

# An Assessment of Performance Management System of Ghana's Local Government

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## Abstract

This study critically examines the role of the performance management system within local government structures in Ghana, with a specific focus on the Local Government Service. As Ghana grapples with concerns about declining productivity in the public sector, especially in light of the substantial financial commitment to public salaries, understanding the efficacy of the performance management system becomes imperative. The research identifies and scrutinizes challenges facing the current system, including issues such as limited resources, capacity constraints, inconsistent implementation, and varying levels of commitment. The primary objectives of the study are to pinpoint these challenges and propose viable solutions to fortify the existing performance management framework. The findings of this research are poised to make a substantial contribution to the body of knowledge regarding local government performance management in Ghana. By dissecting the strengths, weaknesses, and potential areas for improvement, the study provides a nuanced understanding that can inform policymakers and stakeholders. Furthermore, the research lays the groundwork for targeted interventions and policy reforms, aiming to bolster the overall performance management structure. This, in turn, is expected to enhance governance and service delivery at the local government level, aligning activities and resources with the needs and priorities of the communities they serve.

## Introduction

A critical component of governance and service delivery, particularly at the local government level, is the performance management system. It creates a structured framework that includes a variety of processes and mechanisms to improve the efficiency, effectiveness, and accountability of local government institutions. The performance management system becomes a vital tool in driving positive change and ensuring effective governance by establishing clear goals and objectives, measuring performance against these targets, and fostering a culture of continuous improvement. In Ghana, the performance management system of local governments has received a great deal of attention and scrutiny. The effectiveness of local government institutions becomes critical as Ghana strives for good governance and sustainable development. The performance management system in Ghana's

local governments, on the other hand, is fraught with difficulties. Its effective operation is hampered by issues such as limited resources, insufficient capacity, inconsistent implementation, and varying levels of understanding and commitment. These challenges underscore the significance of conducting a complete review of the performance management system in order to identify gaps, fix deficiencies, and offer recommendations for improvement.

### **Research Problem**

In recent years, there have been calls for public sector personnel, including those in the Local Government Service, to enhance productivity in Ghana's public sector. Productivity in Ghana's public sector seems to be steadily dropping, which is raising alarm among academics and public servants alike. It is suggested that a rise in the public sector's productivity is paramount to achieving macro-economic stability and growth (World Bank asks Ghana to improve public sector productivity, n.d.). The issue of public productivity as the second of two thematic areas in a development policy of the World Bank Group (WBG) is expected to enhance Ghana's macro-economic stability, economic growth and competitiveness growth (World Bank asks Ghana to improve public sector productivity, n.d.). This has been no doubt that performance in the public sector has implications on the economy of the nation as the public sector is the principal actor in macro socio-economic policy making and is an architect of an enabling environment for national development. The Public Sector is the instrument for managing the economy as government pursues its economic policies and programs through established state institutions such the Bank of Ghana and the Ministry of Finance.

Government's largest expenditure item is Compensation of Employees in which over 60.9% of our entire national revenue is used to pay Public Sector salaries (Arhin, 2013). The phenomenal rise in the public service wage bill following the migration of over 90 percent of Article 190 public servants onto the Single Spine Salary Structure (SSSS) has naturally drawn attention to the disproportionate chunk of the national revenue that goes into paying public servants alone, leaving a paltry 30% for other development programs (Arhin, 2013). The Ghanaian government went great lengths to justify the necessity for pay increases, given the public and other stakeholders' outrage over the poor performance output of public officials in general (Performance Management Policy for the Public Services of Ghana, n.d.). There are cries that government is normally not an efficient executive and hence should be stripped off all duties which could otherwise be executed by private bodies (Dapaa & Koka, 2010). On the other side, it is suggested that it would be good if government focused on things like establishing and maintaining strong structures, clarifying property rights, and acting only when necessary. The repercussions of any bad decision or activity of government is borne by everybody in the country. This phenomenon is called the public good problem (Dapaa & Koka, 2010).

Even though we strive hard not to litter our own homes, many of us may recall one or more incidents where we put garbage on a public lawn. Most senior high school students write on the walls of school buildings, but these same students rarely write on the walls of their bedrooms. In general, people are more ready to safeguard their personal interests but less eager to protect the interests of the collective. As a result, the head of a public firm faces less pressure (than the head of a private company) to attain enviable goals and outcomes such as efficiency, solvency, and viability.. In the same vein, public employees feel less motivated to pursue high-growth practices (such as punctuality, honesty, hard work, etc) that are ingredients for success in any given company (Dapaa, & Koka, 2010). With this obstacle to

performance, public enterprises are likely to produce disappointing outcomes, as is the case in most developing countries.

Hence there is clearly the issue of low productivity and performance in Ghana's Local Government Service. The Office of the Head of Local Government Service (OHLGS) in its efforts to improve performance, introduced the new Performance Management System which was aimed at putting in place a predictable, effective and efficient system for planning, implementing, monitoring, evaluating and reporting on performance of employees. Is this new Performance Management System effective and efficient enough to promote a high performance culture in the Local Government Service?

### **Research Objectives**

It is against this backdrop that this study aims to identify challenges in the current Performance Management System and to propose solutions to enhance the existing Performance Management System in the Local Government Service.

### **Significance of Study**

This study's findings will significantly contribute to Ghana's existing body of knowledge on local government performance management. The study will provide valuable insights into future research and policy discussions in this domain by examining the current state of the performance management system and identifying its strengths, weaknesses, and areas for improvement. The motivation for this study is derived from the urgent need to solve the issues plaguing the current performance management system, which is a pillar of successful governance. To begin, the study will shed light on the successful aspects and practices that contribute to effective governance and service delivery at the local government level in Ghana by assessing the strengths of the performance management system. Understanding these strengths can be used to build on existing positive elements and replicate successful strategies in other local government contexts. Second, identifying performance management system flaws is critical for understanding the barriers and challenges that impede effective performance and accountability in local government entities. These findings will serve as the foundation for targeted interventions and policy reforms to address specific areas of concern while also improving the overall performance management framework. The significance of this study stems from its ability to not only diagnose but also recommend practical solutions. This study acts as a beacon of insight and innovation against the backdrop of mounting concern over declining productivity in Ghana's public sector, particularly within the Local Government Service.

Furthermore, by highlighting areas for improvement, the study will provide practical recommendations to policymakers, local government officials, and other relevant stakeholders in order to improve the performance management system. These recommendations may include policy revisions, capacity-building initiatives, technological advancements, or changes in institutional arrangements to address identified deficiencies and strengthen the overall performance management framework. These recommendations will provide concrete strategies and best practices for improving the local government's performance management system. These recommendations can help policymakers develop and implement effective policies and reforms that promote efficient and accountable governance. Local government officials can use the practices recommended to improve decision-making processes, align goals with local needs, and foster a culture of continuous improvement. Ghana's local governments will significantly improve their ability to provide

quality services to citizens by improving their performance management system. This can be accomplished by establishing clear performance indicators, putting in place robust monitoring and evaluation mechanisms, and cultivating a culture of transparency and accountability. The study's recommendations will assist local governments in establishing effective performance targets, assessing progress using data-driven approaches, and making informed decisions to improve service delivery.

Furthermore, a better performance management system will help to promote transparency and accountability within local governments. Local governments can improve the transparency of their operations by implementing rigorous performance measurement and reporting mechanisms, giving citizens and stakeholders a better understanding of how resources are allocated and utilized. In turn, this transparency fosters public trust and confidence in local government institutions and their ability to carry out their mandates. Finally, the study's findings and recommendations will contribute to the larger goal of grassroots sustainable development. Local governments can better align their activities and resources with the needs and priorities of their communities by improving their performance management system.

## **Literature Review**

### **Definition and concept of performance management**

Performance Management is a continuous process of identifying, measuring and developing the performance of individuals and aligning performance with the strategic goals of the organization (Aguinis, 2009). Performance management is a structured approach to organizing work and establishing clear expectations (Kwami, n.d.). It involves ongoing monitoring of performance, fostering skill development, periodically evaluating performance in a concise manner, and recognizing exemplary performance (Kwami, n.d.). The main objective of Performance Management is to establish an effective and efficient system for planning, implementing, monitoring, evaluating and reporting on employees' performance in an organization. The notion in Ghana has been that civil servants are lazy and do not really work hard leading to low productivity. The Ghanaian Times of Friday, August 12, 2011 carried a story on its front page captioned 'Public Service to be cleaned' in which the President of Ghana was quoted as having said among other things that; 'We cannot pay people for doing nothing (Kwami, n.d.). However, the Local Government Service in its efforts to increase productivity introduced the Performance Management System to promote a high-performance culture.

The concept of performance management in local government is based on the principles of good governance, public accountability, and resource efficiency (Moura & Neves, 2016). Its goal is to ensure that local governments provide high-quality services, meet the needs of their communities, and use public resources efficiently (Moura & Neves, 2016; Poister, 2010). Local governments can improve decision-making processes, service delivery, and foster a culture of continuous improvement by implementing a performance management approach (Poister, 2010). At its core, performance management in local government seeks to ensure that public resources are used efficiently, effectively, and in accordance with the community's priorities and expectations. By establishing defined goals and objectives, local governments may focus their efforts on tackling critical issues and providing services that have a real impact on the lives of their citizens. One of the primary goals of performance management is to improve local government decision-making processes. Performance management enables evidence-based decision-making by setting measurable targets and collecting relevant data. This

enables local governments to prioritize resources, allocate budgets effectively, and implement policies and programs that address their communities' most pressing needs. Furthermore, performance management facilitates service delivery improvement. Local governments can monitor the quality, efficiency, and timeliness of their services by using performance indicators and metrics. This enables them to identify opportunities for improvement, streamline processes, and implement novel solutions to improve service delivery and citizen satisfaction.

Local governments can foster a culture of continuous improvement by using a performance management approach. This includes tracking and evaluating performance on a regular basis, providing feedback to individuals and teams, and identifying opportunities for learning and development. It encourages employees of local governments to strive for excellence, embrace innovation, and constantly seek ways to improve their performance and the outcomes they provide to the community.

### **Overview of the Performance Management System in Ghana's Local Government System**

The Performance Management System of the Local government Service is designed to evaluate how well an employee is doing in his or her present position in relation to results achieved within the period of appraisal to enable the Local Government Service to achieve its goals and objectives (Service Delivery Standards and Performance Management System, 2014). It is also aimed at assisting the employee to improve upon his or her performance and ensure career development.

The Performance Management System involves the following key elements: Plan and agree on what needs to be done; do what has been agreed to be done; check and monitor performance information and identify opportunities for improvement; review what has gone well or not so well; act on the information and make any necessary changes; and Report on progress and outcomes (Service Delivery Standards and Performance Management System, 2014). The Performance Management System is an annual cycle involving four key phases namely the Performance Planning stage, Progress Reviews, Review and Appraisal stage and the decision making stage (Service Delivery Standards and Performance Management System, 2014).

Performance planning stage entails the Planning and setting of individual performance indicators. The appraisee and his or her immediate supervisor meet to discuss and agree on what's required to be done and the manner in which it should be done. This performance planning discussion includes a consideration of key performance areas and indicators, or key result area; competencies; weightings, performance objectives, Service delivery standards and a development plan (Service Delivery Standards and Performance Management System, 2014).

This should be done in the first two weeks in January. Appraiser and appraisee sign the Performance Planning form, retain copies and the original document sent to the Human Resource Department / Unit. The indicators setting process must be a top-down approach (Service Delivery Standards and Performance Management System, 2014). Progress Reviews involve the discussion and communication between appraiser and appraisee on progress of work and adjustment of indicators if necessary, the extent to which competencies are being demonstrated through the provision of formal feedback (Service Delivery Standards and Performance Management System, 2014).

Once performance planning and agreement stage has been completed, supervisors manage employee performance by checking and monitoring the employee. The progress review stage

of the performance evaluation cycle provides a formal platform for the appraiser and appraisee to meet and discuss progress on indicators. In July, the Appraiser will schedule a mid-year progress review meeting. The appraisee must be notified at least one week in advance, providing the meeting's date, time, and location. After discussion, the appraiser and appraisee sign the Mid-year review form, retain copies and the original document sent to the Human Resource Department / Unit (Service Delivery Standards and Performance Management System, 2014).

Review and Appraisal involve the evaluation of appraisee's performance at the end of the performance management period. This Process should take place between the period of 1st December to 31st December. The appraiser discusses with appraisee the indicators met and those not met, the competencies demonstrated and those not demonstrated, summarizes his observations and then communicate the overall rating to the appraisee. The appraiser fills the end of the year review form within three working days and invites the appraisee to read, provide comments on the appraisal and sign the End-of Year Form (Service Delivery Standards and Performance Management System, 2014).

Decision making involve deciding on courses of action, that is recognition/reward, training plans, promotion prospects, career development plans, counseling, sanctions etc. To enhance performance and address new challenges, the Human Resources Department/Unit implements a Performance Improvement or Enhancement plan. The phase involves management ensuring that a plan of action is carried out, such as coaching, counseling and training programs, which the appraisee will need during the next twelve months to continue growth, to develop new skills, and/or to improve various aspects of job performance (Service Delivery Standards and Performance Management System, 2014).

Most employees involved in performance appraisals tend to be dissatisfied with them (DeNisi, & Griffin, 2008). This tendency is true for both the person being appraised and the appraiser. Despite the dissatisfaction, performance appraisals are widely used in many organizations (DeNisi, & Griffin, 2008). This is because they are very important and play a meaning role in many organizations (DeNisi & Griffin, 2008).

### **Previous studies on Performance Management system**

In the United States, some scholars have conducted an international comparative case study analysis between regional Governments to provide information on how to create a more robust performance Management Systems for higher levels of accountability and transparency during a time of global economic crisis (Rivenbark & Bianchi, 2012). Their findings include the need to identify specific strategies for addressing the complexities of organizational structure, the positive impact that Performance Management legislations can have on regional governments and the need for leadership from Agency Directors on creating a sustainable Performance Management System and the impact that standard financial management practices have on Performance System (Rivenbark & Bianchi, 2012). These recommendations are relevant in Ghana's Local Government Service. This paper will however, assess the performance management system using the performance appraisal system of the Local Government Service of Ghana. A number of research papers have addressed the relationship between performance appraisal and performance management systems. A successful performance management system cannot be separated from the implementation of a performance appraisal system (Ock, 2016). This means that the effectiveness of a performance management system is dependent on its performance appraisal component. Furthermore, it has been found that performance appraisal should be

improved in accordance with demands, beginning with perfecting information about the duties and functions of the position (Aisyah et al., 2016). It has also been discovered that improving information about job duties and functions can lead to more accurate assessments of employee performance (Aisyah et al., 2016).

Other scholars have researched into the Civil Service reform in Ghana (Ayee, 2001). As part of their findings, it was noted that the issue of Performance Management was essential in that without it, the Civil Service will not know whether it is becoming more efficient or not, in delivering services (Ayee, 2001). Furthermore, in some areas there is a concern that quality of services may be deteriorating rather than improving. The establishment of an efficient Performance Management System in the Local Government Service cannot be overemphasized as it addresses the measurement of the quality and quantity of services (Ayee, 2001). Scholars, such as Asamoah, Osei-Kojo, and Yeboah-Assiamah (2013) have conducted research on low productivity in the Public Sector of Ghana. Their findings indicate that factors such as inadequate remuneration systems, political interference, and bureaucratic inertia contribute to low productivity. They recommend improving Public Sector productivity through the establishment of a flexible bureaucracy, enhancing remuneration, conducting regular performance monitoring and evaluation, and appointing personnel based on merit. It is therefore noteworthy that remuneration alone cannot improve productivity and performance in the Local Government Service. Although over ninety percent of Article 190 Public Servants have been migrated onto the Single Spine Salary Structure, productivity is still lower than expectations because issues of a robust Performance Management System have not been addressed.

Other scholars have researched into why we measure Performance in the Public sector and findings were that performance measurement is not an end in itself and Public Managers measure performance to achieve eight specific managerial purposes which are to evaluate, control, budget, motivate, promote, celebrate, learn, and improve (Behn, 2003). Public Managers should not seek one performance measure but think about the managerial purposes to which performance measurement might apply and how they might deploy these measures and without at least a tentative theory about how performance measures can be employed to foster improvement, public managers will be unable to decide what should be measured (Behn, 2003).

### **History of the Performance Management System in Ghana.**

Ghana's Performance Management System has a long history. Ghana, like many African countries, has pursued a succession of public sector reform programs with the assistance of the World Bank and other pro-reform institutions since the 1980s..

The Civil Service Reform initiative (1987-1994), the country's first reform initiative, was intended to reduce overstaffing and eliminate redundant civil servants in hopes of reduce government spending and contribute to macroeconomic stability. The reform was to initiate changes in the Civil Service aimed at making it more productive, efficient and effective in carrying out its functions of policy formulation and implementation (Performance Management Policy for the Public Services of Ghana, n.d.).

In 1994, the government in power shifted its focus by establishing the National Institutional Renewal Program and initiating the Civil Service Performance Improvement Program. These programs aimed to achieve broader objectives such as improving efficiency and fostering a proactive and motivated Public Sector. The National Institutional Renewal Program focused

on making the entire Public Sector institutions capable of discharging its core functions in a transparent, accountable and cost-effective manner (Ayee, 1991).

The objective of the Civil Service Performance Improvement Program was to establish an objective framework for monitoring and evaluating the performance of Civil Servants and Civil Service institutions. This was achieved through the implementation of explicit goal and target-setting mechanisms. The initiation of the Civil Service Performance Improvement Program marked a significant endeavor by the Government to transform public service organizations. Its primary objective was to establish a Performance Management culture within these institutions, akin to the practices observed in developed countries (Kwami, n.d.).

A key element of this program included the signing of performance contracts between Government and senior officials. Chief Directors of the various Ministries sign Performance Contract with their respective Ministers, Regional Ministers sign Performance contracts with the President while Metropolitan, Municipal, District Chief Executives sign performance contracts with their respective Regional Ministers. Despite the implementation of the Civil Service Performance Improvement Program, there was limited success in changing the culture of public sector organizations to a significant extent. Many of these organizations persisted with the traditional bureaucratic culture that had previously hindered their performance (Kwami, n.d.).

In 1995, another set of reforms called the Public Sector Management Reform Program was launched to improve the public administration system and good governance. Its objectives were to redefine the role and functions of the State, design appropriate institutions and systems to implement its role and to rationalize the existing structure and systems to meet the new design (Ayee, 1991).

In October 1997, the government implemented the Public Sector Re-Invention and Modernization Strategy to help transform the performance framework and their relationship with the private sector and civil society. The Performance Agreement System (PAS) was implemented to establish an unbiased method for evaluating the performance of senior staff in the Civil Service, including Chief Directors in Ministries, Regional Coordinating Councils (RCCs), and Directors in various Ministries, Departments, and Agencies (Performance Management Policy for the Public Services of Ghana, n.d.). The system was in operation from 1997 to 2008. However, its implementation was ad-hoc and lacked a feedback mechanism. A hybrid of performance appraisal models has been formulated for other Public Services (Performance Management Policy for the Public Services of Ghana, n.d.). This approach was adopted due to the specific circumstances and requirements at that time, as well as the guidance provided by their respective Governing Boards/Councils, some of whom had limited understanding of their roles and responsibilities in establishing an effective and functional performance management system (Performance Management Policy for the Public Services of Ghana, n.d.).

The performance evaluation of public service organizations, including the Local Government Service in Ghana, was conducted by reviewing their Annual Reports and Financial Statements, which were audited by the Auditor General's Department. On the other hand, individual employee performance was assessed through Annual Confidential Reports. The system of staff appraisal faced numerous issues and instances of misuse, raising doubts about its credibility and effectiveness (Kwami, n.d.). Annual Confidential Reports primarily focused on assessing personal behavioral traits rather than actual job performance, following the principles of management by objectives (Kwami, n.d.).



**Theoretical Framework**

There is no universally agreed-upon model of performance management that applies to all contexts. Different experts have presented their own interpretations of the concept, but this study primarily aligns with the New Public Management model. This model states that ideas used in the private sector must be successful in the Public Sector. New Public Management has helped modernized the public sector and policies on a global spectrum by discussing and investigating the economic and political systems in various countries (Hood, 1987). New Public Management is based on the capitalist ideology and it focuses on the broad involvement of stakeholders in the decision-making process (Hood, 1987). There are seven aspects of the New Public Management which are Hands-On Professional Management, Performance Standards/Methods, Output Controls, Decentralizing of Units, Competition, Private-sector Management and Reduction (Hood, 1987). This study however focuses on the performance standards aspect.

The "New Public Management" embodies a series of innovations occurring domestically and abroad. Similar public sector reforms have been implemented in countries such as the United States, Korea, the United Kingdom, Portugal, France, Brazil, Australia, Sweden, New Zealand, and Canada but in varied economic and political systems and it really worked for them. Similar positive results have not been replicated in Ghana's Public sector of which the Local Government Service is a part of. Scholars have researched into the New Public Management in the area of challenging the boundary of the Management versus administration and concluded their work by saying that the new Public management provides two extraordinary opportunities which are to unfold an international reform movement defined by principles and secondly to engage in theoretically grounded empirical work and theory building that crosses the boundaries of the disciplines that have studied the public sector (Kaboolian, 1998).

The New Public Management (NPM) approach to producing and delivering public services diverges from the traditional bureaucratic approaches that originated with the establishment of modern state systems in most Western countries. It rejects the idea of a specific culture for public organizations and typically argues that such organizations should be managed in the same way as any private sector organization (Osborne & Gaebler, 1992; Hood, 1995).

**Research Questions**

Is staff performance linked to salary adjustment (merit pay) in the Local Government Service? Is Promotion tied to performance in the Local Government Service? Is the current Performance Management System effective and efficient enough to promote a high performance culture in the Local Government Service?

**Methodology**

This study's research design is a case study of Ghana's Local Government Service. A case study design is ideal for investigating complex and multifaceted phenomena in their natural context, allowing for an in-depth exploration and understanding of the subject matter. The purpose of this study is to investigate the relationship between staff performance, salary adjustment (merit pay), promotion, and the effectiveness and efficiency of the Performance Management System (PMS) in the Local Government Service.

The researcher can delve into the complexities and nuances of the local government service's performance management system by using a case study design. This design enables the collection of rich and detailed data, which is critical for fully comprehending the various

factors influencing staff performance, the mechanisms underlying salary adjustments and promotions, and the overall effectiveness and efficiency of the PMS. The case study approach allows the researcher to investigate the specific context of the local government service, including its organizational structure, policies, and performance management practices. This allows for a thorough examination of how staff performance is related to salary adjustment and promotion, as well as how the PMS influences these processes. Overall, the case study design provides a solid framework for delving into the complex dynamics of the Performance Management System in the Local Government Service. It enables the researcher to gain a comprehensive understanding of the factors influencing performance management in Ghana's local government service by allowing for an in-depth exploration of the subject matter within its real-life context. A comparative case study design will also be used to evaluate and compare Ghana's and South Korea's performance management systems. This research design enables a thorough examination of the similarities and differences in the two countries' approaches to performance management.

This study's data collection methods will primarily rely on secondary sources. Secondary data is data that has already been collected by other researchers, organizations, or institutions for purposes other than the current study. Secondary sources such as journal articles, newspapers, academic books, and official documents from Government Institutions' websites will be used in this case to gather the necessary information and insights about staff performance, salary adjustment, promotion, and the existing Performance Management System (PMS) in the Local Government Service.

Journal articles are excellent sources of scholarly research and theoretical frameworks that can provide a thorough understanding of concepts and theories related to performance management, salary adjustment, and promotion in the context of local government. These articles frequently present empirical studies, case studies, and analyses that shed light on the relationship between employee performance, reward systems, and performance management system effectiveness. Newspapers can be valuable sources of information about current events, policies, and public opinion about local government services. They may include articles, reports, and interviews that focus on specific cases, challenges, and debates concerning employee performance, salary adjustments, promotions, and the overall operation of the Performance Management System. Academic books cover a wide range of topics in performance management, human resource management, and organizational behavior. These books may provide theoretical frameworks, case studies, and empirical research that can help readers understand the dynamics of performance management in the context of local government.

Official documents from government websites, such as policy papers, guidelines, reports, and evaluations, are helpful in understanding the existing Performance Management System in the Local Government Service. To gain a deeper understanding of the data collected from the selected secondary sources, the data analysis techniques for this study will employ a qualitative approach. Several steps will be taken during the analysis process to identify recurring themes, patterns, and relationships related to staff performance, salary adjustment, promotion, and the effectiveness of the Performance Management System (PMS) in the Local Government Service.

**Data Analysis****Staff performance and salary adjustment**

A merit-based pay system implies that employees who demonstrate higher levels of performance, productivity, and achievement should be rewarded with higher salary increases or bonuses than those who demonstrate lower levels of performance. A system like this is designed to motivate employees, recognize their contributions, and incentivize continuous improvement. A study of the Ghana Health Service's Performance Management System (a department under the Local Government service) discovered that there was no significant relationship between staff performance and salary adjustment in the merit-based pay system of the Ghana Health Service (Ofori & Appiah-Adu, 2020). This means that even if an employee performs exceptionally well, their pay remains the same as those who do not. Previous research has found that linking performance management systems with rewards and compensation can increase employee acceptance and satisfaction with the appraisal process. Previous research has found that integrating performance management systems with rewards and compensation can motivate employees to work harder, improve job performance, and increase job satisfaction (Liu & Yang). The study on the Ghana Health Service's Performance Management System, on the other hand, discovered that this was not the case in Ghana Health Service. Because there is no additional reward for working harder or improving one's job performance, the lack of a significant relationship between staff performance and salary adjustment may lead to a lack of motivation among employees. Formal regulations to link staff performance to salary adjustment (merit pay) only exist on paper (Kwami, n.d).

Staff performance in South Korea's public sector is often tied to wage adjustments via a system known as performance-based pay. The country has put in place a performance management system with the goal of rewarding employees based on their performance and contributions to corporate goals. This strategy is intended to motivate high performance, increase productivity, and improve overall organizational effectiveness. Employees' incomes are connected to their individual performance evaluations under the performance-based pay system. The evaluations assess factors like job performance, skills, competences, and accomplishments. Employees may get wage increases, bonuses, or other financial incentives based on the results of these evaluations. According to research studies, the performance-based pay system has aided in the improvement of performance in South Korea's public sector. Kim and Lee (2016) discovered, for example, that performance-based remuneration was favorably connected with employee performance and job satisfaction. Another study, by Park and Chae (2019), found that implementing performance-based pay increased employee productivity and organizational performance.

Furthermore, Lee and Park (2018) discovered that performance-based pay improved employee motivation and performance, especially when the system was seen as fair and transparent. These studies give empirical evidence that the deployment of performance-based pay systems in the public sector of South Korea has contributed to increased employee performance and could be adopted in Ghana.

**Staff Performance and Promotion**

The Local Government Service (LGS) policy document (2007) emphasizes that advancement within the service will be based on merit (Boakye et al., 2016). Employees who exhibit exceptional skills, knowledge, and experience relevant to their job responsibilities are more likely to be promoted. According to the policy, the general condition for promotion must be

in accordance with the relevant service scheme and subject to the availability of vacancies in the grade. This implies that advancement is contingent on the availability of open positions within a specific grade or level. It does not, however, explicitly state that promotion is linked to performance, implying that other factors such as seniority or qualifications may also play a role in determining promotions. In practice, promotion in the Local Government Service is not tied to performance as witnessed in the Scheme of Service which provides that progression on the corporate ladder be dependent more on tenure (length of time in the service) rather than on performance.

Employment decisions such as promotions, transfers, terminations, and reward allocations should be based on merit or the lack thereof (DeNisi & Griffin, 2008). Performance appraisal provides the legal background for such important decisions which unfortunately it is not well done (DeNisi & Griffin, 2008). Without proper performance appraisal, it follows that the Service is subject to charges that there is at least the impression that employment decisions and rewards are based on other grounds other than actual performance or on some discriminatory grounds such as ethnicity, political affiliations, gender etc (DeNisi & Griffin, 2008). It should be also noted that an organizations' compensation system should be linked to performance appraisal (DeNisi & Griffin, 2008). If policies favor seniority over performance in determining promotions, employees who have been with the organization for a long time may be promoted even if they are underperforming. Higher salaries or wages for these employees may result, without necessarily improving the quality of their work or benefiting the organization as a whole. If, on the other hand, the policies prioritize performance over seniority, high-performing employees may be promoted more quickly and receive higher salaries or wages as a result. This could improve the organization's work quality and benefit both employees and employers. This is because greater rewards should go to higher-performing employees and lesser rewards to lower-performing employees so that compensation becomes fair and equitable. But how does an organization differentiate low-performing employees from high-performing ones? Again, it is through employee appraisal. Staff performance appears to be linked to promotion in South Korea's public sector to some extent. According to some research, seniority-based staff management is a popular practice in Korea across all sectors, including both governmental and private sectors (Hlasny, 2022). According to a poll, more than 35% of Korean organizations' promotion procedures still value employee seniority over job qualifications (Hlasny, 2022). According to some research studies, there may be a shift toward performance-based promotion in specific circumstances in Korea (Kim, 2017; Roberts, 2023).

### **Challenges of performance management system of Ghana's Local Government Service**

Performance Management System as described above is not followed although it has been developed. For instance, performance targets are not set for staff while performance appraisals are only done when staffs are due for promotion and even in such cases, performance appraisals tend to be overly positive. Heads of Department do not meet with their subordinates at the beginning of the year to set targets for the year and no review of performance of staff is done mid-year. The requirement to appraise staff of the Service at least once year is not adhered to. Is it therefore surprising that there is such low productivity in the Local Government Service? In the absence of an effective performance management regime, salary increments are made by Government across the board, more as an annual ritual than merit-based. In the rare instances when performance appraisals yield negative

results, they rarely result in the withholding of salary increments or promotions as mandated by the formal regulations (Kwami, n.d.).

There is the absence of a strong performance culture that relates performance to appropriate rewards or sanctions. Although funds have been spent on various capacity building programs on Performance Management System and Service Delivery Standards both at the regional and district levels, a low performance culture still exists in the service. Performance management skills do not abound in many public organizations at the moment.

There is also weak planning, implementation, monitoring and evaluation process of the Performance Management System. Officials from the Local Government Service Secretariat and the Regional Coordinating Councils do not visit the Metropolitan, Municipal, District Assemblies to monitor the Performance Management Systems to assess whether it is being rolled out, its challenges in implementation and finding solutions to these challenges. As such, there are no checks and balances to ensure the implementation of successful Performance Management Systems at the local level (Kwami, n.d.).

There is also inadequate political commitment and strong leadership to pursuing successful Performance Management System reforms in the Local Government Service (Ayee, 1991). There is the need to enforce such reforms. However, these reform decisions are not forthcoming. Politicization of the Local Government Service in which unqualified Chief Executives are appointed undermine Performance Management reform efforts as they work to sabotage the successful implementation of these reforms (Ayee, 1991). Political changes also affect continuity of initiated reforms. The zeal attached to initiation of reforms slows down with change of government (Ayee, 1991). The decision by in-coming governments to review previous reforms is a successful recipe for discontinuity. For instance, the Ministry of Public Sector Reforms which was set up under Ex-President John Kufour's regime was discontinued after a change of government.

In spite of all the talk about decentralization and devolution, Metropolitan, Municipal, District Coordinating Directors do not have the power to fire non-performing staff as the Public Service management is 're-centralized' in a certain sense. Supervisors do not have the carrot or the stick to take certain decisions about adverse performance of staff leading to poor performance management system (Kwami, n.d). It is also observed that many supervisors, in their bid to be considered by their subordinates as 'nice' are less willing to call a spade a spade when it comes to staff performance appraisal. In some instances, appraisal forms are given to appraise to fill themselves and returned to supervisors only to endorse without scrutiny.

There is also the issue about who does the appraisal. Although supervisors are the most frequently used source of information in performance appraisal because they have most opportunities to observe employees performance, sometimes they may not have as much in-depth job knowledge as might be expected (DeNisi & Griffin, 2008). For instance, if the job has changed dramatically over the last few years because of a new technology or other factors, the supervisors might not be as familiar with the job as in the past. Also, a supervisor may have been promoted from one part of the service to another and may not have performed the job that he or she has to supervise (DeNisi & Griffin, 2008).

In addition, some supervisors may not have the opportunity to observe the employee performing on the job (DeNisi & Griffin, 2008). There is also the possibility that supervisors may be negatively or positively biased towards certain subordinates based on personal liking, attitudes and personal relationships instead of being performance based (DeNisi & Griffin, 2008). Supervisors might also rate an employee inaccurately because he or she feels

threatened by that employee and wants to prevent him or her from getting ahead (DeNisi & Griffin, 2008). Are supervisors motivated enough to provide accurate appraisals?

### **Proposed measures to establish an effective and efficient Performance Management System**

In order to establish an effective and efficient Performance Management System, it is imperative that combined efforts of all stakeholders be harnessed to achieve sustainable results (Kwami, n.d). This is because the success or failure of Performance Management in the Ghana's Local Government Service does not depend only on the Secretariat of the Local Government Service. It hinges on all and sundry including the various workers' Unions, Politicians at the helm of affairs, Chief Executives, Coordinating Directors, Heads of Departments, the Fair Wages and Salaries Commission, Trade Union Congress and others. It depends on Government's willingness to create the 'enabling environment' that is making the necessary systemic and structural changes in the public administrative system (Kwami, n.d). The success of performance management indeed depends on Government and top management commitment, the active involvement and participation of staff, effective communication within organizations, change of mindset and training. (Kwami, n.d).

It also depends on Managements at all levels in the Service having the willingness to put in place all the systems and structures upon which any meaningful performance management system can thrive and it depends on public servants having the necessary change in 'consciousness' to accept performance management, properly so-called. (Kwami, n.d).

All stakeholders need to appreciate the fact that Performance management is a systematic and a holistic change management process which impacts the very root of our current work culture. It is not a one-time event to be put in place. Performance Management is perhaps the hardest of the new public management reforms to implement, involving as it does radical changes to structures of accountability and ultimately to the very culture of government. This is very true, but we need to also appreciate the fact that some countries are making headway in performance management and we must therefore resolve to make it work this time around as there seems to be no alternative. We cannot by our actions or inactions wish away performance management if we wish to remain in the comity of nations who have moved or are moving away from 'input' or process-oriented management to results-based management. (Kwami, n.d).

The Performance Management System should include a rewards/incentives and penalty mechanism based on an appraisee's overall assessment.. This mechanism should be tailored for each grade of individuals in the public service, considering their responsibilities, career dynamics, and progression. Effective measures should be taken to enforce actions for non-performance that are only documented on paper. In cases where an employee's performance is consistently not improving, the institution may choose to demote them to a lower pay band position or reassign them to a different position within the same pay band with lesser duties, provided that a more suitable position is identified (Performance Management Policy for the Public Services of Ghana, n.d.).

The Performance Management Policy for the Public Services of Ghana (n.d.) allows for an employee who fails to achieve satisfactory performance to retain their position but with reduced duties and a corresponding salary reduction, following a thorough evaluation. If demotion, reassignment, or reduction of duties are not viable options, termination based on unsatisfactory re-evaluation becomes necessary. In such cases, the employee will undergo due process and be terminated at the end of the evaluation period, as stated in the

Performance Management Policy for the Public Services of Ghana (n.d.). When this is enforced, employees will sit up.

The Head of Civil Service and Chief Executives of the Local Government Service should bear the responsibility of establishing monitoring mechanisms and implementing corrective actions to address identified issues. (Performance Management Policy for the Public Services of Ghana, n.d.). Any significant systemic constraints should be referred to the Public Services Commission for resolution or advice. The Public Services Commission is also responsible for performing periodic audits of organizational performance management to assure compliance throughout the Public Services, including the Local Government Service.

Performance Evaluation/Assessment should be an important component of the Performance Management System of the Local Government System. The outcomes of these audits should be used for strategic human resource decisions such as recognition, incentives, punishments, and analyzing institutional performance and productivity within the Local Government Service. (Performance Management Policy for the Public Services of Ghana, n.d.).

To promote transparency and accountability, performance results and progress should be openly communicated with employees, customers, and stakeholders. While sensitive information must be kept private, performance measurement data should be shared as broadly as possible with employees, customers, stakeholders, vendors, and suppliers, among others. On an organization's Intranet site, employee bulletin boards, and public notice boards, information on performance targets and particular progress toward these objectives should be presented. (Performance Management Policy for the Public Services of Ghana, n.d.).

To ensure the successful execution of the performance management process, effective and open communication methods should be implemented at all levels of management and personnel. To enhance performance, it is important for managers and employees to engage in proactive communication with each other, stakeholders, and customers. This communication should involve sharing assessment results as well as discussing new initiatives aimed at improving performance. Internal communication is crucial for all employees and managers to understand how their roles contribute to the organization's mission and goals. External communication is critical for developing customer relationships and gaining support from stakeholders (Performance Management Policy for the Public Services of Ghana, n.d.).

Managers and employees should utilize the Performance Management System to foster a mutual understanding of goals and the strategies to achieve them. Managers and supervisors are responsible for ensuring that employees and teams understand how their tasks match with the mission and goals of the company. To increase performance, employees must also understand what superior performance entails and how to accomplish it (Performance Management Policy for the Public Services of Ghana, n.d.).

Performance management is an essential component of the institution's business process and serves as a management tool for accomplishing organizational goals. It is concerned with the daily activities and behaviors of managers and staff working as a team to achieve the institution's goals of meeting client requirements, improving performance, and growing personally. Performance management should be recognized as more than just a collection of forms, an annual appraisal process, or a system solely focused on merit or bonus schemes (Performance Management Policy for the Public Services of Ghana, n.d.).

The Performance management System should be based on equity. Equity in this context implies that the system should not be discriminatory with respect to gender, ethnicity, geographical location, physical infirmity etc. The assessment process for grades within classes

across different public service organizations should strive for horizontal equity, ensuring that it is accessed through a consistent process to the extent practical. There should be fairness in the assessment process, ensuring that it aligns with the progression in each job class. Additionally, the frequency and utilization of assessment outcomes should be consistent across individuals and public service institutions. (Performance Management Policy for the Public Services of Ghana, n.d.).

Every individual, unit, department/division, and department/division in the public sector must be held accountable on a continual basis to his/her superior, the public, and the recipients of services to ensure that national development goals and value for money for resources entrusted to his/her care are met. Individuals, including leaders of public services, chief executive officers/chief directors, heads of departments, and directors, should be held accountable through a combination of incentives and sanctions.

Transparency should be prioritized in the process of holding individuals and Public Service Institutions accountable, to the extent feasible (Performance Management Policy for the Public Services of Ghana, n.d.). This implies the following amongst others:

- i. Performance targets should be established at both the individual and institutional level through a consultative process involving the appraisee and appraiser;
- ii. Assessment outcomes should be openly discussed between the appraisee and appraiser, and in cases where there are differing perceptions, these variations should be documented for further review by a higher authority;
- iii. The assessment process should provide easily accessible forms and formats that are clear and precise in outlining expectations; and
- iv. Furthermore, service recipients should be involved in both the process and the findings of the institutional assessment.

### **Contrast between the performance management system of Ghana and South Korea**

In Ghana, performance evaluations are frequently based on subjective assessments by supervisors, which can generate biases and inconsistencies. Supervisors may evaluate employees based on their personal observations and impressions of performance during the review. Because the assessment is subjective, variances in ratings and assessments may occur, thereby impacting the fairness and accuracy of the appraisal outcomes (Appiah-Adu, 2019). In South Korea, on the other hand, the performance appraisal process is often more rigorous and structured. It has a sophisticated evaluation mechanism that goes beyond simple supervisor appraisals. Feedback from multiple sources, such as self-evaluation, peer assessment, and upward assessment, may be included in the process. Employees can use self-assessment to reflect on their own performance, whereas peer assessment allows colleagues to share insights and assessments based on their observations. Feedback from supervisors and higher-level managers is used in upward assessment, offering a full and multi-dimensional view of an employee's performance (Jung et al., 2017). This formalized approach in South Korea's performance appraisal system is intended to improve performance evaluation in terms of objectivity and reliability. It seeks to eliminate biases, boost fairness, and improve the accuracy of performance assessments by merging numerous views and feedback sources (Jung et al., 2017).

Due to factors such as organizational culture, leadership styles, and resource availability, the implementation of the performance management system in the public sector in Ghana might vary among various organizations. The system's success may be dependent on senior management's dedication and capacity to successfully communicate and foster a



performance-driven culture within their particular firms (Sakyi et al., 2017). The availability of resources, such as training programs, technical infrastructure, and performance evaluation tools, can also influence the amount to which the system is accepted and integrated into daily operations (Appiah-Adu, 2019). South Korea's performance management system, on the other hand, is distinguished by a significant emphasis on a performance-driven culture and a high level of systematization, which may be more uniform across different public sector enterprises. South Korea's government has put policies and practices in place to foster a culture of performance excellence and accountability (Kim et al., 2017). The system is often well-structured, with clear guidelines, performance indicators, and targets aligned with company goals (Kim et al., 2017; Park et al., 2016). Performance management commitment is frequently stressed at all levels of the business, producing a culture in which performance development is viewed as a shared duty (Lee et al., 2021).

In Ghana, political circumstances and changes in leadership can have a considerable impact on the implementation and efficacy of the public sector's performance management system. Policy shifts, alterations, and changes in priorities that occur with changes in government may have an impact on the system (Baffour-Awuah et al., 2021). Political meddling or a lack of persistent political commitment to the system might impair its stability and efficacy in fostering performance improvement and accountability (Nyame-Mensah et al., 2020). The ability of the government to offer a supportive atmosphere and assure continuity of implementation despite political transitions may be critical to the system's effectiveness (Abdulai et al., 2019). South Korea's performance management system, on the other hand, is more stable and less prone to political influences. It was created and modified throughout time with a stronger institutional structure (Choi et al., 2017). The system is governed by laws, regulations, and long-standing norms that are less susceptible to abrupt changes as a result of political shifts (Moon & Choi, 2019). The system's stability is reinforced by a long-standing commitment to performance-driven governance and an understanding of the need of continuity in public administration policies (Kim & Lee, 2018).

These differences underscore the significance of taking contextual elements and institutional structures into account when building and implementing performance management systems. While Ghana can seek to improve regulatory conformity, build a stronger performance culture, and reduce political involvement, South Korea's focus may be on maintaining its stable and robust system while consistently increasing its efficacy.

## **Conclusion**

### **Summary of Findings**

The Performance Management System is a powerful tool to enhance performance of public servants including staff of the Local Government System. However, this study clearly shows that a number of challenges beset the Performance Management System of the Local Government Service: inadequate adherence to regulations of the Performance Management System, Performance not linked to salary adjustment, absence of high performance culture, promotion not linked to performance, weak planning, implementation, monitoring and evaluation process of the Performance Management System, inadequate political commitment and strong leadership, political change, politicization of the Local Government System and the issue of appraisers. The current Performance Management System is therefore not effective and efficient enough to promote a high performance culture in the Local Government Service. It is therefore imperative that measures be taken to remove these bottlenecks to establish an effective and efficient Performance Management System and

performance is not linked to salary adjustment (merit Pay). There is a weak linkage between performance and promotion in the Local Government Service. Formal regulations to link staff performance to salary adjustment (merit pay) only exist on paper. It is also noteworthy that remuneration alone cannot improve productivity and performance in the Local Government Service because although over ninety percent of Article 190 Public Servants have been migrated onto the Single Spine Salary Structure, productivity is still lower than expectations because issues of a robust Performance Management System have not been addressed. Hence, improved compensation has not driven an improved performance or productivity.

### **Implications of Study**

The discovery of weak adherence to regulations in Ghana's Local Government Service's performance management system has serious consequences for the system's overall efficacy. When regulations are not followed, it indicates a breakdown in accountability and consistency in evaluating and monitoring employee performance. Compliance with rules is critical to ensure that performance evaluations are fair and unbiased. It establishes specific principles and standards to be followed during the assessment process. Inadequate adherence, on the other hand, produces uncertainty and inconsistency, leading to a loss of trust in the system. The performance management system fails to deliver correct feedback to employees if regulations are not followed. Feedback is critical in directing individuals toward areas for improvement and assisting them in aligning their performance with organizational objectives. Employees may struggle to grasp their strengths and shortcomings when feedback is inconsistent or inadequate, limiting their capacity to improve and progress professionally. Furthermore, noncompliance with regulations affects the support provided to employees for performance improvement. A well-functioning performance management system should contain procedures for recognizing and addressing areas of underperformance. However, if regulations are not followed, the system may fail to provide the required support, such as training, coaching, or resources, to assist employees in improving their performance. Inconsistency and a lack of responsibility as a result of poor adherence might give the impression of partiality or prejudice in the evaluation procedure.

Furthermore, noncompliance with laws impedes the organization's capacity to properly recognize and reward high performers. Overall, the performance management system's lack of adherence to standards jeopardizes its effectiveness and distorts its purpose. To solve this issue, the Local Government Service must develop clear criteria, give training on performance evaluation methods, and enforce accountability in order to assure consistent and fair evaluations. By enhancing adherence to regulations, the system may reestablish trust and provide accurate feedback and assistance for performance improvement, ultimately building an organizational culture of continual growth and excellence.

A noteworthy finding in this study on Ghana's local government's performance management system is that performance is not linked to wage modification. According to the findings, there is a mismatch between employee performance and wage adjustments. This means that employees' performance levels have no bearing on their wage increases or changes. The lack of a clear link between performance and wage adjustment has serious repercussions for staff motivation and job satisfaction in local government. When employees are not suitably rewarded for their efforts, it can produce a sense of unfairness and demotivation. This can reduce their willingness to put in extra effort and perform well, resulting in a drop in overall productivity and performance within the firm.

Furthermore, the absence of a performance-driven work environment can stymie the growth of a culture that values and promotes excellence. Employees may believe their efforts go unnoticed and unrewarded, leading to complacency and a lack of commitment to ongoing progress. To overcome this issue, Ghana's local government must create clear and open processes for tying performance to salary modification. This can be accomplished by instituting a merit-based compensation structure that pays employees based on their individual performance, accomplishments, and contributions. Such a system would offer employees with incentives to perform at their jobs and contribute to the organization's overall success.

The finding that promotion decisions in Ghana's local government are not regularly related to performance and are instead based on length of service raises serious questions about the meritocracy and effectiveness of the promotion process. This suggests that individuals are promoted only on the basis of their longevity in the service, rather than their demonstrable abilities, qualifications, and performance results. The implications of this finding are numerous. First, it may result in the promotion of individuals who do not have the appropriate skills or competencies for higher-level posts, resulting in inefficiencies and a lack of effectiveness in the local government system. Employees may not be effectively matched to roles that line with their strengths and knowledge, which can jeopardize the organization's overall performance and productivity.

Furthermore, the lack of a performance-based promotion system can create a sense of injustice and demotivation among individuals who frequently perform well. Employees may become disillusioned and lose incentive to achieve in their professions if they believe that promotions are not based on merit. To remedy this issue, Ghana's local government must implement a transparent and merit-based promotion system that compensates employees based on their performance, talents, and certifications. Implementing clear criteria and evaluation mechanisms for promotions that are based on a robust performance management system can ensure that individuals are promoted based on their abilities and contributions, fostering an environment of excellence, and attracting and retaining the most qualified and talented individuals in the local government sector. The study's findings highlight flaws in Ghana's local government's Performance Management System (PMS) in terms of planning, implementation, monitoring, and assessment processes. Without sufficient preparation, the PMS may fail to match with the local government's strategic objectives, resulting in a misalignment of individual and organizational performance goals. The consequences of these flaws are considerable. A poor planning process can lead to confusing performance standards, causing employees to lose clarity and hampering their ability to accomplish company goals. Inadequate implementation can erode employee trust and commitment by undermining the credibility of the performance management system. Comprehensive training programs should be provided to all stakeholders involved, including managers, supervisors, and employees, to ensure a common knowledge of the system's objective, methodology, and evaluation criteria in order to improve planning and implementation. Ghana's local government should invest in training and development programs that focus on developing the skills and competences required for personnel to achieve performance goals. Technical training, leadership development, and other related activities that contribute to increased performance and professional growth can be included.

Inadequate monitoring and assessment impede the detection of performance issues and the implementation of focused interventions to address them, reducing the overall efficacy of performance management procedures. To address these issues, Ghana's local government

must upgrade the Performance Management System's planning, implementation, monitoring, and evaluation processes. Clear and thorough performance management standards, frequent performance monitoring and evaluation reviews, and the use of objective and defined performance criteria can help achieve this. A robust monitoring process that tracks staff performance on a regular basis must be implemented. Establishing regular check-ins, progress evaluations, and performance discussions between supervisors and employees is an essential component of this. To address any performance gaps and enable prompt changes and interventions, it is critical to give regular feedback and support. Incorporating feedback mechanisms and continuous improvement methods can also improve system effectiveness and contribute to a culture of performance excellence within local government. According to the study, the issue of appraisers is a significant challenge recognized in Ghana's local government's performance management system. The appraiser issue has far-reaching consequences. When performance evaluations are inaccurate or biased, it becomes difficult to appropriately identify and reward high-performing personnel or effectively resolve performance difficulties. This can result in a dissatisfied staff, lower productivity, and a lack of trust in the performance management system. When supervisors lack job knowledge, have insufficient job experience, or are biased in their evaluations, the performance management system is jeopardized. To address these issues, Ghana's Local Government should consider putting in place mechanisms to reduce bias and assure objective performance evaluations. This could include teaching supervisors on effective performance appraisal strategies, such as the value of job expertise and performance-based evaluations. To provide a more thorough and fair assessment of employee performance, it may also be advantageous to construct a multi-rater system that includes information from different sources, such as peers and subordinates.

When flaws in performance are found, Ghana's local government should develop performance improvement plans (PIPs) that describe specific measures and support systems for staff to improve their performance. These plans should include specific targets, time frames, and resources for improvement, and they should be reviewed on a regular basis to track success. Performance Improvement Plans (PIPs) are vital for addressing performance issues and supporting employees in enhancing their performance. The key components of PIPs include identifying performance deficiencies, setting clear goals, defining timelines, allocating resources, providing monitoring and feedback, offering support and guidance, conducting regular evaluations, and recognizing employees' efforts and improvements. Establishing PIPs provides a systematic approach to address performance deficiencies, foster continuous learning, and ensure employees have the necessary tools to succeed.

Allocating adequate resources is a vital aspect in assisting Ghana's local government in effective adoption of a performance management system. It entails ensuring that the appropriate resources, such as time, training, and technology, are available to assist the system's planning, monitoring, and evaluation tasks. Managers and staff must be given enough time to engage in performance management initiatives. Setting aside time for goal-setting discussions, regular performance check-ins, performance reviews, and feedback sessions are all examples of this. Organizations exhibit their commitment to the performance management process and offer individuals with the opportunity to participate effectively in the system by devoting adequate time. Ghana's local government should make arrangements to ensure managers and supervisors have access to expert advice and help when it comes to implementing the performance management system. This may entail equipping or providing human resources officers or performance management professionals who can offer advice,

answer queries, and clarify system-related issues. Access to professional assistance can assist in addressing any issues or concerns that may occur during the implementation process. Allocating resources also entails establishing clear communication about the performance management system's goals, purpose, and benefits. This entails successfully conveying the system's goals, guidelines, and schedules to managers and staff. Transparent communication aids in building a sense of comprehension, involvement, and commitment to the performance management process.

Allocating proper technology and tools can significantly improve the performance management system's efficiency and accuracy. This may entail installing performance management software or online platforms that provide streamlined goal monitoring, automated performance evaluation processes, and data analysis. Technology can help to improve data management, provide timely feedback, and promote better communication between managers and employees. It is critical to evaluate allocated resources on a regular basis in order to assess their performance and discover areas for improvement. Organizations should evaluate if the budgeted time, training programs, technology, and support mechanisms are adequate and match the developing needs of the performance management system on a regular basis. This review allows for modifications and improvements, ensuring that resources stay consistent with system requirements.

In order to establish an effective and efficient Performance Management System, it is recommended that the combined efforts of all stakeholders be harnessed to achieve sustainable results (Kwami, n.d). This is because the success or failure of Performance Management System in the Ghana's Local Government Service does not depend only on the Secretariat of the Local Government System. It hinges on all and sundry. All stakeholders need to appreciate the fact that Performance management is a systematic and a holistic change management process which impacts the very root of our current work culture. It is not a one-time event to be put in place.

There should be adequate political commitment and strong leadership to pursuing successful Performance Management System reforms in the Local Government Service as there is the need to enforce such reforms. The Performance Management System should incorporate a rewards/incentives and sanctions mechanism based on the overall assessment scored by an appraise. There should be strong planning, implementation, monitoring and evaluation process of the Performance Management System. Having this in mind, attitudinal change, accountability, equity, transparency and ownership should be incorporated into the Performance Management System to make it efficient and effective.

### **Recommendations for Future Research**

Several recommendations for future research can be proposed to address the identified issues and gaps in the performance management system in Ghana's local government. Investigating the causes and consequences of noncompliance with regulations is one of the areas proposed for future research. Future study can concentrate on determining the causes of poor adherence to performance management system regulations and their impact on overall performance. Examining organizational issues, personnel attitudes, and systemic challenges that contribute to noncompliance can be potential causes of poor adherence could be explored. Another area of investigation is the possible impact of tying performance to pay raises. More research can be conducted to investigate the potential benefits and drawbacks of developing a greater link between employee performance and wage modification.

Examining the influence on motivation, productivity, and employee happiness, as well as the practicality and fairness of implementing such a system, might be part of this process.

Another subject for further investigation is the relationship between promotion and performance. Future research could look into the dynamics of promotion decisions and employee performance in the setting of Ghana's local government. This may entail investigating the promotion criteria and processes, reviewing the fairness and openness of promotion practices, and researching about the influence of performance-based promotion on employee motivation and organizational outcomes. Researchers can investigate how the relationship between performance and promotion affects employee engagement, job satisfaction, and commitment. Furthermore, investigating the organizational outcomes associated with performance-based promotion, such as increased productivity, improved job performance, and increased organizational effectiveness, can provide insights into the overall benefits and implications of performance-based promotions. Future studies can contribute to the development of evidence-based promotion methods in Ghana's local government by undertaking in-depth study on the relationship between promotion and performance. The findings can help policymakers and human resource professionals understand the effectiveness of present promotion systems, identify areas for improvement, and lead the development of promotion strategies that motivate employees, support corporate goals, and improve overall performance.

Future research should investigate the impact of political factors and system politicization on Ghana's local government performance management system. This line of investigation would provide useful insights into how political involvement, favoritism, and corruption affect performance evaluations, promotions, and the effectiveness of the performance management system. Researchers can shed light on the ramifications of these dynamics and offer measures to mitigate their detrimental effects by studying them. The level of political interference in the performance management processes could be one subject of research. This would entail investigating the impact of political actors on performance evaluations, such as whether political factors or personal relationships influence performance ratings and subsequent awards. Another topic to examine into is the effect of patronage on promotion decisions. Rather than performance-based criteria, research can look into whether political ties or favoritism play a substantial impact in determining promotions. This would necessitate an examination of promotion policies and procedures in order to determine the extent to which meritocracy is maintained and to uncover any biases or inconsistencies that may occur as a result of political influences. It is critical to investigate the effects of system politicization on the overall effectiveness of performance management. This would entail researching the impact of political factors on performance management practice development, implementation, and monitoring.

## **Appendix A**

### **Definition of Terms and Concepts**

**Appraisal** – It is the Process to assess worth, value, quality of performance. It requires the employee and his/her reporting officer to plan the performance of the employee at the beginning of the year, both review the performance after six months, analyze the factors affecting the performance, discuss developmental needs, have performance counseling and share the rating at the end of the period. (Service Delivery Standards and Performance Management System, 2014).

**Appraisee** – This refers to staff or employee being assessed. (Service Delivery Standards and Performance Management System, 2014).

**Appraiser** – This refers to the officer conducting the Appraisal. (Service Delivery Standards and Performance Management System, 2014).

**Performance Appraisal Form** – It is an instrument for evaluating the performance of staff (employee) in relation to his/her contribution to the overall improvement of the organization's performance. It assists in identifying individual training needs that are important for career and succession planning for the individuals. (Service Delivery Standards and Performance Management System, 2014).

**Key Performance Areas (KPA's)** - Key Performance Areas refer to general areas of outcomes for which a job is responsible for. They also refer to what needs to be done or the outcomes an employee must produce. A consideration of KPA's needs to include the key accountabilities and areas of a job for which the employee is responsible for producing results. (Service Delivery Standards and Performance Management System, 2014).

**Key Performance Indicators (KPI)** - Key Performance Indicators describe the performance dimension that is considered important in measuring performance. They are used as measuring criteria for evaluating performance. Key Performance Indicators should be written to meet the SMART criteria: Specific, Measurable, Achievable, Relevant, Timeliness/ Time-bound. (Service Delivery Standards and Performance Management System, 2014).

**Weightings** - Weightings show the relative importance of one objective against another objective. The purpose of the weightings is to show employees what the most important Key Performance Areas are in their work. (Service Delivery Standards and Performance Management System, 2014).

**Service Delivery Standards** - Service Delivery Standards are the minimum level of expected services in terms of quality, time and cost that the Service Provider commits to deliver to clients (Service Delivery Standards and Performance Management System, 2014).

The six Service Delivery Standards identified for the Local Government Service are Participation, Professionalism, client focus, transparency, efficient and effective use of resources and accountability (Service Delivery Standards and Performance Management System, 2014).

**Competency** - Competency refers to what people have to know and be able to do to perform well. Also, competency is an ability based on behaviour and it is defined as "a behavioural characteristic or attribute that is necessary for the satisfactory performance of a given job" (Service Delivery Standards and Performance Management System, 2014).

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