



**TRANSPORT, WATER AND URBAN DEVELOPMENT DEPARTMENT
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**TRANSPORT REFORM AND INSTITUTIONAL DEVELOPMENT:
LESSONS FROM THE SUB-SAHARAN AFRICA TRANSPORT PROGRAM**

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The promotion of effective operations in the transport sector depends primarily on institutional and human resource development. A review of progress in the Sub-Saharan Africa Transport Program indicates the need to do things better rather than to do more of the same things.

Transport sector organizations in Sub-Saharan Africa have been the recipients of substantial investment. The assessment of the impact of such investment has found that the sustainability of its effects has been disappointing.

In order to identify and address the constraints on the efficiency of transport sector organizations in the region and promote sustainability, the UNDP and associated donors funded the Sub-Saharan Africa Transport Program (SSATP). This program supports policy and institutional reform and is being implemented by the World Bank in association with the U.N. Economic Commission for Africa (ECA). This program includes several components, one of which is the Human Resources and Institutional Development (HRID) Project.

Modal case studies carried out during Phase I of the HRID Project revealed certain over-arching lessons. They indicate that HRID would be best promoted not by doing more of what is already being done but rather by doing things differently.

OVER-ARCHING LESSONS

Management and Technology

Perhaps the most central lesson learned was that the major constraint on efficient operation in the transport sector is the need for better management, not the need for more technology. Effective management depends on the possession throughout an organization of sound management skills ranging from delegation to supervision. In addition, sector organizations must have a clear definition of their mission, keyed to overall sector and national development objectives; they must possess sufficient autonomy to make rational and cost effective decisions, and be externally accountable to the government -- and to their users -- and internally as well in order to promote motivation for performance; and they need a firmly established performance-oriented work culture as a base upon which to build motivation; performance depends on the availability of resources to perform the mission of the organizations as well as adequate cost and work performance controls.

In many transport organizations, decision-making has been consolidated at the expense of delegation. This has been a major problem, for example, in rail-port operations in Mozambique, where senior management has been preoccupied with a wide range of control responsibilities at the expense of strategic management. Correspondingly, the technical officials responsible for the execution of works have not had the authority to direct control operations.

The Need for a Comprehensive Approach

Improvement institutional performance in the transport sector requires the resolution of many issues at different levels. These issues relate to interacting factors and their resolution must be approached in a comprehensive manner because institutional and human resource developments are closely inter-related, and efforts to address one must address the other.

Sector organizations face external factors, such as civil service regulation or allocations of foreign exchange, and internal constraints that arise from administrative policies as well as from political, cultural, social and psychological sources. Thus, clarification of development goals and organizational missions may result in major shifts in public/private roles and the restructuring of the institutional environment. Such a clarification has led countries such as Senegal to use non-governmental agencies to manage work under contract to the private sector, which was formerly done in-house.

A Committed Role for Government, Sector Organizations and Users

Experience indicates that successful HRID reform in the transport sector requires the firm commitment of donors, governments, and sector organizations. Although donors can facilitate the process of reform, commitment evolves best on the basis of consensus-building and participation; it must come cooperatively from within the government ministries and sector organizations themselves. The promotion of reform is likely to require the assistance of HRID facilitators, but it must remain an

internal process.

Interventions by government ministries in the operations of sector organizations have only too often served as constraints on the provision of effective services by these organizations. Ministries have been reluctant to delegate administrative controls to sector organizations, often limiting the autonomy of these organizations in making technically correct decisions. Ministries have in many cases themselves been bottlenecks to the promotion of reform because of their unwillingness to accept change and their inability to cooperate with one another. Ministries must now accept a new openness to change, provide a unified basis for reform, and clearly give a high priority to autonomy, performance-based management, and accountability. For example, obtaining government ownership of change has been an important preliminary step in advancing reform in the transport sector in Tanzania.

As a first step, ministries may need to examine their appropriate role in the government process as policy makers. Administrative and operational control of transport services should be delegated to the agencies responsible for providing these services; and effective performance of transport service requires the application of objective criteria for the contracting of services, the procurement of goods and the recruitment of personnel so that subjective ministerial interventions are eliminated.

The sustainability of HRID reform also depends upon the commitment of sector organizations which is facilitated by the participation of all parties in the various phases of reform, including issues identification, analysis, design and implementation. In particular, the commitment of top management in sector organizations to the resolution of HRID issues must be clearly communicated and concretely demonstrated to the staff of each organization. Similarly, the generation of commitment within sector organizations requires the participation of staff at varying levels in actions supporting change ranging from design to implementation.

The users of transport services in Africa are not well organized and usually lack access to the decision-making process. Their participation in the reform process is a necessary step in building accountability and assuring that the allocation of resources fits real needs. This needs to be given increased attention in the design of transport projects. For example, recognizing this need, user input in identifying maintenance priorities is a central design issue being considered by the appraisal team for the Urban Works Pilot Project in Madagascar.

The Sequential Ordering of Interventions

The research in Phase I of the HRID Project did not provide a rigid blueprint to be followed in the promotion of HRID. It did suggest, however, frameworks for addressing interventions in support of HRID. The frameworks build upon the realities of reform in that successful change at one level is generally dependent upon prior conditions having been met at higher level. In this sense they can be thought of as hierarchies for interventions. For example, the results of training are often lost unless an organization effectively manages its resources, and it has proven very difficult to implement effective management of human resources if sector organizations do not have adequate financial and material

resources and sufficient managerial capacity. Similarly, leadership and general management capability cannot themselves be established if basic institutional reforms improving autonomy, accountability, and incentives have not first been put in place. Interventions for HRID must follow a logical sequence in order to ensure sustainability.

Sample frameworks for interventions for ID and HRD are provided in the [Annex](#).

METHODOLOGICAL CONSIDERATIONS

HRID requires different methodologies than those used for the implementation of technical projects. It is a discrete activity with different goals and techniques, including different means of measurement, verification, and monitoring of activities. It also requires a long-term time frame, and special attention must be given to participation. Sector organizations are likely to need assistance from HRID specialists in applying this methodology to the design, implementation, and evaluation of projects.

In promoting reform, the following methodological steps should be considered:

- conducting an institutional assessment to identify constraints, options for the resolution of problems and key actors;
- preparing a series of issue papers or a consolidated white paper for distribution to relevant government agencies and sector organizations;
- holding a national workshop to build a consensus on what are the issues and what are realistically achievable solutions;
- preparing a policy action plan with definitive goals, guidelines, designated responsibilities, and schedules;
- establishing such special coordinating and monitoring mechanisms as a national sector reform steering committee and separate issue oriented task forces to guide the reform process;
- preparing packages of management plans for individual sector organizations based on a clear definition of the mission of the organization;
- conducting special seminars and workshops to introduce new management concepts, systems and controls.

These steps are being followed in a project on HRID services for CFM (railways of Mozambique) funded by USAID and supervised and implemented by the Bank.

CONCLUSIONS

National economic restructuring programs have nurtured a new openness on the part of government policy-makers and senior managers of transport organizations to the need for new approaches and solutions for the promotion of institutional performance. This suggests that the time is right for the promotion of reform.

The effective introduction of change is a complex process; in order for reform to succeed, the Bank, other donors, government, and sector organizations must turn away from "business as usual" approaches. The lessons presented above can assist the Bank in the evolution of its "implementation culture." With the assistance of HRID specialists these lessons can be applied to country strategies and to the design of specific projects. This application will require a long-term commitment to the facilitation of HRID--moving from beyond the traditional project cycle to a longer program orientation and to participatory, collaborative processes--by all parties.

Promoting HRID, therefore, requires conducting an initial overall institutional assessment of issues, options and actors involved to be followed by the development of a master action plan to guide the implementation of interventions that support the reforms.

TO LEARN MORE:

Moeller, Philip W. 1990. "Human Resource and Institutional Development in the Road Sector." Modal Summary Report, HRID Project of the Sub-Saharan Africa Transport Program, Africa Technical Department, Infrastructure Division.

Moeller, Philip W. 1991. "An Overview: Moving from Crisis to Reform." HRID Project of the Sub-Saharan Africa Transport Program, Africa Technical Department, Infrastructure Division.

Thomas, Simon. 1990. "Human Resource and Institutional Development in the Railway Sector." Modal Summary Report, HRID Project of the Sub-Saharan Africa Transport Program, Africa Technical Department, Infrastructure Division.

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ANNEX: HIERARCHIES OF INTERVENTIONS

INSTITUTIONAL DEVELOPMENT

- Define the role of the organization;
- Develop commitment to the role;
- Implement an appropriate transport policy framework;
- Implement strategic reform and restructuring;
- Strengthen leadership through improving top management;
- Improve resource availability;
- Implement reorganization and improve management control; and
- Strengthen managerial systems, processes, and procedures.

The disappointing results of many ID programs can be traced largely to the fact that they dealt with issues at the bottom of the list while higher ranking problems were left unaddressed.

- Improved systems and procedures will, by themselves, have negligible impact unless organizational structures with adequate management control are in place; but
- Such structures and controls are only meaningful if there are the resources available for the provision of services; but
- Improved resource availability may have little sustained effect if top management is not improved; but
- Improved management in transport enterprises depends on strategic reform and the restructuring of their relationship with Government; but
- Strategic reform will only be achieved if there is strong commitment on the part of the government and the enterprise; but
- Government commitment to change will only develop if it has a clear conception of a role for the enterprise which generates greater benefits than the potential costs of change.

In some respects the hierarchy is conceptual as many of the problems are inter-related and simultaneous intentions may be required at several levels. This ordered list is, never-the-less, useful in evaluating institutional interventions and planning restructuring programs.

HUMAN RESOURCE DEVELOPMENT

- Improve human resource policies and management;
- Adjust employment to needs;
- Strengthen accountability, incentives, and sanctions;
- Improve manpower utilization and job resources;
- Develop managerial and supervisory skills;
- Improve personnel systems;
- Increase the effectiveness of technical assistance; and
- Improve the appropriateness of training.

As with institutional development, the framework for human resource development is a conceptual guide to action. Because many of the needs are interrelated, successful change at one level is generally dependent upon prior conditions having been met at other levels. For example:

- An active human resource development policy will be necessary to firmly support human resource management and manpower planning;
- Most sector organizations will need to reduce or adjust their current levels of manpower to implement human resource development programs;
- For such programs to have effect, staff will have to be motivated; their motivation will depend upon the strengthening of accountability, incentives, and sanctions;
- The utilization of manpower must be improved in order to support motivations;

- Accountability cannot be achieved unless manpower utilization is improved and the resources required for the performance of work are available;
- The skills of managers and supervisors will need to be upgraded to enable a more effective utilization of manpower;
- Improved personnel systems and practices will be necessary to support manpower planning, manpower utilization, and performance evaluation;
- Technical assistance will need to be better managed in order to increase its impact on human resource development; and
- When reforms to the management of human resources and manpower motivations have been made, training will have greater impact; more attention must then be given to the planning and programming of training.

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