

UNIVERSITY OF CAPE COAST

ASSESSING ORGANISATIONAL PERFORMANCE IN GHANAIAN PUBLIC
SECTOR: THE CASE OF INFORMATION SERVICES DEPARTMENT IN
CAPE COAST

BY

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DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research work and that no part of it has been presented for another degree in this university or elsewhere.

Candidate Signature Date:

Name: Samuel Koomson

Supervisors' Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature Date:

Name: Dr. Cynthia SenaKpeglo

ABSTRACT

The study assessed organisational performance in Ghanaian public sector especially ISD with specific reference to Cape Coast. The study used descriptive survey as its design and used the census method to select all 18 staffs for regional and metropolitan offices in Cape Coast as the sample size for the study. The researcher employed a self-administered questionnaire to collect data for the study which helped to produce 100% retrieval rate. The questionnaire was made up of 22 items. The 22 items on the questionnaire were grouped into four sections which were all in line with the research objectives. The data collected were analyzed quantitatively using descriptive statistics and frequencies of SPSS version 20. Findings revealed that indeed ISD is faced with structural inadequacies which have led to drastic shortfall of contracts from both government agencies and private sector. It is recommended that ISD should be resourced with modern public address systems, new mobile cinema vans, modern office equipment associated with regular and speedy internet access, and regular and adequate funds for operations as well as repairs and maintenance works. Also, the state should give preference to ISD when awarding contracts on publicity, publishing, and broadcasting.

KEY WORDS

Organisational Performance

Information Services Department

Service Delivery

Public Sector Organisations

Ghana

Cape Coast

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DEDICATION

To my siblings,

Eric, Alfred, Abigail

TABLE OF CONTENTS

	Page
DECLARATION	ii
ABSTRACT	iii
KEY WORDS	iv
ACKNOWLEDGEMENTS	v
DEDICATION	vi
LIST OF TABLES	x
LIST OF FIGURES	xi
LIST OF ACRONYMS	xii
CHAPTER ONE: INTRODUCTION	
Background of the Study	1
Statement of the Problem	1
Purpose of the Study	5
Research Objectives	5
Research Questions	6
Significance of the Study	6
Delimitations of the Study	7
Limitations of the Study	8
Organization of the Study	8
CHAPTER TWO: REVIEW OF RELATED LITERATURE	
Introduction	9

Theoretical Review	9
Empirical Review	11
Conceptual/Theoretical Framework	36
CHAPTER THREE: RESEARCH METHODS	
Introduction	61
Study Area	61
Research Design	62
Population of the Study	63
Sample and Sampling Procedure	63
Research Instrument	64
Validity and Reliability of Instrument	64
Data Collection Procedure	65
Data Analysis Procedure	66
CHAPTER FOUR: RESULTS AND DISCUSSION	
Introduction	67
Background Information	67
The Extent of Structural Problems in ISD	69
Causes of Structural Problems in ISD	71
The Extent to Which the Structural Problems Have Affected Efficient Service Delivery	73
Specific Measures to Ensure Efficient Service Delivery in ISD	75

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND

RECOMMENDATIONS

Introduction	79
Summary of the Study	79
Conclusion	81
Recommendations	82
REFERENCES	84
APPENDIX	96
A:Questionnaire	96

LIST OF TABLES

Table		Page
1	Public Organisations Versus Private Organisations	12
2	Categories of Respondents	64
3	Age (years)of Respondents	67
4	Gender Status of Respondents	68
5	Level of Educational	68
6	The Extent of Structural Problems in ISD	71
7	Causes of Structural Problems in ISD	73
8	The Extent to Which the Structural Problems have Affected Efficient Service Delivery	75
9	Specific Measures to Ensure Efficient Service Delivery in ISD	78

LIST OF FIGURES

Figure		Page
1	Locke's Theory of Goal-Setting	11
2	Conceptual Framework of Efficiency and Effectiveness	38
3	The Triangle of Performance	38
4	Correction of a Negative Externality	46
5	Optimal Size of Public Sector	51
6	Technical and Allocative Efficiency	57

LIST OF ACRONYMS

AC	Average Cost
CO ₂	Carbon Dioxide
CRS	Constant Returns to Scale
DEA	Data Envelopment Analysis
DVLA	Driver and Vehicle Licensing Authority
ETS	Emission Trading System
EU	European Union
FDH	Free Disposable Hull
GDP	Gross Domestic Product
GNA	Ghana News Agency
GRA	Ghana Revenue Authority
ICT	Information Communication Technology
IMF	International Monetary Fund
ISD	Information Services Department
IV	Instrumental Variable
MC	Marginal Cost
MCVs	Mobile Cinema Vans
MMA	Metropolitan, Municipal and District assemblies
MR	Marginal Revenue
OECD	Organisation for Economic Co-operation and Development
OLS	Ordinary Least Square
PASs	Public Address Systems

PSE	Public Sector Efficiency
PSP	Public Sector Performance
SFA	Stochastic Frontier Analysis
SPSS	Statistical Product for Service Solution
TMOI	Total Municipal Output Indicator
VRS	Variable Returns to Scale

CHAPTER ONE

INTRODUCTION

Background to the Study

Businesses exist to meet the needs and wants of society. A business is any activity that seeks to make profit by providing goods and services to others (Nickels, McHugh, & McHugh, 2009). Businesses use inputs from the environment and transformed them into outputs such as food, clothing, housing, medical care, transportation as well as other things that add meaning to human existence (leisure and recreation). There are different types of business organizations: private organisations and public organisations. The former is interested in making monetary gains for its owners (shareholders), while the latter seek to serve the interest of the state and citizenry at large (Mihaiu, Operana, & Cristescu, 2010).

Public organisations are monopolies that serve the interest of the citizenry and are driven directly or indirectly by politicians. State organisations as they are popularly called, are more rigid due to the process of decision making and implementation. Unfortunately, public organisations are sometimes poorly funded more or less (Mihaiu et al., 2010) and this may affect their efficiency levels.

There are numerous reasons that emphasize the need for public sector efficiency: government expenditures are found to have negative effect on economic growth hence government should focus on lowering spending and accomplishing more with fewer resources; difficulties in collecting revenues; and excessive borrowing from developed countries (Afonso, Schuknecht, & Tanzi, 2006). As a result, international organizations such as the World Bank and the

International Monetary Fund (IMF) “often express concern about governmental activities that they consider inefficient or unproductive” (Tanzi, 2004, p. 2).

The purpose of this study is to assess organisational performance in Ghanaian public sector using Information Service Department (ISD) as study area. The study organisation was chosen due to the significant role it plays in the country by being the governments’ major public relations organisation both locally and abroad (<http://ghana.peacefmonline.com/ghana/ministries/moi/>). The concept of organisations performance is theoretically under-pinned on the goal-setting theory of motivation. This is because performance standards are antecedent situations in the employee’s work environment and goals are performance levels which individuals and organizations have agreed upon as performance standards.

Statement of the Problem

Organisational performance as a measure of how efficiently and effectively managers use resources to satisfy customers and achieve organisational goals. To buttress, Jones (2005) suggests that these two overriding issues of efficiency and effectiveness are employed in the measurement of performance in every organization, where efficiency measures how well resources are used to achieve goals, while effectiveness connote the measure of the appropriateness of the goals that managers have selected for the organisation to pursue, and of the degree to which the organisation achieve these goals. Therefore, employee efficiency and effectiveness links organisational performance. Public sector efficiency can be

defined as its ability to produce the current level of public output with minimal use of inputs (Mihaiu, Opreana, & Cristescu, 2010).

“Public sector organizations perform poorly in many developing countries; in some cases, they barely function at all. Poverty, economic crisis, corruption, and political instability afflict some countries so much that basic conditions of security and order have disappeared; states have literally collapsed, and along with them, the organizations charged with carrying out routine and development-oriented functions.’ In other cases, economic crisis, budget austerity, and poverty have caused public offices to crumble into disreputable slums and public sector morale to decline to unprecedented levels. In some situations, public officials report to work sporadically to collect even more sporadic pay-checks that, in any event, provide family subsistence for only a few days. In still other cases, public officials without meaningful work sit listlessly in offices bereft of pencils, telephones, and light bulbs. Incentives are often perverse; many officials spend their days shuffling papers and inventing ways to obstruct the public’s business. Pervasive corruption and rent-seeking characterize many public sectors around the world, but the crisis of the state is clear when even well-intentioned public officials find it extraordinarily difficult to attend to the public good. Clearly, the widespread existence of such situations calls attention to the need for changes to increase the efficiency, effectiveness, and responsiveness of the public sector especially developing countries” (Grindle, 1997, p. 481).

Empirical research on public sector efficiency or performance can be grouped into three: overall public sector efficiency (Adam, Delis, & Kammass,

2011; Afonso, Schuknecht,&Tanzi, 2005; Afonso, Schuknecht,&Tanzi, 2006; Lovell, Pastor, & Turner, 1995; Mihaiu et al., 2010; Pedraja-Chaparro, Salinas-Jiménez, & Smith, 2012 among others), efficiency of municipalities (Afonso&Fernandes, 2006; Ashworth, Geys, Heyndels, &Wille, 2013; De Borger, Kerstens,Moesen, &Vanneste, 1994; Geys&Moesen, 2008; Hauner, 2008; Sampaio de Sousa &Stošić. 2005; Štastná&Gregor, 2011 among others), and efficiency of specific sectors of government (Afonso&Aubyn, 2005; Aristovnik, 2011; Grindle, 1997; Gupta &Verhoeven, 2001; Hauner&Kyobe, 2010; Hsu, 2012; Lavado&Cabanda, 2009; Obadić&Aristovnik, 2011; Jafarov&Gunnarsson, 2008; Owusu, 2006b: Owusu, 2006c among others).

Grindle (1997, p. 488) argued that poor performing organisations do not possess ‘organisational mystique’. That is, society regards such organisations as incompetent, unrespectable, and full of political influence. “Bureaucracies in many poor countries suffer from low capacity, often donot deliver effective services, and are frequently staffed with poorly trained, poorly remunerated and poorly motivated public servants” (Grindle, 2003, p. 91).

In Ghana, Owusu (2006b; 2006c) found that poor performing organisations have bad incentive systems and poor recruitment criteria. Unfortunately, Owusu found ISD to be part of the poor performing public organisations.

Similarly, complaints has been made about the deplorable conditions of the audio-visual centre and cinema sections of ISD which has led to a drastic shortfall of contracts from both government agencies and private sector. These two centres lacked modern machines to carry out works thereby making it unattractive to

potential clients. Consequently, calls have been made for the repair of broken cinema vans of some districts and the employment of more staff, especially for the district offices, as some of the employees of ISD had abandoned their posts (Ghana New Agency, 2012)

Due to the crucial role of ISD plays in Ghana, a study to assess its performance is imperative hence the need for the study. In addition, scant literature exists in this area especially in Ghana (Owusu, 2006b; 2006c). This study therefore seeks to bridge the gap in literature by assessing organisational performance in Ghanaian public sector: the case of ISD in Cape Coast.

Purpose of the Study

The purpose of the study is to assess organisational performance in Ghanaian public sector using ISD as study area.

Research Objectives

The specific objectives of this study are to:

1. examine the extent of structural problems in ISD;
2. assess the underlying causes of these problems;
3. investigate into the extent to which the structural problems have affected efficient service delivery in ISD; and
4. explore employees' perceptions on the specific measure that can be implemented to ensure efficient service delivery in ISD.

Research Questions

The following were the research questions considered:

1. What is the extent of structural problems in ISD?
2. What are the underlying causes of these problems?
3. What is the extent to which ISD's structural problems have affected efficient service delivery?
4. What are employees' perceptions on the specific measures that can be implemented to ensure efficient service delivery?

Significance of the Study

The present study is deemed critical because prior studies on public sector organisations have not addressed the issue of efficiency and performance on such an important entity as Information Services Department, Ghana's major public relations organisation both locally and abroad. Therefore, the study is expected to increase knowledge and provide up-to-date information on performance of public sector organisations in general and ISD to be precise. The findings could make inputs into the success and sustainability of public organisations, specifically ISD and provide useful ideas to better enhance information service delivery at the district, regional, national and even overseas. Again the outcomes this research would enable ISD to equip its partners, other sector players, citizens and communities to engage with sector information service providers and policy makers in providing regular, timely, relevant, accurate, completed, detailed and reliable information locally. This will enable ISD and partners to contribute to the

development of sector governance. Finally, this study highlights factors that improve efficiency in ISD and adopt potential lessons that could help improve productivity in other state-owned institutions.

Delimitations of the Study

The scope of public sector is broad, covering international, continental, national, regional and metropolitan/municipal/district levels. In view of this, the study was confined to public sector organisations in Ghana with specific reference to Information Services Department. Subsequently, the study was confined to Cape Coast in the central region of Ghana.

Complaints has been made about the deplorable conditions of the audio-visual centre and cinema sections of ISD which has led to a drastic shortfall of contracts from both government agencies and private sector. These two centres lacked modern machines to carry out works thereby making it unattractive to potential clients. Consequently, calls have been made for the repair of broken cinema vans of some districts and the employment of more staff, especially for the district offices, as some of the employees of ISD had abandoned their posts (Ghana News Agency, 2012). Therefore, there is the need to determine if the general impression is same in Cape Coast.

Limitations of the Study

Every research has limitations and this particular one is no exception. Financial difficulty and time constraints limited the researcher to narrow study to Cape Coast (in the central region of Ghana). Hence, the limited sample size was a caveat. The work can be extended to cover other areas within the region (like Agona Swedru, Twifu-Praso among others) or better still two or more regions in the country so as to increase the number of respondents. Also, since this study was confined to regional and metropolitan offices of ISD in Cape Coast, findings cannot be generalised beyond this jurisdiction.

Organisation of the Study

This entire study is organized into five main chapters. Chapter One presents the introductory and background information of the study, statement of the problem, research objectives, significance of the study, delimitation, limitations and organization of the study. Chapters Two and Three review various literatures relevant to this research and describe the research methods of the study. Chapter Four details the data analysis, results and discussions while Chapter Five finalizes the report with the summary, conclusions and recommendations of the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Introduction

This chapter broadly covers theoretical review, empirical review, and conceptual or theoretical framework. The theoretical review explains Locke's theory of goal-setting and how the theory frames the study by relating it to variables or factors like performance, efficiency and effectiveness in public organisations. Then, empirical review documents the results of other studies that are closely related to organisational performance in the public sector as well as identifying the gaps, misinterpretations, contradictions or errors in such studies. Last but not least, the conceptual or theoretical framework shows the researchers' idea on how efficiency or performance in public sector will be explored. It dwells on time tested theories that embody the findings of numerous investigations on how phenomena occur.

Theoretical Review

Goal-setting theory and performance

The concept of organisations performance is theoretically under-pinned on the theory of motivation. There are several motivational theories: Maslow's needs hierarchy theory, Herzberg's two-factor theory, expectancy theory, goal-setting theory, McClelland's needs achievement theory among others. (Bateman & Zeithaml, 1993; Inyang, 2008b; Kreitner, 1998). Of all these theories, the goal-setting theory fits the organisational performance concept best. The reason being

that, performance standards are antecedent situations in employee's work environment. Goals are performance levels which civil and public servants and public organisations have agreed upon as performance standards. Philosophically, the goal-setting theory is based on the assumption that people have conscious goals that energized them and direct their thought and behaviour toward one end (Bateman et al., 1993). Civil servants obtained the positions they are today because they were goal-oriented. Many organizations (especially public organisations) have been turned into empires and conglomerates because they are/or were goal-oriented. Lessons from researchers in goal-setting theory show that properly conceived goals trigger a motivational process that improves organisational performance (Locke, 1981). A general goal-setting model has four components: goal, motivation, improved performance and feedback on performance as shown in figure 1. Goals motivate by directing employee's attention, encouraging effort, encouraging persistence and fostering goal attainment strategies and action plan. For there to be a performance, there must first be a goal-setting in organisations (Esu&Inyang, 2009). The combination of goal difficulty and the extent of the person's commitment to achieving the goal regulate the level of effort expended. People with specific quantitative goals, such as a defined level of performance or a given deadline for completion of a task, will perform better than people with no set goal or only a vague goal such as 'do the best you can'. People who have difficult goals will perform better than people with easier goals (Mullins, 2010).

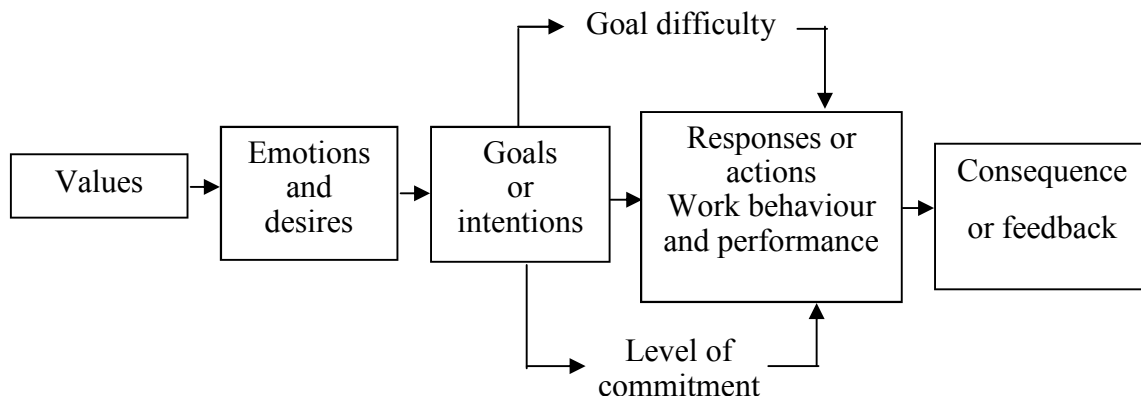


Figure 1: Locke's theory of goal-setting, Source: Mullins (2010), p. 277

Empirical Review

Empirical research on public sector efficiency can be divided into three categories. The first one is the analysis of overall public sector efficiency(international basis. The second category is the analysis of efficiency of municipalities. Finally, most of the studies of government efficiency focus on specific sectoranalysis, mainly health care and education sectors.

Efficiency in overall public sector

A great number of studies have been written regarding comparison of efficiency of public and private institutions (Mihaiu et al., 2010; Pedraja-Chaparroet al., 2012). This is deemed appropriate due to the significant differences between the two sectors as seen in table 1.

Table 1: Public Organisations Versus Private Organisations

<ul style="list-style-type: none"> • Are usually monopolies 	<ul style="list-style-type: none"> • Operating on competitive markets
<ul style="list-style-type: none"> • Serve the citizens 	<ul style="list-style-type: none"> • Maximize the investments' profit
<ul style="list-style-type: none"> • Are driven directly or indirectly by politicians, which should reflect the interest of the citizens 	<ul style="list-style-type: none"> • Leaders of companies are responsible to shareholders, to the boards; they seek profit maximization
<ul style="list-style-type: none"> • State organisations are more rigid due to the process of decision making and implementation 	<ul style="list-style-type: none"> • Are more flexible, easier to manage because the decision is taken by a single leader
<ul style="list-style-type: none"> • Distribute, redistribute and regulate resources 	<ul style="list-style-type: none"> • Produce and distribute resources
<ul style="list-style-type: none"> • Are sometimes poorly funded, more or less 	<ul style="list-style-type: none"> • Are financed under its productivity or if investment decision is feasible
<ul style="list-style-type: none"> • Citizens are often poorly informed about suspicious of government 	<ul style="list-style-type: none"> • Investors and shareholders are well informed and the on-going activities of the company and the market evolve

Mihaiu et al. (2010, p. 23).

In addition, Pedraja-Chaparro et al. (2012) identified that absence, or near absence, of market; multiple objectives such as efficiency and equity; diversity of principals that need to be satisfied, for example politicians, users and public; absence of markets making it is difficult to measure public output; and finally, absence of entry and exit option, in the sense that inefficient producers will be punished were unique characteristics of the public sector.

Regarding sector efficiency, Rahmayanti and Horn (2011) analysed public sector efficiency over three sectors; education, health and infrastructure, but also

combined the three sectors and provide overall efficiency estimation. In the same way, Angelopoulos, Philippopoulos and Tsionas (2008) measured government efficiency over education, administration, infrastructure and stabilisation but also provide overall efficiency estimation over the four sectors.

Afonso, Schuknecht and Tanzi (2005) conducted an analysis of overall public sector efficiency for 23 Organisation for Economic Co-operation and Development (OECD) countries for 1990 and 2000. The study revealed disparities in public performance and efficiency among countries. To analyse performance, authors use Public Sector Performance (PSP) and Public Sector Efficiency (PSE) indicator. However, since PSE indicator provides only partial information on efficiency, a non-parametric Free Disposable Hull (FDH) analysis is also used. Main finding of the study indicated that most of the countries spend more than they should and need. On average, the countries could attain the current level of public output with around 80% of inputs currently being used. On the other hand, from an output perspective, with the current level of government spending, countries could attain 15% more public output. Analysis also shows that countries with small governments, report better results in performance and efficiency than big governments. This might be due to certain characteristics of small governments such as fewer policy induced distortions, lower tax burden, stronger impact of market forces and the absence of crowding out effects that distort incentives for capital formation (Pevcin, 2004).

They confirm this finding in their studies on analysis of public sector performance and efficiency of 24 emerging economies. Afonso, Schuknecht and

Tanzi(2006) again used PSP and PSE indicators with exception that, due to the lack of data, six sub-indicators were used for the construction of PSP. Novelty of this research project as opposed to one previously summarized, is that Data Envelopment Analysis (DEA) is used to determine efficiency of emerging economies. Input efficiency results suggest that countries could accomplish same level of output with 45% less public spending, while output oriented efficiency analysis suggest that countries are only delivering around 67% of the output. Emerging markets in Asia are performing rather well with significant performance in administration, education, economic stability and growth, compared to diverse efficiency across new MS (the 'new MS' stands for Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic, and Slovenia. The new MS show significant performance in education and distribution, and weak economic performance and efficiency of spending on stability. Tobit regression extends the analysis to identification of non-fiscal determinants of public sector efficiency using efficiency scores from DEA as the dependent variable. Security of property rights, per capita gross domestic product (GDP), competence of civil servants and educational level of the population have positive effect on public sector efficiency.

However, the data coverage in this study is rather questionable. For certain categories of government spending such as total government spending, transfers and subsidies, and interest payments, average over the period 1999-2003 is used while for other categories, such as government spending on education and health, average over the periods 1998-2001 and 1998-2002, respectively, is used.

The same situation emerges in case of the socio-economic variables used in the construction of the PSP indicator. This diversity of data coverage is one of the main shortcomings of the analysis.

Efficiency of provision of government services in achieving high level of real GDP per capita, a low rate of unemployment and inflation, and a positive trade balance is analysed by Lovell, Pastor and Turner (1995). They use a sample of 19 OECD countries, with data covering the period 1970-1990. Data DEA identifies Switzerland, Sweden, and Germany as the most efficient countries. However, even the authors are aware of the deficiencies of their analysis. The deficiency arises from the fact that “countries which attach relatively high weights to objectives other than specified (in the model) are penalized by our omission of such objectives” (Lovell et al., 1995, p. 516). Golany and Thore (1997) overcame this problem by analysing the efficiency of government in pursuing both, the economic and social objectives. The study uses a sample of 72 developed and developing countries, over the period of 1970-1985. Using DEA, authors draw three distinct conclusions. Japan, Canada, and the US are in the group of efficient countries with constant returns to scale, meaning that the increase of public inputs in these countries results in equal increase of public outputs. On the other hand, United Kingdom, Scandinavian countries, Australia, and New Zealand are inefficient countries with decreasing returns to scale, an increase of inputs causes a less than a proportional increase of outputs. The authors refer to these countries as being ‘mature’, meaning that the additional efforts to improve the analysed public services results in decreasing marginal

returns. The average efficiency score of these countries is 0.765, suggesting that they can obtain the current level of public output with almost 24% less public spending. Finally, developing countries were referred to as the 'young' countries, which, although inefficient, experience increasing returns to scale. The marginal returns of investments on for example: health, education, and welfare, in these countries were increasing. Developing countries could attain the current level of public output with approximately 77% of inputs that they were currently using.

The efficiency of 14 OECD countries were also analysed by Adam, Delis and Kammas (2011) over the period 1980-2000. They used a three stage analysis which was originally developed by Fried, Lovell, Schmidt and Yaisawarng (2002, p. 164) in order to obtain "evaluation of producer performance couched solely in terms of managerial efficiency, purged of the effects of the operating environment and statistical noise". In the first stage, DEA was used. Since DEA treats every country in the same way, Stochastic Frontier Analysis (SFA) was used in the second stage to separate government efficiency from the impact of macroeconomic conditions and luck. Using adjusted inputs that result from the second stage, DEA was repeated. However, comparison of the results obtained from stage one and three shows no significant differences, allowing general conclusion that "luck and superior socioeconomic environments appear to be less important than sound governance" (Adam et al., 2011, p. 174). Tobit analysis was used to analyse political determinants of public sector efficiency. Democratic participation, strong political leadership, right wing governments, and fiscal decentralization had a positive influence on the efficiency of public sectors.

Angelopoulos et al. (2008) used PSP and PSE indicators as well as SFA in their investigation of public sector efficiency of 64 countries over four five-year periods during a time span of 1980- 2000. Switzerland was the most efficient country in the sample with possible government spending reduction of nearly 4% while the least efficient Yemen could attain the current level of public output with roughly 71% less public spending. In general, OECD countries are more efficient than the developing countries. Although PSE indicator is only a partial measure of government efficiency, authors conclude that countries rankings do not change substantially with the employment of SFA. Using PSE results for 51 countries from the work of Angelopoulos et al. (2008), Hwang and Akdede (2011) analysed the impact of governance quality on public sector efficiency. The quality of governance was measured with two variables; control of corruption and government effectiveness. Three-Stage Least Square method showed that both variables bear a positive sign leading to a general conclusion that higher level of governance quality increases public sector efficiency.

Henderson and Zelenyuk (2007) use basic DEA model as well as its advancements to analyse efficiency of 52 developed and developing countries in 1965 and in 1990. Argentina, Mauritius, Netherlands, Sierra Leone, Spain, and the US define the 1965 best practice frontier while Hong Kong, Italy, Mauritius and Sierra Leone define the 1990 frontier. Developed countries are generally more efficient. The analysis also provides some evidence of efficiency catching up between developed and developing countries, and efficiency convergence within the country groups. Herrera and Pang (2005) also identify the effect of

catching up between efficient and less efficient countries in their analysis of efficiency of public spending on health and education.

Rahmayanti and Horn (2011) analysed public sector efficiency as well as its impact on the optimal size of the government using a data on 63 developing countries over the period 1990-2003. In order to measure efficiency, they use output-oriented DEA-Variable Returns to Scale (DEA-VRS) model. Analysis showed that with the current level of government spending, countries could accomplish 11% more public output. Another important conclusion of the analysis was that the optimal size of government for developing countries, with efficiency scores higher than 0.865, is 15% of GDP. Countries identified as being closest to their optimal government size were China, Tajikistan, and Costa Rica. Analysis also implies more general conclusion “that the optimal government size decreases when the efficiency of government spending increases” (Rahmayanti& Horn, 2011, p. 53).

Although central government expenditures cannot capture the entire public spending and are seen as a partial measure of government size, Rayp and van de Sijpe (2007) used it as input in their analysis of public sector efficiency using DEA. Out of 52 developing countries (including Ghana), China, Malawi, and Russia were the efficient ones. However, results show that, on average, countries are delivering only 70% of output they could deliver if they were fully efficient. In the second stage of their analysis, the authors identify certain determinants of public sector efficiency using General to Specific approach. Low adult literacy and a large share of youth in total population had a negative effect on

public sector efficiency while efficiency increased with a high degree of urbanization, good governance, and development aid. In general, structural country variables that reflect past policy and efficiency are main determinants of public sector efficiency. One of the main conclusions of the study is that, on average, Asian countries are more efficient than low-income European ones. The main critique of this analysis is the different time coverage of used variables. Health and education indicators were analysed in the period 1995-1999 while government performance indicators were observed over a one-year period, in 1996.

Chong, La Porta, Lopez-de-Silanes and Shleifer (2012) did a rather interesting analysis of government efficiency. As a measure of government efficiency, they used the efficiency of postal offices of 159 countries. They sent a letter to non-existent addresses and kept track of returned letters, as well as the time needed to get the letter back. Overall efficiency showed that high-income countries returned most of the letters and in the smallest time range. This indicates that the most efficient countries are high-income countries, namely Canada, Norway, Germany, and Japan while African countries (who are developing countries) are the least efficient. Chong et al. (2012) did not receive any letters from Tajikistan, Cambodia, and Russia. As the determinants of government's efficiency, or more precisely postal service efficiency, they found inputs, technology, and management. This comes as no surprise since traditional mail has been widely replaced by e-mail, fax-mail among others. Therefore, governments around the world are hardly investing any money in postal services

due to their obsolescence. This actually provides another reason for the inadequacy of the analysis of government efficiency by measuring postal service efficiency.

Using the methodology of opportunity and “Musgravian” indicators of Afonso et al. (2005), Chan and Karim (2012) analysed public sector efficiency of East Asian countries for the period 2000-2007 using DEA. Among the sample countries, China was the most efficient with the highest efficiency scores in four out of seven analysed areas, namely education, health, economic performance, and stability. In terms of public spending on infrastructure, Japan was the most efficient. In terms of spending on administration, Singapore was the most efficient East Asian country. Using Tobit regression they found that political stability and financial freedom had a positive impact on public sector efficiency. On the other hand, voice and accountability, and trade freedom had a negative effect on public sector efficiency.

Lovell (1995) performed analysis of efficiency of 10 Asian countries for the period 1970-1988 and employed the FDH method. The author used four indices of macroeconomic performance as output measure, while macroeconomic decision-making apparatus was used as input. The Asian countries reported an average efficiency score of 0.909, suggesting that countries waste around 10% of public money. With possible government spending reduction of 1.20% and 3.10%, Taiwan and Japan were the most efficient countries. Philippines and Australia were the inefficient countries in the sample, with possible input reduction of approximately 24% and 15%, respectively. The sample countries were, on average,

more efficient in terms of public spending on controlling employment and maintaining price stability than at promoting growth and trade.

Wang and Alvi (2011) analysed the efficiency of government spending in raising GDP. Although one might question the classification of this analysis as an analysis of overall public sector efficiency, the researcher thinks otherwise for some reasons. GDP is an indicator of economic development of a country and it is inevitable in the studies of macroeconomics. The countries that report higher GDP are supposed to have less unemployment, better living standards and so on. In essence, aren't these the primary goals of every country? Moreover, in that line of reasoning, isn't a higher GDP a basic goal of every country? For the analysis, a sample of seven East Asian countries was used with data coverage over the period 1986-2007. For efficiency estimation, DEA is used. On average, Asian governments waste around 50% of their expenditures when promoting the growth of their economies. The least efficient is Thailand, which wastes 77% of resources. The opposite is true for Japan, with a waste of resources of around 34%. In the second stage of analysis, using Tobit regression, determinants of government efficiency are identified. Wang et al. (2011) found that a higher share of private activities in the economy increases government efficiency. On the other hand, higher corruption, and monetary expansion, increase inefficiency of government. However, government size did not have any significance for the efficiency scores obtained. On the other hand, they found that government efficiency is higher in times of recession.

The impact of restrictive fiscal and budgetary policy in the form of public wage cuts, a more rigid control of government consumption expenditures, and the reform of education and social expenditure on public sector efficiency was analysed by Zugravuand Sava (2012). The analysis was performed for Romania's public sector with comparison of 2008 and 2011 efficiency results. Although the authors only calculate PSP and PSE indicators, without the employment of a more valuable method of efficiency estimation, for example DEA or SFA, with a rather narrow data observation the researcher finds the analysis interesting. The analysis sheds some light on notion whether lower spending necessarily implies higher efficiency. They concluded that even though PSP indicator did improve after the new, tighter, government measures, the same conclusion cannot be drawn in the case of PSE indicator. Although efficiency decreased, it was not entirely due to the restrictive fiscal and budgetary policy but due to the inadequate measures implemented to cut government expenditures and the lack of long-term assessment of introduced measures. The findings of this analysis can be seen as opposite to the finding of Wang and Alvi (2011) that government efficiency is higher in times of recession.

The literature review of empirical analysis of government efficiency allows drawing of certain conclusion. In general, governments all around the world are spending more than needed to obtain the current level of public output. A possible reduction of government expenditures ranges from, for example, 1.20% for Taiwan to 29.20% for Yemen. On average, developed countries report higher efficiency scores than developing ones. Analysis of efficiency of

OECD governments shows that non-Europeans are more efficient than the European governments. On the other hand, analysis of public sector efficiency in developing countries shows that Asian governments are more efficient in terms of spending public money than their European counterparts. The studies also identified certain determinants of public sector efficiency. Political stability, rule of law, democratic participation, less civil liberty, education level and other variables had positive effect on government efficiency.

Efficiency of municipalities

Besides the analyses of government efficiency on international basis, there are also analyses of public sector efficiency in single countries. Barankay and Lockwood (2007, p. 1198) argued that “fiscal decentralization, the allocation of tax, and spending powers to lower levels of government, is now an established policy objective in many developed and developing countries”. Literature predicts positive influence of decentralization on public sector efficiency. Since government is supposed to have better information about the needs and problems of local inhabitants, population has greater influence over local politicians, and there is significant competition between local governments. In addition, comparison of municipalities’ efficiency has more meaning since they are under the same socio-economic environment, data is usually provided by the national statistical agency ensuring the same methodology, cost of inputs is relatively homogenous, among others. However, empirical results, as summarised below, generally do not confirm these predictions.

Hauner (2008) analysed efficiency of 79 subnational governments in Russia using data for 2004, while in the case of variables with significant variations, average over several years is used. Efficiency analysis was performed using PSP and PSE indicator as well as DEA. Although regions spend significantly different amount of money, the PSP levels were relatively similar while PSE scores indicated significant public inefficiency in most of Russia's regions. Overall, analysis shows that Russia's regions could produce the same level of outcome with 50-70% of input currently used. In the second part of the analysis, Ordinary Least Square (OLS) method was used to analyse determinants of efficiency of subnational governments in Russia. Out of 19 variables, only higher per capita income, a smaller share of federal transfers in subnational government revenue, better governance, stronger democratic control, and less public spending had positive impact on public efficiency.

Efficiency of municipalities was analysed by Afonso and Fernandes (2006) on a sample of 52 Portuguese municipalities. Afonso et al. develop composite indicator of municipal performance, popularly called Total Municipal Output Indicator (TMOI). This composite indicator was later used as output in DEA; while per capita municipal expenditures were used as input measure. Analysis showed that Portuguese municipalities could produce the current level of public output with around 41% less resources. In addition, lower efficiency scores were generally found in municipalities with higher levels of per capita expenditures, while greater efficiency was registered in metropolitan municipalities.

A rather great number of research deals with the efficiency of Belgian local governments. De Borger et al. (1994), using 589 Belgian municipalities and data for 1985 performed one such study. FDH method was used, with input and output orientation, as well as the Farrell's graph measure that combined the two orientations. De Borger et al. also employed Tobit analysis to determine whether structural characteristics and institutional environment had influence on municipality's efficiency. Population size and level of education of inhabitants had positive impact on municipality's efficiency; average personal income had a negative effect, as well as the number of parties in a municipal coalition, presence of the liberals, and block grants. On average, Belgian municipalities could produce current level of public goods and services with around 3-14% less spending, depending on the specification of the number of outputs and the particular efficiency measure used. On the other hand, from an output perspective, depending on the specifications of the analysis, with current level of resources used the municipalities could attain roughly 0.90-3% more output. Geys and Moesen (2008) performed an assessment of efficiency of 304 municipalities in Belgian region Flanders, over a broader area of government services for year 2000. The three measures, namely DEA, FDH, and SFA, showed a certain scope for possible increase of municipal efficiency. Although quantitatively different results are obtained depending on the method used, they support similar conclusion as to the relative efficiency of the municipalities. In that line of reasoning, municipalities' waste, on average, around 5-50% of resources used, depending on the method employed.

Ashworth et al. (2013) also used the sample of 308 Flanders municipalities in their analysis of the influence of political competition on public sector efficiency. Analysis using OLS, Tobit, and Instrumental Variable (IV) estimation methods shows that political competition at election leads to higher government efficiency, while, on the other hand, a more fragmented government is less efficient. Although the two findings are in contradiction, Ashworth et al. conclude that the positive effect of political competition outweighs the negative of government fragmentation, while income distribution and population density did not have any effect on municipality's efficiency, whereas results on grants are not robust. On the other hand, budget surplus from previous period and right wing government had positive effect on efficiency. However, debt from previous period, larger government as measured by tax burden and higher income per capita increased local government inefficiency.

Sampaio de Sousa and Stošić (2005) analysed efficiency of 4,796 Brazilian municipalities. Since both, DEA and FDH methods are sensitive to the presence of outliers and data errors, authors use the Jackstrap method to eliminate these problems. The analysis showed that out of 3,434 municipalities, with up to 19,999 inhabitants, only 1.11% was efficient under DEA. Relatively same results were obtained using FDH method. They concluded that municipal efficiency is positively related to their size, indicating that the larger the municipality, the higher the efficiency. According to DEA-Constant Returns to Scale (DEA-CRS), municipalities could produce the current level of public output with around 33% less spending. The efficiency scores under DEA-VRS are slightly lower,

suggesting that municipalities waste on average 34% of resources. However, the efficiency estimation under the FDH method gives significantly different results, suggesting a necessary input reduction of only 6.30%.

Šťastná and Gregor (2011) performed an analysis of efficiency of 202 Czech municipalities, for the periods 2003-2008 and 1994-1996. Input oriented DEA shows that municipalities are able to attain the current level of output using only around 52-79% of inputs currently being used, depending on the DEA specification of returns to scale. They also found that population size, distance to regional centre, share of university-educated citizens, capital expenditures, subsidies per capita, and the share of self-generated revenues increase inefficiency. On the other hand, political variables with a positive impact on efficiency of municipalities are increase in party fragmentation, voters' involvement, and local council with a lower share of left-wing representatives. The comparison of efficiency scores of the two periods shows that efficiency of small municipalities increased significantly more than the efficiency of large municipalities.

Geys, Heinemann and Kalb (2010) focus on the impact of voter involvement on municipalities' efficiency. They used a sample of 987 German municipalities and data for the years 1998, 2002, and 2004. Besides confirming the positive impact of voter involvement on efficiency, they also found that this relationship is not automatic "rather, it is stronger when the degree of fiscal autonomy of the municipality is higher" (Geys et al., 2010, p. 274).

Using DEA and SFA, Nikolov and Hrovatin (2013) analysed the efficiency of Macedonian municipalities. Analysis revealed that the municipalities could

attain the current level of public output with 40% less resources. Determinants that had negative effect on efficiency were population and its density, self-generated revenues, and ethnic fragmentation. On the other hand, if the major has same affiliation as the central government, the municipal efficiency increases.

Loikkanen and Susiluoto (2006) found significant differences in efficiency of 353 Finnish municipalities in the period 1994-2002. Using DEA, authors concluded that, on average, 10-15% more output can be attained with the current resources used, depending on the specification of the number of outputs used. In the second stage of analysis, using the OLS method, determinants of efficiency were identified. Peripheral location, diverse service structure, big share of services bought from other municipalities, unemployment, grants, income level, and big population cause inefficiency of Finnish municipalities. On the other hand, big share of services bought from the private sector, higher education level of inhabitants and dense urban structure increase efficiency. Even though useful, this analysis however, does not cover the full range of government activities in the municipalities.

The analysis by Balaguer-Coll, Prior, and Tortosa-Ausina (2007) revealed disparities in efficiency scores resulting from DEA and FDH. Out of 414 Spain municipalities, around 8% are efficient under DEA, while FDH identifies nearly 70% of municipalities as efficient. The stringency of DEA over FDH is confirmed with the average efficiency scores as well. Under DEA, municipalities waste almost 47% of resources. On the other hand, FDH shows significantly lower waste of resources of less than 10%. In the second stage of analysis, they identified

self-generated revenues, grants, deficit, and governing party voters over total population to have a negative impact on municipal efficiency. Novelty of this research project is that through the analysis, in the first stage and the second stage, non-parametric methods were used ensuring the consistency of methodology.

The previous presentation of some of the empirical research on efficiency of municipalities allows drawing of some general conclusions. First, the supposed beneficial influence of government decentralisation on efficiency of municipalities is not confirmed. According to the analyses, local governments waste from approximately 14-50% of resources. Although efficiency scores differ significantly depending on the measurement technique used, all of them suggest that municipal spending should be lower taking into account produced outputs. In addition, the specification of number of inputs and outputs had a significant influence on efficiency scores obtained. These conclusions stress out the importance of specification of the overall method used to estimate efficiency as well as the number of variables taken into account. We are in favour of a more stringent analysis, using DEA with a lower number of inputs and outputs. This type of analysis will, in most cases, detect even the slightest inefficiency, and signal a need for caution in terms of spending public money. The analyses of municipal efficiency are usually performed using a two-stage analysis. The second stage reveals certain determinants of municipal efficiency. As suggested by Hauner(2008), the identification of determinants of local government efficiency is essential for the improvement of general government efficiency. Some of the variables that had a negative effect on local government efficiency were grants

form higher levels of government, a higher share of self-generated revenues, deficit, and ethnic fragmentation among others. On the other hand, better governance, democratic control, and in general, less public spending increased municipal efficiency.

Efficiency of specific sectors of government

Education and health are two sectors in which government provide most of its services. Therefore, two of the largest categories of government expenditures are usually expenditures on education and health.

Hauer and Kyobe (2010) conducted an analysis of health and education spending efficiency on a sample of 114 advanced and developing countries over the period 1980-2004. They calculated PSP and PSE indicators and used DEA. Average DEA efficiency score showed that the current level of education output could be obtained with 80% less public spending. In the case of health spending efficiency, countries waste on average 90% of resources. Hauer et al. found that European countries had high efficiency in education but low in health sector. However, the lowest education efficiency was found in developing African countries including, for example, Ethiopia and Senegal. The US and Germany were the least efficient in terms of health spending; they could obtain current health outputs with 14% and 12% of inputs currently being used. Emerging countries of Asia had the highest efficiency scores. An interesting result of the study was that, while strong relationship existed between performances and spending in health sector, such conclusion could not be drawn in the case of

education. An increase of government spending on education does not necessarily result in increase of performance. However, the analysis has a certain drawback. The relevance of a time span of 25 years is questionable since it is very likely that some countries who had undergone structural changes, especially in health and education sector, dealt with certain natural catastrophes or even wars, and this could significantly influence government spending and achieved outcomes.

Hsu (2012) conducted an analysis on efficiency of government health spending in 46 European and Central Asian countries for the period 2005-2007. Although data coverage was small, Hsu compensated it with a large sample and the employment of various efficiency methods. DEA showed that the countries could attain 1.20% more output with the current inputs used. On average, Asian countries were more efficient in terms of spending public money on health sector than the European ones. Hsu argued that the cause of Asian superiority could be the performed deregulation and introduction of the modern technology.

Gupta and Verhoeven (2001) analysed efficiency of government spending on education and health of African countries for the period 1984-1995 with comparison to countries in Asia and the Western Hemisphere. The sample consists of over 80 countries. Gupta et al. used FDH analysis. Analysis showed that, even though African countries on average spend more on education, they had lower efficiency compared to Asian and Western Hemisphere countries. Or more precisely, African countries could attain the current level of health outcome with 90% less resources, Asian with 38% less resource, and Western Hemisphere countries with 83% less resources. On the other hand, regarding education African,

Asian, and Western Hemisphere countries waste 93%, 68%, and 65% of resources respectively. One of the main findings of this study was the fast growth of public inefficiency with the increase of expenditure suggesting that every increase of public spending should be well thought-out, especially when the initial point of expenditure is already high. Usual remark to cross-country comparison of public sector efficiency is the possible difference in production costs among countries.

Afonso and Aubyn (2005, p. 228) analysed health and education spending efficiency using quantitative measures of inputs, instead of the commonly used public expenditures, believing that “a country may well be efficient from a technical point of view but appear as inefficient (...) if the inputs it uses are expensive”. Analysis was performed on selected OECD countries, 24 for health efficiency, and 17 for education, using both FDH and DEA with input and output orientation. Analysed countries, as regards to education sector, waste on average 11-14% of resources, depending on the method. However, as regards to health sector, countries waste around 5-17% of resources, depending on the method employed. Korea, Japan, and Sweden are efficient no matter which method is used or which sector is analysed.

Aristovnik (2011) analysed efficiency of government spending on education on a sample of European Union (EU) and OECD countries. Four models were used to measure the efficiency of education system; a model for primary, secondary, and tertiary education, as well as for overall education. DEA reveals that in primary education most efficient countries are Denmark, Hungary, and Portugal. In the case of secondary education, on average, countries were able to

produce 7% more output with the current level of spending, while in the case of tertiary education 6% more. Among the new EU MS, Hungary was recommended as a role model country for primary education, Estonia for secondary education and Slovenia for tertiary. However, if analysed on an overall basis, Japan, Korea, and Finland were the most efficient countries in terms of spending on education.

Lavado and Cabanda(2009) were interested in the efficiency of public spending on health and education within a single country. Therefore, they analysed the efficiency of health and education spending of more than 70 Philippine provinces, in periods 1995-1997 and 1999-2000 using DEA and FDH method. Significant disparities of provinces efficiencies were identified. Analysis showed that, on average, provinces could attain 4% more outputs in health and education sector with the current level of spending, according to FDH result. DEA is more stringent and shows that with the current level of spending provinces could attain 6% more outputs. From an input perspective, provinces waste around 47-58% of public resources. In the second stage of analysis, Lavado et al. used Tobit regression to identify determinants of efficiency. Higher levels of income inequality and fiscal grants had negative impact on the efficiency of government spending on health and education. Johnes (2006) performs the same kind of analysis. He analysed the efficiency of 109 higher education institutions in England for the academic year 2000/01. The analysis, using multiple input-multiple outputs DEA, showed that England education system is relatively efficient. On average, 5-7% more output could be produced with the current level of inputs.

The efficiency of government spending on higher education for the period 1999-2007 for 37 countries, both EU MS and OECD countries, was analysed by Obadić and Aristovnik(2011). They use DEA-VRS model with output orientation. Special emphasis was put on comparison of results obtained for Slovenia and Croatia. The efficiency of government spending on higher education in Slovenia was higher than in Croatia, as well as in many others countries in the sample. In order to become efficient in terms of spending on higher education, Croatia should decrease its spending on education, per student, by 6.30-10%, depending on the model specification. Jafarov and Gunnarsson (2008) also confirm the existence of significant inefficiencies of public spending on health and education in Croatia. They used output oriented DEA-VRS to analyse the efficiency of EU and OECD countries. The analysis points to possible rationalization of government expenditures on health and education. Taking a one-step forward, Jafarov et al. even suggested some reforms to increase the efficiency of analysed sectors such as: introduction or an increase of existing fees for the use of health and education services, introduction of competition in the two sectors, and improving the administration of government expenditures.

In his study “Differences in the performance of Public Organisations in Ghana: Implications for Public Sector Reform Policy” and “On Public Organisations in Ghana: What Differentiates good Performers from Poor Performers”, Owusu(2006b; 2006c) used survey data from Ghana to examine whether there are significant differences in the characteristics of poor and good performing public sector organizations. Findings revealed that good and poor

public organizations were different in two respects: remuneration and hiring criteria. Specifically, Owusu showed that good performing organizations pay higher salaries. However, poor performing organizations are more likely to hire employees based on their personal connections. The good performers were Ghana Investment Promotion Council, Internal Revenue Service, Ministry of Finance, Ministry of Food and Agriculture, Ministry of Health, Ministry of Interior, Ministry of Local Government and Rural Development, Ministry of Road and Transport, National Electoral Commission. On the other hand, the poor performers included Audit Service, Department of Community Development, Department of Parks and Gardens, Department of Social Welfare, Ghana National Fire Service, Information Service Department, Ministry of Environment and Science, Ministry of Tourism, Ministry of Works and Housing, and Ministry of Youth, Sports and Education. Other organisations like Ministry of Defence, Foreign Affairs, Trade and Industries, Land and Forestry, Manpower Development and employment as well as Police and Prison Services did not participate in the study.

The review of analyses suggests that countries are mainly inefficient in terms of spending public money on health and education. Although most of the studies analyse the health and education efficiency using a one-stage analysis, some key determinants of efficiency can be identified. Higher per capita income, population density, better institutions, higher government accountability, and access to safe water had a positive impact on health and education efficiency. While, on the other hand, higher income inequality and fiscal grants have a negative effect on efficiency of public spending on health and education.

In Ghana, Owusu(2006b; 2006c) was the only researcher found to have researched in the area of efficiency or performance of public sector organisations in a single country. This presupposes that scant literature exist in this area in Ghana. This study therefore seeks to bridge the gap in literature by assessing organisational performance in Ghanaian public sector organisations using ISD as study area with specific reference to Cape Coast.

Conceptual/Theoretical Framework

The concept of organisational performance

The term performance has been defined in various ways. Performance refers to those behaviours that have been evaluated or measured as to their contribution to organisational goals (Cook & Hunsaker, 2001). In the same light, Gareth (2003) defines organisational performance as a measure of how efficiently and effectively managers use resources to satisfy customers and achieve organisational goals. To buttress, Jones(2005) also suggests that these two overriding issues of efficiency and effectiveness are employed in the measurement of performance in every organization, where efficiency measures how well resources are used to achieve goals, while effectiveness connote the measure of the appropriateness of the goals that managers have selected for the organisation to pursue, and of the degree to which the organisation achieve these goals. Also, Drucker(2001, p. 147) believes that there is no efficiency without effectiveness because it is more important to do well what you have proposed (the effectiveness) than do well something else that was not necessarily concerned. The relationship

between efficiency and effectiveness is that of a part to the whole, the effectiveness is a necessary condition to achieving efficiency.

Therefore, employee efficiency and effectiveness simply link organisational performance. Aswathappa(2008) indicates that performance is essentially what an employee does or does not do. He adds that employee performance common to most jobs include the following elements (quality of output; quantity of output; timeliness of output; presence at work; and cooperativeness) results in organisational performance. Atogiyire (1997) also explain that, the quality and quantity of business resources may have an effect on its performance. He suggests by saying that the nature of the prevailing economic factors surrounding an organization may to a larger extent affect the performance of that organization in terms of productivity, marketing, profitability and innovation. Figure 2 illustrates the conceptual framework of efficiency and effectiveness. It makes the link between input, output and outcome. The monetary and non-monetary resources deployed(that is, the input) produce an output. The input-output ratio is the most basic measure of efficiency. However, compared to productivity measurement, the efficiency concept incorporates the idea of the production possibility frontier, which indicates feasible output levels given the scale of operations. The greater the output for a *given* input or the lower the input for a *given* output, the more efficient the activity is. Productivity, by comparison, is simply the ratio of outputs produced to input used. Figure 3 depicts the triangle of performance by revealing how efficiency and effectiveness converts objectives and actions into results.

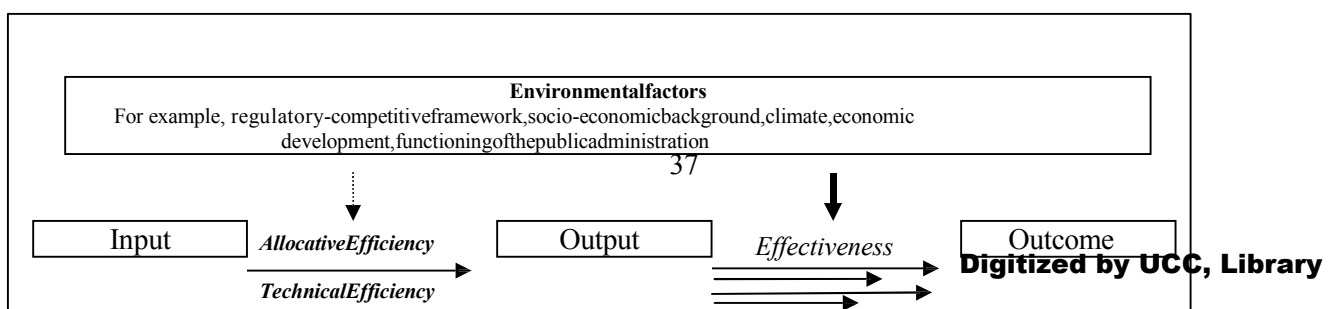


Figure 2: Conceptual framework of efficiency and effectiveness, Source: Mandl, Dierx and Ilzkovitz (2008, p.3).

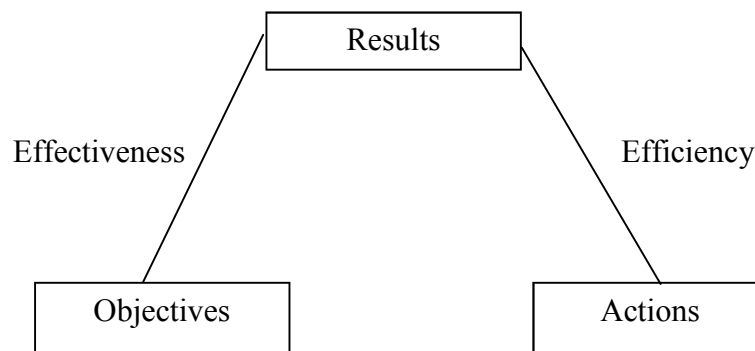


Figure 3: The triangle of performance, Source: Mihaiu et al. (2010, p. 139).

Defining government and the public sector

A government can be defined as the superior authority of one country that creates laws, acts, and regulation and has certain power over the units, for example people and companies within the area of its authority (European Commission, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations, & World Bank, 2009). Although broader, closely connected to the term government is the term public sector. Besides government,

as previously defined, it also includes public corporations and other types of agencies or organizations through which government exerts its direct and indirect influence. In a broader sense, public sector can be defined as “government activity and its consequences” (Lane, 2000, p. 15). If one sees government activity as primarily executed through government expenditures and revenues, then the definition of public sector can be written as the “impact of government revenues and expenditures on economic activity” (Howard, 2001, p. 1).

Throughout the dissertation, the terms ‘government’ and ‘public sector’ are used synonymously. The public corporations, which represent the main difference between the government and the public sector, can be seen as another way of governments’ influence in the economy. Therefore, the remark is not an odd one. After all, public corporations are a part of government. As Bozeman (2004, p. 11) states: “The term *public* has been used many different ways in many different contexts. One of the most common usages equates public with governmental”. It is usual to make this type of assumption. Numerous discussions are written that use the terms synonymously, such as those written by Scully (1998) and Kule and Wenzel (2004). On the other hand, whether analysing government or public sector, almost all of the analyses use general government expenditures for both types of studies, or some more specific category of government expenditures. Even if we tried to make a distinction between the two terms, we are very likely to encounter problems in defining public corporations due to their different treatments in different legislation. Finally, at least in Europe, there is a certain pressure on the governments to privatise all of the public

corporations, which effectively indicates that eventually these corporations, or at least in the existing form, will disappear leading to equalization of the government and the public sector.

Market failure

Economists believe that a free competitive market will result in Pareto efficiency. Pareto efficiency represents an allocation of resources such that no one else can be made better off without making anyone else worse off. In order to fulfil the Pareto condition markets need to function perfectly. However, this type of market is rarely found in practice so literature often refers to it as the perfect competition or theoretical markets. Due to the non-existence of the perfect competition in the real world, markets often fail on fulfilment of the Pareto efficiency principle. This collapse of Pareto efficiency is referred to as the market failure and it represents economic rationale for government intervention on the markets. This belief that government is capable of correcting market failures arises from the fact that it has at its disposal the power to tax, the power to prescribe behaviour, and the power to punish misbehaviour (Moreau, 2004).

The basic market failures that require government intervention are: public goods; natural monopoly; externalities; and imperfect information. The markets have failed in almost every country of the world. However, market failures are more prominent in the case of developing like Ghana. The developing countries are more inclined to market failure due to institutional failure or even missing markets (Howard, 2001). Institutions in developing countries are often undeveloped and

can lead to breakdown of Pareto efficiency. Therefore, government intervention and market failure should be analysed with more caution in developing countries.

Public goods

When thinking of the term public good one would almost inevitably think of a good that is produced by the public sector, but that does not have to be the case. The public good can also be produced by the private sector but financed by the government. Therefore, not all goods that the government provides are necessarily public goods, and not all public goods need to be provided by the government. Hillman (2009) identifies public supply and public finance. The first one stands for government production of the public goods, while public finance refers to the government financing of the public good production. According to the European Commission, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations, and World Bank (2009, p. 79); “governments are obliged only to assume responsibility for organizing and financing (public good) production”.

Public goods are goods that possess two specific characteristics: non-excludability and non-rivalry. Non-excludability means that a person who refuses to pay for the good cannot be excluded from the consumption of the good. Non-rival means that if one person consumes the good other person’s consumption of the good is not diminished. Due to these characteristics, the market will underprovide public goods, therefore government production is required. A Classical example of public good is national defence, streetlights, lighthouse, publicly

displayed fireworks and information to be shared to citizens (as done by the ISD in Ghana).

However, pure public goods are rarely found in the real world. More common are impure public goods that satisfy two, above-mentioned conditions up to a certain extent but not entirely (Gruber, 2007). Stiglitz (2004) raises an interesting question. He argues that an efficient state should be considered as a public good. Benefits of an efficient government are available to everyone, and no one can be excluded from enjoying these benefits.

Natural monopoly

In certain circumstances, the most efficient way to produce a good or a service is if only one producer does it. This situation is referred to as the natural monopoly. Natural monopoly arises due to economies of scale. An example of a natural monopoly is water supply (Ghana Water Company in Ghana), electricity distribution network (Electricity Company of Ghana), and railway network (Ghana Railways Corporation in Ghana). Nevertheless, technological development has caused an end of various types of natural monopolies (Hillman, 2009). For example, mobile phones have largely replaced fixed telephones; e-mail has replaced traditional written letters or post office services. On the other hand, Parkin (2012) identified four information-age natural monopolies and these are Microsoft (operating system), eBay (Internet auctions), Google (search engines), and Internet Explorer (Web browsers).

In an unregulated market, a monopoly produces where marginal revenue (MR) curve intersects marginal cost (MC) curve, as shown in figure 3. The producer produces quantity Q_M and charges price P_M . Socially optimal production is at the point where D curve cuts through MC curve; quantity Q_S , and price equal to MC. However, if a producer charges this price it will suffer a loss since average cost (AC) curve lies above the MC curve. In order to provide an efficient supply, government has to give monopolist a subsidy for difference between AC and MC. According to the European Commission, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations, and World Bank (2009, p. 148): “Subsidies are current unrequited payments that government units, including non-resident government units, make to enterprises on the basis of the levels of their production activities or the quantities or values of the goods or services that they produce, sell or import.”

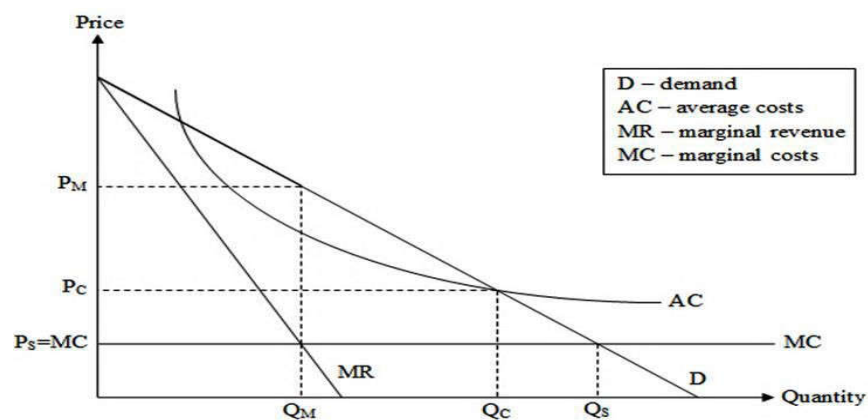


Figure 3: Natural Monopoly, Source: Parkin (2012, p. 314)

Government gives subsidy by taking money from its budget. The budget is accumulated primarily from taxes on individual income, company's profits, and

taxes on consumption. However, people differently value a good or a service provided by the natural monopoly and could see subsidizing monopoly as inappropriate. Therefore, in order to satisfy socially optimal production, government takes over the monopoly and produces at the point where AC intersects D curve. Quantity produced is Q_C and the price charged P_C .

Externality

Externality occurs when one unit's actions, for example companies or individuals, have a negative or a positive impact on another unit for which the first does not bear the costs nor is compensated for the imposed benefits. Therefore, an externality can be positive or negative. The problem of externality closely relates to the environmental economics as well as to the public goods. Road transportation, industrial processes, and electricity generation all cause negative externalities for the entire population and are identified as the three biggest sources of pollution (Parkin, 2012).

When discussing externalities, one has to make a distinction between private and social costs of production/consumption. Private costs are costs of production/consumption incurred by the producer/consumer, while social costs are total costs of production/consumption, incurred by both the producer/consumer and society. On the other hand, we also have to distinguish between private and social benefits. Private benefits are benefits obtained by the producer/consumer of a good, while social benefits are total benefits of the production/consumption obtained by the producer/consumer and the society.

Government has at its disposal, the following instruments to deal with externalities: taxes, subsidies, and direct regulation. When social marginal costs are larger than private marginal costs, there is a negative externality, as shown on figure 4. In an unregulated market, the producer will produce at the point where private MC cuts through D curve, point Q_1 . However, if the government introduces a tax equal to the difference between the social and private MC it would equalize them and the producer will produce quantity Q_2 , which is socially optimal. With taxes, all of the costs associated with negative externality are borne by the producer while that is not the case with subsidies. Subsidy works the opposite way of taxes. Government gives to the producer a subsidy, in order to equalize the social and private MC, and for the producer to set its production at the optimal level of Q_2 . European Commission, International Monetary Fund, OECD, United Nations, and World Bank (2009, p. 149) recognizes subsidies to reduce pollution and defines it as “subsidies intended to cover some or all of the costs of additional processing undertaken to reduce or eliminate the discharge of pollutants into the environment”. However, the money for subsidy can be raised from the producer who causes negative externality, but also from the person who suffers from these negative externalities. Thus, the person damaged could be paying the producer. The public generally prefers polluter-pay-principle (Zorić, 2012).

However, another way to correct the externalities is through mechanisms of direct regulation. The simplest way to regulate externality is to set a pollution standard. The pollution standard, or quotas, allows each unit to emit a certain amount of pollutants, for example carbon dioxide (CO_2). In the case of transferable

permits, the polluter is allowed to pollute up to a certain level, but the permits are transferable through the market. Therefore, if a firm uses innovative technology that reduces negative externality, it could sell the spare amount of permits. In order to reduce the emission of greenhouse gases, European Union (EU) has developed a system for trading the emission allowances, namely European Union Emission Trading System (EU ETS). It is “The first - and still by far the biggest - international system for trading greenhouse gas emission allowances, the EU ETS covers more than 11,000 power stations and industrial plants in 31 countries, as well as airlines” (European Commission, 2014).

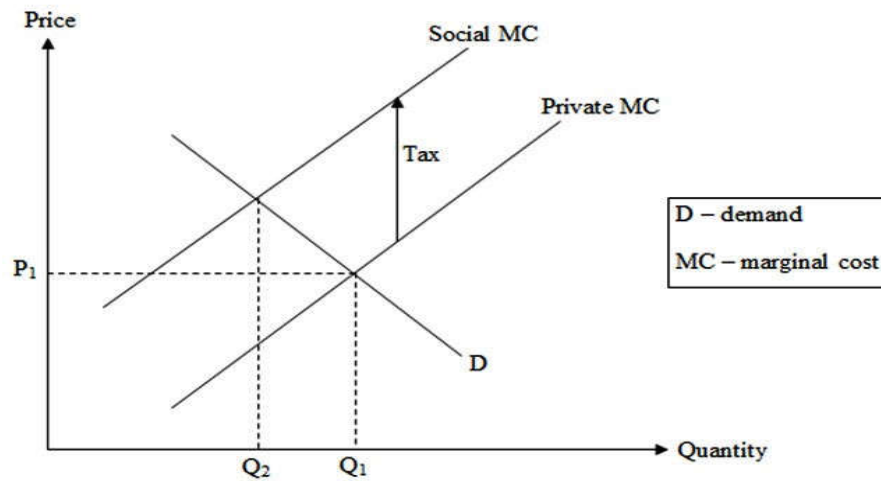


Figure 4: Correction of a negative externality, Source: Gruber (2007, p. 134).

Imperfect information

One of the characteristics of perfect competition is a full disclosure of information to all parties involved in the transaction. Even though one may think that, especially in our Internet or information-age society, this condition, necessary for Pareto efficient allocation, is satisfied, one would be wrong. If one party, (be it individual or company) has information that is unknown to the other party, a problem of asymmetric information arises. The asymmetric information leads to four distinct problems: moral hazard, adverse selection, principal-agent problem, and “lemons problem”.

The moral hazard and adverse selection problem is best explained using Perloff's (2012) example of Marge and George which skydive. The life insurance company is unaware of their skydiving activities. Regardless of having a life insurance, George will skydive. Since he knows dangers of skydiving, he is more likely to purchase insurance. This situation represents adverse selection. On the other hand, Marge will skydive only if she has life insurance. This situation represents moral hazard.

In the case of principal-agent problem, the agent has more information than the principal does, and there is a possibility that the agent will not act in the principals' best interest even when he is supposed to. The principal-agent problem arises between voters and politicians; shareholders and management; and patient and doctor.

One of the simplest cases of asymmetric information is the “lemons problem”. It refers to the situation in which a seller has more information about

the good than the buyer, which he/she conceals. Usually, the lemons problem is found in the sales of used goods, for example a second-hand car.

Although there are some market solutions to these problems, certain actions can be taken by government in order to prevent the problems arising from asymmetric information. For example, government can provide insurance to everyone or mandate buying of insurance policies, such as car insurance. Essentially, when it comes to imperfect information, most often, the government creates laws and regulation that prevents the emergence previously listed problems.

Government failure

So far, the rationale for government intervention is seen, which the market failure is. However, through history it has also been seen that in some cases, due to certain reasons, government also tends to fail. Government failure represents “the inability or unwillingness of the government to act primarily in the interest of its citizens” (Gruber, 2007, p. 244). Winston (2006, p. 2) states that “Government failure (...) arises when government has created inefficiencies because it should not have intervened in the first place or when it could have solved a given problem or set of problems more efficiently, that is, by generating greater net benefits”.

Stiglitz (2004) identified four common reasons for government failure: lack of adequate information, limited control over the reactions of the private market, self-maximizing bureaucracy, and limitations arising from the political decision-making. Government usually does not have all of the information

necessary for the introduction and implementations of certain programmes, and therefore has only limited control over the consequences of the introduced programme. This information failure is even more pronounced in the case of developing countries since there is usually lack of appropriately developed databases. Bureaucracy is a rather complex mechanism. As proven in practice, there are forces that influence the bureaucratic mechanism in order to fulfil their own interest rather than the interest of the public. In addition, literature identifies the problem of self-maximizing bureaucracy. It means that bureaucrats are primarily interested in maximizing their own size in order to gain greater power. When a government adopts, for example, a new law it goes through certain procedure, in many cases a very long procedure, comprised of a numerous legislatures. In addition, procedures are sometimes rather confusing, Kleiman and Teles (2006, p. 637) summarize this problem as ‘the path dependent of political decision making’.

Previously listed sources of government failure are in a certain way conventional government failures encountered in both, developed and developing countries. However, the efficiency of government and its policies is even more questionable in the case of developing countries due to their specific characteristics. Howard (2001) identifies several problems specific for developing countries that make the objectives of their governments wider than those of developed countries, and therefore put more constraints on public policy in developing countries. These characteristics are: a strongly skewed distribution of income, significant levels of absolute poverty, substantial levels of structural

unemployment, volatility of export prices, deficiency of adequate infrastructure, and a shortage of adequate human resources.

This overview of both, market and government failures, allows one to conclude that in some cases, due to potential government failure, market failures should be left unregulated. Although it is difficult to say when this solution is the optimal one, Hausman (2008) identifies three specific cases in which it is difficult to justify government intervention: when an inappropriate growth of the regulatory and administrative bodies is identified, when intervention creates an opportunity for corruption and rent-seeking, and when markets are unstable in terms of products, technology, or basic organization. However, in practice when the failure occurs, it is still extremely hard to put it in one or the other group of failures. Zerbe and McCurdy (2000, p. 14) argue that “markets are inefficient, not because of any inherent failures, but because the government has neglected to provide the appropriate institutional framework”.

Optimal size of the public sector

Currently the debate on the size of government is heated up. While some argue for more government involvement, others argue for the opposite. Discussion on whether the public sector is too big or too small indicates that optimal size of the public sector should exist. The size of the public sector is usually measured in three ways: government expenditures as a percentage of GDP, government revenues as a percentage of GDP, and government employment as a percentage of total employment. The above listed measures of government size

can further be decomposed. Nevertheless, all of these measures should be taken with a certain caution since they do not take into account government regulation as a part of the public sector. Government can spend a small percentage of public money but still, through certain regulations, exert a great influence on economy in general. Kule and Wenzel (2004) refer to government regulation as hidden costs of government.

The importance of the size of public sector arises from its influence on the economic growth of a country. Armev (1995) argued that the growth of the government expenditures up to a certain point has a beneficial impact on the economic growth, as shown on figure 5.

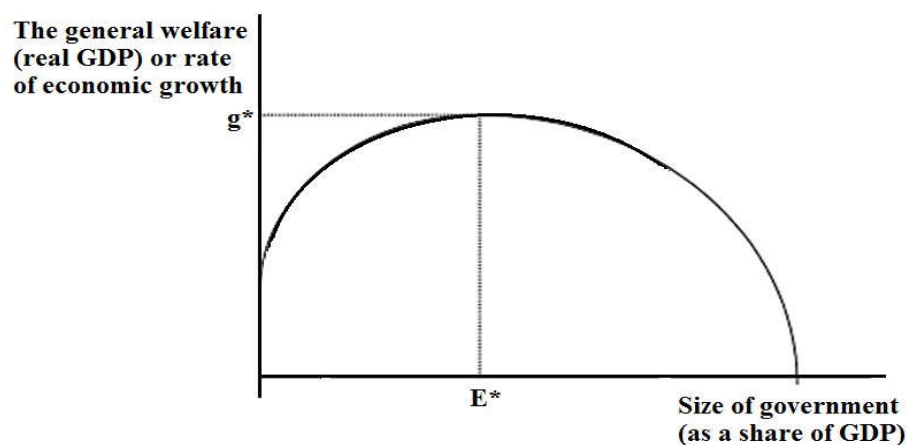


Figure 5: Optimal size of public sector, Source: Pevcin (2004, p. 4)

However, an increase of expenditures beyond that point decreases economic growth. Expenditures on infrastructure, research and development, active labour market policies, defence, public order, transport and communication, and the

establishment of proper property rights are considered productive expenditures that have positive effect on economic growth (Ferreiro, Garcia delValle, & Gomez, 2012). However, additional spending on, for example, transfers and subsidies, secondary roads among others are seen as non-productive government expenditures. Gwartney, Lawson and Holcombe (1998) conclude that the negative impact of government size on economic growth is due to: disincentive effect of taxes, tendency of government to expand into areas that are better suited for the private sector, increased rent-seeking activities, and crowding-out of private investment.

Numerous researches have been done in order to determine the optimal size of the government (Pevin, 2004; Balatsky, 2012; Husnain, 2011 among others). Pevin (2004) determined the optimal size of public sector for 12 Western European countries to be in range of approximately 37-42% of GDP, suggesting a necessary government expenditure reduction of roughly 19-30%. However, each country has its own specific characteristics, economic and institutional, and separate analysis for eight European countries is also conducted. Repeated analysis shows that countries should reduce their general government spending by approximately 19% in order to get to the optimal level. Balatsky (2012) also proved the existence of the optimal size of the public sector. He finds that the optimal size of government for Sweden is when government spending accounts for around 38% of GDP, while for Russia it was 28%.

Even though there is no clear measure of the size of public sector, usually general government spending, as a percentage of GDP, is seen as the best proxy.

The use of central government spending, as a percentage of GDP, to measure the size of the public sector is generally considered as inappropriate, since today most countries worldwide have decentralised governments. Through decentralisation, much of the power and responsibilities is transferred to lower levels of the government, including spending of the public money. However, these expenditures of lower levels of government are not accounted for in the balance of central government expenditures. Therefore, the finding of Husnain (2011) that the optimal size of the public sector in Pakistan is when central government expenditures account for around 21% of GDP, should be considered with great caution. Regardless of the accuracy of Husnain's (2011) findings, he did note a rather interesting point. He concluded that the higher levels of optimal size of the public sector in developed countries, as compared to developing, could be explained by their higher public sector efficiency. Developed countries, due to their high efficiency in spending of the public money, are able to postpone the negative effect of the government expenditures on economic growth, and therefore the optimal size of their public sector is higher than in developing countries. On the other hand, Rahmayanti and Horn (2011) oppose this view by the finding that the optimal size of the public sector decreases as the efficiency of government spending increases. Regardless of the accuracy of both analyses, one can conclude that the efficiency of government spending and its optimal size are closely related. De Witte and Moesen (2010) use the tax burden as a percentage of GDP as measure of the size of public sector and found that the optimal tax burden for 23 OECD countries is approximately 41% of GDP suggesting an average decrease of

the public sector by more than 3%. On the other hand, using total general government expenditures as a percentage of GDP, Chobanov and Mladenova(2009) conclude that the optimal size of government for the 28 OECD countries is at 25%. Using the tax burden as a percentage of gross national product as a measure of the government size, Scully (1994) calculated that the optimal size of the United States (US) government was between 21.5-22.9%.

Mutaşcu and Miloş (2009), using the total amount of public expenditures as a percentage of GDP, found that the optimal size of government for EU-15 was around 30%, while for the EU-12 countries, it is roughly 27%. These findings suggest a necessary government spending reduction of 16% for EU-15 and around 13% for EU-12. Although Mutaşcu et al. used a small data range period of nine years as opposed to 33 years used by De Witte and Moesen (2010), 37 years used by Chobanov and Mladenova (2009) or Pevcin's (2004) 46 years, the results point to the fact that most EU countries need to reduce the size of their public sectors.

However, these empirical analyses of the optimal size of the public sector need to be calculated on the case-to-case basis. The results are country specific as well as time specific. Using random coefficient model, Dar and AmirKhalkhali (2002) analysed the impact of large government on economic growth. The analysis was performed on a sample of 19 OECD countries over a period 1971-1999. They concluded that a larger government affects economic growth through its adverse impact on factor productivity.

The negative impact of the size of government on economic growth is also confirmed in the studies of Afonso and Jalles (2011) and Gwartney et al. (1998).

Using a panel of 108 countries over the period 1970-2008, the Afonso et al. found that fiscal rules and institutional quality had a positive impact on economic growth. Gwartney et al., using a sample of 23 OECD countries and covering period 1960-1996, concluded that, a 10% increase in government expenditures, expressed as a share of GDP, will cause around 1% decrease of economic growth. However, Heitger (2001), using a data on 21 OECD countries for the period 1960-2000, found that a 10% decrease of government size, as measured by total expenditures as a share of GDP, would cause an increase of approximately 0.5% points of the economic growth. On the other hand, Pevcin (2004) found that a 1% increase in government spending will cause around 0.15% decrease of economic growth.

Analysing EU countries, Tsouhrou and Mylonakis (2011) observed that countries with large governments have economic growth rate of 1.4-3%. Countries with medium-sized governments have an economic growth rate of 1.5-4.6%, while countries with small governments experienced an economic growth rate in range of 3-7%. Using a sample of 72 countries over the period 1960-1985, Barro (1991) found that public consumption expenditure had a negative effect on economic growth while public investment expenditures affect economic growth and private investments in a positive way. Afonso and Furceri (2008) analysed the impact of overall government expenditures and revenues, as well as its different components, on the economic growth using a sample comprised of OECD and EU countries for the period 1970-2004. They concluded that an increase of total government revenues and expenditures, as well as their certain categories, had a negative impact on economic growth that is more pronounced in EU countries.

As summarised above, there is a number of research dealing with the impact of public expenditures on economic growth, as well as with the analyses of the optimal size of government. All of the studies suggest that government expenditures, or more precisely public sector size should be much lower than what it currently is in most of the countries. The necessary reduction in government spending effectively implies that more has to be done with fewer resources. In other words, governments need to, if they are not, become efficient.

Technical efficiency

Efficiency is one of the basic concepts encountered when studying microeconomics. Although usually attributed to the private sector, currently attention has been shifted to the efficiency of governments. When discussing efficiency, one has to be aware of its different types. Farrell (1957) states that a firm's efficiency can be categorised into technical and allocative efficiency which together form economic efficiency. Allocative efficiency "measures a firm's success in choosing an optimal set of inputs (in regards to their prices)", while technical efficiency measures a firm's "success in producing maximal output from a given set of inputs" (Farrell, 1957, p. 259). The previous definition of technical efficiency is output oriented; however, technical efficiency can be defined from an input perspective as well. The input oriented technical efficiency can be defined as a firm's success in producing a current level of outputs with the minimal use of inputs.

Farrell's (1957) showed a simple production process that used two inputs, X and Y, to produce one unit of output as depicted in figure 6. The combination of the two inputs, per unit of output, is represented with the point P. The curve SS' is the efficient frontier and it represents "The set of minimum inputs required for a unit of output" (Herrera & Pang, 2005, p. 2). This frontier represents perfectly efficient combinations of the two inputs, per unit of output. Every point on the SS' curve is efficient, such as point Q. Obviously the firm P is not on the SS' curve; hence, it is inefficient in its production of one output. Using the same inputs, firm Q produces OP/OQ times more output than the firm P. From an input orientation, firm Q produces the same amount of output as firm P but uses only OQ/OP as much of each input. Farrell (1957, p. 254) defines the ratio OQ/OP as "the technical efficiency of the firm P". This ratio takes the value in range 0-1, with the value of 1 assigned to an efficient firm.

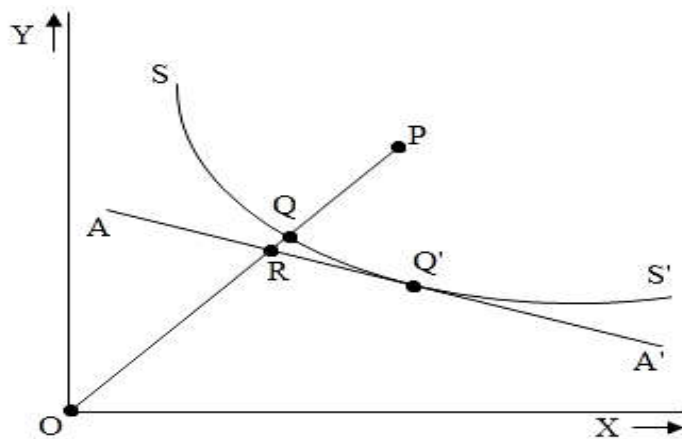


Figure 6: Technical and allocative efficiency, Source: Farrel (1957, p. 25).

This study aims to assess the technical efficiency of public sector organisations in general and ISD to be specific. It is argued that technical efficiency is compatible with the realization of a variety of objectives that are explicitly or implicitly ascribed to the public sector (De Borger et al., 1994).

The need for public sector efficiency

Governments use different kinds of inputs, for example money, labour, and legislation to provide different outputs to its citizens such as infrastructure, public goods and services. Therefore, governments or public sector organisations are regarded as producers. One of the most valuable principles for any producer is efficiency and this is no different for governments as well, even though they tend to use different inputs and provide different outputs not usually encountered in the private sector.

Public sector efficiency can be defined as its ability to produce the current level of public output with minimal use of inputs. Alternatively, from an output perspective, public sector efficiency represents its ability to produce maximal level of public output with the current level of inputs. However, public sector efficiency can also be defined as “relation between the economic and social effects resulting from implementing a program and effort made to finance that program” (Mihaiu, et al.2010, p. 136). Although, the second definition may be viewed as more appropriate due to its broader context, the notion of efforts made to finance that program makes it hard for empirical testing. On the other hand, the first definition has its own vagueness and difficulties such as the precise definition of what

actually is public output and how to purify it from the impact of other factors beyond simple government spending. Nevertheless, this study is more inclined to the first definition.

There are numerous reasons for government efficiency. Some of them are also encountered in the private sector such as accountability to the financier. Managers of private companies are required to be efficient in terms of spending shareholders money. In the same line of reasoning, governments are accountable to citizens that are their main financiers. However, there are many other reasons for public sector efficiency that arise only in this sector due to its uniqueness. First, government expenditures are found to have negative effect on economic growth. For that reason, governments should be focusing on lowering their spending and accomplishing more with fewer resources. However, even if governments neglect the negative effect of its expenditures on growth, they face certain difficulties in collecting revenues. Taxes are the primary source of public revenues. Generally, people are unaware of the amount they pay for taxes. However, this does not imply that tax rates can be raised indefinitely. A high tax rate on salary, saving, or investment will discourage people to work, save or for that matter invest, causing a deterioration of the tax base. Furthermore, due to globalization, people are empowered with greater mobility that puts further constraints on collection of public revenues (Afonso, Schuknecht, & Tanzi, 2006). Nevertheless, when governments encounter lack of public revenues instead of cutting expenditures, they usually resort to borrowing. However, even international organizations such as the World Bank and the IMF “often express concern about

governmental activities that they consider inefficient or unproductive” (Tanzi, 2004, p. 2).

These are some of the difficulties that countries around the world are already experiencing. However, the future holds even greater problems such as ageing and rapidly declining population, higher spending on life-long learning, pensions and long term care, and the question of environment is not negligible as well (Mandl, Dierx, & Ilzkovitz, 2008; World Bank, 2007).

Confronted with these two opposite forces of decreasing public revenues and increasing demand for public good and services, governments are faced with the necessity to become efficient. Furthermore, “a more efficient public sector is considered to be, in many countries, the only way to increase the quantity and quality of provided public goods without deepening budget deficits” (Zugravu & Sava, 2012, p. 423). As regards to developing countries, the need for government efficiency is even more pronounced due to their inherent deficiency of public revenues and, in that line of reasoning, structural budget deficits. The Wagner effect is also important. According to this effect, the demand for publicly provided goods and services increases as the country becomes richer (Hauner & Kyobe, 2010).

CHAPTER THREE

RESEARCH METHODS

Introduction

This section contains description of the methodology used in the study. It gives an overview of the methods and procedures adopted for this study. These include the study area, research design, population, sample and sampling procedures, research instrument employed, data collection procedure and the methods of data analysis used.

Study Area

The area under study is ISD. It serves as government's major public relations agency organization both locally and abroad. The department is mandated to create awareness of government policies, programs and activities, promote Ghana's international marketing agenda, provide public relations support to government ministries, department, agencies and Ghana's mission abroad and get feedback from the public to government for policy reinforcement and direction. Its modus operandi includes organizing regular weekly interactions with the media on Tuesdays and Thursdays on various audio-visual documentaries for public education and outreach programs.

The department has contributed tremendously to the dissemination of information in the past through the use of visual, audio, print and face-to-face interaction through drama, films and talk shows, mounted on the ubiquitous cinema vans and is determined to do more for the country with the advent of

information communication technology (ICT). When the portal (www.ghana.gov.gh) was established in 2002, the department assumed additional responsibility by discharging its traditional functions electronically through the provision of information and other public services through the Internet. The facility has proven to be one effective communication tool to disseminate Government's information to the public and to get feedback to provide the way forward in our national development. The portal links metropolitan, municipal and district assemblies (MMDAs) with websites and other institutions. (Source: <http://ghana.peacefonline.com/ghana/ministries/moi/>).

The department is divided into several sections namely the Audio-Visual Section, Cinema Section, Photos Section, Publishing or Print Section. The Audio-Visual Centre of ISD is the section designated for the mounting of exhibitions, printing of banners, T-shirts and billboards on behalf of Government agencies and other private organizations, which might need their services. The Cinema Section also uses cinema to educate the public on national issues and also censors movies before their release unto the market. In addition, the department uses cinema vans to make public announcements and this helps to get information to the grass roots especially the developing areas. The Information Services Department also collaborates with the Ministry of Communications and other stakeholders in the management of the Community Information Centre. There are other hosts of roles that the department plays (Field survey, 2016).

In Cape Coast, there are two ISD offices namely the Regional Information Services Office and the Metropolitan Information Services Office These two

officers were established in 1957. The Regional Information Services Office was made up of 14 staff consisting of 10 males and 4 females whereas the Metropolitan Information Services Office was made up of 2 males and 2 females. As at June, 2016 the total staff of ISD within Cape Coast were 18 (Field survey, 2016).

Research Design

The study assessed organisational performance in Ghanaian public sector especially ISD with specific reference to Cape Coast. The study adopted quantitative research method and descriptive survey was the design employed for the study. This is because quantitative data was collected through questionnaire with responses from staffs of ISD in Cape Coast. Descombe (2003, p. 21) intimates in agreement that the notion of a survey suggests that the researcher intends to get information “straight from the horse’s own mouth”. The design also permits the generalization of research findings about the population studied. In this regard, Oppenheim (1966, p. 8) contends that, “the purpose of the descriptive survey is to count; when it cannot count everyone, it counts a representative sample and then makes inference about the population as a whole”.

Population of the Study

The population of the study is all the subjects involved in the study. They constitute the group of people around whom the researcher would like to generalise the findings of the study. Therefore, all 18 staffs of ISD from both the

Regional and Metropolitan Offices constituted the population of the study (Field survey, 2016).

Sample and Sampling Procedure

According to Evans, Hastings and Peacock (2008), sample size is the number of observations in a sample. It is commonly denoted by n or N . Due to the small size of the population, the census method was employed as the sampling techniques for the study. This meant that all the 18 staff of ISD in Cape Coast was used as respondents for the study. The categories of staff in term of senior and junior are shown in Table 2.

Table 2: Categories of Respondents

Category of Staff	Regional Office	Metropolitan Office	Total
Senior Staff	1	1	2
Junior Staff	13	3	16
Total	14	4	18

Field survey, Koomson(2016)

Research Instrument

The main instrument used to collect data for the study was basically questionnaire. Hence, primary source of data was used for the study. A standard questionnaire was used to ensure uniformity in the data collection process. This tool was chosen because it is inexpensive and provides an easy way to gather data for a research. Generally, it is relatively quick to collect information using a

questionnaire. The questionnaire was structured in a way to provide specific response to answer the research questions formulated for this study. The questionnaire was divided into four sections; Sections A to D. Section A focused on background information of respondents; Section B captured the extent of structural problems in ISD; Section C concentrated on the causes of the structural problems in ISD; and Section D looked at employees' perceptions on the specific measures to ensure efficient service delivery in ISD.

Validity and Reliability of Instrument

Internal validity in connection to data alludes to the capacity of your survey questions to quantify what you plan it to gauge. It alludes to the concern that what the researcher finds with the survey is a fair representation of what is being measured (Saunders, Lewis, & Thornhill, 2012). The survey questions were deliberately composed and tried with a couple of individuals from the populace for further upgrades. This was done with a specific end goal to improve the legitimacy and precision of the data that was gathered for investigation and further analysis as well as ensure validity of data. In addition, the supervisor for the study reviewed the items in the questionnaire. Fraenkel and Wallen (2000) suggest the use of expert judgment as another procedure in this regard. This allowed the reframing and fine tuning of some of the items to elicit relevant responses needed. Consequently, ambiguous and misleading items were also revised.

Reliability refers to consistency. It measures the level of variance of actual results from expected results from the research tool that has been adopted. The

tendency towards consistency found in repeated measurements is referred to as reliability. One method of testing for reliability is the internal consistency method. Internal consistency involves correlating the responses to questions in the questionnaire with each other (Saunders et al., 2012).

Data Collection Procedure

To enable the researcher collect relevant data for the study, an introductory letter was written to the Regional Information Officer, the Metropolitan Information Officer all in Cape Coast to seek permission to administer the questionnaire to their staff. The researcher employed a self-administered questionnaire to collect data for the study. A self-administered questionnaire gives the researcher an opportunity to explain some of the issues further to ensure clarity. This helped to produce 100% retrieval rate with regards to the questionnaire.

Data Analysis Procedure

Statistical Product for Service Solution (SPSS) version 20 was employed for data analysis and interpretation. Each of the questions was coded in variable view of the SPSS and the responses from the respondents were entered at data view of the SPSS. The data was analysed based on the stated objectives of the study.

CHAPTER FOUR
RESULTS AND DISCUSSION

Introduction

This chapter covers the SPSS analysis of results as well as its interpretation with respect to data collected from 18 employees of ISD in Cape Coast. The information presented in this chapter serves as input for discussions and interpretation.

Background Information

With respect to the age of respondents, table 3 reveals that a majority of 10 respondents (representing 55.6%) are between the age of 25 and 46, followed by six respondents (representing 33.3%) who are 46 years and above. The remaining 11% were between the ages of 17 and 26. This presupposes that the respondents were mainly adults so their responses can be taken as true reflection of information service delivery in Cape Coast.

Table 3: Age (years) of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-25	2	11.1	11.1	11.1
26-35	5	27.8	27.8	38.9
35-45	5	27.8	27.8	66.7
46 and above	6	33.3	33.3	100.0
Total	18	100.0	100.0	

Field survey, Koomson (2016)

In terms of the gender of respondents, table 4 reveals that 13 respondents (representing 72.2%) were males whereas the remaining five (representing 27.8%) were females. This suggests that the respondents were male dominated.

Table 4: Gender Status of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	13	72.2	72.2	72.2
Female	5	27.8	27.8	100.0
Total	18	100.0	100.0	

Field survey, Koomson (2016)

Finally, the educational level of respondents, as shown in table 5 suggest that majority (n=13) of ISD staffs in Cape Coast have had tertiary education and the remaining staffs (n=5) have had secondary or technical educations. This shows that all of the respondents (n=18) have had some form of formal education which facilitated their understanding of the questions upon which they were able to make informed contributions to the study. This is shown in table 5.

Table 5: Level of Educational

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Sec./Tech.	5	27.8	27.8	27.8
Tertiary	13	72.2	72.2	100.0
Total	18	100.0	100.0	

Field survey, Koomson (2016)

The Extent of Structural Problems in ISD

For the purpose of examining the extent of structural problems in ISD, five indicators were measured on a five-point likert scale. Score '5' shows the strongest agreement and score '1' shows the least agreement. With this measurement scale, the highest overall score for the extent of structural problems in ISD is 25 (five variables * five scale) and the lowest is five. These scores are generalised based on the extent to which respondents agree or disagree with the statements provided under "the extent of structural problems in ISD" on the questionnaire.

Table 6 shows the extent of structural problems in ISD as determined by the various variables that measure it. In the table, the average value of 'Deplorable state of public address systems (PASs)' from a sample of 18 is the mean value of 4.17 with a degree of reliability from the standard deviation of 1.098. The average value of 'Poor state of mobile cinema vans (MCVs)' from a sample of 18 is the mean value of 4.39 with a degree of variability or reliability from the standard deviation of 0.916. The average value of 'Poor state of office equipment' from a sample of 18 is the mean value of 4.33 with a degree of reliability from the standard deviation of 0.767. The average value of 'Poor state of publishing section' from a sample of 18 is the mean value of 4.06 with a degree of variability from the standard deviation of 1.110. The average value of 'Irregular internet access in offices' from a sample size of 18 is the mean value of 4.28 with a degree of reliability from the standard deviation of 0.752.

Thus, in relation to means, it can be said that 'Poor state of MCVs' as an indicator, has the highest mean value of 4.39, preferred above the other four

indicators whereas 'Poor state of publishing section' has the lowest mean of 4.06. This suggests that, while 'Poor state of MCVs' contributes more to the structural problems in ISD, "Poor state of publishing section' is the least contributor.

However, the sum of the means of the five variables that make up the structural problems in ISD is 21.23 and this indicates robust contribution as compared to the total score of 25 (five variables * five scale). "Public sector organisations perform poorly in developing countries" (Grindle, 1997, 9. 481) and are frequently staffed with poorly motivated public servants (Grindle, 1997). In addition, the result confirms the observations of Owusu (2006b; 2006c) that, ISD is a poor performing public organisation in Ghana. Finally, this outcome is consistent with the report from Ghana News Agency (GNA) that the audio-visual centre and cinema section of ISD were in deplorable conditions (Ghana News Agency, 2012).

Table 6: The Extent of Structural Problems in ISD

		Deplorable state of PASs	Poor state of MCVs	Poor state of office equipment	Poor state of publishing section	Irregular internet access in offices
N	Valid	18	18	18	18	18
	Missing	2	2	2	2	2
	Mean	4.17	4.39	4.33	4.06	4.28
	Median	5.00	5.00	4.50	4.00	4.00
	Mode	5	5	5	5	5
	Std. Deviation	1.098	.916	.767	1.110	.752
	Skewness	-.966	-.921	-.685	-.992	-.529
	Std. Error of Skewness	.536	.536	.536	.536	.536

Field survey, Koomson (2016)

Causes of Structural Problems in ISD

In assessing the underlying causes of the structural problems in ISD, four variables were measured on a five-point likert scale. Score ‘5’ shows the strongest agreement and score ‘1’ shows the least agreement. With this measurement scale, the highest overall score for the causes of structural problems in ISD is 20 (four variables * five scale) and the lowest is four. These scores are generalised based on the extent to which respondents agree or disagree with the statements provided under the “causes of structural problems in ISD” on the questionnaire.

Table 7 demonstrates the causes of structural problems in ISD as determined by the various indicators that measure it. From the table, the average value of ‘Poor maintenance culture of employees’ from a sample of 18 is the mean

value of 1.89 with a degree of reliability from the standard deviation of 0.832. The average value of 'Lack of replacement of dilapidated operational tools by the state' from a sample of 18 is the mean value of 4.33 with a degree of variability or reliability from the standard deviation of 0.686. The average value of 'Inadequate funds mobilised from internal sources' from a sample of 18 is the mean value of 4.50 with a degree of reliability from the standard deviation of 0.618. The average value of 'Inadequate funds received from central government' from a sample of 18 is the mean value of 4.39 with a degree of variability from the standard deviation of 0.608.

Comparing the means of the various indicators, it can be observed that 'Inadequate funds mobilised from internal sources' as a variable, has the highest mean value of 4.50, preferred above the other three indicators while 'Poor maintenance culture of employees' has the lowest mean of 1.89. This presupposes that, while 'Inadequate funds mobilised from internal sources' is the most cause of structural problems in ISD, "Poor maintenance culture of employees' is the least cause of ISD's structural problems.

On the other hand, the summation of the means of the four variables that cause structural problems in ISD is 15.11 and this shows an above average contribution compared to the total score of 20 (four variables * five scale). This discovery agrees with statement made by Mihaiu et al. (2010) that public organisations are sometimes poor funded more or less.

Table 7: Causes of Structural Problems in ISD

		Poor maintenance culture of employees	Lack of replacement of dilapidated operational tools by the state	Inadequate funds mobilised from internal sources	Inadequate funds received from central government
N	Valid	18	18	18	18
	Missing	2	2	2	2
Mean		1.89	4.33	4.50	4.39
Median		2.00	4.00	5.00	4.00
Mode		1	4 ^a	5	4
Std. Deviation		.832	.686	.618	.608
Skewness		.224	-.547	-.840	-.408
Std. Error of Skewness		.536	.536	.536	.536

a. Multiple modes exist. The smallest value is shown

Field survey, Koomson (2016)

The Extent to Which the Structural Problems Have Affected Efficient Service Delivery

In investigating the extent to which the structural problems of ISD have affected efficient service delivery, four indicators were measured on a five-point likert scale. Score ‘5’ shows the strongest agreement and score ‘1’ shows the least agreement. With this measurement scale, the highest overall score for the extent to which the structural problems of ISD have affected efficient service delivery is 20 (four variables * five scale) and the lowest is four. These scores are generalised based on the extent to which respondents agree or disagree with the statements provided under “the extent to which the structural problems of ISD have affected efficient service delivery” on the questionnaire.

Table 8 shows the extent to which the structural problems of ISD have affected efficient service delivery as determined by the various variables that measure it. In the table, the average value of 'Deplorable state of PASs has impeded efficient service delivery' from a sample of 18 is the mean value of 4.44 with a degree of reliability from the standard deviation of 0.616. The average value of 'Poor state of MCV has slowed down efficient service delivery' from a sample of 18 is the mean value of 4.33 with a degree of variability from the standard deviation of 0.767. The average value of 'Poor state of publishing section has hampered efficient service delivery' from a sample of 18 is the mean value of 3.78 with a degree of reliability from the standard deviation of 1.114. The average value of 'Irregular internet access in offices has hindered efficient service delivery' from a sample of 18 is the mean value of 2.83 with a degree of variability from the standard deviation of 1.465.

Consequently, in relation to means, it can be said that 'Deplorable state of PAS has impeded efficient service delivery' as an indicator, has the highest mean value of 4.44, preferred over the other four indicators whereas 'Irregular internet access in offices has hindered efficient service delivery' has the lowest mean of 2.83. This proposes that, while 'deplorable state of PAS' is the highest contributor to inefficient service delivery in ISD, 'irregular internet access in offices' contributes very little to inefficient service delivery in the department.

Nevertheless, the sum of the means of the four indicators that measure the extent to which the structural problems of ISD has affected efficient service delivery is 15.38 and this indicates strong influence as compared to the total score

of 20 (four variables * five scale). This result is in line with that discovery of Mihaiu et al. (2010) that public organisations are sometimes poorly funded more or less and this may affect their efficiency levels.

Table 8: The Extent to Which the Structural Problems have Affected Efficient Service Delivery

		Deplorable state of PAS has impeded efficient service delivery	Poor state of MCV has slowed down efficient service delivery	Poor state of publishing section has hampered efficient service delivery	Irregular internet access in offices has hindered efficient service delivery
N	Valid	18	18	18	18
	Missing	2	2	2	2
Mean		4.44	4.33	3.78	2.83
Median		4.50	4.50	4.00	2.50
Mode		5	5	5	2
Std. Deviation		.616	.767	1.114	1.465
Skewness		-.616	-.685	-.370	.196
Std. Error of Skewness		.536	.536	.536	.536

Field survey, Koomson (2016)

Specific Measures to Ensure Efficient Service Delivery in ISD

For the purpose of exploring employees' perceptions on the specific measure that can be implemented to ensure efficient service delivery in ISD, six variables were measured on a five-point likert scale. Score '5' shows the strongest agreement and score '1' shows the least agreement. With this measurement scale, the highest overall score for the specific measures to ensure efficient service

delivery in ISD is 30 (six variables * five scale) and the lowest is six. These scores are generalised based on the extent to which respondents agree or disagree with the statements provided under the “specific measure that can be implemented to ensure efficient service delivery in ISD” on the questionnaire.

Table 9 reveals employees’ perception on the specific measure that can be implemented to ensure efficient service delivery in ISD as determined by the various variables that measure it. From the table, the average value of ‘Provision of modern PASs’ from a sample of 18 is the mean value of 4.61 with a degree of reliability from the standard deviation of 0.502. The average value of ‘Provision of new MCVs’ from a sample of 18 is the mean value of 4.50 with a degree of variability from the standard deviation of 0.514. The average value of ‘Provision of modern office equipment’ from a sample of 18 is the mean value of 4.28 with a degree of reliability from the standard deviation of 0.669. The average value of ‘Provision of modern publishing equipment’ from a sample of 18 is the mean value of 3.61 with a degree of variability from the standard deviation of 1.092. Also, the average value of ‘Regular release of funds from central government’ from a sample of 18 is the mean value of 4.39 with a degree of variability from the standard deviation of 0.502. Finally, the average value of ‘Providing regular and speedy internet access from a sample of 18 is the mean value of 3.22 with a degree of variability from the standard deviation of 1.215.

Comparing the means of the various variables, it can be seen that ‘Provision of modern PASs’ as an variable, has the highest mean value of 4.61, followed by the ‘Provision of new MCVs’ with a mean value of 4.50 preferred

above the other variables while 'Providing regular and speedy internet access' has the lowest mean of 3.22. This indicates that, although 'Provision of modern PASs' contributes more to the measures that can be implemented to ensure efficient service delivery in ISD, 'Providing regular and speedy internet access' contributes less.

Yet, the sum of the means of the six variables that can be implemented to ensure efficient services delivery in ISD is 24.61 and this shows solid endorsement compared to the total score of 30 (six variables * five scale). Calls have been made for the repair of broken MCVs of some districts (Ghana News Agency, 2012). To add, Grindle (1997, p. 481) stipulates that "Clearly, the widespread existence for such situations call attention to the need for changes to increase the efficiency, effectiveness, and responsiveness of the public sector especially developing countries".

Table 9: Specific Measures to Ensure Efficient Service Delivery in ISD

	Provision of modern PASs	Provision of new MCVs	Provision of modern office equipment	Provision of modern publishing equipment	Regular release of funds from central government	Providing regular and speedy internet access
Valid N	18	18	18	18	18	18
Missing	2	2	2	2	2	2
Mean	4.61	4.50	4.28	3.61	4.39	3.22
Median	5.00	4.50	4.00	3.50	4.00	3.00
Mode	5	4 ^a	4	3	4	2
Std. Deviation	.502	.514	.669	1.092	.502	1.215
Skewness	-.498	.000	-.382	-.014	.498	.408
Std. Error of Skewness	.536	.536	.536	.536	.536	.536

a. Multiple modes exist. The smallest value is shown

Field survey, Koomson (2016)

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Introduction

This chapter presents summary of the study and major findings derived from the study. Conclusions arrived and recommendations arising from the findings were provided in this chapter.

Summary of the Study

The study assessed organisational performance in Ghanaian public sector especially ISD with specific reference to Cape Coast. The study used descriptive survey as its design and used the census method to select all 18 staffs for regional and metropolitan offices in Cape Coast as the sample size for the study.

The researcher employed a self-administered questionnaire to collect data for the study which helped to produce 100% retrieval rate. A self-administered questionnaire gives the researcher an opportunity to explain some of the issues further to ensure clarity. The questionnaire was made up of 22 items. The 22 items on the questionnaire were grouped into four sections which were all in line with the research objectives. The data collected were analyzed quantitatively using descriptive statistics and frequencies of SPSS version 20. The findings were organized in line with the research objectives which were formulated to guide and give the study direction.

With respect to the first objective of examining the extent of structural problems in ISD, it came to light that, ISD is severely faced with several

structural problems. These problems begin with 'Poor state of MCVs,' followed by 'Poor state of office equipment', 'Irregular internet access in offices', 'Deplorable state of PASs' and finally, 'Poor state of publishing section'.

Regarding the second objective which sought to assess the underlying causes of these problems, respondents agreed that inadequate funds mobilised from internal sources, inadequate funds received from central government, lack of replacement of dilapidated operational tools by the state, and poor maintenance culture of employees (in order of severity) were the causes of the structural problems in ISD. While inadequate funds mobilised from internal sources is found to be the most cause of structural problems in ISD, poor maintenance culture of employees contributes the least with respect to the structural problems of ISD.

In answering the third objective which sought to investigate into the extent to which the structural problems have affected efficient service delivery in ISD, the following was revealed: deplorable state of PAS has impeded efficient service delivery, poor state of MCV has slowed down efficient service delivery, poor state of publishing section has hampered efficient service delivery, and irregular internet access in offices has hindered efficient service delivery (in order of severity). In other words, while 'deplorable state of PAS' is the highest contributor to inefficient service delivery in ISD, 'Irregular internet access in offices' contributes very little to inefficient service delivery in the department.

Finally, the employees of ISD established that provision of modern PASs, provision of new MCVs, regular release of funds from central government, provision of modern office equipment, provision of modern publishing equipment,

and providing regular and speedy internet access (in order of importance) are the specific measures that can be implemented to ensure efficient service delivery in ISD. In other words, 'Provision of modern PASs' contributes more to the measures that can be implemented to ensure efficient service delivery in ISD, whereas 'Providing regular and speedy internet access' is the least contributor.

Conclusion

The study assessed organisational performance in Ghanaian public sector using ISD as study area with specific reference to Cape Coast. The outcomes of the study can make inputs into the success and sustainability of public organisations in general, specifically ISD and provide useful ideas to better enhance service delivery at the district, regional, national and even overseas.

ISD serves as government's major public relations agency organization both locally and abroad. The department is mandated to create awareness of government policies, programs and activities, promote Ghana's international marketing agenda, provide public relations support to government ministries, department, agencies and Ghana's mission abroad and get feedback from the public to government for policy reinforcement and direction. Its modus operandi include, organizing regular weekly interactions with the media on Tuesdays and Thursdays on various issues and Government programs; produce various audio-visual documentaries for public education and outreach programs.

However, the department cannot achieve its mission and objectives when it is currently challenged with structural inadequacies. It must be said that these structural problems have severely affected effective and efficiency delivery in their

services and have led to drastic shortfall of contracts from both government agencies and private sector.

Recommendations

After gaining insight on organisational performance in Ghanaian public sector, it is proper to make recommendations to improve efficiency in the services of public organisations in Ghana and other developing countries that share similar characteristics.

It is recommended that, time has come for ISD to be resourced with modern public address systems, new mobile cinema vans, modern office equipment associated with regular and speedy internet access, and regular and adequate funds for operations as well as repairs and maintenance works. Moreover, the government of the day should give preference to ISD when awarding contracts on publicity, publishing, and broadcasting as a way of empowering the department and ensuring their survival in the mist of keen competitors, after all, ISD is supposed to be the major mouthpiece of the state. In addition, developing a national marketing action plan to raise awareness of the value of information, educate management on the need for information services, and promote information related programs. Converting information services department from a department to an authority is another option. This will mean that ISD would have to operate independently in terms of paying staffs and running its own affairs. Hence, the state would have to pay for services rendered by the department. When this happens, there would be no need for the state to provide subventions which is

already not forthcoming. ISD would then operate in like manner to Ghana Revenue Authority (GRA), Driver and Vehicle Licensing Authority (DVLA) among others. To add, it is recommended that the parliament of Ghana should pass the right to information bill to enable ISD use its strengths as Ghana's major public relations agency to take advantage of the opportunities the come with it. Last but not least, public-private partnership has been one of the recommended ways of liberating most public institutions in Ghana. Therefore, partly privatizing ISD could instill some efficiency into the department and enable it raise enough funds for operations.

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APPENDIX

Appendix A: Questionnaire

ASSESSING ORGANISATIONAL PERFORMANCE IN GHANAIAN PUBLIC SECTOR: THE CASE OF ISD IN CAPE COAST

This questionnaire is designed to gather information for a research project in partial fulfilment of the requirement for Master of Business Administration (General Management) degree from the University of Cape Coast. Your participation is necessary and your responses will be treated confidential and for academic purpose only.

Please tick [] the appropriate response

Section A: Background Information

- 1. Age [years]: a. 18-25 [] b. 26-35 [] c. 36-45 [] d. 46 and above []
- 2. Gender: a. Male [] b. Female []
- 3. Level of Education a. Basic [] b. Secondary/Technical []
c. Tertiary []

Section B: The Extent of Structural Problems in ISD

Each of the following statements relate to structural problems in ISD. Using a five-point likert scale with values (1= strongly disagree, 2= disagree, 3= neutral, 4= agree, and 5= strongly agree), kindly tick wherever is appropriate.

STATEMENTS	1	2	3	4	5
4. Deplorable state of public address systems	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Poor state of mobile cinema vans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Poor state of office equipment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. Poor state of publishing section					
8. Irregular internet access in offices					

Section C: Causes of Structural Problems in ISD

Each of the following statements relate to the causes of structural problems in ISD.

Using a five-point likert scale with values (1= strongly disagree, 2= disagree, 3= neutral, 4= agree, and 5= strongly agree), kindly tick wherever is appropriate.

STATEMENTS	1	2	3	4	5
9. Poor maintenance culture of employees					
10. Lack of replacement of dilapidated operational tools by the state					
11. Inadequate funds mobilized from internal sources					
12. Inadequate funds received from central government					

Section D: The Extent to Which Structural Problems Have Affected Efficient Service Delivery

Each of the following statements relate to the extent to which ISD’s structural problems have affected efficient service delivery. Using a five-point likert scale

with values (1= strongly disagree, 2= disagree, 3= neutral, 4= agree, and 5= strongly agree), kindly tick wherever is appropriate.

STATEMENTS	1	2	3	4	5
13. Deplorable state of public address system has impeded efficient service delivery					
14. Poor state of mobile cinema van has slowed down efficient service delivery					
15. Poor state of publishing section has hampered efficient service delivery					
16. Irregular internet access in offices has hindered efficient service delivery					

Section E: Specific Measures to Improve Service Delivery in ISD

Each of the following statements relate to the specific measures that can be implemented to improve service delivery in ISD. Using a five-point likert scale with values (1= strongly disagree, 2= disagree, 3= neutral, 4= agree, and 5= strongly agree), kindly tick wherever is appropriate.

STATEMENTS	1	2	3	4	5
17. Provision of modern public address systems					
18. Provision of new mobile cinema vans					
19. Provision of modern office equipment					

20. Provision of modern publishing equipment					
21. Regular release of funds from central government					
22. Providing regular and speedy internet access					

Thanks for accepting to be part of this study