

## ➤ MALAWI: FACING CAPACITY EROSION IN THE PUBLIC SECTOR

### **In a Nutshell**

HIV/AIDS imposes unique challenges for development. Among other things, the erosion of capacity through lives lost to the disease has been debilitating for the public services in countries like Malawi. Development agents are faced with multiple challenges in dealing with the depletion, including even assessing the value of this loss.

Towards this end, support was offered to the Malawi government to conduct an HIV/AIDS impact assessment study within the public service, covering four ministries and one department. Employees in these institutions account for over 70 per cent of civil servants. The study was among the first of its kind in Malawi, and has provided critical insights on how urgent action is needed to stop the whittling away of public sector capacity by HIV/AIDS.

### **The Story**

The first case of HIV/AIDS in Malawi was diagnosed in 1985. Since then, the rates of infection have been on the rise. The 2001 Sentinel Surveillance Report puts prevalence among people aged 15-49 at 16 per cent. This being the most productive age group, there are serious implications for all sectors of the Malawi economy and public services.

Deaths of parents due to HIV/AIDS has orphaned over 300,000 children below the age of 15, and the number is likely to skyrocket in coming years. Opportunistic diseases are spreading, with the number of reported tuberculosis cases, estimated at 5,000 before the onset of HIV, now surpassing 23,000. Much of this increase is attributed to HIV.

With attrition growing in the public service, the government acknowledged the need to undertake an HIV/AIDS impact assessment to establish the exact trend of these deaths, knowledge that in turn would guide policies and interventions. To develop national research capacity, local consulting firms were invited to conduct the study. They reviewed existing documentation, interviewed stakeholders and collected primary data on the epidemic in four ministries and one department (the Ministry of Health and Population; the Ministry of Agriculture and Irrigation; the Ministry of Education, Science and Technology; the Ministry of Water Development and the Malawi Police). A steering committee comprising members from the Department of Human Resources Management and Development (DHRMD), the National AIDS Commission (NAC) and UNDP guided the consultants.

The study revealed that attrition in the public service had been soaring between 1990 and 2000, especially among technical cadres and frontline staff,

whose work involves a lot of field travel. Total mortality rates rose from 3 per cent in 1990 to 16 per cent in 2000, an increase of more than 500 per cent. Women died at a much earlier age than men.

The resulting capacity erosion has curtailed service delivery, with productivity and performance faltering due to increased absenteeism, high numbers of vacancies and increased workloads for those in service. Increased stress, frustration, burnout and low staff morale are common. In particular, coverage and provision of services have suffered due to the loss of skilled workers such as agricultural research scientists, medical doctors and engineers.

There are also financial implications for HIV/AIDS-related mortality, morbidity and absenteeism in terms of training and recruitment costs, increased funeral expenses and the pay-out of death benefits. According to the study, the five organizations spent between \$53.4 million and \$78.1 million on HIV/AIDS-related costs during the period under review, while the government has been spending between \$6.1 million and \$8.9 million per annum for training and recruitment of a replacement workforce. Most of these financial expenditures were not in the budget.

As well, funeral attendance results in a two-day absence of at least 20 employees. From 1990 to 2000, a total of 8,105 deaths across the five organizations translated into a loss of 324,200 person days, or 14,736 months. Based on an average monthly salary of \$2,790, total funeral attendance would have cost the five organizations \$41.1 million, or just over \$3.7 million per annum.

The study proposed three sets of recommendations. The first category covers the prevention and mitigation of HIV/AIDS in the workplace. For instance, proposals have been made to sensitize all staff members on HIV/AIDS; involve every person in HIV/AIDS prevention and mitigation activities; and provide anti-retroviral drugs (ARVs) to those who need them.

The second category of recommendations relates to improvements in the capacity of the public sector. To this effect, the study has suggested, *inter alia*, that DHRMD put in place a mechanism to facilitate the fast-tracking of recruitment into government; set up a comprehensive incentive package for skills that are difficult to replace; and use UN volunteers as a short-term replacement for critical capacities. In addition, it advised that the government increase the size of the Malawi Government Scholarship Fund to educate replacement workers.

The third category of recommendations seeks better management of information in the public sector. For instance, the government was asked to put in place systems for recording and monitoring morbidity, mortality and absenteeism. Each government institution should budget for and record funeral costs.

The development community can continue to play a vital role in helping arrest the erosion of public sector capacity in Malawi. It can seek full commitment at the highest level, especially from the Secretary to the President and the Cabinet, and advocate for adequate funds from the Treasury. The government has already announced an allocation of two per cent of each ministry or department's total budget for this effort.

Even beyond the budgetary shift, political commitment for change has been visible. The Vice President urged the Office of the President and the Cabinet to ensure that the recommendations from the study are implemented immediately, with the assistance of UNDP and a Public Sector HIV/AIDS Mainstreaming Committee comprising technical persons, principal secretaries and chief executives. A work plan to carry out the recommendations has been finalized. In order to speed capacity improvement, the government has embarked on a process of identifying vacancies that could be immediately filled by UN volunteers.

### Results and Critical Factors

The Malawi study provides evidence of significant human resource capacity erosion in the country's public service between 1990 and 2000. At the same time, the government is spending enormous amounts of resources on both visible and invisible costs stemming from escalating levels of morbidity and mortality. Other issues include:

- While the human and social losses associated with HIV/AIDS are self-evident, the loss in capacity in areas like the public service are only now being understood due to studies like Malawi's.
- It is easy to comprehend the direct costs associated with an epidemic of this size, but the Malawi exercise also points to large invisible costs, such as employee absences for funeral attendance, the need for retraining, and the replacement of highly skilled employees such as doctors and agricultural scientists.
- Development partners will need to support a concerted strategy, while significant resources will be required for dealing with the complex challenges of mediating and arresting capacity erosion in Malawi.

### Further information

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*The authors gratefully acknowledge the contributions of Fred Mwachengere, UNDP Malawi.*