

**CIVIL SERVICE REFORMS:  
HIGHLIGHTS OF FEDERAL GOVERNMENT REFORMS PROGRAMME**  
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**Introduction**

One major preoccupation of the present administration has been Policy Reforms aimed at improving the machinery of government and service delivery generally.

A compelling reason for the reforms was the parlous state of the economy of the nation, and the erosion of public confidence in government and its institutions to deliver the much expected dividends of democracy. Beside the internal pressures, there were external factors as well, especially those of NEPAD and the African Peer Review Mechanism (APRM) and the urgency of attaining the Millennium Development Goals (MDGs).

**The Reform agenda focused on:**

- Public Sector Reforms;
- Privatization/Liberalization:
- Governance, Transparency and Anti-Corruption;
- Service Delivery.

The main goals are:

- Wealth Creation;
- Employment Generation;
- Poverty Reduction; and
- Value Re-orientation.

Salient features of the reforms include economic development strategies, public service reforms, pensions overhaul, national Health Insurance Scheme, Bank recapitalization, service delivery (servicom) and anti-corruption campaigns.

The underlying philosophy of the Reform is **change**. Indeed, change for the better for too long, has been evasive in Nigeria. Our living condition is characterized with poverty, poor service delivery, corruption, environmental degradation, etc, amidst increased oil revenue.

This paper is therefore timely as the reform measures aim to address a host of national malaise.

Listed below, are a summary of the reform measures being undertaken by the Federal Government. They have implications for both States and Local Governments. The challenges to readers include acceptance, adaptability and the resolve to turn things around for the good of all.

## **SUMMARY OF GOVERNMENT REFORMS**

### Implementation of the Monetization Policy

The Monetization of fringe benefits of public servants and political office holders was launched by the President in June 2003, to take effect on 1<sup>st</sup> July, 2004. It was justified by the uncontrolled proliferation of perquisites of office in government over the years, costing the public treasury huge and growing sums of money. The most notable of such fringe benefits in the past were:

- Provision and maintenance of furnished residential housing (over 30,000 units in Abuja alone);
- Maintenance of fleets of motor cars for entitled officers;
- A retinue of domestic servants for certain senior officials;
- Limitless free medical services, including overseas check-ups for senior officials.

The aims of the exercise was to free government from the administrative burden and financial cost of these services and financially empower officers to provide themselves these facilities from their enhanced financial remuneration. This was to bring the system in line with the practice in other parts of the world.

The Monetization Policy was given effect through the passage of an Act: the Certain Political, Public and Judicial office Holders (Salaries and Allowances, etc) Act 2003, by the National Assembly. Drawing from the Act, the National Salaries, Incomes and Wages Commission issued a Circular spelling out the provisions, as they affect federal Civil Servants, with effect from 1<sup>st</sup> October, 2003. Under the Policy, services now monetized include residential accommodation, furniture allowance, leave grant, meal subsidy, duty tour allowance, motor vehicle loan, fueling/maintenance of official vehicles and transport allowance. Arising from the Monetization of Fringe Benefits, a total of 7,487 Government official vehicles are being disposed of through outright sale to civil servants. The implementation of the policy has led to:

- i. more frugal use of government utilities;
- ii. Curbing of the excesses of public officers in the use of government amenities;
- iii. Equity in the receipt of government welfare benefits by civil servants;

- iv. Elimination of all hidden costs of running the system;
- v. enhancement of the remunerations of civil servants and political office holders to enable them provide themselves the perquisites now monetized;
- vi. Improved culture of prudence in managing resources; and
- vii. Opportunity for Civil Servants to own their homes. The policy has been implemented in almost all Government Ministries, Parastatals and Agencies. In this regard, a total of 20,452 government vehicles will be disposed of across the 444 Parastatals / Agencies.

### **Outright Purchase of Government Quarters by Sitting Tenants:**

One major aspect of Monetisation Policy which has excited Civil Servants is the opportunity it has provided for them to buy off from government, the houses they currently occupy. This is being done using rates that take account of only the replacement value of the housing units, discounting the cost to Civil servants, land and infrastructural facilities. Political Office Holders on the other hand are being made to bid for their own houses in the open competitive market taking into account the cost of land and infrastructural facilities. Civil Servants desirous of purchasing their houses are being assisted to approach mortgage institutions by the Federal Mortgage Bank of Nigeria which has issued to every Civil Servant a contributor's passbook under the National Housing Fund based on their contributions over the years. Government intends to keep the Programme going through the Owner-Occupier Scheme which is currently being implemented as an incentive to retain the loyalty and commitment of serving Civil servants who may not have benefited from the current sale of government quarters and to provide a secured future for new entrants into the Service.

### **Implementation of the National Health Insurance Scheme:**

The National Health Insurance Scheme (NHIS) was launched on Monday, June 6, 2005 by President Olusegun Obasanjo, GCFR, signaling the commencement of the scheme in both the public and organized private sectors. The primary objective of the Scheme is to ensure that all Nigerians have access to good health care services through putting in place a health care system which reduces dependence on government for funding a healthcare delivery, and of provision of health facilities. The scheme also seeks to integrate private health facilities and expertise into the nation's healthcare system. In line with the Monetisation Policy of the Current Administration, Civil Servants are to pay 5% of their basic salaries as their contributions to the scheme which guarantees them and their dependants' quality healthcare in their preferred primary healthcare outlets. They are at liberty to choose from a comprehensive list of available providers participating in the Scheme. To ensure effective take-off of the scheme for public servants, government provided the sum of N2.6 billion and deductions from Public Servants did not begin until January, 2007. Universal coverage of the Scheme is expected to be achieved by 2015 in order to achieve the Millennium Development Goals target of 2015.

### **Sustained Crusade against Corruption:**

The crusade against corruption which is personally being led by the President has yielded good dividends. Civil Servants are now more than ever before required to be more accountable and transparent in conducting government business. So far, no public officer, however highly placed, who ran foul of the law across all cadres had been spared; and this is sending the right signals not just to the Service but to the entire nation regarding the seriousness of the government in waging a relentless war against corruption and all its associated vices. Anti-corruption units have been set up in all Government Ministries with direct links to the key Anti-Corruption Agencies, namely the Independent Corrupt Practices and Other Related Offences Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC). Since we are also tackling corruption as a management problem which needs to be effectively managed, Permanent Secretaries and others at the top echelon of the Service are increasingly being tasked on the need to institute management systems to combat the malaise.

### **Overhaul of the Procurement System:**

Through collaboration with the Budget Monitoring and Price Intelligence Unit (BMPIU) in the Presidency, the procurement system has been realigned to be more transparent with emphasis on quality management and value for money in all government transactions. Recently, in order to internalize in the Civil Service the gains recorded under the programme, a separate cadre of procurement officers was created within the Civil Service, comprising officers with the appropriate qualifications and dispositions.

### **Restructuring of Government Ministries, Agencies and Department (MDAs)**

The restructuring exercise of MDAs which commenced with the pilot Ministries has been extended service-wide. Leading the way is the Federal Ministry of Finance which has conducted its restructuring exercise, and has received approval of the Head of Service to put in place its new organizational structure. The restructuring exercise in other pilot Ministries is in progress and both the Management Services Office and the Bureau of Public Service Reforms continue to guide the efforts of other MDAs in their restructuring exercises.

### **Parastatals Reform:**

The organization of parastatals numbering 444, in terms of re-aligning their functions vis-à-vis their supervising Ministries, merging some and scrapping others, has already started. For example, investment/entrepreneurship finance organizations were merged to form the Bank of Industry and unnecessary institutions such as the Petroleum Trust Fund (PTF), National Agricultural Land Development Authority (NALDA) and the Education Bank were scrapped. Recently also, six parastatals under the National Planning Commission were merged into three bodies. At the same time, the privatization of commercial-

oriented parastatals, such as the National Electric Power Authority (NEPA), the Nigerian Telecommunications (NITEL), the Nigerian Ports Authority (NPA), the Steel Plants and other industrial projects, is proceeding according to plan. Government is aware that parastatals are the primary centres of mismanagement

and waste in the public services system hence the need to reform them in a profound manner.

### **Capacity Building:**

Following the orientation workshops organized for the Directorate Cadre from 1999 through 2001 which were extended to the middle level Officers from 2002 onwards government has improved on service-wide training and capacity development through the organization of series of programmes targeted at officers across all levels and cadres. The capacity of the Service was further enhanced through additional knowledge and experiences gained from Study Tours to Canada, Singapore, Malaysia, the United Kingdom, New Zealand, etc, by delegations led by and comprising mainly Permanent Secretaries, the Director-General, Bureau of Public Service Reforms and other Heads of Agencies key to reform. This is in order to remodel our Service through guidance by global best practices in Public Administration obtained from interactions provided by such tours. Government is also focusing on Executive Leadership Training and Development which will be further enhanced with the take-off of the Civil Service College Abuja very soon. The Administrative Staff college of Nigeria (ASCON) and other training institutions have now been rehabilitated through improved funding to be able to deliver training programmes more competently. The Bureau of Public Service Reforms is also developing a Virtual Library through the Support of the Education Trust Fund (ETF) to serve as an intellectual storehouse for the reform programme.

### **ICT Development:**

The provision of an ICT enabled work environment in the delivery of improved services is a key issue in the reform agenda. Accordingly, work processes are increasingly being computerized through provision of computer systems to officers for their daily operations and for the enhancement of data storage and analysis, easy retrieval as well as dissemination of information. This had led to the generation of accurate and reliable information for decision making on policy issues as well as improvement of record management system. There are sustained efforts in the provision of internet and intranet linkages to harness knowledge from all sources in all Ministries and Agencies. The frame work for the realization of e-Government is getting increased attention through the guidance of the National Information Technology Development Agency (NITDA) under the Federal Ministry of Science and Technology.

### **Review of the Public Service Rules, Regulations and Procedures:**

A review of the Civil Service Rules, and Financial Regulations was undertaken in 2000 to make them applicable to the entire Public Service. A more comprehensive review is currently being carried out by the Presidential Committee on the Review and Revision of Public Service Rules, Regulations and Procedures (PC-RPSRT)

which was inaugurated by the President in February, 2005. The committee which is chaired by the Principal Secretary to the President and Permanent Secretary, State House, has as members two Ministers, one retired and six serving Permanent Secretaries, Auditor-General for the Federation, Accountant General of the

Federation, Director-General, Administrative Staff college of Nigeria (ASCON) and the Director-General, Bureau of Public Service Reforms (BPSR). The Committee submitted an Interim Report in April 2005 in which it proposed Transitional Arrangements for fast tracking the Implementation of the Reform Programme, which has similarly been approved by the President.

### **Rightsizing the Civil Service:**

Government is currently rightsizing the Civil Service in line with the approved criteria developed by both the PC-RPSRP and PSRIC and approved by the President. Among these criteria are the following;

- (a) Appointment without authorization;
- (b) Attainment of 60 years of age and 35 years in service;
- (c) Disciplinary cases involving gross misconduct;
- (d) Entry into cadres without mandatory skills to progress on the career ladder;
- (e) Failure to acquire mandatory skill to progress on the career ladder;
- (f) Monetized jobs or jobs contracted out e.g. about 5,500 Drivers have already been disengaged and paid off at a cost of N2.5 billion.
- (g) Redundancies arising from scrapping of organizations; and
- (h) Exceptionally bad officers adjudged unfit for continued service.

### **Pension Reforms:**

The Pensions Act of 2004 instituted a new pension scheme which is a departure from the “Pay As You Go” system to a contributory scheme. However, there is a transitional arrangement where the old pay-as-you-go system will run concurrently with the new one for 3 years. Pursuant to the Act, the National Pensions Commission was established as the Administrative Machinery for managing the process. The key feature of the Scheme is that Civil Servants contribute 7½ of their salary deducted from source while Government matches it with the same rate of 7½ counterpart contribution. The new Pension Scheme:

- i. provides the private sector a reliable institutional framework for staff pension or terminal benefits;



- ii. offers the economy a harmonized pension system, which will expand the country's social security and allow easy mobility of labour among sectors and employers; and
- iii. provides the economy a veritable source of saving and capital formation.

## **Service Delivery**

The Service Deliver Programme is aimed at achieving excellence in the delivery of services to the public (citizenry) and other customers by government agencies. It is being run as a British Government Technical Assistance Programme under its Department for International Development (DFID) to the Federal Government. Its **modus operandi** is to reach out to MDAs to enlighten them on service delivery concepts and encourage them to undertake management innovations aimed at enhancing quality service to the public, which is backed up by obligations to be imposed by a "service charter" with the public. Some achievements have been recorded so far by way of sensitization of MDAs on the new concept and making them to develop vision and mission statements and articulated outline of objectives and functions. The appreciable effect on real service delivery to the public is expected to manifest rather gradually.

### Increased Collaboration with International Development Partners:

In spite of government commitment to own the reform, it has not lost appreciation of the need to gain the support of International Development Partners. Consequently, government is collaborating with the World Bank and the Department for International Development (DFID) in the implementation of the World Bank assisted Economic Reform and Governance Project (ERGP). The project component includes:

- (a) Public Resource Management and Targeted Anti-Corruption Initiative;
- (b) Civil Service Administrative Reforms;
- (c) Strengthening Pension Management and Accountability;
- (d) Strengthening of Statistics and Statistical Capacity; and
- (e) Project management:

Under the Civil Service Administrative Reform component of the ERGP, government will be seeking to achieve the following:

- strengthening the Bureau of Public Service Reforms to lead and co-ordinate the system-wide reform;

- designing and implementing an integrated personnel and payroll system to improve the management of human resources and reduce fraud;
- consolidating the restructuring of MDAs;

**Source: Journal of Professional Administration; vol8, No.1. April 2007 (pages:14-23)**

- Carrying out diagnostic studies and dialogues on key service –wide reforms to build broader support for the process;
- designing and implementing a Performance Improvement Facility to support innovative capacity building.

Government is also engaging the Commonwealth Secretariat in other capacity building initiatives mainly targeted at the Directorate Cadre, and middle level officers who have the potential of emerging as future leaders in the Service.

Critical Success Factors:

The experience in managing the on-going Public Service Reform programme in Nigeria indicates that the following are critical to its success:

- i. Support of the political leadership, as exemplified in President Olusegun Obasanjo's uncommon leadership in driving the process;
- ii. Robust leadership by the Head of the Civil Service whose commitment to reform must never be in doubt, as he sets the tone;
- iii. Clear goals and strategy which are mutually shared by all relevant stakeholders;
- iv. Institutionalization of reform through the establishment of an agency for co-ordination and implementation, as exemplified in the creation of the Bureau of Public Service Reforms in Nigeria;
- v. Active involvement of MDAs in the reform process, especially on issues that particularly relate to them in order to take cognizance of individual peculiarities and avoid the generation of uniform solutions to diverse problems.
- vi. Timely and effective communication;
- vii. Openness to admit wrongs and take corrective steps;
- viii. An effective monitoring and evaluation process;
- ix. Sustained partnership with all relevant stakeholders;

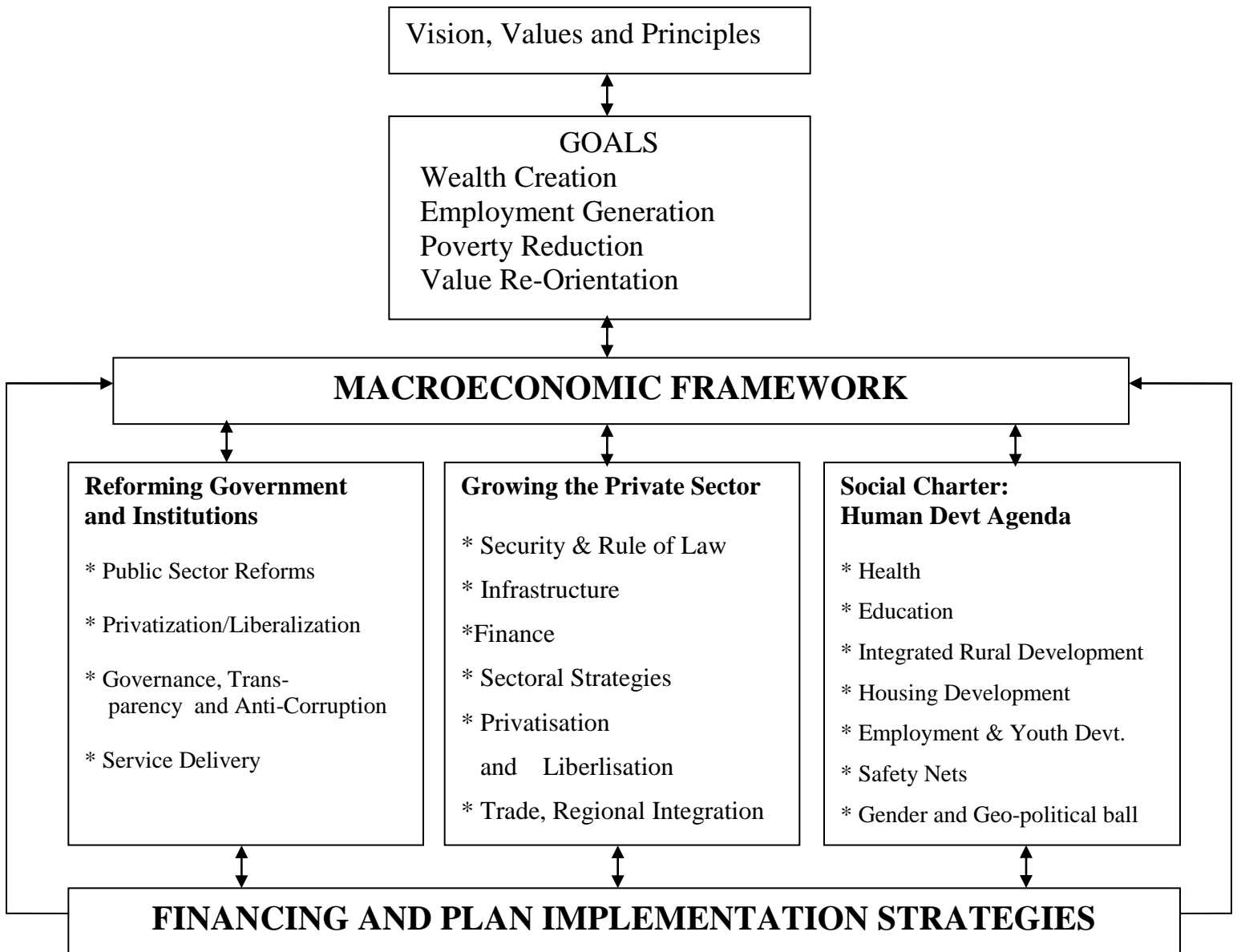


x. Commitment and greater commitment on the part of all stakeholders to make it work notwithstanding obvious difficulties; and

xi. Adequate funding of the process.

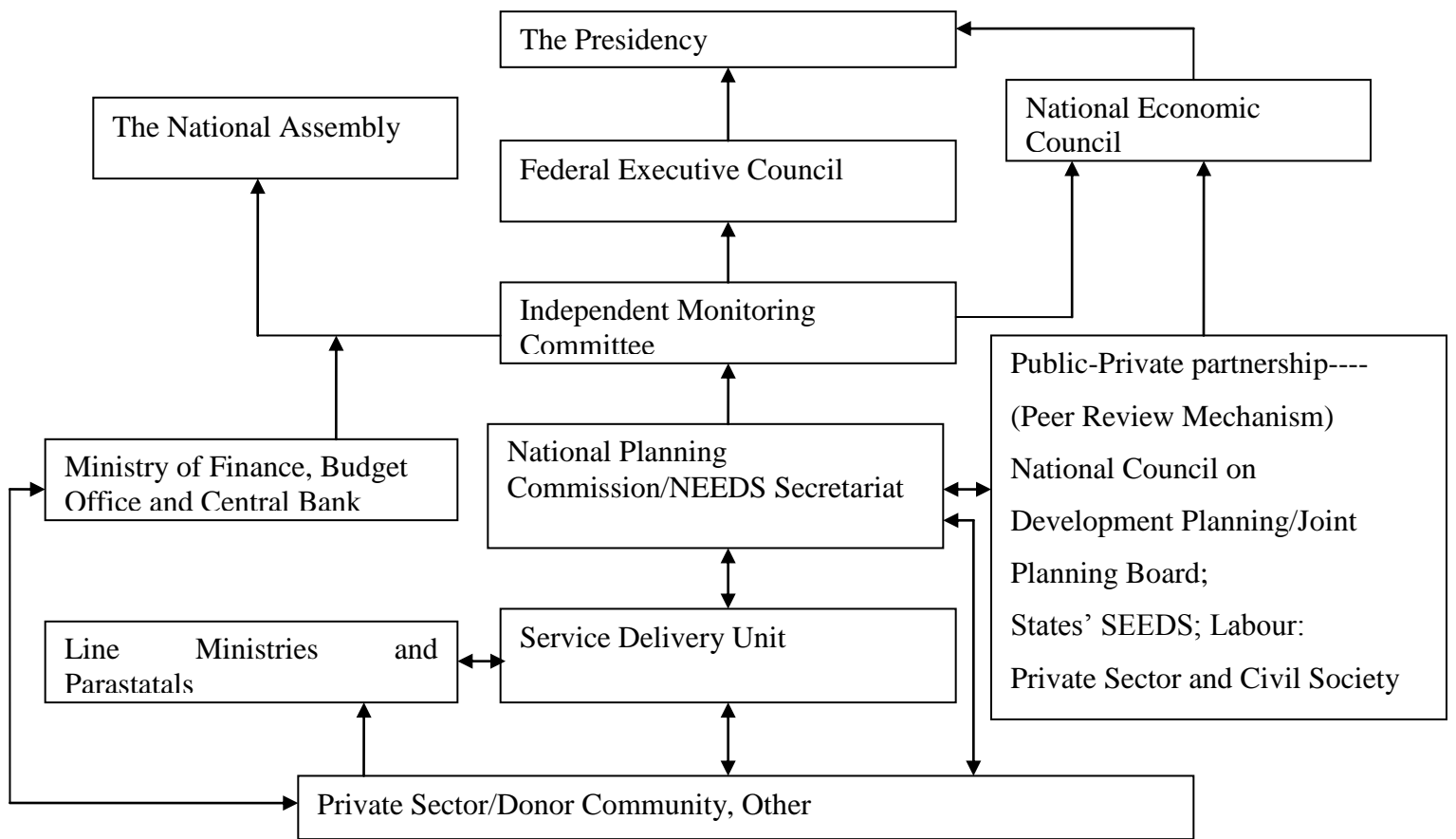
Source: Journal of Professional Administration; vol8, No.1. April 2007 (pages:14-23)

**Figure 1: The NEEDS at a Glance**

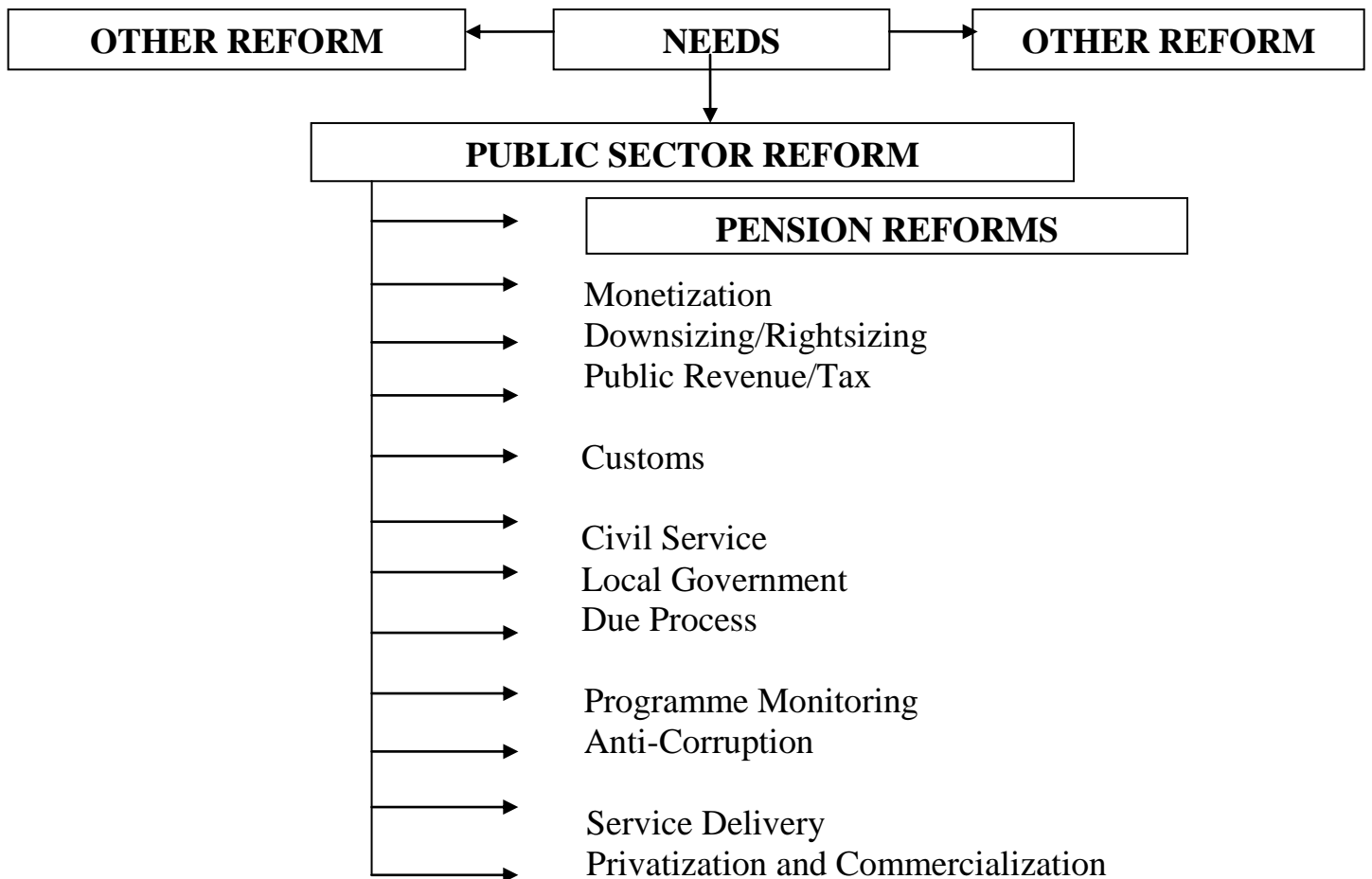


Source: Journal of Professional Administration; vol8, No.1. April 2007 (pages:14-23)

**Figure 2: Institutional Framework for the Implementation of needs**



**2003 PUBLIC SECTOR REFORMS INITIATIVE**



## **CONCEPT OF REFORMS**

“CIVIL SERVICE REFORMS OR ADMINISTRATIVE REFORMS IS AN EFFORT TO IMPROVE THE ADMINISTRATIVE ORGNISATION AND PRACTICES OR TO INCULCATE A DIFFERENT BEHAVIOUR IN ORDER TO INCREASE EFFICIENCY AND EFFECTIVENESS OR GOVERNMENT MACHINERY” (KYARIMPA).

“CIVIL SERVICE REFORMS IS AN EFFORT” TO APPLY NEW IDEAS AND COMBINATION OF IDEAS OF ADMINISTRATIVE SYSTEM WITH CONCIOUS VIEW TO IMPROVING THE SYSTEM FOR POSITIVE DEVELOPMENT (LEE)

## **REASONS FOR LIMITED SUCCESS OF REFORM**

1. LACK OF SENSE OF OWNERSHIP BY PUBLIC SERVICES
2. AD-HOC APPROACH TO REFORM EFFORTS
3. POLITICAL COMMITMENT
4. LEADERSHIP OF THE REFORMS
5. LACK OF A PERMANENT AGENCY/FOCAL POINT FOR MANAGEMENT OF THE REFORMS
6. ABSENCE OF WINDE CONSULTATIONS WITH OTHER STAKEHOLDERS
7. LACK OF INSTITUTIONSL RELATIONSHIP BETWEEN REFORMS AGENCY AND PUBLIC SECTOR TRAINING INSTITUTIONS
8. POLITICAL INSTABILITY

## **CHARACTERISTICS OF CIVIL SERVICE REFORMS**

1. IT IS A DELIBERATE AND CONSCIOUS EFFORT.
2. MAJOR REFORMS ARE POLITICAL IN NATURE AND USUALLY SUFFER INTERNAL RESISTANCE.
3. IT CHANGES BEHAVIOUR OF ADMINISTRATORS AND THEIR RELATIONSHIP WITH THE WHOLE CITIZENRY.
4. IT USUALLY NEEDS TIME TO YIELD RESULTS.

## **PREVIOUS REFORMS IN NIGERIA**

1.	HUNT COMMISSION	-	1934
2.	HARRAGIN COMMITTEE	-	1946
3.	FOOT COMMISSION	-	1948
4.	PHILIPSON/ADEBO REPORT	-	1949/50
5.	GORSUCH COMMITTEE	-	1954
6.	NEWNES COMMITTEE	-	1959
7.	MBANEFO COMMITTEE	-	1959
8.	MORGANSALARIES & WAGES COMMISSION	-	1963
9.	WEY PANEL	-	1968
10.	ELWOOD GRADING TEAM	-	1969
11.	ADEBO COMMISSION	-	1973
12.	UDOJI REPORT	-	1974
13.	PHILIP REPORT	-	1985
14.	KOSHONI REPORT/PHILIP REPORT	-	1988
15.	AYIDA REPORT	-	1995
16.	OBASANJO PUBLIC SECTOR REFORMS	-	2003

## **SOME KEY ISSUES OF THE REFORMS**

1. EMPHASISE ETHICAL STANDARDS
2. EMPHASISE ACCOUNTABILITY AND TRANSPARENCY
3. EMPHASISE ANTI-CORRUPTION CRUSADE
4. EMPHASISE SUPPORT FOR GOVERNMENT REFORMS
5. RECONCILIATION OF PUBLIC AND PRIVATE INTEREST
6. ADDRESS ISSUES RELATING TO CONFLICT OF INTEREST

7. ADDRESS FEARS, INCLUDING WHATS IS IN IT FOR ME (WIFM)
8. ADDRESS ISSUES RELATING TO PARTY POLITICS
9. ADDRESS ISSUES RELATING T POST RETIREMENT EMPLOYMENT

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