
SYNOPSIS

After the 1994 genocide, Rwanda’s government ministries, desperate for staff, went on a hiring spree. By 1998, the civil service had grown, but it consumed too much of the country’s limited revenues and lacked many of the critical skills essential for effective service delivery. Between 1998 and 2009, the Rwandan Ministry of Public Service and Labor led reforms that slashed the number of staff in central ministries by about 90%, tripled salaries for those who remained and decentralized basic service-delivery functions. Personnel cuts occurred in two major waves, one in 1999 and another in 2006. In 2006, the Ministry of Local Government rehired some civil servants fired under these reforms to staff district administrations. Those local governments began to deliver services, ranging from the issue of passports to road construction, that the government had earlier directed from Kigali, Rwanda’s capital. Following retrenchment and decentralization, the government set up a Public Service Commission in 2007 to standardize and oversee recruitment throughout the civil service. Results of the reforms were ambiguous. In early 2010, civil servants reported that the changes had improved overall staff quality but that ministries had too few people to carry out essential functions. They also said decentralization had improved service delivery in some cases but had overtaxed local administrations in others. There was some agreement, however, that the Public Service Commission recruitment system was effectively based on merit.


INTRODUCTION

When Pascal Niyigena returned to work at the Ministry of Public Service and Labor in August 1994, a month after the end of the Rwandan genocide, he and other surviving civil servants worked in exchange for food. Government ministries had closed in April, when leaders of political factions mobilized militias of the majority ethnic group, the Hutu, to kill more than 800,000 members of the
minority Tutsi group and moderate Hutus who refused to cooperate in the genocide. By July 4, when the Rwandan Patriotic Front (RPF), an army of Tutsi exiles, took over the country and ended the killing, state institutions had ceased to function. “Offices were literally completely empty during the genocide,” Niyigena said. “People had lost everything.”

In the immediate aftermath of the conflict, the first priority was to find staff. “There weren’t enough staff,” Niyigena said. “On the radio, ministries called for people to return to work.” For the first four months after the starting date of the public administration, Niyigena said, former civil servants reported for duty out of a sense of patriotism and national obligation, and they received only food in return; they later were paid their whole salaries with arrears. The ministries’ new staff was a mixture of people from the old regime—mostly Hutus who had not participated in the genocide—and Tutsi refugees who had returned to the country after the RPF captured the capital city of Kigali.

The skills shortage in local government was even more extreme. Protais Musoni, the deputy secretary-general of the RPF who administered Kibungo province immediately after it was captured from the Hutu extremist government that had led the genocide, described searching for local government staff in the refugee camps. “You go to the camps, you say, ‘Who knows how to type?’” Musoni said. “They say ‘Yes, I can do it.’ ‘So come and get a job!”’

As the RPF government worked to secure the country and restore basic state functions, the civil service operated in a state of emergency, with few formal rules governing procedures such as recruitment, promotion or performance. The central government civil service had about 40,600 employees by the end of 1997. In a country with a population of about 7.2 million people, the ratio of employees to 1,000 population was not exceptionally large, but the government could not finance the wage bill easily and the shortage of people with the skills the government needed undermined effectiveness.

That changed in 1998, when the Ministry of Public Service and Labor undertook a civil service census and began to plan for retrenchment, concentrating on less qualified workers. Personnel cuts took place in two major waves, in 1999 and 2006, with some staff also let go in 2004 and 2009. The percentage of civil servants with university degrees increased to 79% in 2005 from 6.4% in 1998. Decentralization proceeded concurrently. The Ministry of Local Government hired more than 4,000 civil servants to staff district governments, which began to issue passports, administer schools and hospitals, and even build roads. Finally, after the retrenchment and decentralization of 2006, the government founded a Public Service Commission to standardize recruitment procedures and prevent corruption and patronage in hiring.

The story of personnel cuts, decentralization and recruitment reform in Rwanda offers useful lessons for other post-conflict countries. Although the results of Rwanda’s reforms were mixed and difficult to measure, there was little doubt in 2010 that Rwanda had restored core government functions, delegated many types of service delivery to local governments, and created safeguards against patronage in recruitment.

THE CHALLENGE

Improving the effectiveness of the public sector was a priority at the center of Rwanda’s new government. In 1997 and 1998, a team of Rwandan reformers, working in collaboration with President Paul Kagame and with the assistance of outsiders, began to assess the challenge they faced. Rwanda had few resources. It would have to build a highly effective government. Singapore was the model that often came up in conversation. In addition
to Niyigena at the Ministry of Public Service and Labor, the team included, among others, Musoni (who became minister for local government), Apollinaire Mushinzimana at the decentralization secretariat, Silas Nyilindikwe at the public service ministry, and Angelina Muganza, who would later head the Public Service Commission.

The reform team identified several key challenges. In 1998, four years after the genocide, the Rwandan civil service was too large and too centralized. It also faced an acute skills shortage, offered uncompetitive salaries and lacked uniform procedures for recruitment.

The problems had roots in Rwanda’s troubled history. In the scramble to find staff after the genocide, ministries had not used standard recruitment procedures, and civil servants had sometimes hired friends and acquaintances. Overstaffing became common, and several employees often occupied the same post. Ministries could hire more or less at will because there was no limit on the number of positions. The result was an inflated wage bill. In 1995, salaries accounted for 73.6% of total expenditures, according to a 2005 report from the public service ministry.1

Before 1999, most posts had no job descriptions, according to Nyilindikwe, a civil servant who worked on the reform project at the public service ministry. In addition, civil servants often lacked basic qualifications. Niyigena said that in 1998, 80% of civil servants lacked secondary school qualifications, and many had not finished primary school.

Salaries were low, making it more difficult for the state to attract qualified staff. Between 1991 and 2005, while nominal salaries remained nearly constant, inflation-adjusted salaries fell at an average rate of more than 4% per year, according to a 2005 report commissioned by the public service ministry.2 As of 2003, a division chief earned 39,923 Rwandan francs a month, worth approximately US$85 at the time.

The central ministries—staffed by underpaid and often under-qualified civil servants—were responsible for nearly all service delivery. Musoni, who later became minister of local government and led Rwanda’s decentralization program, said Rwanda’s civil service before the reforms resembled an “inverted pyramid,” with staff and capacity concentrated at the top, in the central ministries. The government had five levels: central government, four provinces (originally called préfectures), 106 districts (originally called communes or sous-préfectures, reduced to 30 in the course of decentralization), 416 sectors and 2,148 cells. In a country with a population of approximately seven million, each cell was home to an average of just over 3,200 people. Before decentralization, sectors and cells had no administrative staff, and districts had very few—not more than five each.

Mushinzimana, head of the National Decentralization Implementation Secretariat, said that before decentralization citizens were often forced to travel to the capital for basic administrative procedures. For example, if a student wanted to switch subjects in school, his or her parents were required to make the change at the Ministry of Education. The same procedure applied to passport applications, transport permits and procurement policy. Hospitals, for example, had to get permission for all purchases directly from the capital.

Finally, recruitment processes were not standardized. Muganza, executive secretary of the Public Service Commission, said the problem dated to before the genocide. “Before 1994, with all the divisive politics of this country,” she said, “recruitment was being done based on who knows who. Or ‘Where do you come from?’ or ‘Whose son or daughter are you?’” Even after the introduction of exams in the late 1990s and a presidential decree on recruitment in 2004, agencies varied greatly in terms of how closely they adhered to the
standard hiring process. Muganza said the commission was created in 2007 partly in order to tackle this problem. “There were cases where people were not advertising for posts,” she said. “Then, setting of [the] written exam and oral interview was done with the institution and not always supervised, so that the idea of checks and balances was not always in all the institutions.”

FRAMING A RESPONSE

The broad outlines of a plan for civil service reform emerged from a series of leadership meetings held between May 1998 and March 1999. “Every Saturday the leadership would congregate in the office of the president and discuss the effort,” Musoni said. The meetings touched on a wide range of policies. Muganza noted that the conversations focused on “programs of justice, programs of good governance, economic programs, establishment of offices like the Rwanda Revenue Authority, the Auditor General, the Ombudsman.” These broad strategy meetings set the agenda for more specific planning of personnel cuts, decentralization and recruitment policy.

Concurrently, between May 1998 and March 1999, the government held a series of nationwide workshops to redefine the character of government over the coming decade. Musoni said citizens called for the ability to participate more in local government. “We were told … the center should not be appointing leaders who have allegiance only to the center,” he said. “We need to give people voice to participate in their own way-of-life decisions.” Local elections were the first response to the demand for participation. Sectors and cells elected committees to help determine local development policies. Administrative decentralization was the next step.

In his role as head of the Ministry of Local Government, Musoni said, he thought carefully about the order of changes. “What do we want? What don’t we want? What can’t we do at this moment? That brought to us a strategy spanning a space of time,” he said. “We agreed we are not going to have the decentralization and victory we want immediately now, but put them in phases.” The first stage, between 2000 and 2003, included the sector- and cell-committee elections and a campaign to publicize the decentralization program. In the second stage, the central and provincial governments would shrink while district and sector governments grew and took on new responsibilities.

The decisions about the functions and form of government shaped decisions about the structure of the new civil service. The leadership sought a central government service that was small, lean and more highly skilled.

A civil service census completed in 1998 helped fuel decision making. Niyigena and his colleagues identified about 3,300 ghost workers who were drawing pay without showing up to work. They also observed that many employees lacked the skills to do the jobs they held.

On the basis of these observations, they began to think about how to “right size” the administration so that the number of staff members and the skills people brought to their jobs matched government needs. The public service ministry devised a plan to dismiss civil servants who lacked secondary-school qualifications and to eliminate posts that could be contracted out easily. The cabinet approved the plan, and dismissals began in 1999. Planning also began for a Public Service Commission that would handle future recruitment.

GETTING DOWN TO WORK

Dismissals, decentralization and the establishment of the Public Service Commission all occurred quickly and decisively once the leadership group, meeting in the office of the president, had made the decision to move forward.
Retrenchment

At the time of the 1998 civil service census, Rwanda had approximately 14,000 civil servants. Dismissals in 1999 reduced that number to around 10,000, and subsequent dismissals in 2004 and 2006 brought the number to below 2,000.

After the 1998 census, Niyigena and his colleagues began reducing the number of civil servants by identifying areas of work that could be contracted out, including cleaning and courier services. Next, they adopted education as a basic criterion for retention, aiming to reduce the number of civil servants without a secondary education. Some retrenchments involved case-by-case evaluations.

Employees put up little resistance to the mass dismissals because the government gave each laid-off worker a sum equal to six months’ salary, along with other benefits and retraining, according to Cyatwa Ngarambe, who worked on a project that supported the civil service ministry and was funded by the United Nations Development Programme. Ngarambe also noted that the criteria used for dismissals were objective and implemented uniformly, and that “because people came from a background of war, they had seen worse.” The next round of firings, which occurred in 2004, reduced the number of civil servants to about 7,000 and followed a similar pattern.

The retrenchment of 2006, however, had different aims and relied on a much broader array of compensation mechanisms for employees who lost their jobs.

Between 2003 and 2006, a small team in the public service ministry performed a comprehensive census and assessment of posts. The team examined each ministry and agency in detail, interviewing workers and discussing job descriptions. The review uncovered disorganization, redundant processes and overlapping employee responsibilities. The team used the interviews to create job descriptions, grade the jobs and clarify organizational structures.

Relying on the assessment, the team decided that the first step in addressing capacity problems was to lay off more than 5,000 of the 7,000 civil servants who worked for the central civil service, keeping only those who were well qualified for their jobs. Whereas in previous retrenchments the public service ministry had depended almost exclusively on level of educational qualification in dismissal decisions, the process this time took work experience into account and was more tailored to ministries’ needs.

Decentralization

The effort to bring services closer to the population proceeded concurrently. Under Musoni, the minister of local government at the time, the expansion of district and sector governments occurred in several steps. First, districts and sectors hired new staff at higher salaries, attracting more qualified employees who had previously been hesitant to leave the capital. Second, the Ministry of Local Government ran a publicity program to educate citizens and staff on the role of the new local agencies. Third, the ministry put in place a series of mechanisms for holding local governments accountable.

Before the 2006 changes, district governments were tiny, and sectors and cells barely existed. Mushinzimana, the head of the National Decentralization Implementation Secretariat, said districts and sectors at the time could not attract qualified employees. “People couldn’t imagine graduates at the sector level,” he said. Working in rural areas and secondary towns for local government was unattractive to people who had the skills to work in the capital.

The 2006 local government hiring program set out to change that. Musoni observed, “We could see that we needed to have very highly skilled people close to the population.”
Changing the incentive scheme was essential. In order to attract recently laid-off central government employees and others with solid qualifications, Mushinzimana and Musoni proposed that salary scales be equivalent to those in the central ministries. Further, Musoni persuaded the government to offer not only salary but also rank incentives. “For example, if I get a university graduate to go in to head a sector, [he or she] automatically gets a rank of a director,” he said. On the other hand, “one that finishes university and comes to central government … becomes staff.”

In 2006, soon after the central ministries fired over 5,000 people, local governments hired more than 4,000 new employees. Each of the 416 new sector governments gained nine employees. One official estimated that between 1,500 and 2,000 of those who were laid off at the central-government level found new positions in local governments.

To make the new local governments functional, the councils that would oversee them had to take form. “The minister of local government [Musoni] visited all the district councils, explaining the role of the council,” Mushinzimana said. The ministry held meetings and workshops with local leaders to educate them on their new responsibilities and also to change attitudes toward service delivery. “Here for centuries, from the days of the kingdom to colonialism, to other regimes and so on, it’s a top-down thing,” Musoni said. “So sometimes you have to do a lot of training and sensitization and so on.”

Finally, the Ministry of Local Government introduced several accountability mechanisms for local leaders. The first was a system of performance contracts loosely based on a Rwandan tradition, called *imihigo*. In the new *imihigo* process, local leaders signed annual public performance contracts with President Kagame, in which they promised to deliver certain outcomes in their districts, sectors or cells.

Musoni said the key feature of the process was its public nature. “I always try as much as possible not to say it’s a contract performance, because there’s a certain nuance of difference,” he said. The publicity surrounding commitments encouraged citizens to participate. According to Musoni, one community might think, “‘I will outperform you.’ The other says, ‘No, I will outperform you,’ and so on and so on. There’s that bit of competition which is not on the leader but on the community.” Quarterly public presentations on progress encouraged this informal competition.

Musoni described several other forms of oversight, each of which added to the pressure to perform. Every three months, a provincial team, including civil society and business representatives, toured districts to inspect and gauge their progress toward their stated goals. The prime minister toured each of the provinces every four months. Finally, each sector was required to have an open house every three months at which any member of the public could quiz sector officials on their progress. Together, Musoni said, these mechanisms provided powerful incentives for local leaders to perform well.

*The Public Service Commission*

In the first phases of the reform, the government relied on hiring procedures set forth in a 2004 presidential decree. In the decree, Kagame standardized recruitment procedures, setting requirements for the advertisement, examination and interview processes.

Under the reform program, reliance on the decree was soon to change, however. In 2007, the Parliament acted on a provision in Rwanda’s 2003 constitution that provided for an independent Public Service Commission. It passed a law creating the commission and assigned it the responsibility for the recruitment process. Muganza, the new commission’s
executive secretary, said, "The idea of the commission came from the whole leadership policy of good governance." By taking over civil service recruitment, Muganza said, the commission would be able to standardize a process that still varied across ministries. The seven commissioners, appointed by the Cabinet and approved by the Senate, served for limited terms.

When the Public Service Commission came into being, its central task was to take over recruitment from the ministries. First, the commission had to explain its mandate and secure the cooperation of the agencies for which it would recruit. Muganza, the commission’s executive secretary, said that this required persistence. "We had to explain what we were doing so that gradually, gradually—hopefully fast—people would understand that this is a very fair commission that recruits based on merit and without any bias whatsoever," she said.

The Ministry of Public Service helped publicize the change. When the commission began to operate in 2008, "the minister [of public service] sent this letter to all government institutions as a hardcopy; it was passed over the radio and TV," Muganza said. "Then, like a month later, we also sent another one because we realized that not everybody was informed. … One of the biggest objectives was to tell people how recruitment is done." Muganza said the new process was popular with applicants, making it more difficult for ministries to resist. "There was so much excitement from the job seekers, from the workers," she said.

The new recruitment process took place in several clear steps. When a ministry or agency received approval from the public service ministry to fill a post, it would send a letter to the Public Service Commission requesting a new recruit. At that point, the commission took over the process, advertising the job in two daily newspapers and on the Rwanda Workforce Development Authority website—a source meant to attract applications from the Rwandan diaspora. Commission staff then put together a shortlist of applicants who met the basic criteria for the position.

Muganza said the next few steps of the process were designed to create safeguards against corruption. "After the short-listing, you inform the people who have been pre-selected, and there is a written exam," she said. "And the written exam is set by professionals selected by that institution. They may be from that institution, they may be other experts hired through the tender process. … We ensure that a paper where you write your answers does not have your name but is coded. That is the role of our staff, to ensure that the codes are put on the paper and the code and the name—there is a piece of paper which has now the code and the name, and our staff keeps it. So whoever is going to mark will not know who he/she is marking. And we match these after the marking is completed." Finally, commission staff would sit in on interviews with the applicants who did well on the written exam. "You look at the people who are interviewing and see if they have any bias," Muganza said.

Muganza said that because she had high-level backing it was not difficult to secure the cooperation of ministries and agencies. "This is something that was discussed in Cabinet," she said. "The ministers were the first people to know that the roles have changed."

**OVERCOMING OBSTACLES**

A significant challenge during the 2006 retrenchment was to mitigate the impact of the job losses and minimize resistance. For this purpose, the ministry created a conversion department that offered scholarships and small loans to employees who had lost their jobs. For example, after all but a few of the ministries’ vehicles were sold and the ministries’ drivers were laid off, the drivers received loans with which they often purchased cars that they drove
as taxis. Other employees used the retrenchment fund to finance a further degree or technical course. According to Muganza, who was minister of state for labor before she became executive secretary of the Public Service Commission, all received a severance package equal to approximately four months of salary, paid out over six months.

At the same time, the public service ministry launched a publicity campaign to draw attention to the compensation and justify the retrenchment policy. Muganza played a central role. “Particularly I think 2006 around Labor Day, we went on TV and radio and we debated, and people were calling in,” she said. “The government showed that actually we cannot promote employment by having so many people within the civil service paid so little, but we would rather have a lean civil service that is effective and efficient, and then the others are helped to go to school or helped to go get into the private sector.”

ASSESSING RESULTS

As of March 2010, the results of retrenchment, decentralization and recruitment reform were still beginning to take shape. The efforts affected the entire civil service and could rarely be linked with specific service-delivery improvements. Nonetheless, interviews offered anecdotal evidence on the general results of the reforms.

By 2005, salaries made up 32.8% of current expenditure, down from over 73%. Although the staffing cuts had less to do with this improvement than economic growth and rising state revenue, the fact that the government could pay higher salaries to fewer but more skilled staff in the units most central to investment may have helped spur the improvement in revenue.

Nonetheless, problems remained. Officials said retrenchment had left central ministries understaffed. A 2008 functional review commissioned by the public service ministry and carried out by Oxford Policy Management, a development policy consultancy, found that shortages of staff often hampered service delivery. “The assumption that very small sub-units—often consisting of one professional with no support staff—can effectively exercise nationwide responsibility for policy and oversight of service delivery for a whole sector (forestry, for example, or community health) is clearly over-ambitious,” the consultants wrote.3

Because they dismissed so many civil servants, Rwanda’s reformers initially were able to raise salaries significantly without a large increase in total wage costs. However, the wage bill for the core administration did grow later in the reform period—for example, by 15% from 2005 to 2006.

The employees who remained after the firings tended to be young and well educated, though some lacked experience. “The Rwandan civil service is young and accepts change,” said Cyatwa Ngarambe, who worked on the retrenchment. “They’re well educated, not dominated by the old class. People work hard.”

A 2007 report commissioned by the ministry found that salaries in the public sector were similar to those in the private sector, although the private sector often offered better benefits.4 Thus, government was able to compete for skilled workers.

Leaders of the reforms said the decentralization of service delivery had improved access to many basic administrative procedures. For example, passports and transport licenses were available locally. Officials acknowledged, however, that the recently created local governments sometimes lacked the capacity to complete the projects they were assigned, included such technically complex tasks as road building.

In recruitment, the Public Service Commission appeared to have effectively limited patronage, at least for low-level positions. Muganza said the commission had worked hard
to convince civil servants and citizens that the recruitment process had become impartial. “Two years down the road,” she said, “I don’t think everybody believes what I’m saying, yes, but I know that the leadership of this country does.”

REFLECTIONS

Conversations about the results of civil service reform in Rwanda frequently returned to the central role of the country’s leadership, and particularly the president, in pushing the reform agenda. Paul Kagame was the head of the Rwandan Patriotic Front before he became president of Rwanda (he served as vice president in the interim). High level coordination was essential for the proposed changes to move forward.

The extent of inclusiveness and participation in these measures was hard to assess, however. At the time, in a 2010 report, Human Rights Watch observed “increasing government restrictions on political space and individual freedoms, growing intolerance of criticism of state policies, and a refusal to allow any discussion of ethnicity.” Thus the gains appeared impressive but potentially precarious.

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