

# Public Appointments: from Patronage to Merit

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### Introduction

Why does merit matter? What are its theoretical underpinnings? How do we define it? When are other factors more important? Why don't we see more of it? How do we increase its use? How do we identify it? What are the implications for governments? These are the questions which this paper addresses.

A new entrant to the debate about patronage and bureaucratic corruption in developing countries is apt to be reminded of the second line of the following couplet from Alexander Pope's *Essay on criticism* (Pope, 1966: 81):

'Nay, fly to Altars, there they'll talk you dead:

For fools rush in where Angels fear to tread.'

The debate conjures up Pope's epigram, I suggest, because so much of it is an exercise in *Schadenfreude* - it is *they*, not *we*, who are guilty - and ineffectual hand-wringing: 'Virtually all forms of corruption are proscribed by virtually all countries. Why, then, don't countries take more steps to reduce corruption?' wails one writer (Klitgaard, 1998: 3), contemplating the sheer ubiquity and intractability of the problem. I cannot hope wholly to avoid the trap myself, though the experience of eight years spent persuading local authority managers in the north-west of England, with only moderate success, to stop discriminating against women, ethnic minorities, gay men and women, and people with disabilities perhaps

confers an immunity to the notion that abuses in staffing are a problem exclusive to developing countries.

I want to discuss one particular manifestation of corruption in the form of abuses in public appointments. Bureaucratic corruption in this context takes one of two forms: where individuals pay money to get a job, either to get in or to get on: this form is brilliantly described by Robert Wade (1989) in his analysis of the system of payment for transfers in a South Indian irrigation agency. The second is a moneyless form of corruption, where officials insert friends, relatives, political supporters and so on into public jobs which, without the official's influence, they would not obtain. Although financial corruption dominates discussion - it is effectively Transparency International's (1999) working definition - moneyless corruption, called 'patronage' here, is important and insidious.

The Human Resource specialist has a useful contribution to make to the corruption/patronage debate, I believe, because the topic stands at a point where the development debate intersects with what we know about 'good practice' in Human Resources. The micro, or individual, -level concerns which are the stock-in-trade of the HR specialist here interact fruitfully with the macro-level concerns of the development writers.

### **Three perspectives on patronage**

This paper is informed by three theoretical perspectives on corruption and patronage, which I should say immediately overlap somewhat in actual writings on the subject. Following Robinson (1998), we can identify two broad perspectives within the development community. The first is that of economics, in which corruption is diagnosed as a species of rent-seeking. Economists tend to favour reducing the opportunities for corruption by reducing the scope of state activity: 'The only way to reduce corruption permanently,' says Gary Becker, 'is to drastically cut back government's role in the economy' (quoted in Galtung, 1998: 123). This implies simply stopping, or at least privatizing, as many government functions as possible. And where staffing is concerned, the UK government has in fact privatized its central recruitment service (the former Civil Service Commission). Other economists locate the root of the problem in the centralization of government

functions in a single agency, allowing officials to maximize bribe income by restricting the supply of a given service to its profit-maximizing level. Less drastically, they call for an increase in competition within government by allowing more agencies to supply the service (Khan, 1996). Again it is possible to see a practical policy counterpart for this theoretical view in New Zealand's devolution of authority for appointments to its line managers (Boston et al., 1996).

The second theoretical perspective is that of political science. From this point of view, corruption is seen as a function of the lack of durable political institutions and political competition, and of a weak and undeveloped civil society (Robinson, 1998). It leads to an emphasis on strengthening institutions, and also on strengthening voice mechanisms (Paul and Sekhar, 1997). Strengthening the institutional arrangements for public appointments has been a pervasive concern, as we shall see: Bolivia provides one example (Reid, 1998). But strengthening voice has perhaps not been.

To these two theoretical perspectives I would like to add a third, from another of the social sciences, psychology, and specifically its organizational branch. With roots in the civil service reforms of the late nineteenth century in the UK and the US, in the 'scientific management' movement and in the development of the psychology of individual difference, both in the early twentieth century, organizational psychology has developed powerful techniques for predicting job performance such as ability tests, assessment centres and also refinements to the traditional panel interview (McCourt, 1999). Its policy counterpart is the use of psychometric selection techniques, with the testing régime favoured by the US armed forces (Campbell, 1990) representing its ultimate refinement, if not its *reductio ad absurdum*.

### **Why merit matters**

Public appointments are often a Cinderella function overseen by superannuated officials put out to grass, and of late many governments have been more preoccupied with shedding staff than with taking them on. But there are at least four reasons why appointments should be an important element in public service reform.

1. *The connection reported in the 1997 World Development Report between merit appointments and bureaucratic capability.* This finding is explicitly linked to the depth of political appointments in government departments.
2. *The importance of merit-based appointment as a plank in an anti-corruption strategy.* Again this connection has been made in the World Development Report. Admittedly, however, it is only now beginning to feature in such strategies.
3. *The well-established correlation between good selection methods and the subsequent performance of staff appointed using them.* This is the third theoretical perspective outlined above. Again this correlation, while very well known among organizational psychologists, is not well known among development practitioners.
4. *The value of a visible merit-based appointment system in strengthening voice.* Paradoxically, citizens probably value merit most in the very countries where pressure to obtain public appointments, in the absence of private alternatives, makes holding the line on merit hardest. A visible merit-based appointment system, where breaches of good practice are self-evident, clearly makes it easier for citizens to hold government to account in this area.

These reasons have been enough to generate some momentum. However, as we have already noted in the case of voice, they are still perhaps not very widely recognized.

### **What is merit?**

We can define merit as ‘the appointment of the best person for any given job’; it is the thrust of the French idea of ‘une carrière ouverte aux talents’. The definition is hoary and uncontroversial, but has four implications which run counter to the practice of many administrations:

**TABLE 1 IMPLICATIONS OF A ‘BEST PERSON’ DEFINITION**

<b>IMPLICATION</b>	<b>CURRENT PRACTICE</b>
a focus on individual jobs at all levels	a focus on the point of entry
the appointee is the best candidate	The appointee is merely able to do the job
posts are open to all eligible candidates	Posts are restricted to certain candidates
the appointment process is systematic,	The appointment process may be arbitrary,

transparent and challengable	secretive and unchallengable
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Thus in a pure merit system all public appointments, from top to bottom, are made following a competition based on merit rules that are publicly understood and can be challenged if a breach is suspected.

### **Exceptions to merit**

Probably no administration operates a pure merit system as defined here. But by definition it is the 'best person' who will provide the best quality of service to the public. The exceptions that follow implicitly assert that providing the best possible service quality is not always government's highest priority. That assertion requires a case by case justification.

1. *Elected officials.* Firstly and obviously, some officials are elected, not appointed.
2. *Political appointments.* Those elected officials may hand-pick some political advisers. There may be relatively many of these (as in the US) or relatively few (as in the UK), but in most cases they should be narrowly confined to senior staff who are working directly to politicians: this poses a challenge to administrations where there are many political cadre posts.
3. *Affirmative action.* Several administrations, including Cyprus, Malaysia and the US, have used 'quotas' and the like in public appointments to speed up the advance of members of a disadvantaged group, such as women or certain ethnic groups (the Turkish minority in Cyprus, the indigenous majority in Malaysia). A closely specified quota system can have democratic legitimacy, but alternatives which preserve merit are possible.
4. *Internal appointments and transfers; local managers' discretion.* Most administrations have restricted certain promotion posts to existing staff in order to minimize transaction costs and to provide career development opportunities (the 'mandarin system'). In the same way, local managers may have discretion to make some appointments.

5. *Other appointments: succession plans, secondments, temporary 'acting up', reallocation of duties, sub-contracting to employment agencies etc.* These are other ways in which administrations customarily fill some individual jobs.

It is probably reasonable that merit should be overridden in some such cases: it would be perverse, for instance, to abolish in the name of fairness a transfer system which was introduced to minimize corruption. But, with the obvious exception of elected officials, there should still be a commensurate procedure which preserves merit as far as possible. This should preferably represent a minimal adaptation of the normal procedure so that the problem of double standards does not arise. It cannot be right, for instance, that in a 1985 survey 89% of Trinidad's public servants did not know how they had been assessed in their last staff appraisal, and that 31% of them did not even know when it had been written (Brown, 1998). However, the above factors are often in tension with the merit principle, requiring difficult judgements in particular cases.

### **Obstacles to merit**

There are of course circumstances in which merit is flouted rather than overridden and where the simple need is to bolster it. One is financial corruption: Wade's (1989) analysis of the sale of transfer posts in an Indian irrigation agency, already cited, illustrates this very well. But I assume that readers already have some familiarity with the corruption debate (if not, Robinson's recent collection (1998) is an excellent introduction), and so I confine myself here to the distinctive twist which public appointments give to it, before moving on to three other issues.

*Political patronage (clientelism) and nepotism.* Financial corruption, while common, is usually covert because it is widely disapproved of. But in many countries the 'patron' can present himself or herself as a social altruist, discharging an obligation to political supporters, family members and others. Thus nepotism is 'morally obligatory' in Nepal (Kondos, 1987: 18); or, as Chicago's former mayor, Richard Daley, once put it 'It's a father's duty to help his sons!' (quoted in Clark, 1994: 131). This makes it harder to eradicate: as Jain and Dwivedi (1990) have pointed out in India, those kinship and other ties often have a stronger pull than allegiance to what they call the 'upstart state'. However,

appointments on the basis of either kinship or money will have equally negative consequences for state performance. Anti-patronage rules and a better definition of merit (see below) have a part to play here.

*Discrimination.* It is a damaging irony that governments that have gender issues at the heart of their policies may discriminate against women, consciously or unconsciously, when they appoint their own staff. The same can be true of other disadvantaged groups such as ethnic and religious minorities. Appointment practices should be 'audited' to remove institutional discrimination.

*Definitions of merit.* A faulty definition of merit may facilitate corruption. Firstly, if merit is defined to mean merely 'able to do the job', and there are many candidates thus able, selectors can exploit the resulting ambiguity to appoint their (barely able) relative or supporter in preference to an another (outstandingly able) candidate. It will be harder for a patron to insert a client into a job where knowledge and skill requirements are precisely specified than into one where they are left vague.

*Politicization.* Merit gets a bad name if it is politicized. In South Africa it has become identified, especially in the run-up to the presidential election in 1999, with a desire to preserve the position of Whites in the public service. In the UK in the mid-1980s central government used it as a stick to beat local authorities, citing a taste for political appointments which, in the eyes of many observers, central government itself shared.

### **Making merit stick: Institutional arrangements for selection**

We move now to the institutional arrangements which a political science perspective emphasizes. Where the merit principle is ingrained and is policed by professional peer pressure, the role of institutional arrangements can be downplayed. (In modern management-speak, culture is performing some of the functions of structure: see Peters and Waterman, 1982.) Thus in the UK the central recruitment function has actually been privatized and all operational functions have been devolved to line departments. The case for other countries to go at least some distance down the same road has been forcefully argued (Polidano and Manning, 1996).

But where merit has only a precarious toehold, a central agency such as the Service Commissions of the Commonwealth and its associated countries may be appropriate.

### **BOX 1      PUBLIC APPOINTMENTS IN NEPAL: IF IT AIN'T BROKE, DON'T FIX IT**

In a country where nepotism is rampant, Nepal's Public Service Commission (PSC) offers a model of how such an agency may be set up. Its constitutional status makes it independent of politicians. Its commissioners, appointed by a committee whose members include the prime minister, the leader of the largest opposition party and the chief justice, have a term of office which is separate from the electoral cycle.

The PSC, of which Nepal's citizens are justifiably proud, is a stable institution with an unbroken history going back to 1956. Interestingly, Nepal has resisted donor suggestions to tinker with its structure by devolving or even privatizing recruitment (which would have met the economists' requirements which we presented earlier), mindful that an earlier donor-inspired devolution had turned the public enterprises into a patronage playground. Improving recruitment quality and responsiveness is probably best dealt with within the existing structure.

*Source:* McCourt, 1998.

Thus managerial devolution, which features prominently in the New Public Management (NPM) model of public service reform, may not be appropriate in at least some developing countries. However, other institutional arrangements can also be considered, such as:

- *legal provisions:* hence, for instance, Poland's perseverance with the drafting of a civil service law through several changes of government (Hesse, 1996)
- *separation of political and administrative spheres* (Verheijen and Dimitrova, 1996)
- *setting up an 'elite' senior service:* as in Argentina (Reid and Scott, 1994)
- *drawing up an internal code of conduct*



Such institutional arrangements will not abolish patronage overnight; indeed they are constantly threatened by the very pressures that they seek to contain. But the evidence of countries like Nepal and Singapore (Guan, 1997) is that their persistence at least establishes a zone which can be used as a base for extending the influence of merit. To that extent the political science emphasis on the importance of institutions is borne out.

### **How to identify merit**

But only to that extent. Both macro- and micro-issues are important in selection: there is little point in having elaborate institutional arrangements if the content of the selection process is unimproved. Merit is not self-evident, and justice must be seen to be done. Administrations often give effect to these truisms through a system of university-style competitive examination (as in Pakistan and Korea), or by scrutinizing educational qualifications (as in Singapore). Such methods meet the economists' requirement of competition and are commended by the World Bank (1997) on that ground. They are also fair and tend to command public confidence. But they do not recognize merit, because the link between what is tested and the requirements of work is weak: one meta-analysis found a correlation of only 0.10 between qualifications and job performance (Schmidt and Hunter, 1977).

It is at this point that the psychological perspective is relevant. But there are problems here too. The sophisticated commercial selection tests widely used in Western countries which are the jewel in the psychometric crown are not available for sale in most developing and transitional countries, and recreating them would require a critical mass of organizational psychologists which very few developing countries possess. Moreover, such methods would not be justified for the bulk of public appointments, including manual appointments (manual and senior professional jobs are equally important in this context). Fortunately other methods, both valid and practicable, are available: good practice is not the preserve of the well-heeled. In the light of research and organizational practice, a good appointment procedure will have these eight elements:

- *a job analysis* leading to a written statement of the duties of the job (the job description) and the knowledge and skills which the jobholder will need (the person specification)

- *an advertisement disseminated to eligible groups*, including a summary of the job analysis
- *a standard application form*
- *a scoring scheme* based on the person specification
- *a shortlisting procedure* to reduce applications, if necessary, to a manageable number
- *a final selection procedure* based, again, on the person specification, and including a panel interview
- *an appointment procedure* based on the scoring scheme
- *notification of results* to both successful and unsuccessful candidates

An ‘assessment centre’ procedure, comprising a number of selection methods which include an interview and written or oral activities as appropriate, remains the gold standard of public selection. It is used in several countries which have borrowed from the UK model. But many separate recent research studies combine to show that the validity of the maligned panel interview can match that of the assessment centre, provided that it is structured; based on job analysis; conducted by trained interviewers; and culminates in an appointment which reflects panel members’ independent scores (Conway et al., 1995). However, using at least a second method at the final stage gives a different, and sometimes corrective, view of the candidate.

Finally, copies of relevant documentation should be retained for a short time, so that reasons for appointment and rejection are to hand if decisions are challenged (thus giving some recognition to voice). Documentation is also useful for giving feedback to unsuccessful internal candidates for development purposes. All of this can be reinforced by a widely disseminated written ‘code of practice’, and by training for selectors.

### **Evaluating perspectives on corruption and patronage**

Thus this paper advances the view that in the area of public appointments, the recommendations of economists to abolish public appointments, or to privatize them where abolition is unfeasible, and to introduce unfettered competition, have to be heavily qualified. Privatization and devolution may be appropriate to some industrialized countries, though the debate on the privatization of the former Civil Service Commission in the UK shows

that opinion is not unanimous even there (Chapman, 1998; McCourt, 1998b). But there is evidence from Nepal, from Ghana (Larbi, 1998) and anecdotally from my own experience in Tanzania, that devolution of a centralized staffing function in developing countries can increase opportunities for corruption rather than decrease them as the economists' argument holds (see also Nunberg, 1995). There appears to be little evidence for the opposite view.

There is less difficulty with what I have characterized as the political science perspective, which emphasizes the importance of institutional arrangements as opposed to institutional dismantling. For instance, the separation of the political and administrative spheres, especially in the transitional countries of eastern and central Europe (Verheijen and Dimitrova, 1996; see also Hope, 1985), is surely a worthwhile step to take. The fact that insulating most appointments from the involvement of politicians contradicts principal-agent theory in economics, as Horn (1995) has pointed out, is not a reason to avoid taking this step. The experience of Sri Lanka is also indicative: at the time of writing it was laboriously seeking to restore the independence of its PSC after a period where requiring it to report directly to the Cabinet had turned it into a political football (Mccourt, 1998a). Moreover, the recent emphasis on the importance of strengthening voice mechanisms is very relevant to procedures for making public appointments.

But the political science perspective has nothing to contribute to the actual quality of public appointments. Here it is the psychological perspective which has something to offer. The paraphernalia of occupational testing and assessment centres, debates about which tend to preoccupy academic organizational psychologists, may be impractical, but I suggest that the simpler model of selection outlined in this paper is an appropriate technology which has a sound basis in research.

Economics, then, can do little to move us from patronage to merit, political science and psychology somewhat more through their respective stress on institutional arrangements and the actual practice of selection. But I want to emphasize again that the mechanical application of my recommendations will not be enough to abolish patronage overnight. As Pope maintains in the line that follows the couplet quoted at the start of this paper, 'Distrustful sense with modest caution speaks.' Moreover, we have, as it were, stepped

outside the main corruption debate to analyze one manifestation of corruption in detail. There is still a need to reconnect that analysis to the main debate to get the pay-off.

### **Conclusion: What should governments do?**

Speaking, I hope, with the requisite amount of ‘modest caution’, the implication of my analysis is that governments should think seriously about taking these steps:

- determine what merit means to them
- be clear about the circumstances in which it is not appropriate
- be clear about the nature and strength of the forces which oppose it
- audit existing practices to remove institutional discrimination
- establish appropriate institutional arrangements and ‘voice’ mechanisms
- establish good practice selection procedures

Of course the merit practices outlined here are by no means universal in industrialized country governments and private companies, as surveys of actual selection practice have shown again and again (McCourt, 1999). Moreover, appointments are not made in an organizational vacuum, being affected by the general climate and practices which surround them; and, as in so many other areas of development administration, our knowledge of how governments actually operate in this area is very patchy indeed. All that said, strengthening appointment on merit does appear to be one simple, powerful, yet neglected way in which governments can both improve their effectiveness and reduce the incidence of corruption and patronage.

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