

Capacity Building and Developmental Outcomes in Two English- Caribbean Countries

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Abstract- The purpose of this research was to examine whether capacity building and developmental outcomes would be advanced if appropriate organization structures, effective HRM systems and employee compensation policies were implemented in public service organizations in Jamaica and Trinidad and Tobago.

Keywords- *structural reorganization, human resource management, human resource development, compensation policy, public service organisations, capacity building, Jamaica, Trinidad and Tobago.*

A historical comparative case study method was selected as the most appropriate technique for analyzing the findings and the comparison of capacity building interventions used in Jamaica and Trinidad and Tobago's public services from 1980 to 2007.

The analyses were undertaken following the collection of secondary and primary data consisting of elite interviews conducted between 2001 and 2009, in Jamaica and Trinidad and Tobago respectively, with senior public sector officers, civil service associations' presidents, private sector HR management consultants, representatives from international development agencies and politicians in the area of public sector reform.

The findings revealed that structural reorganization, employee performance management and appraisal systems, human resource training and development programmes, the implementation of employee compensation policies, the use of contract employment and HR management consultants were treated as integral components of capacity building initiatives in the attempt by governments to transform the public service for improved service delivery and the achievement of developmental objectives in Jamaica and Trinidad and Tobago respectively.

These findings were significant since they enabled the development and design of a new capacity building model for public sector organisations in the Caribbean that could be adapted to public bureaucracies worldwide. This new capacity building model (CBM) was built on five key interconnected pillars which were structural reorganization; human resource development; employee performance management; compensation or base pay and compensation related elements.

INTRODUCTION

Public services worldwide have historically tended to operate under the guiding theoretical principles of an idealist bureaucracy and have incorporated the principles of a hierarchical structure, administrative impersonality and adherence to explicit rules and regulations. The structure was intended to create and sustain efficient bureaucratic organizations. However, over the last four decades or so, the reputation of bureaucracies worldwide has come into disrepute, attracting various criticisms of ineffectiveness and inefficiency.

In the Caribbean, the bureaucracies have experienced three waves of structural and human resource management change during successive waves of public administration reform: the periods of the 1960s to 70s; 1980s to the mid 90s and the late 1990s into the 2000s. During the period of the 1960s to 1970s, even though Caribbean countries received external financial assistance to assist in human resource management (HRM) changes, most of the HR changes to the bureaucracy were indigenously led.

Two nations in the Caribbean, Jamaica and Trinidad and Tobago, secured their political independence from Britain and the system of Crown Colony government in August 1962. The significant feature that persisted was that public servants were still working under the Crown Colony system of government. This form of governance during that period of time was based on an urgent need to capture extraction of natural resources

while maintaining their ownership to new lands in the Western hemisphere.

It was noted that public administration in these two countries in the 1960s was an indigenously led process where leaders decided to develop their socio-political economies to provide a better standard of living for the citizens. Technical aid was provided by the United Nations for implementing public administration systems and procedures and both national and international experts became involved in this process by recommending the implementation of procedures based on the findings of various reports and studies on the public services of Jamaica and Trinidad.

This post-independence era, therefore, witnessed the widening of the scope of developmental activities in Jamaica and Trinidad. The governments of these two countries formulated and implemented various strategic policies which resulted in the creation of several new ministries and departments and the employment and training of competent staff to provide the goods and services that the citizens needed. Insufficient attention was paid to workers' compensation, therefore trade unions felt they had the right to protect the interests of public sector workers in relation to industrial relations matters but this was highly threatening to the administration. The trade unions were calling for better workers' compensation packages. Within a working environment in the public sector organisations where the system was one of 'command and control' different disputes arose between the public sector administration and the trade unions.

NATURE AND ESSENCE OF CAPACITY BUILDING

A review of selected literature revealed that capacity building was a strategic organizational intervention and was subject to various interpretations. Connally and Lukas defined capacity building as the strengthening of organizational activities to improve an organization's performance and fulfil its mission. Other stakeholders saw capacity building as a mechanism for promoting organizational change that required the establishment and accomplishment of short, medium and long-term objectives and goals. For the inexperienced HR practitioner, capacity building simply meant training, but the HR professional would concede that it was much more than training and, while it included equipping employees with the requisite competencies (human resource development), it also entailed the reengineering of organizational structures and procedures (organization development) as well as the formulation and implementation of policy

frameworks and legislation (legal framework development) to support the completion of organizational tasks.

Effectively, capacity building could only be achieved if appropriate organization structures, compensation management policies and HRM systems were implemented and monitored for results and, when this was done, then developmental outcomes would be advanced. In their simplest form, developmental outcomes were defined as the desired targets, goals and achievements of projects, programmes and policies which were formulated or designed by governments and implemented by their agents to improve the lives of citizens. To this end, such initiatives were aimed at improving infrastructural development, human development and good governance.

PUBLIC & PRIVATE SECTOR MANAGEMENT MODELS /THEORIES AND CAPACITY BUILDING

The New Public Management (NPM) model popularized in the UK in the 1990s by writers such as Christopher Hood, by nature suggested that the same policies, procedures and processes implemented in OECD countries were necessary for the transformation of the state and public bureaucracies in developing states. To this end, in order to bring developing countries up to developed countries' status, the NPM model postulated a new role for developing states – a role which required that governments in developing countries be facilitators of growth rather than providers. This 'one-size-fits-all' set of prescriptions clearly failed to take into consideration the still prevalent culture of over-dependence on the state as provider and dispenser of patronage in most developing countries. More significantly, neither did the Multilateral Financial Institutions (MFIs) take into consideration the plural nature of Trinidad's situation and the class structure of Jamaica's polity. In both cases questions of equity in the distribution of scarce resources among the various ethnic groups in Trinidad and the classes in Jamaica's society remained unanswered.

NPM was concerned with the benefits to be derived from using the 'efficiency and effectiveness' criteria in the provision and delivery of goods and services. In suggesting that governments 'do more with less' the model emphasized the need for practising economy within the state but building the capacity of public officers to manage the distribution of goods and services in the Caribbean context required the input of substantial financial resources. The research revealed

that it was not always practical to do more with less. Public service officers in Jamaica, Trinidad and the rest of the Caribbean needed to be adequately trained and compensated both intrinsically and extrinsically if they were to be motivated toward performance. Capacity building therefore came with a price. In fact the early writings of various management theorists supported the perception that capacity building of employees was an expensive investment.

The policies and practices implemented at that time were supported by the ideologies of private-sector management theorists long before the emergence of NPM theory in the 1970s. For example, Taylor's scientific management theory, Burns and Stalker's mechanistic and organic models and Fielder's contingency theory all alluded to the importance of structure to an organization's productivity and success. In order to be successful, organisations took decisions to reorganize their existing structures which had become too cumbersome. This exercise was often time-consuming, expensive and challenging, especially when there was a dearth of both financial and human resources.

Becker's human capital theory suggested that investments in an organization's manpower resources through the provision of training and development programmes should be cost-effective. Taylor's scientific management theory and Herzberg and Vroom's ideologies on compensation arrangements all alluded to the cost involved in providing rewards that would motivate employees to increase and enhance their performance. The works of all these theorists had contributed to capacity building in public sector organizations prior to the emergence of Hood's NPM theory. The NPM model was undoubtedly influenced by the ideas of its predecessors in private sector management, and contributed to the measured success of public administration reform not only in Jamaica and Trinidad, but also in the wider hemisphere. Structures were reorganized, investments in HRD made, and new employee management and appraisal systems established; compensation related elements such as contract employment and management consultancy were introduced in the public service but incremental adjustments were made to compensation packages with very weak linkages to employee performance management systems. By itself, NPM did not sufficiently deal with the challenges of capacity building, such as compensation and employee motivation, and this may have resulted in so little attention being paid to capacity-building initiatives by those governments that were guided by its principles.

STRATEGIC DEVELOPMENT PLANS AND CAPACITY BUILDING

In the past, Jamaica and Trinidad's developmental outcomes emanated from the various short- and medium-term national development plans initiated by the indigenous leaders in the immediate post-independence period. Subsequent developmental programmes were also externally influenced by the policies of the International Development Agencies (IDAs). While these short- and medium-term development plans achieved varying degrees of success, it could be argued that Jamaica and Trinidad's most comprehensive strategic plans were their 2030 and 2020 visions respectively. It has been recorded that in the past development plans were plagued with major weaknesses, the most common of which was the lack of timely and adequate resources to support implementation. The evidence suggests that a major component of the resources was an adequately trained and motivated cadre of public servants who could play a key role in policy implementation and goal achievement.

Jamaica's 2030 vision has four national development goals while Trinidad's 2020 vision has six goals. Jamaica's development goals were an empowered society, a safe and secure society, a prosperous economy, and the development of the natural environment, while Trinidad's key goals were to develop innovative people, enable competitive business, investing in sound infrastructure and the environment and the promotion of effective government. Each goal had a number of outcomes and, while it could be argued that these were not new goals, what was new was the introduction of partnerships with various stakeholders and the strategic timeframes in which the outcomes were to be accomplished.

In the past, the first and most common development goal of Caribbean governments was an empowered society – one in which citizens could develop to their fullest potential while residing in a safe and stable society. This national development goal could only be achieved through a system of good governance. In order to achieve an empowered society, the developmental outcomes included education, health care and housing facilities. A stable society was obtained through the provision of effective security and governance systems. However, in order to achieve developmental outcomes, there was need for proper infrastructural development including public service organizations and delivery networks. It was also necessary to develop measurement indicators by which achievements/outcomes might be evaluated. For example, four basic indicators could be used – (1)

Quality and quantity of national infrastructural development, education/training and health facilities; (2) Accountability of top managerial staff for success/failure; (3) Effectiveness of public sector organizations and governance systems in service delivery; and (4) Efficiency of public sector organizations and governance systems in service delivery, that is, the cost of the resources utilized in relation to the outcomes achieved.

METHODOLOGY AND FINDINGS OF COMPARATIVE CASE STUDY ANALYSIS

The study solicited responses to 28 structured questions, 8 of which dealt with issues of quality, accountability, effectiveness and efficiency as measurement indicators. For example, in Jamaica, 26 people, including people from selected ministries, executive agencies, and management consultant organizations, former politicians, representatives from IDAs, and university lecturers, were interviewed between 2001 and 2009. Twenty-one, or approximately 80% of the respondents, felt that the quality and service delivery provided by the government's HRD institutions had improved, while six or 20% felt that there was still room for improvement. With respect to accountability for success, all the respondents agreed that top management level had been accountable to the government for the success or failure in achieving organizational targets. On the question of the effectiveness of public service structures, only 50% of the respondents felt that the new structures (such as Jamaica's executive agencies) were effective. Nineteen people, or approximately 73% of the respondents, said that there was an improvement in the efficiency of delivery of government's goods and services, while approximately 27% felt that there was very little improvement in efficiency. It could be argued that 85% is an acceptable response rate; with the exception of 100% agreement on the 'accountability' measurement indication, no other measurement indicator received responses totalling 85%. The conclusion can be drawn that there was a shortfall in expectations of desired developmental outcomes in Jamaica between 2001 and 2007.

In Trinidad, 22 people, including people from government ministries and departments, management consultant firms, corporate bodies, and The University of the West Indies, former politicians and representatives from the IDAs, were interviewed between 2001 and 2009. Three interviewees or approximately 13.5% of the respondents felt that the quality of training provided by government's HRD institutions had improved. Nine, or approximately

40% of the respondents, agreed that senior public officers were held accountable for performance. Twenty, or approximately 90% of the interviewees, believed that the existing organizational structures - the newly formed corporate bodies such as the health authorities and postal services (but excluding government companies such as UDeCOTT) were effective and contributed to the efficient delivery of goods and services. Approximately 50% of the respondents agreed that there was an increase in the effectiveness and efficiency of the delivery of goods and services. Based on the responses and the percentage increases which amounted to more than 85%, it can be concluded that Trinidad, like Jamaica, under-achieved with respect to its desired developmental outcomes during the period of the study.

A sound reform policy was therefore a necessary component, but in and of itself was an insufficient requirement for capacity building in public service organizations. Capacity building in private as well as public-sector organizations, was an ongoing process, therefore, employee motivation and collaboration through teamwork were necessary ingredients for success. Public sector organizations were grappling with the challenge of motivating employees' performance and one way this problem could have been resolved was through the provision of relevant employee development programmes and adequate compensation packages which were not part of the culture of developing countries such as Jamaica and Trinidad because of scarce financial resources. In this new dispensation of economic challenges the question of 'joined-up' government with private sector engagements was integral to the success of government in the delivery of quality services.

The study concludes that public service reform programmes implemented in Jamaica and Trinidad during the 1980s and 1990s were inordinately influenced by external reform models and assistance from development agencies. Aucoin's public choice and Hood's new public managerialism models of reform were adopted by the International Monetary Fund (IMF) and World Bank and formed the basis of structural adjustment policies which were transferred to Caribbean countries through conditionalities emanating from the impact of globalization. While globalization enabled policy learning and transfer in accordance with public choice and NPM models of administration reform, it promoted a new form of 'dictatorship' in that societies which refused to comply with conditionalities were subsequently refused financial and technical assistance (Stiglitz, 2002). The IMF and World Bank's subsequent collaboration with

other international development partners, such as the UK-based Department For International Development (DFID) and the Canadian International Development Agency (CIDA), provided a clearer understanding of the need for developing countries to maintain some semblance of control and responsibility for their socio-economic development policies. This collaboration among the IDAs resulted in the formulation of an international aid theory that promoted a relationship that emphasized harmonization and partnering with developing countries as they engaged in policy formulation and requirements of ownership and accountability by developing countries for policy implementation.

In the 1980s when international technical bureaucracies recommended across-the-board downsizing of public expenditure and reductions in the size of government agencies, they were very authoritative in their diagnosis and felt that they had fully conceptualized the administrative problems of developing countries. However, there were those who felt that structural adjustment was an irritant as well as a bad strategy since, at that time, some institutions were in need of strengthening and rebuilding rather than downsizing. Most restructuring was done in a dysfunctional manner and downsizing as an immediate strategy had a social spin-off in that it affected the morale of public officers who resisted it in the short run. The MFIs therefore believed that their version of administrative reform was necessary for the improvement of HR systems and general practices in the public service. Little regard was given to the motivational impact of their prescriptions on members of the public bureaucracies. However, the evidence suggests that they did not fully comprehend the nature of the administrative problems in developing countries.

The implementation of the structural adjustment policies of the 1980s and 1990s left the public service with a shortage of skills. In spite of the financial assistance provided by MFIs, monies were just never enough and, in some cases, not available to erect the infrastructure needed to successfully achieve the reform. In fact, there was the notion that public administration reform appeared to deal more with the reform of governments in order to encourage practices of good governance rather than with concrete plans for enhancing the public sector's delivery of goods and services.

The study concluded that during the period of structural adjustment and public administration reform, there was a notable "absence of authoritative indigenous definition" (Ferguson, 2001). More

specifically, the IMF and World Bank did not consider the expert opinion of Caribbean leaders in the formulation of administrative reform policies for implementation in Caribbean societies. The indigenous leaders' inputs were in the form of requesting the necessary technical and financial assistance from the MFIs; secondly, they were required to put in place certain policy frameworks to assist the private sector in its new role as the engine of growth; and thirdly, they provided criticism of the 1980 minimalist model of public administration reform. These criticisms were used to develop a more realistic package of structural adjustment policies in the 1990s and, while indigenous leaders had fully conceptualized the reform challenges, their involvement in the design of the administrative reform process was minimal.

The evidence suggested that the MFIs paid scant regard to the cultures of post-colonial societies and, therefore, provided their own interpretations as to what public administration reform should accomplish. This led to an incorrect diagnosis of the administration ailment. In spite of their interventions and articulation of administration changes, public sector reform was not fully achieved in the context of the Caribbean. The public service was still sluggish and, in most cases, the officers were not properly trained. In order for administrative reform in Third World countries to be successful, the contributions of people from a wider range of disciplines should have been accepted and developing countries needed to accept ownership of, and take responsibility for, their own socio-economic development. Success required broad participation by the stakeholders in recipient countries. More specifically, the principles underlying the concept of 'joined-up government' supported the harmonization and participation of donor agencies, national governments, domestic private-sector organizations, NGOs and civil society in strategic decisions that affected recipient countries.

There was a shared perception between IDAs and national governments that 'joined-up-government' would assist in building the capacity of the public service to achieve developmental outcomes. For example, the study revealed that both Jamaica and Trinidad utilized the services of private-sector management consultants in national decision-making activities, however, Jamaica, to a larger extent than Trinidad, expanded the scope of joined-up-government to employ people from the private-sector to fill top-level decision-making managerial positions such as permanent secretaries and chief executive officers, while Trinidad used it to employ middle and lower-level officers in functional positions.

Perhaps public administration reform should be conceptualized, not as a final destination at which one should one day hopefully arrive, but a journey or process of continuous improvement with definite milestones of achievement. This process requires that managers should always be cognizant of the need for ongoing boundary scanning and environmental analysis that would allow for timely and accurate client-need assessment and the nimbleness and flexibility to alter structures, strategies and operating policies to respond appropriately to the needs of the populace.

CAPACITY BUILDING CHALLENGES IN JAMAICA AND TRINIDAD

The study revealed that Jamaica and Trinidad modified the structures of their respective public services from time to time by increasing the number of ministries and departments in the immediate post-independence period, reducing the number of ministries as was the case of Jamaica during the immediate structural adjustment period, and creating executive agencies and companies in the post-NPM period. While the expansion of ministries and departments in the immediate post-independence period appeared to be an excellent strategic choice for building public sector capacity to achieve levels of socio-economic development which were previously ignored by representatives of the Crown Colony system of government, a different strategy was required in the 1980s for continued capacity building due to the financial crises and the resultant need to manage expenditure. While in the 1960s and 1970s capacity building was measured more or less in quantitative terms, in the 1980s and beyond it needed to follow a less quantitative path and one more based on qualitative criteria. However, the MFIs recommended state minimization (albeit a reversal of the strategy implemented in the 1960s and 1970s) for achieving fiscal balance, but this only resulted in a dearth of quality staff to manage the reform strategy which included a separation of operational functions from policy formulation. Perhaps such a drastic reduction in public service employment was not the required response since it negatively impacted on the government's initial strategy for building the capacity of the public services to more effectively deliver services to citizens. A minimization strategy could militate against the effective building of public service capacity unless it was carefully managed so that the major reductions in force were directed to non-strategic lower level employees rather than serve as an incentive for more strategic talent at the top and middle levels to exit the organization.

The study revealed that, while Jamaica used the UK model of executive agencies to build capacity for the delivery of services in certain functional operations, Trinidad followed New Zealand's model of 'corporatization' of some of its essential services which included civil aviation, health, education, and postal service delivery. Trinidad also created other special purpose companies such as the Government Human Resource Service (GHRS) to implement policies related to human resource recruitment and development at top management levels. The evidence suggests that, in the case of Jamaica, the government had more control over the operations of the executive agencies through the accountability criterion of the specific minister, while Trinidad had a more hands-off or oversight approach in dealing with its agencies through a board of directors and this compromised the quality and quantity of successes. While there was the perception that both types of organisation had served their respective purposes in Trinidad and Jamaica, in the case of the former, matters related to accountability and procurement were often questioned. Interestingly, restructuring initiatives in themselves created a momentum for further capacity building in that they necessitated the acquisition of new talent or the retooling of existing employees with requisite competencies in leadership, procurement, general and financial management, technology and policy formulation and implementation.

On the basis of the evidence emanating from the study Trinidad never had a well-articulated policy for structural reorganization. What occurred in the 1990s was an expansion of the existing public service to include new designations such as human resource officers and advisors for line ministries and central HR agencies respectively. Additionally, a number of special purpose companies were created to advance developmental outcomes, but the extent to which they contributed in this area was inconclusive. On the other hand, it was evident that Jamaica's executive agencies made significant contributions to developmental outcomes.

While on the one hand, public sector reform programmes encouraged the reorganization of bureaucratic structures by modernizing the workflow in ministries and disaggregating the latter into smaller manageable units such as executive agencies as was the case in Jamaica, on the other hand, a lot of emphasis was still placed on the importance of centralized processes to address the need for accountability to the governments. Additionally, disaggregating the central bureaucracy into smaller units and holding chief executive officers accountable for human resource management practices created

parallel recruitment and compensation systems in the public services of Jamaica and Trinidad. Such parallel systems might have been responsible for gaps in performance levels of tenured public servants since contract employees were often perceived to have received higher emoluments for similar work.

The study uncovered that Jamaica and Trinidad's governments provided Human Resource Development (HRD) programmes to build the capacity of public officers for service delivery. The evidence suggests that the influx of contract positions which commanded better compensation packages was one of the major push factors propelling public officers to accept responsibility for their own professional development by accessing external training and development programmes provided by private sector institutions of learning and the University of the West Indies. The governments did not act with the requisite speed and seriousness to provide new policies and guidelines for HRD and performance management systems, especially in Trinidad's case, to support the emerging dynamic public service organization.

HR policies remained virtually unchanged in Trinidad while there were some changes in Jamaica. Dated public service regulations and instructions could not support the operations of modern public sector organizations which provided services to constituents of a dynamic and open economy. The success of developmental outcomes, therefore, presupposed the effective formulation and articulation of human resource development policies, employee performance management and appraisal systems and compensation management policies to address the perennial problems which presented obstacles to building the capacity of public servants to achieve developmental outcomes.

The findings of the study revealed that, in principle, Jamaica and Trinidad's governments agreed to peg salaries of top managerial staff to market rates. However, lack of financial resources impeded their best efforts. Traditional compensation forms which emphasized base pay might not have been sufficient motivators of top management's performance. Compensation policies and practices for the larger public service, therefore, remained mostly unchanged since independence. While public officers looked forward to across-the-board salary increases, a more scientific approach was required for arriving at competitive compensation and rewards in both Jamaica and Trinidad. Public service compensation packages had deterred private sector employees from accepting positions in the public sector and had forced suitably competent public sector employees to accept

positions in private organizations thereby creating a vacuum of expertise in the public sector.

Strategic compensation policies such as pay-for-performance, market pricing, and the use of contingency labour emerged in Jamaica and Trinidad's public services and, while these governments used contract employment as a way to circumvent the red tape in service commissions' recruitment systems at a perceived saving on pension and medical plans, in reality long-term savings were eroded in the short term because of payments of higher salaries and gratuities to contract employees. The introduction of contract employment and use of management consultants should have been perceived only as contingency measures for reducing the competency gaps in the public service. Public sector organizations needed at least a core staff, committed and loyal to their vision, mission, objectives and goals. Contract employees and consultants were less likely to be committed to the goals of the public service since they were on the constant look-out for the next lucrative position and were, therefore, only bound by the agent-principal perspective on employment where the overriding aim is to maximize gains.

Jamaica and Trinidad's public services must be guided by a capacity-building model that seeks to promote the best interests of both the organisation and its employees bearing in mind that an organization's human resources are its most important asset and that it is only through the efforts of employees that the organization will achieve its stated outcomes. Such a model should include five main components – structural reorganization, human resource development, employee performance management, compensation/base pay and additional compensation related components such as pay-for-performance and market pay rates (see Figure 6).

All components in the outer circle of the model are intrinsically linked to capacity building at the centre. These components are structural reorganization, human resource development, employee performance management, compensation and compensation related elements, and are all necessary inputs to capacity building. Additionally, they impact on the employees' ability to achieve developmental outcomes. These components play an integral role in developing the work related behaviours of existing employees and are the bases on which applicants for public service employment may make a decision to accept a job offer. The components are also useful in the HR functions of recruitment and selection of human capital that will contribute to the operations and successful outcomes of the public service.

Structural reorganization or reorganizing the structure of public service ministries, companies and agencies has become necessary in order to streamline the activities and services provided to meet the needs of stakeholders, internal associates and external customers. Public agencies that are bloated and have overlapping functions cannot be efficient and effective unless they engage in the process of structural reorganization. Downsizing or rightsizing of the structure becomes necessary if the organization is to be successful in the effective delivery of goods and services.

Human resource development is necessary to the achievement of the organization's targets, goals and objectives. Employees must engage in continuous learning and the acquisition of new knowledge, skills, abilities and aptitudes. Theoretical knowledge obtained in the classroom, while necessary, has a life-span and must be supplemented by the ongoing acquisition of knowledge based on current technology, research and findings. Employees must, therefore, keep abreast of global changes with respect to the use and contributions of new technology in the workplace.

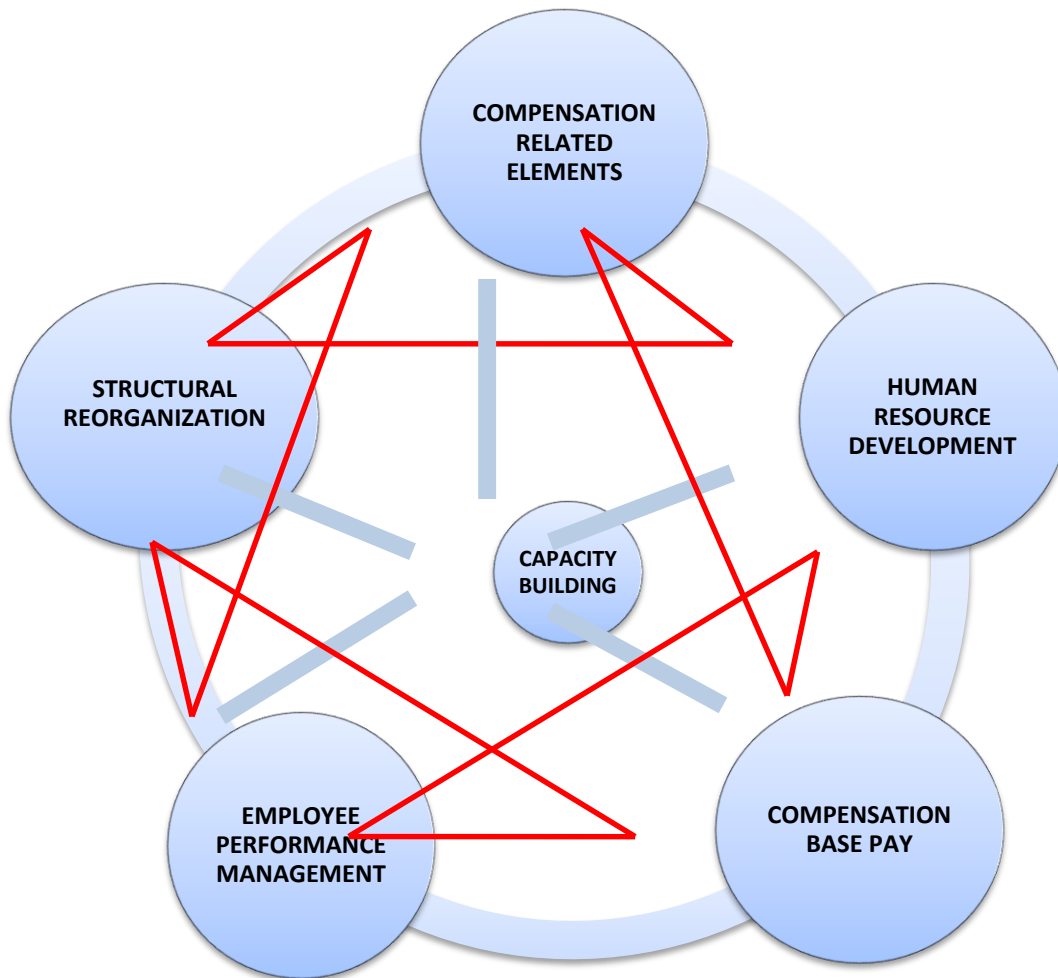
Employee performance management is an important strategic tool that assists management in identifying and measuring the gaps in employee performance. It enables HR professionals to determine the right courses of action to remedy the shortfall in performance and to encourage employees to partner with the organization to enhance their work related performance. Employees can identify training and development programmes that will enhance their performance, while the organization can establish sponsorship and mentorship programmes to enhance subordinates' performance. This partnering between the organization and employee on capacity building initiatives will have a positive impact on organizational success. Sponsorship and mentorship programmes are methods of managing and improving

performance. They can also motivate and boost employee morale. However, employees do look forward to receiving tangible rewards and compensation for services provided and performance improvement.

Compensation and compensation-related elements do play an important role in organizational capacity building, since satisfied employees are motivated to produce. Employees look forward to receiving their base pay, allowances and perquisites since these compensation elements enable them to maintain a certain standard of living. When pay is late, or the organization is unable to meet its labour cost, employees are de-motivated and hence performance level will eventually decrease.

Adequate pay and rewards therefore play a motivating role in employee performance as well as employee retention. However, when the employer and employees cannot reach a consensus on salaries and conditions of service, the employees' representative associations often engage in negotiations with employers on behalf of workers. At those meetings, various factors are taken into consideration, including the state of the national economy, the company's financial standing, the compensation of comparative positions in the wider labour market and the cost of living.

The model clearly indicates a direct impact by the respective elements in both the quality and quantity of capacity building initiatives. However, another important feature of the model is the linkage and interrelatedness of the five components. The implication is that strengths and/or weaknesses in each discrete area (as indicated by red lines in the inner circle of the Capacity Building Model below) would have an effect on each of the others and a resultant cascading and exponential effect on the institutional capacity building outputs.



The Capacity Building Model

Before any government attempts to build the capacity of public service employees to achieve developmental outcomes in this post-NPM era, they should reorganize the structure of ministries, departments and agencies. The way in which the agency operates, or employees' work is organized, will impact on the ability of the public service to be successful in service delivery. Then there is the issue of human resource development to reduce the gap between actual performance and required performance, and a competent employee performance management system to monitor and provide feedback on actual and required performance. Compensation and compensation related issues contribute to employee performance and are integral links in the chain of capacity building. A study done in

Jamaica on "Why Workers Won't Work" revealed that compensation was a motivator of performance. The study revealed that the role of compensation and its related elements in building the capacity of employees to achieve development outcomes was not given sufficient attention. To begin, there was no clear capacity-building definition or model for public service organisations to follow in their quest for goal achievement, although capacity building emerged during the NPM era. While the NPM model made relevant contributions to public sector reform in Caribbean public services, capacity building as an important component of that reform was treated in a piecemeal manner.

The NPM model suggested that political representatives should have greater control over the public purse. Since capacity building would of necessity incur a cost, especially in the area of human resource development, compensation and compensation related elements, developing countries might not have ready access to financial resources to meet that cost. Any acceptance of financial and technical assistance from IDAs would warrant strict accountability giving rise to the perception of diminishing sovereignty on the part of the recipient country. Perhaps what was needed was a view and approach to capacity building that saw it as an investment rather than a cost.

Bearing in mind the importance of compensation in capacity building, what then was an appropriate compensation philosophy for Jamaica and Trinidad's public services? All organizations, whether public or private, with a strategic intent should of necessity have more than one compensation philosophy - a philosophy for top-level managerial officers, another for middle and senior-level officers, and a third for rank and file workers. Employees whose contributions are more valuable to achievement of the end goals of the organizations would require a compensation philosophy which would include the distribution of a percentage of the organizational profits as an incentive. In cases where the organization does not engage in entrepreneurial activities, then a small percentage of the national financial resources should be provided as an incentive. The introduction of varying amounts of special attractive contingency bonuses payable at specified timeframes to top and senior managerial levels, inclusive of across-the-board salary increases, would be a positive influence on employees' motivation levels, and they would then seek to advance their countries' developmental outcomes.

The question to be addressed is – how would a general policy on bonuses fare in the context of mounting debt repayment and global financial crises? Only people whose performance is measured and deemed to have contributed to specified measurable outcomes and targets should receive bonuses. If it is found that governments cannot finance their public servants' bonus bill then some other strategic compensation plan should be devised in collaboration with stakeholders from private-sector agencies. One such plan could be the accumulation of bonus points which could be declared at supermarkets, pharmacies, and utility bill collection agencies. This plan could be used as a source of motivation and might contribute to the capacity-building initiatives in public service organizations.

The pillars of capacity building in Caribbean bureaucracies were, therefore, structural reorganization, human resource development, employee compensation and compensation-related issues relating to the utilization of management consultants. The combination of these pillars contributed to the achievement of development outcomes in Jamaica and Trinidad. The contention regarding the extent to which capacity building advanced developmental outcomes in Jamaica and Trinidad remained a debatable and controversial issue. Important as that issue might have been, the fundamental point to be comprehended was that the indigenous leaders of Jamaica and Trinidad had been engaging in capacity-building processes since independence but were unduly influenced from the 1980s by the dictates of the IDAs and external reform models such as new public managerialism, public choice and international aid theories.

The findings revealed that the IDAs had penetrated the formulation and implementation of policy for the reform process through their influence as key providers of technical and financial assistance. Their acceptance of the external models of public administration reform and the positioning of the principles of NPM in the conditionality requirements suggested that international financial bureaucracies strongly believed that these models of reform were appropriate for the Caribbean. The implementation of NPM principles and practices was premised on the assumption that there was a cadre of people who possessed a range of managerial and technical competencies. Since there had been an emigration of key talent from the region in the period prior to and during the implementation of structural adjustment conditionalities, the manpower to effectively implement the techniques postulated in NPM was noticeably inadequate.

There appeared to be a positive correlation between employee compensation and an organization's ability to obtain competent human resources and, since public service bureaucracies did not normally pay sufficiently competitive salaries and allowances, competent talent from within the local job market could not be easily attracted to take up positions in the public service. Jamaica and Trinidad had no choice but to recruit both local and foreign consultants to assist in the delivery of services. The exorbitant payments made to these management consultants could have been better utilized as incentive payments to top-level public officers over a period of time and they would have acted as motivators of higher productivity levels.

CONCLUSION AND RECOMMENDATION

Public service ministries and departments were in dire need of competent employees. However, in order to attract and retain employees with the necessary expertise to accomplish the strategic organizational outcomes, governments in the English-speaking Caribbean needed to provide adequate salaries, allowances and perquisites. To this end, further research should be undertaken to evaluate the impact which compensation and compensation-related elements had on public servants' motivation and performance levels. Research of this nature would contribute tremendously to the existing body of knowledge on public administration reform in the Caribbean.

While this study did not address the issue of the institutional framework necessary for supporting organizational capacity building, it recognized that there was a need for new legislation in Jamaica and Trinidad to support the implementation and maintenance of systems that affected the capacity of human resources to perform. However, other Caribbean and extra-regional developing countries could draw lessons or transfer policies on structural reengineering, human resource development and compensation management from Jamaica and Trinidad in their attempts to build the capacity of their public services to achieve developmental outcomes.

In the final analysis, the capacity-building model put forward by this study postulates that developmental outcomes will only be advanced if there is appropriate reorganization of structures, human resource development programmes, employee performance management and appraisal systems, attractive compensation packages and compensation related elements in public service organizations. These five components would have a positive impact on capacity-building initiatives in any organization since they form a chain that links the functional operations (i.e. structure) with policy processes (i.e. HRM policies) and the human resource element to produce results for all stakeholders. While it can be argued that these five areas were present in the reform initiatives of the NPM and post-NPM eras in Jamaica and Trinidad, the extent to which they were present is questionable. Systems, procedures and instruments were required, not only to strengthen the five areas in the capacity building model, but also to monitor, evaluate and provide feedback on their contributions to developmental outcomes in public sector organizations.

While the study provided findings on capacity building in Jamaica and Trinidad during the immediate post-independence period, more emphasis was placed

on capacity building in top-level managerial positions during the NPM and post-NPM periods. Recommendations for building the capacity of government institutions came from both the IDAs and domestic governments and organizational success depended in part on the competencies of the human capital. Further research should be undertaken on the nature and extent of contributions which human resource development initiatives have made to the performance of Caribbean public services during the 1980s and 1990s.

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Note: Interviews held over the period 2001 to 2010 with the persons occupying the following positions - Director General Ministry of Finance and Planning, Planning Institute, Jamaica; Professor of Public Administration University of Guyana; Professor Department of Public Administration UWI, Mona, Jamaica; President, Public Service Association, Trinidad and Tobago; President of Public Service Association, Guyana; President Jamaica Civil Service Association, Jamaica; Permanent Secretary Ministry of Finance, Guyana; Director, Policy Planning and Research Personnel Department Trinidad and Tobago; Senior Partner PricewaterhouseCoopers Port of Spain, Trinidad; Senior Development Officer, CIDA, Canadian High Commission Jamaica; Senior Programme Officer, DFID, Jamaica Director Compensation Management, Ministry of Finance, Jamaica; Business Advisers KPMG, Jamaica.