODOLOGY

The planning and implementation of the programme was based on the adaptation of international best practices and methodologies, the main features of which were:

- (1) **Government Commitment** began with the setting up of a very high level State Commission and Secretariat to ensure visible and meaningful leadership and commitment.
- (2) **Capacity Development, Strategic and Change Management Methodologies** were adapted to meet the planning, implementation, coordination and evaluation needs of the programme.
- (3) **Comprehensive and Integrated.** The programme methodologies ensured a comprehensive and integrated approach to the planning and development of all capacities, and explicitly addressed capacity linkages to other socioeconomic priorities and donor funded projects.
- (4) **Incremental and Evolutionary.** Implementation was based on incremental capacity development components, each building on one another, based on a realistic priorities. The approach featured some early successes, pilot initiatives and the ability to experiment and apply lessons learned.
- (5) **Partnerships and Consultation.** The government encouraged collaborative, consultative and participatory venues with other stakeholders within the country, within the region and within the international funding community.
- (6) **Multidimensional Capacities.** The programme recognised the need for multidimensional and integrated capacity development at the individual, entity and systems levels.
- (7) **Practicality and Desirability.** Only those capacity initiatives that were practical, workable, desirable and sustainable were considered. All factors critical to success were carefully examined.
- (8) **Implementation Capacity.** Special efforts were applied to develop programme management and implementation capacity.

## 6.0 THE UNDP ROLE

Early on, it was evident that the government would not likely have the necessary financial, human and technical resources to design, plan and implement the capacity development programme entirely on its own. As with most governments in the developing world, Country X required substantive technical and financial assistance from the international donor community. It was neither feasible nor desirable that such international assistance be sourced from a single donor.

Based on its previous experience in governance and public administration capacity development in both the country and throughout the developing world, the government requested the UNDP to function as the lead agency in mobilizing and coordinating donor assistance, to provide technical assistance to targeted capacity development areas, and to support the development of capacities in strategic management and coordination. Given its own limited resources, both the government and the UNDP determined that the greatest leverage for UNDP funding could best be applied to:

- (1) developing capacity in the Programme Support Secretariat;
- (2) mobilising donor funding and coordinating donor activity;
- (3) facilitating the regional and international transfer of know-how and experience;
- (4) supporting the strategic management of the programme by providing technical assistance in governance and public administration capacity development, methodologies, and related areas of strategic management capacities;
- (5) supporting a number of targeted reform capacity development and implementation components; and
- (6) supporting a minimal but basic set of logistical and infrastructure needs (office and computer equipment, transport, translation and interpretation, publication and related areas).

## 7.0 STRUCTURING THE PROGRAMME SUPPORT DOCUMENT

In the context of Country X's national programme, the UNDP and the government agreed on a **development objective** for Programme Support which was reflected in the Programme Support Document (PSD): to provide direct support to the government in developing capacities for the design and implementation of its governance and public administration reform programme; and to provide indirect support to the government in the achievement of its socioeconomic goals, its transition to a market economy and the achievement of sustainable development.

Using standard UNDP guidelines for the preparation of such documents, the following chart presents a high level overview of the UNDP programme's activity structure.

### **List of Five Immediate Objectives and Supporting Outputs of the UNDP Governance and Public Administration Capacity Development Programme**

#### **1 To Strengthen Capacity in the Secretariat of the Leading Committee**

- Output 1.1: Three-year Corporate plan and annual work plan
- Output 1.2: Staffed and fully functioning Secretariat operation
- Output 1.3: Trained internal Secretariat and other key staff
- Output 1.4: Internal office/workgroup methodologies and management practices
- Output 1.5: Project reporting and monitoring mechanisms

#### **2 To Mobilise Donor Funding and Coordinate Donor Activity**

- Output 2.1: Donor coordination mechanism and procedures
- Output 2.2: Information base of donor funded projects relating to public administration reform
- Output 2.3: Strategy and plan for mobilisation of donor funding to programme

#### **3 To Support Strategic Management of the Programme**

- Output 3.1: Programme management methodologies and practices
- Output 3.2: Global reform implementation strategy and plan
- Output 3.3: Communications and public relations plan and implemented components
- Output 3.4: Focused research and discussion papers
- Output 3.5: Programme management reports and established programme memory

#### **4 To Support and Coordinate Priority Reform Capacity Initiatives**

- Output 4.1: Improved human resources management capacities, policies and standards
- Output 4.2: Improved definition of central-local government relationships
- Output 4.3: Improved public administration capacities at pilot sites
- Output 4.4: Required logistical support to the project and pilot implementation sites

#### **5 To Support and Coordinate Focused Related Training**

- Output 5.1: Updated training strategy and plan
- Output 5.2: Coordinated training of local government officials
- Output 5.3: Completed international and regional study tours
- Output 5.4: Completed in-country workshops and conferences
- Output 5.5: Coordinated English training for related projects

In order to illustrate the comprehensiveness of capacity development support provided by the UNDP, the following pages provide a detailed activity structure for objectives 1, 2 and 4. In all cases, the national programme and the UNDP supported programme utilised existing capacities to the maximum extent possible.

### **IMMEDIATE OBJECTIVE 1—TO STRENGTHEN CAPACITY IN THE SECRETARIAT (OF LEADING COMMITTEE)**

To develop the capacity of the Secretariat such that it can efficiently and effectively carry out its role as secretariat to the Leading Committee, as a public administration reform change agent, as an implementing agency for the UNDP supported and other donor supported projects, and as the government's coordinating focus for donor funding and mobilisation.

#### **Results/Performance Indicators**

- ▲ good working relationship between the Secretariat and the Leading Committee
- ▲ development and approval of a "Corporate Plan" for the Secretariat
- ▲ fully functional operation, staffed by qualified, motivated, dedicated full-time civil servants
- ▲ smooth working relationships between national staff and international staff
- ▲ Secretariat as a showcase for a model office operation
- ▲ adequate and accessible information resource base on governance, modern public administration reform (books, periodicals, journals, etc., electronic and hardcopy)
- ▲ capacity to conduct capacity development related analysis, planning, report preparation, and develop recommendations

#### **Output 1.1: Three-year Corporate plan and annual work plan for the Secretariat.**

##### **Activities**

- 1.1.1 Adapt an appropriate corporate planning methodology, which can subsequently be used in other government entities, and then train Secretariat staff (and others, as needed) on the use of this methodology
- 1.1.2 Analyse the opportunities and risks for the Secretariat, determine its strengths and weaknesses, then develop a statement of mission, objectives, goals, priorities and performance measures.
- 1.1.3 Develop a functional model for the Secretariat, its major functions and activities, and based on this model, develop an organisational structure and resourcing strategy which features a flat structure and the maximum utilisation of its resources (financial and other resources, national and international experts).

- 1.1.4 Develop the first annual work plan for the Secretariat, including its budget and inputs from the government and UNDP. Update/develop work plans on an annual basis. These work plans will be integrated with and related to the annual UNDP project work plans and budgets.
- 1.1.5 Package the corporate plan and submit to the Leading Committee for approval and implementation.
- 1.1.6 Prior to the end of the third year (e.g., at the 30 month point) of the project, revise and update the corporate plan in preparation for the next three year phase of the project.

### **Output 1.2: Staffed and fully functioning Secretariat operation.**

#### Activities

- 1.2.1 Complete staffing of the Secretariat with qualified national staff according to the Corporate plan; and identify and mobilise government ministry and agency counterpart staff.
- 1.2.2 Develop and/or update appropriate office procedures and policies for the Secretariat, including formats for weekly management meetings, and monthly staff meetings; correspondence and records control; communications; transport; materials and supplies; and related functions
- 1.2.3 Equip and/or upgrade the Secretariat with appropriate integrated office facilities, office equipment and supplies, communications facilities (including Internet access facility).
- 1.2.4 Implement appropriate systems to support financial management and accounting; reporting; document management; personnel management; lessons learned.

### **Output 1.3: Trained internal Secretariat and other key staff.**

#### Activities

- 1.3.1 Carry out internal training needs analysis for Secretariat staff (and other national staff involving the project, including members of the Leading Committee itself), and develop a training plan and schedule as part of employee appraisal system and plan. Ensure incorporation of on-site training and coaching (provided by international staff) in key aspects of public administration reform, management, office administration and related areas. This may involve study tours for select staff. Update training plan on an annual basis.
- 1.3.2 Carry out identified training according to the plan.

- 1.3.3 Evaluate training and maintain corporate memory of training and evaluations.
- 1.3.4 Carry out annual employee appraisal and career development plan for Secretariat staff for the next year.

### **Output 1.4: Internal office/workgroup methodologies and management practices.**

#### Activities

- 1.4.1 Based on the needs addressed in the Secretariat Corporate Plan (Output 1.1), identify specific office/workgroup methodologies and management practices for Secretariat functions and operations (e.g., internal budgeting, project management and reporting, records, personnel management, resource forecasting and workload management, issues analysis, etc.).
- 1.4.2 Acquire and adapt methodologies and management practices, according to schedule.
- 1.4.3 Develop a basic plan for Secretariat and other targeted government officials who should be trained in selected office/workgroup methodologies and management practices. Plan will identify best sourcing and delivery for training. Update plan annually.
- 1.4.4 Develop and deliver appropriate internal training courses and sessions, according to the plan.

### **Output 1.5: Project reporting and monitoring mechanisms.**

#### Activities

- 1.5.1 Develop routine and periodic project monitoring and reporting mechanisms, based on the Secretariat work plan, and according to UNDP reporting requirements, to support regular meetings of the Project Management Committee and the UNDP.
- 1.5.2 Prepare routine and periodic project management reports; maintain record of project decisions taken and outstanding issues. This to be done in support of monthly Project Management Committee meetings.

## **IMMEDIATE OBJECTIVE 2—TO MOBILISE DONOR FUNDING AND COORDINATE DONOR ACTIVITY**

To ensure that sufficient resources are mobilised and applied to the design and implementation of the government's national programme; and to ensure that donor activity in the general area of public administration reform is effectively coordinated so as to reduce overlap and duplication.

### Results/Performance Indicators

- ▲ additional funding secured for the project from other donors
- ▲ Government and UNDP agreed policy for donor coordination
- ▲ regular donor coordination format set up and meetings held
- ▲ greater number of donors participating in the coordination meetings
- ▲ Secretariat individual assigned responsibility for donor coordination
- ▲ Government selected expert assigned to support donor coordination
- ▲ transferred donor coordination capacity to the government

### Output 2.1: Donor coordination mechanism and procedures.

#### Activities

- 2.1.1 Develop policy, procedures and terms of reference for regular project/programme donor coordination mechanism; solicit input and advice from target donors.
- 2.1.2 Develop a schedule for donor coordination meetings; develop agenda for first formal donor meeting and issue schedule/agenda to invitees.
- 2.1.3 Conduct first formal donor coordination meeting; maintain minutes of meeting and circulate to impacted parties.
- 2.1.4 Implement routine donor coordination meetings; prepare periodic reports for government, UNDP and other impacted parties on the progress and achievements of donor coordination, and its impact on the government programme.

### Output 2.2: Information base of donor funded projects relating to public administration reform.

#### Activities

- 2.2.1 Collect information on past, ongoing and proposed projects funded or to be funded by donors that have a relationship to the government reform programme
- 2.2.2 Maintain information on such projects in electronic and/or hard-copy format.
- 2.2.3 Prepare periodic reports for targeted audience on reform-related donor funded projects, in support of donor coordination and mobilisation efforts. Respond to requests for information on donor funded projects and maintain record of requests and responses.

### **Output 2.3: Strategy and plan for mobilisation of donor funding to programme.**

#### Activities

- 2.3.1 Based on individual donor preferences and approaches to related projects, develop a basic “marketing” strategy and plan for the securing of donor funding directly to the project, for cost-sharing, pooling, trust funds, and other mechanisms.
- 2.3.2 Prepare materials to support mobilisation of donor funding.
- 2.3.3 Carry out the donor mobilisation plan; monitor and report on results (note: activities in support of Output 2.1 are a part of this plan).
- 2.3.4 Assess potential for subregional donor cooperation and information sharing in public administration reform, as part of the plan.
- 2.3.5 Carry out annual review on donor mobilisation and prepare report for targeted distribution, and develop plan for donor mobilisation for the next year.

### **IMMEDIATE OBJECTIVE 4—TO SUPPORT AND COORDINATE PRIORITY REFORM INITIATIVES AND PILOTS**

To coordinate the various UNDP and other donor funded related capacity development projects so as to ensure that experiences and lessons are transferred; to ensure that there is acceptable quality and consistency of results; to ensure that duplication is minimised and that results are achieved to the maximum benefit of the country as a whole. To support the logistical needs of administrative and operational entities that are targeted for public administration reform, with special emphasis being given to the village, district and provincial levels where the needs are the greatest.

#### **Results/Performance Indicators**

- ▲ major improvements in human resources management policies, practices and standards
- ▲ major improvements in the capacities of targeted pilot organisations/projects
- ▲ working mechanism for “on-the-ground” coordination of donor funded project design and delivery activities organisations/projects
- ▲ showcasing of pilot successes and achievements to other parts of the government

### **Output 4.1: Improved human resources management policies, practices and standards.**

#### Activities

- 4.1.1 Develop work plan for continued priority improvements in all aspects of civil service reform, and the development of modern practices in human resources management (indicative high priority development components are listed in the following activities—not meant to be exhaustive nor restrictive); seek joint government and UNDP approval of the work plan.
- 4.1.2 Support the completion of the human resources development plan for the government
- 4.1.3 Support the development of policies, standards and supporting systems for compensation of civil servants.
- 4.1.4 Support the development of performance appraisal policies and systems.
- 4.1.5 Carry out a needs analysis and strategy and plan for the optimal use and deployment of civil servants across the public sector.

### **Output 4.2: Improved definition of central-local government relationships.**

#### Activities

- 4.2.1 Confirm selection of pilot ministries and provinces, then update the memoranda of agreement between the project and the selected pilot ministries (finance, health and labor) and pilot provinces.
- 4.2.2 Develop detailed work plan for selected pilot provinces and central ministries on further refinement and definition of distribution of authorities, responsibilities and accountabilities; seek joint government and UNDP approval of the work plan.
- 4.2.3 As one of the already established priorities, assist in the finalisation and implementation of the law on territorial organisation (local government).
- 4.2.4 Implement the developed work plan; identify and assign appropriate resources; prepare terms of reference as needed; mobilise resources.
- 4.2.5 Carry out other high priority tasks and activities as requested by the government, subject to joint approval between the government and the UNDP.

### **Output 4.3: Improved public administration capacities at pilot sites.**

#### Activities

- 4.3.1 Develop detailed work plans for the coordination and/or developing of public administration capacities at selected pilot sites (provinces, districts and/or villages); seek joint government and UNDP approval of work plans.
- 4.3.2 Implement and/or coordinate capacity development pilot work plans; apply special efforts at coordination of reform related projects in the pilot province.
- 4.3.3 Carry out evaluations of the pilot experiences, document lessons learned, enter information into corporate memory and disseminate information to target audiences.
- 4.3.4 Apply special efforts at expanding experiences, lessons learned and know-how as developed at the pilots to other provinces through such mechanisms as publications, in country conferences (precise mechanisms to be determined during the course of the project).

### **Output 4.4: Required logistical support to the project and pilot implementation sites.**

#### Activities

- 4.4.1 Provide required translation and interpretation to support project.
- 4.4.2 Carry out a needs analysis and determine priorities, based on greatest need, for office and computer equipment, repairs and supplies and other office administrative furniture, equipment and supplies, plus fit-up and maintenance; develop schedule and detailed cost estimates for procurement and deployment to meet needs in accordance with UNDP procedures.
- 4.4.3 Carry out a needs analysis, as above, for transport (e.g., motorbikes and bicycles in some of the pilot provinces/districts/villages); develop schedule and detailed cost estimates for procurement and deployment to meet needs.
- 4.4.4 Revise corresponding section of the project budget; seek approvals for budget changes and procurement plans from government and UNDP; execute procurement according to plan and provisions of UNDP national execution.