THE RELATIONSHIP BETWEEN PAY AND PERFORMANCE IN THE CAMBODIAN CIVIL SERVICE

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Abstract

The civil service is a major influence in a country’s development. Thus, government requires a good civil service, and improvements in public service performance must be a key goal for accelerating development and reducing poverty. However, in many developing countries, the capacity of civil services to carry out the necessary functions of government is often severely constrained. Civil servants do not perform their assigned tasks and they often fail to take responsibility for their actions. Management systems often function inefficiently. The result is disappointing performance and poor service quality. While there are many factors contributing to the disappointing level of civil service performance, pay has been a major concern. It is alleged that low pay is a primary cause of poor performance. But, there are few empirical investigations that support this argument. This thesis addresses this problem through a detailed empirical analysis of the relationship between pay and performance in the Cambodian civil service (CCS).

Low pay has been a constant concern in the CCS since its inception in 1979. By 2009, the average state salary was US$75.5 per month, which was still below subsistence level income for a family. The gap between levels of state salaries and cost of living has been widening. These low income conditions of public servants have led them to pay less attention to their tasks and duties as they have diverted their time and effort to obtaining other sources of income including corruption and ‘moonlighting’ in other jobs. Also, they may have deliberately reduced their performance effort or felt that low pay justified poor performance. As a result, public service delivery has suffered significantly.

Many have asserted that pay has been closely linked to performance in the CCS and that pay has had a negative impact on performance. But until now there has been little or no empirical confirmation of this widely held belief. This thesis provides such confirmation. Interviews with a range of stakeholders in the Cambodian government, including central government personnel, educational administrators, and school teachers and principals revealed that pay was either the most important, or at least a highly significant factor influencing performance, and it either adversely affected job performance or led to dissatisfaction with civil service jobs. However, pay played little or no role in motivating people to seek civil service jobs nor
did it encourage good performance for those employed. Rather, interviewees pointed to such factors as job security or lifelong employment, social status and prestige, future personal growth and other opportunities, and professionalism as performance motivating factors. Pay was the most important demotivational factor discouraging civil servants from performing their jobs well. This link between pay and performance was also investigated through the application of motivation theories which, with the exception of expectancy theory, provided relatively poor fit with the Cambodian case. Performance was also investigated in terms of organisational culture and politics in the CCS and both were found to be significant influences on behaviour.
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CAR   Council for Administrative Reform
CCS   Cambodian civil service
CDC   Council for the Development of Cambodia
CDRI  Cambodian Development Resource Institute
CGDK  The Coalition Government of Democratic Kampuchea
CPK   Communist Party of Kampuchea
CPP   Cambodian People’s Party
DESA  Department of Economic and Social Affairs, United Nations
DK    Democratic Kampuchea
DPs   Donor Partners
EIC   Economic Institute of Cambodia
FUNCINPEC The United National Front for an Independent, Neutral, Peaceful and Cooperative Cambodia
FUNSK  The Kampuchean United Front for National Salvation
HDI   Human Development Index
HRM   Human Resource Management
GDP   Gross Domestic Product
GNI   Gross National Income
KPRP  The Kampuchean People’s Revolutionary Party
KR    Khmer Rouge
MBPI  Merit-Based Pay Initiative
MDGs  Millennium Development Goals
MEF   Ministry of Economy and Finance
MLVT  Ministry of Labour and Vocational Training
MoEYS Ministry of Education, Youth and Sports
MoP   Ministry of Planning
NGO   Non-Governmental Organisation
NIS   National Institute of Statistics
OCM   Office of Council of Ministers
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<td>PMG</td>
<td>Priority Mission Group</td>
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<td>PRK</td>
<td>The People’s Republic of Kampuchea</td>
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<td>RGC</td>
<td>Royal Government of Cambodia</td>
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<td>SOC</td>
<td>State of Cambodia</td>
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<td>SSPF</td>
<td>State Secretariat of Public Function</td>
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<td>UNDP</td>
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Chapter 1

Introduction

Efforts to improve economic growth and poverty reduction in developing countries have brought into focus the need for a capable, accountable, effective and efficient civil service. This is because the civil service is recognised as being a major influence on a country’s development (Turner & Hulme, 1997; UNDP, 2005; UNPAN, 2004). In this view, Turner and Hulme (1997, p. 82) have noted that the civil service is “an essential and vitally important instrument of development” while the World Bank and the Asian Development Bank have also emphasised this point saying that “the civil service is the institution that is charged with transforming government and donor resources into poverty reducing services” and sustainable development (World Bank & Asian Development Bank, 2003, p. 19). Governments make policy and provide essential services or enable others to do so. Therefore, to be effective, a government requires a good civil service, so that improvements in administrative or civil service performance must be a key goal for accelerating a poor nation’s development and reducing poverty. As is in evidence in a 2005 United Nations Development Program (UNDP) study, public administration or the civil service has played an important role in development over the last several decades (UNDP, 2005). A 1961 United Nations (UN) publication emphasised that “administrative improvement is the *sine qua non* in the implementation of programmes of national development” (UN 1961 as cited in UNDP, 2005, p. 1). The 2005 UNDP study portrayed the public administration or civil service has still been important for implementation of development at both national and international levels, particularly the Millennium Development Goals (MDGs) as UNDP stated

An efficient, responsive, transparent and accountable public administration is not only of paramount importance for the proper functioning of a nation; it is also one of the main vehicles through which the relationship between the State and civil society and the private sector is realised and the basic means through which government strategies to achieve the MDGs can be implemented (UNDP Public Administration Reform Practice Note, as cited in UNDP, 2005, p. 2).
However, civil services in developing countries manifest a range of problems that adversely affect their performance and that “in many cases the public service is blamed for poor developmental performance” (Turner & Hulme, 1997, p. 82). The capacity of civil services in many developing countries is often severely constrained when carrying out the critical functions of government (Nunberg & Nellis, 1995; Polidano, 1999; Polidano & Hulme, 2001; Turner & Hulme, 1997). Civil services are often criticised for being “too large, too expensive, too politicised, lacking in professionalism and insufficiently productive” (Nunberg & Nellis, 1995, pp. 1-2). Moreover, civil servants do not perform their assigned tasks, responsibility is often lacking, and management systems often function inefficiently. Altogether, the low level of performance means poor service quality.

While there have been many factors contributing to the disappointing level of civil service performance; one that has been widely apparent concerns pay. It is alleged that low pay is a primary cause of poor individual and organisational performance. But, there are very few empirical explorations of this contention. Therefore, low pay and its role in regard to poor performance is the primary focus of this study. This thesis addresses this problem through a detailed empirical analysis and attempts to explain the relationship between pay and performance in the country of Cambodia.

**Pay and performance in the Cambodian civil service**

Low pay has been a constant feature of the Cambodian civil service (CCS) since its inception in 1979. State salaries started with 13 kilograms of rice and then in the early 1980s changed to US$15 per month for the lower administrative levels (Hughes, 2003; PRCK, 1980). While salaries have increased in absolute terms over the years, in 2009 the average state salary of US$75.5 per month was still below subsistence level for a family (Sok, 2009). As one World Bank and Asian Development Bank report noted, “the most pressing issue facing the Cambodian civil service is undoubtedly the low level of pay for most civil servants, in relation not only to wage levels outside the service, but also to the cost of living” (World Bank & Asian Development Bank, 2003, p. xv). Others have repeated this view until it has become an orthodoxy. The prevailing opinion is that the low incomes of public servants have led them to pay too little attention to their official tasks and duties as they have diverted their
time and effort to obtaining additional sources of income. They have become involved in corruption and ‘moonlighting’ in other jobs. Furthermore, it is thought that public servants have rationalised such behaviour using the argument that low pay justifies their poor performance. Whatever the reason, public service delivery is thought to have suffered significantly.

Researchers and practitioners have provided a variety of explanations about the relationship between pay and performance. What has been done can be broadly divided into two approaches – those based on factors and those based on theory. The first approach seeks to identify factors or motives which inspire individuals in the performance of their jobs. For example, Mann (2006, p. 34) emphasised rational, norm-based and affective motives while others have indicated clusters of motivational elements, particularly intrinsic and extrinsic rewards (Agarwal, 1998; Daft & Pirola-Merlo, 2009; Mann, 2006). Armstrong and Murlis (2004) provided a more complex classification of motivational factors that affect performance, grouping them into six clusters.

Those who use the factor approach follow an assumption that pay, reward or compensation affects how public servants behave at work in developing countries such as Cambodia, and because of the prevalence of low pay, performance is poor. This argument has been backed up by the academic work of Armstrong and Murlis (2004), Milkovich et al. (2005), Chew (1997), and Klitgaard (1997). In Cambodia, civil servants are paid sums that cannot support a decent standard of living. Securing adequate income may then become the first priority in their minds as they need to meet their necessary costs of living. Chew (1997) emphasised that if civil servants were well paid in relation to the cost of living, their performance would be good because they could concentrate on their work. When they are paid reasonably, they are happy and they perform to the required standard without being constantly concerned about finding more money to support their living. However, where public servants’ pay is very low in relation to the cost of living, their productivity and quality of performance are similarly low. As indicated by Klitgaard (1997, p. 492), “countries with lower civil service wages have significantly and importantly worse performance”. If pay was too low to support a reasonable life style, then civil servants would lack the motivation to perform well in their jobs. This situation has been occurring in many developing countries, exacerbated by low levels of skills and knowledge and the lack of organisational support. Thus, in places such as Cambodia, where public service performance is a key element in accelerating development, reducing
poverty and achieving the MDGs, understanding the low performance levels of public servants and the connection between pay and performance is particularly important.

Observers of the Cambodian public service and organisational theorists both have identified pay as a key element motivating or demotivating civil servants to perform their tasks and duties. However, it is not definitely proven that pay is the major motivator of performance, or has a close link to performance in the CCS because there has been no detailed empirical study of this matter of the relationship between pay and performance in Cambodia. This research study addressed this issue through a detailed empirical case study of the relationship between pay and performance in the CCS.

A second set of approaches to explaining the relationship between pay and performance is motivation theories. Four types of theories are used to undertake a theoretical evaluation in this thesis: needs-based theories, reinforcement theory, expectancy theory and equity theory. All have been used to explain, in different ways, what motivates people to perform well in their work. But the research on which these theories have been based derived from developed countries such as Australia, the UK and the USA rather than on developing countries such as Cambodia. The question which is kept in mind during this and subsequent chapters is: Do these motivational theories explain behaviour in the CCS where civil servants are paid lower than a decent living wage?

Organisational culture also affects job performance via the espoused values and beliefs of an organisation because these representations of culture influence organisational behaviour. These elements of culture exercise “a major influence on how actors will perceive the rest of the environment and how organizations and managers will operate” for the achievement of organisational goals (Turner & Hulme, 1997, p. 34). Organisational culture can be manifested in different ways from one organisation to another and from one country to another.

Politics also has significant influence over individual and organisational performance, especially through political and bureaucratic leaders. Politics is power in action and has significant effects on organisational behaviour and influence over relations between the organisation’s members and between them and external stakeholders (Robbins et al., 2010, p. 251; Wagner III & Hollenbeck, 2010, p. 223). Politicians use power which is “the ability to influence the behaviours of others and persuade them to do things they would not otherwise
do... and to resist unwanted influence in return” (Wagner III & Hollenbeck, 2010, p. 215). One common form of political influence in developing countries is the practice of patron-client relationships, informal structural relationships of exchange that have permeated bureaucracies and which can have a profound effect on organisational performance (Khan, 2005). Such structures will be examined in detail in this thesis.

**Objective of the study**

The research objective was to examine public servants’ perceptions of the relationship between pay and performance in the CCS with special attention paid to the education sector. It was hypothesised that pay is closely linked to performance and that pay directly influences performance. It was also hypothesised that low pay is one of the key constraints on attempts to improve teachers’ and other civil servants’ performance in providing services for the nation’s citizens. It was further hypothesised that additional factors influence performance, especially organisational culture and politics. This objective and hypotheses were investigated using two major research questions:

- What is the relationship between pay and performance in the Cambodian civil service?
- What factors motivate and/or demotivate Cambodian civil servants to obtain and then perform their public service jobs?

To explore these central research questions, the following sub-questions were posited:

- Is pay a motivational and/or demotivational factor of performance? And are there any more factors that motivate and/or demotivate performance?
- How do civil servants perform in response to their pay/rewards?
- What role does pay play in motivating and/or demotivating people to obtain public service jobs and to perform when they are employed?
- How do stakeholders determine what is ‘good or acceptable performance’?
- Are there any current incentives to improve performance? If so, how effective are they?
- What are the causes and effects of low pay in the Cambodian civil service?
• Are there other factors and theoretical explanations which complement pay in influencing performance?

These questions have given clear guidance to the research. Moreover, responses to them provided insights into the nature of the relationship between pay and performance in the CCS, a relationship that many had assumed but not demonstrated to be a causal relationship. By pursuing the answers to these questions the study was also able to find out how pay and other factors motivate and/or demotivate people to apply for public service jobs and to perform them when they were employed. The study also pinpointed other potential influences over their public service job performance. Overall, the research that was undertaken for this study has advanced our understanding of the relationship between pay and performance in Cambodia and other developing countries. It therefore would be relevant to policy-makers, and can be used for the Cambodian public sector reform.

**Significance of the study**

In previous studies conducted on the performance of individuals at work and on the link between pay and performance in general, both practitioners and researchers identified a causal relationship between pay and performance. However, there has been no in-depth research on the relationship between pay and performance in Cambodia. Many authors and commentators have assumed a relationship exists but have not provided empirical evidence or any detailed analysis to support this thinking; nor have they examined the role that pay plays in motivating and/or demotivating people to obtain public service jobs and to perform these jobs in the CCS. There is a significant knowledge gap to be filled here. This study goes some way towards filling the gap through its critical exploration of the pay and performance relationship using empirical data and examining them in the light of the existing literature.

In sum, the study adds to the understanding of the relationship between pay and performance in Cambodia and other developing countries. It is the first empirical study for Cambodia with multiple respondents from different levels of government. It is relevant to policy-makers and contributes to Cambodian public sector reform.
Organisation of the thesis

This thesis is divided into nine chapters. Chapter 1 introduces the background of the research and the characteristics of the CCS with special attention paid to the relationship between pay and performance. The chapter then presents the main objective of the study, the research questions, and the significance of the research. The chapter ends with a presentation of the structure of the thesis.

Chapter 2 reviews the academic literature on the relationship between pay and performance. The chapter starts with a consideration of the concept of ‘pay’, thought by many to be a major determinant of motivation to perform work roles. The chapter then examines the concept of ‘performance’ and related ideas and practices such as performance management, performance measurement and performance determinants. Next, the chapter brings the two major concepts of ‘pay’ and ‘performance’ together and examines the relationship between the two. Finally, the chapter looks at the literature on other factors thought to influence performance, including organisational culture and politics.

Chapter 3 begins by providing a country profile and a brief history of Cambodia. It then traces the development of the CCS, focusing particularly on the years since 1979, the year the contemporary CCS was born. Finally, the chapter investigates several key human resource management (HRM) components currently in use in the CCS, including its composition, career paths, remuneration system, performance management, and the relationship between pay and performance.

Chapter 4 describes the research methodology adopted for this study, specially the research design and organisation, the selection of areas and participants, data collection method, the analysis, and anticipated outcomes of the study. A case study strategy was used to explore the relationship between pay and performance in the CCS, focusing on the education sector which is a priority for the Royal Government of Cambodia (RGC). A thematic analysis was adopted to deal with the data collected.

Chapters 5, 6 and 7 present data collected from fieldwork in 2008 and 2009. Chapters 5 and 6 present interview data collected from officials of four key national government institutions and from administrative officials of the education sector. The chapters begin with profiles of
the institutions chosen for this case study. The data obtained from officials of these organisations focus on these themes: perceptions of performance; factors which encourage performance; factors which discourage performance; current pay/salary for daily expenses; pay as a factor affecting performance; increased pay and the impact on performance; why people become civil servants; factors for staying in this job; workplace incentives; organisational culture and performance; and political influences on performance.

Chapter 7 presents the interview data collected from teachers and principals of selected public schools in both urban and rural areas. The chapter begins with a brief profile of the Cambodian national education system and the public schools. Then the data derived from the teachers and principals are presented under the following headings: perceptions of performance; factors which encourage performance; factors which discourage performance; current pay/salary and daily expenses; pay as a factor affecting performance; increased pay and performance; why people become teachers/principals; factors for staying in the job; incentives in the workplace; organisational culture and performance; and political influences on performance.

Chapter 8 is an analysis of the empirical data presented in chapters 5, 6 and 7, using concepts and theories discussed in the literature review. The analysis considers pay and performance in line with the objective, the research questions, and particularly with the theoretical framework that postulates a link between pay and public service performance. The chapter begins by considering the link between pay and performance. It then examines performance through four types of motivation theory. The final section of the chapter explores two other major factors, politics and culture, which are believed to influence job performance.

Chapter 9 summarises the main points of the research, referring especially to the objective of the study and the research questions using the analytical framework developed for the study. The concluding remarks indicate the contribution of the thesis to our understanding of the relationship between pay and performance. This information has particular relevance for policy-makers and civil service reform in Cambodia.
Chapter 2

Pay, motivation and performance: concepts and issues

The chapter deals with the academic literature on the relationship between pay and performance. It starts by looking at the concept of pay, considered by many to be a major determinant of motivation to perform work roles. The chapter then examines the concept of performance and related ideas and practices such as performance management, performance measurement and performance determinants. Next, the two major concepts of ‘pay’ and ‘performance’ are brought together and their relationship is examined. Motivation is seen as a core element in this relationship; it is explored through four types of theories: needs-based theories, reinforcement theory, expectancy theory and equity theory. While these theories have been used to explain, in different ways, how people are motivated to perform well in their work, they have been developed to explain behaviour in rich countries such as the USA, the UK and Australia. But do they explain behaviour in developing countries like Cambodia where civil servants are paid sums below subsistence level? This question will be kept in mind during this and subsequent chapters. Finally, the chapter looks at the literature on other factors influencing performance, including organisational culture and politics.

The concept of pay

As a clear understanding of the relationship between pay and performance is of major importance to this thesis, the two concepts, pay and performance, are discussed in some detail here and in the following section. Pay, reward and compensation are terms employed interchangeably throughout this research. Some researchers and practitioners differentiate, using compensation and pay in the same way, but treat them differently from the notion of rewards (Milkovich & Newman, 1990, p. 3). Others, however, make no distinction and define rewards as pay (Armstrong & Murlis, 2004). This latter convention is followed in this paper.
There is no distinction made between these terms. This approach is based on the premise that, even if not identical, the terms are very close in meaning and for the purposes of this research can be thought of as referring to the same thing.

A number of components make up the concept of pay although the combination varies between countries, and also positions within an organisation. Armstrong and Murlis (2004) and also Chew (1997) provided a useful breakdown of the different components of pay, noting that it refers to wages including salaries (base pay), allowances, and contributions to employee provident funds (Armstrong & Murlis, 2004; Chew, 1997). In other words, pay is the reward given to an employee. These rewards include base pay, contingent pay, variable pay, and benefits and compensation, although a clear distinction between these terms is sometimes difficult to maintain (Armstrong & Murlis, 2004, pp. 6-8, 11). In general it can be said that:

- Base pay is the fixed pay and is usually the largest compensation reward to employees in organisations (Agarwal, 1998, p. 62; Armstrong & Murlis, 2004, pp. 6-8).
- Contingent pay is “pay for individuals that is related to performance, competence, contribution or service” (Armstrong & Murlis, 2004, p. 8).
- Variable pay comes in the form of bonuses or cash payments that are contingent on individual, team or organisation performance (Armstrong & Murlis, 2004, p. 8).
- Benefits and compensation include sick pay, leave pay, per diem allowances, and various kinds of bonuses such as company cars, holiday and other leave entitlements, and meal and transport costs (Armstrong & Murlis, 2004, p. 8).

In addition to classifying pay according to types, there are various other perspectives on its determination for individuals and groups. Thus, from the societal perspective, pay is seen as a measure of justice (Milkovich et al., 2005, p. 2). For example, some see injustice in inequitable pay, such as in a pay differential between women and men who have the same jobs in the same organisation. Also, stockholders understand that “executive pay is of special interest” (Milkovich et al., 2005, p. 4). “Linking executive pay to company performance is supposed to increase stockholders’ wealth” (Milkovich et al., 2005, p. 4).
People, even though they may be in different positions in organisations, generally agree that pay is an important determinant of motivation to perform work roles. For instance, the manager’s view is that compensation influences workers’ effectiveness and efficiency in achieving their goals (Milkovich et al., 2005, p. 4). Also, pay can be used by managers to influence employee behaviours for improved organisational performance. It is clear that the “the way people are paid affects the quality of their work; their attitude toward customers; their willingness to be flexible, learning new skills, or suggest innovations” (Milkovich et al., 2005, pp. 4-5). From this perspective, compensation is seen as an important motivator for task performance. Both employees and employers recognise that the pay that individuals receive is in return for their performance and what they contribute to the workplace organisation (Milkovich et al., 2005, p. 5); moreover, pay plays an important role in attracting people to the organisation and then retaining them in it (Lawler III, 1973, p. 6). From this perspective, compensation is as important as it is from the manager’s perspective. As Milkovich et al. (2005, p. 2) put it, “compensation affects how they [employees] behave at work”. The key to this argument is that employees are influenced by compensation which varies according to their market positions. Logically then, as employee performance is influenced by reward systems. Designing reward systems to encourage good employee performance should be a key policy area for anyone interested in ensuring organisational survival and success.

Another way of considering the importance of pay is seeing pay as a means to obtaining a decent living. Thus, as Vroom (1964, p. 30) observed, “despite the old saw that ‘money can’t buy happiness’; it can be exchanged for many commodities which are necessary for survival and comfort”. Pay is important because it satisfies both economic and social needs. However, there is controversy about pay’s relative importance vis a vis other factors that influence work performance. Vroom (1964, p. 150) summed up this situation as follows:

When workers are asked to rank different aspects of the work role in terms of their importance, wages tend to be rated as less important than security, opportunity for advancement, and company and management, but as more important than job content, supervision, the social aspects of the job, communication, working conditions, and benefits. However, when they are asked to describe what makes them satisfied or dissatisfied with their jobs, wages are found to be the most frequent source of dissatisfaction but the least frequent source of satisfaction.
The concept of performance

This section looks at several conceptual and practical matters relating to individual performance. These include defining performance, performance management, performance measurement and performance determinants.

Defining performance

According to Bouckaert and Halligan (2008, p. 14) there is no agreement on a single definition of performance and in many studies the meaning remains only implicit. The authors emphasised that there are different meanings given to performance and these may vary according to discipline and other factors. For example, Meyer (2002, p. 19) defined performance as “what people and machines do: it is their functioning and accomplishments”. But when Berman (2006, p. 5) defined performance, he emphasised both “effective and efficient use of resources to achieve results”. Bouckaert and Halligan followed the thinking of Berman arguing that “performance is a tangible operationalisation of results” (Bouckaert & Halligan, 2008, p. 14). Despite the definitional disagreements, there is some common ground, and in general definitions of performance commonly relate to managing, operationalising and achieving results. Thus, performance derives from the ways in which organisations utilise individuals and other resources to achieve organisational goals.

Definitions of performance seem to be more about high levels of performance rather than low levels of performance. The focus is on achieving targeted and good results. For instance, and specifically in relation to this thesis, a teacher is employed to teach well. If he/she does not teach well compared with a teaching standard, there will be some factors that account for this (the factors that influence this performance will be investigated later in this chapter). In this case, the use of resources can be effective and efficient producing good results, or it can be ineffective and inefficient with unsatisfactory results, and it can also be ineffective but efficient, and effective but inefficient. Thus, the level of performance determines whether good or poor outputs are produced and whether this production is done efficiently. Campbell et al. (as cited in Sonnentag & Frese, 2001, p. 5) emphasised that “performance is what the organisation hires one to do, and do well”. But, performance needs to be managed in order to
secure good performance and increase productivity, and attain the desired quality of products and services.

**Performance management**

Performance management is defined as “a process for establishing a shared understanding about what is to be achieved and how it is to be achieved; an approach to managing people that increases the probability of achieving success” (Armstrong & Murlis, 2004, p. 233). Using this definition, performance management becomes one of the most powerful management frameworks and tools for ensuring that desired and expected outputs and outcomes are delivered. Thus, as Helm (2007, p. 49) stated, performance management can “determine the effectiveness in aligning individual performance goals to institutional goals and linking performance to rewards”. It can also be a disaster as it does not necessarily work (O’Donnel & Turner, 2005). While performance management can have various meanings and applications, in this thesis the human resource management (HRM) variant which is an integral part of strategic HRM is of concern.

In the public sector, performance management has become an important tool for staff management. Bouckaert and Halligan (2008, pp. 12-13) emphasised that “managing performance continues to increase and is arguably now the dominant idea for governments” to direct public servants’ performance. It is seen as a response to public sector issues such as cost reduction, downsizing, performance measurement, productivity increase, effectiveness and better public service delivery to citizens. Increasingly, performance management is used to increase public sector capacity and productivity for economic growth, service delivery and poverty alleviation, particularly in developing countries.

Performance management is not a new idea despite the recent attention paid to the concept and its role in raising the quantity and quality of products and services (Bouckaert & Halligan, 2008, pp. 1-2; Rao, 2004, pp. 167-68). Now, performance management seems to be “an apparently obvious invention” by which “people are motivated to perform” well and achieve organisational goals (Clark, 2005, p. 318). The implementation of performance management requires a framework for directing, monitoring, motivating, refining and auditing performance (Clark, 2005, p. 318). To ensure the success of this framework, it is necessary to implement a number of tasks including performance evaluations and performance reviews or performance
appraisals (Furnham, 2004, p. 83). Performance appraisal is a very important tool to monitor workers’ quality of performance. Coates (2004, p. 567) argued that “appraisal is a formal organisational mechanism for controlling the performance of work tasks on a rational, subjective and continuous basis”. So, the appraisal should not only align employee goals and objectives to institutional goals, but also link performance to rewards. Totally, however, performance cannot be managed unless it can be measured.

**Performance measurement**

One key element of performance management is performance measurement. Bouckaert and Halligan (2008, p. 12) state that “if you cannot measure it”, you cannot know whether it is low or high and “you cannot manage” it either. While measuring performance, particularly in the government sector, is very important (many people have discussed it), there is no consensus and no one way to do so.

Post World War II, performance measurement was generally concerned with productivity rather than outputs (Bouckaert & Halligan, 2008, p. 47). However, recently, measuring performance has been much more concerned with dimensions of performance which are not only of value for the organisation but also are easily measured (Clark, 2005, p. 323). These dimensions of performance are measured through indicators of performance outputs. Even though indicators of performance outputs are measured, in fact, performance measurement’s main objective is productivity or the technical efficiency of processing from input to output. If indicators of outputs are good compared to the standards set, it means that productivity or efficiency is high. Some writers focus on results when they measure performance: “the measurement must be on results and not on methods or performance [as] the results are measurable” (Ridley, as cited in Bouckaert & Halligan, 2008, p. 73). Results and expenditures can be compared from year to year and from unit to unit to find out efficiencies or the achievement of objectives (Meyer, 2002, pp. 22-26).

The level of performance is required for temporal comparisons of indicators of accomplishments or functioning (Meyer, 2002, p. 26) but it “must be inferred from measurable indicators of accomplishments or functioning” (Meyer, 2002, p. 22). For example, one way of measuring school performance would be results per dollar spent, perhaps in terms of student exam success or other measures of attainment over a number of years. However,
there are many variables that could reasonably account for the levels of performance. To know how performance is progressing, it is necessary to see current indicators of accomplishments or functioning and set targets, taking into account past achievements or functioning. Meyer (2002, pp. 31-34) recommended four measures of performance. These are: market valuation, financial measures, non-financial measures and cost measures. Market valuation is about total shareholder returns and market value added. Financial measures look at accounting measures like profit margins and cash flow. Non-financial measures investigate such indicators as innovation, operating efficiency, conformance quality, customer/citizen satisfaction and loyalty. Cost measures are calculated by examining the comparisons of revenue or results with the cost or inputs. This approach compares to the past accomplishments or functioning but in identifying these four measures, Meyers was concerned particularly with the private sector.

Performance measurement in the public sector would have to extend the scope of Meyer’s items and measure such things as inputs/resources, activities, products/services delivered and outcomes/effects (Berman, 2006, pp. 23-37; Bouckaert & Halligan, 2008, pp. 78-83; Clark, 2005, pp. 323-34). To accomplish this, Andrews et al. (2006, p. 16) and Boyne et al. (2006, p. 5) focus on two ways of measuring performance: objective measures/archive data and subjective measures/conceptual data. Similarly, Clark (2005, pp. 323-24) distinguished between quantitative measures and subjective measures. Archive data or quantitative measures which derive from performance results are important in public management research; they are considered to be reliable indicators of public sector performance (Andrews et al., 2006, p. 16; Boyne et al., 2006, p. 5). For example, school exam results (good or bad) reflect elements of the effectiveness and efficiency of schools and students’ achievements on set targets. Conceptual data or qualitative measures derive from the perceptions of members of an organisation or the public; that is from the stakeholders, citizens, clients, audit agencies, members of parliament, public servants or expert researchers (Andrews et al., 2006, pp. 17, 37; McCourt & Eldridge, 2003, p. 218). Thus, the conceptual data or qualitative measures are feedback from stakeholders. Staff performance in the Cambodian civil service (CCS), which is the focus of this thesis, is measured on the basis of stakeholders’ perceptions (conceptual data or qualitative measures).

Performance standards are frequently used as benchmarks for measuring performance. They are often set by formal organisations to evaluate individual performance (Vroom, 1964, pp.
By definition, a standard is “a descriptions of a desired state of the world that is then used to calibrate the actual state of the world” (OECD, 1994, p. 10). The description can be made using both quantitative and qualitative methods. Standards can be classified into minimum standards, average standards and best practice standards (OECD, 1994, pp. 10-11). For example, a patient, according to the Cambodian Patient’s Charter, should not wait for more than an hour to be seen by a doctor at a clinic or hospital. If the patient is seen by a doctor within this period, then a doctor’s performance meets a minimum standard of performance. Best practice standards are benchmarks set by potential stakeholders or a superior level of government. For example, a central government sets benchmarks or best practice standards for local governments to meet (OECD, 1994, p. 10). Thus, in practice, benchmarks are not only used for measuring performance but they can also be inspirational factors and used to motivate civil servants to achieve the standard. Conversely, if standards are set too low, civil servants may underperform.

**What factors determine performance?**

There is much literature on organisational behaviour that emphasises three key factors that determine individual performance. They are motivation, ability/capacity (including skills and knowledge), and organisational support (including knowledge of facts, rules, principles and procedures of the organisation) (Lawler III, 1973; Milkovich et al., 2005; Vroom, 1964; Wood et al., 2006). This is expressed in the following equation:

\[
\text{Performance} = f (\text{motivation} \times \text{ability} \times \text{organisational support})
\]

It follows from this equation that performance is the result of multiplying the effects of the three factors: motivation, ability and organisational support. In an earlier formula, it was argued that performance was formed by multiplication of motivation and ability (Lawler III, 1973; Vroom, 1964), but recent writers have added organisational support to the earlier formula (Milkovich et al., 2005; Wood et al., 2006). One question remains regarding the formula – namely, which factor is the most important determinant of performance compared to the others? This question is not answered in this thesis. Rather, the assumption is made that
motivation is the key to understanding the level of individual performance. The validity of this assumption is tested in the next section.

**Motivation and the relationship between pay and performance**

Motivation has been a key issue for researchers studying organisational and individual performance for a number of years. It is seen as a major determinant of performance, and is considered a vital element in the relationship between pay and performance when pay is seen as a factor that motivates individuals to perform work.

**Defining motivation**

Motivation has been given slightly different definitions over the last several decades starting from an abstract found in Vroom’s work (1964) to a practical one found in Wagner III and Hollenbeck (2010). According to Vroom (1964, p. 6) the term ‘motivation’ refers to “a process governing choices made by persons or lower organisms among alternative forms of voluntary activity”. But Wood et al. (2006, p. 78) emphasised that “motivation to work refers to the forces within an individual that account for the level, direction and persistence of effort expended at work”. Daft and Pirola-Merlo (2009, p. 230) held a similar view, writing that motivation “refers to the forces, either internal or external to a person, that arouse enthusiasm and persistence to pursue a certain course of action”.

Robbins et al. (2010, p. 118) placed individuals in a context, and argued that “motivation is the result of the interaction between an individual and a situation. And it can vary across individuals and across situations”. By comparison, Wagner III and Hollenbeck (2010) offered a simpler and shorter definition, stating that “motivation refers to the energy a person is willing to devote to a task” (Wagner III & Hollenbeck, 2010 p. 80). They gave a simple example that “a person who is highly motivated will start work sooner and leave work later relative to someone who is unmotivated, and may come in on weekends to finish up tasks that were left undone during the week” (Wagner III & Hollenbeck, 2010, p. 80). They also emphasised that a motivated person would work faster to achieve goals, and would even be
innovative for higher performance. Persons are not, however, always motivated positively. In summary, it may be agreed that employee motivation affects productivity and can lead to high or low levels of performance within organisations.

But what is the connection between motivation and performance? Researchers and practitioners have provided a variety of answers to the question of the relationship between motivation and performance that will be investigated in this section. There are basically two broad approaches – factors and theories – with sub-divisions within them.

The first approach seeks to identify factors or motives which inspire individuals in the performance of their jobs. Perry and Wise (as cited in Mann, 2006, p. 34) gave three types of motives which encourage people to work. These are rational, norm-based and affective motives (Mann, 2006, p. 34). Rational motives are concerned with self-interest, norm-based motives encourage behaviours oriented to the public interest, while affective motives concern willingness to help other people. Milkovich et al. (2005, p. 261) offered an alternative way to understand motivation: “(1) what is important to a person, and (2) offering it in exchange for some (3) desired behaviour”.


Armstrong and Murlis (2004, p. 14) have provided a more complex classification of motivational factors that affect performance, and have grouped them into six clusters. These clusters consist of inspiration and value, future growth and opportunity, tangible rewards, quality of work, work and life balance, and enabling environment. Inspiration and value consists of quality of leadership, organisational values and behaviours, reputation of the organisation, risk sharing, recognition and communication. Future growth and opportunity includes learning and development beyond the current job, career advancement opportunities, performance improvement and feedback. Tangible rewards include competitive pay, benefits,
incentives for higher performance, ownership sharing, recognition rewards and fairness of reward. *Quality of work* includes perception of the value of work, interest, achievement, freedom and autonomy, workload and quality of work relationships. *Work and life balance* includes supportive environment, recognition of lifecycle needs and flexibility, security of income and social environment. *Enabling environment* includes physical environment, tools and equipment, job training, information and processes, and safety.

Armstrong and Murlis’s (2004) UK study found that the inspiration and value cluster stood at number one, followed by the future growth and opportunity cluster while the tangible rewards cluster came in third or fourth in priority (Armstrong & Murlis, 2004, p. 13). However, the researchers argued that tangible rewards become the first in employees’ minds in organisations which employ people with low salaries compared with other organisations (Armstrong & Murlis, 2004, p. 13). It is evident that not all factors are important for all individuals, organisations and countries. Therefore, it may thought that in Cambodia, for instance, where civil servants have been paid salaries below those required to maintain a family at subsistence level (World Bank & Asian Development Bank, 2003, p. 91), pay, tangible rewards or financial rewards are likely to be the most important motivator for civil servants to commit to job performance. This argument will be explored throughout this study.

Because of the prevalence of low pay, an assumption is made that pay, reward or compensation affects how public servants in developing countries such as Cambodia behave at work. This position is backed up by the research work of Armstrong and Murlis (2004), Milkovich et al. (2005), Chew (1997), and Klitgaard (1997). It means, for example, that while inspiration, value and opportunity for job advancement may be major factors to motivate public servants to perform well in some rich countries such as Australia, the UK and the USA where salaries are paid at least at a country’s subsistence level, these factors may not be applicable for some developing countries, like Cambodia, where civil servants are paid sums that cannot support a decent standard of living. For Cambodian civil servants, securing adequate income may the first priority because the income is needed for meeting the cost of living. As Milkovich et al. (2005, pp. 4-5) claimed, the amount people are paid affects the quality of their work and their attitude towards customers in both public and private sectors.

Chew (1997, p. 43) made much the same point, emphasising that if civil servants were well paid in relation to the cost of living, performance would be good because they could
concentrate on their work. Being paid reasonably, employees would be happy and would perform to the required standard without being constantly concerned with finding the money to support their standard of living. However, in many developing countries, where their pay is very low in relation to the cost of living, public servants’ productivity and quality of performance are disappointing. Or, as indicated by Klitgaard (1997, p. 492), “countries with lower civil service wages have significantly and importantly worse performance”. If pay is too low to support a reasonable life style, then civil servants would lack the motivation to perform well in their jobs and this situation could be exacerbated by low levels of skills and knowledge and lack of organisational support.

Nunberg and Nellis (1995, pp. 1-2 and 4-7) wrote that in many developing countries, low pay had actually demotivated public servants in performing their work. However, it is not necessarily the case that high pay has been a good motivator for job performance. One of the main effects of alleged demotivation because of low level of pay in the public sector has been inadequate public services for citizens. Low pay, according to McCourt (2003, p. 144), produces adverse consequences, particularly corruption, as public servants look for other sources of income to support them and their families. It affects public servants’ commitment to their jobs as they divert from primary duties to other jobs (McCourt, 2003, p. 144). Thus, in many developing countries, civil servants adopt the view that “you pretend to pay us, and we pretend to work” (McCourt, 2003, p. 144). Public servants still work but have only limited commitment to their roles and responsibilities to serve the public as they devote time and effort to alternative ways of making extra income. This is a major problem in situations where public service performance is a key element in accelerating development, reducing poverty and achieving the MDGs.

The second approach to motivation looks to theories for explanation. Four major theory types will be investigated in this section. They are needs-based theories, reinforcement theory, expectancy theory and equity theory. These theories of motivation have been used to explain, in different ways, what motivates people to perform well in their work.
Needs-based theories

“Needs-based theories emphasise the needs that motivate people” (Daft & Pirola-Merlo, 2009, p. 234). There are three main types of needs-based theories: those that are based on a hierarchy of needs; the two-factor theory and the acquired needs theory.

Hierarchy of needs theory

The theoretical approach based on the hierarchy of needs most often refers to Maslow’s famous ‘theory of human motivation’ (Maslow, 1943). The focus is on the ultimate and basic needs of humans. According to Maslow (1943, p. 370):

Such a theory should stress and centre itself upon ultimate or basic goals rather than partial or superficial ones, upon ends rather than means to these ends. Such a stress would imply a more central place for unconscious than for conscious motivations.

Maslow’s theory has been modified, simplified and cited by many theorists and writers. As summed up by Daft and Pirola-Merlo (2009, pp. 234-35): “Maslow’s hierarchy of needs theory proposes that humans are motivated by multiple needs and that those needs exist in a hierarchy... wherein the higher needs cannot be satisfied until the lower needs are met”.

Figure 2.1: Maslow’s hierarchy of needs theory

<table>
<thead>
<tr>
<th>Needs</th>
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<tbody>
<tr>
<td>Self-actualisation needs</td>
</tr>
<tr>
<td>Esteem needs</td>
</tr>
<tr>
<td>Belongingness needs/love needs</td>
</tr>
<tr>
<td>Safety needs</td>
</tr>
<tr>
<td>Physiological needs</td>
</tr>
</tbody>
</table>

As illustrated in Figure 2.1, there are five levels in this theory:

- Physiological needs include food, water, oxygen, heat, air and a base salary to ensure survival. These needs are the very basic needs of people and are “the most pre-potent of all needs” (Maslow, 1943, p. 373).
- Safety needs include a secure/emotional environment and freedom from threats, safety at work, fringe benefits and job security.
- Belongingness needs/love needs include relationships with peers and friends, work groups, clients, co-workers and supervisors.
- Esteem needs refer to a positive self-image and receiving attention, recognition and appreciation, an increase in responsibility, high status and credit for the contribution.
- Self-actualisation needs include personal fulfilment, opportunity for advancement, autonomy, growth and creativity.

These needs are thought to exist in a hierarchy. When one level of needs has been met, individuals then seek to satisfy another higher level of needs. However, the theory is too linear: one need has to be gratified before another need will emerge. Some people may need self-esteem more than love or belongingness needs. Also, some people may need belongingness needs rather than safety needs. The boundaries of Maslow’s needs at each level are vague, but there is also the question: how many people actually reach self-actualisation? Many people never do and may have no wish to do so. As Lethbridge (cited in Pearson & Podeschi, 1999, p. 45) put it, “what real individuals, living in what societies, working at what real jobs, and earning what real income have any chance at all of becoming self-actualisers?”. Given the reality of life for them, the theory has little relevance for millions of people who live in developing countries who have no chance at all to move to safety needs, let alone self-actualisation. Thus, it provides little or no help in predicting behaviour or in motivating workers in many developing country contexts, and this would include Cambodia.

This has been evident for many years although often overlooked by theories such as Maslow’s that are supposed to have universal application. Thus, Blunt and Jones (1986) found no match between managers’ prioritization of needs between three African and three western countries. In the African cases mangers prioritized security as compared to the western mangers’ prioritization of self-actualization. Similarly, Ajila’s (1997) study of Nigerian manufacturing employees found lower needs in Maslow’s hierarchy to be the employees’ priorities. More
generally, Latham and Pinder (2005, p. 488) have observed that needs-based theories “do not explain why specific actions are chosen in specific situations to obtain specific outcomes” and that they have difficulty accommodating individual differences.

**Two-factor theory**

A second approach is found in the two-factor theory, another popular needs-based theory which was developed by Frederick Herzberg. The theory suggests that two factors influence work motivation: hygiene factors and growth or motivator factors (Herzberg, 1968; and 2003). The two factors are different but not opposite. Herzberg observed that “the things that make people satisfied and motivated on the job are different in kind from the things that make them dissatisfied” (Herzberg, 2003, p. 87).

**Figure 2.2: Herzberg’s two-factor theory**

[Diagram showing a pyramid with the following sections:
- **Area of satisfaction**
  - **Motivators:** Achievement, Recognition, Responsibility, Work itself, Personal growth
- **Area of dissatisfaction**
  - **Hygiene factors:** Working conditions, Pay and security, Company policies, Supervisors, Internal relationships

Sources: Daft & Pirola-Merlo, 2009, p. 236; Herzberg, 2003, pp. 91-92]
Herzberg’s two-factor theory has hygiene factors influencing the level of dissatisfaction, and growth or motivators influencing the level of satisfaction, as illustrated in Figure 2.2. Hygiene factors such as bossy superiors, stupid rules, uncomfortable work space and low salaries make people dissatisfied, and “can certainly be demotivating” (Herzberg, 2003, pp. 87, 92). As the level of a person’s dissatisfaction is based on the degree to which hygiene factors are present, even if such environmental factors are improved to the highest possible level, people are still not necessarily happy and motivated to work harder and smarter. They may be neither dissatisfied nor satisfied: they may simply be at a neutral level. Because motivators are about growth and achievement (that is, factors such as recognition, responsibility, work itself and personal growth), and are associated with the level of satisfaction to fulfil high level needs (Herzberg, 2003, pp. 91-92), the theory suggests that when these motivators are in place, workers are highly satisfied and motivated to perform work well.

As with Maslow’s hierarchy, Herzberg’s two factors assume universal application but in reality contexts can vary enormously. In many developing countries, pay is in fact seen to be a motivating factor rather than only a hygiene factor. The same might apply to the hygiene factor of ‘supervision’. In the public service of developing countries where patron-client relations exist within the workplace, alignment with a patron may be a major motivating factor.

**Acquired needs theory**

Acquired needs theory is another needs-based theory: it was first developed by David McClelland in the late 1940s (McClelland, 1985). “The theory of acquired needs proposes that certain types of needs are acquired during an individual’s lifetime” (Daft & Pirola-Merlo, 2009 p. 239). McClelland (2007, p. 170) believed that people have different motives and “each one leads a person to behave in different ways”. Central to this argument is that each person is motivated toward Motive A, B or C based on their particular needs. There are three primary human needs in this theory: “the need for achievement, the need for affiliation, and the need for power (or dominance)” (McClelland, 1985, p. 45).

Need for achievement (nAch) refers to the psychological need to attain set goals or perform at certain levels in order to achieve one’s own goals (McClelland, 1985, p. 169; and 2007, p. 229). Some characteristics of nAch which motivate a person to work harder and better for
their own sake are: the influence of variations in the challenge a task presents, responding to moderate challenges in everyday life, persistence in working at tasks of different levels of difficulty, personal responsibility for performance, need for performance feedback, and innovation by means of doing something better and differently from before (McClelland, 1985, pp. 238-50).

Need for power (nPow) refers to working hard and performing well because of “a strong need for power... to command attention, get recognition, and control others”, or to be “in charge” (McClelland, 2007, p. 170). The nPow persons are motivated by several characteristics such as aggressiveness – feeling aggressive and competitive rather than easygoing; negative self-image – which leads people to view themselves negatively for having what are generally considered to be antisocial tendencies; entry into influential occupations; search for prestige; acting so as to be recognised in small groups; and risk taking (McClelland, 1985, pp. 280-89).

Need for affiliation (nAff) involves working hard and performing well to build up relations and interactions with others (McClelland, 1985, p. 346; and 2007, p. 170). The nAff persons are motivated by several means such as by maintaining interpersonal networks; cooperation, conformity and conflict avoidance; managerial behaviour which maintains good relationships between managers and subordinates; and fear of rejection which requires people to avoid conflict and competition and negative feedback from others (McClelland, 1985, pp. 348-57).

The universality of human motivation is once again in evidence in McClelland’s theory. This theory fails to acknowledge variations in culture that could quite possibly mean variations in what motivates people. Similarly, variations in social and organisational structures might well mediate motivations so that what is applicable in one context does not work in another. The clear separation of the three types of motivational needs that is possible analytically perhaps will be impossible to operationalise empirically. So, whether such needs can provide adequate explanations of organisational behaviour in low-pay developing country bureaucracies is highly questionable.

It should be appreciated that needs-based theories, like all the types of motivation theory reviewed here, initially derived from the USA and have underlying values which are specific to American experience and that of similar western countries but which cannot be assumed to have universal application. One of the most deeply embedded values of the various
motivation theories is that of individualism but developing countries including Cambodia are most often collectivist in character. As Boyacigiller and Adler (1991, p. 274) note, that where collectivist values dominate, employees’ commitment to organizations is “primarily due to their ties with managers, owners and co-workers (collectivism), and much less due to the job itself or the particular compensation scheme (individualist incentives)”. Similarly Staw (1984, pp. 650-51) notes that in motivation theories in general that “the individual is assumed to be a rational maximiser of personal value”. But how does such an assumption apply across cultures? This question is explored later in this thesis in relation to Cambodia.

**Reinforcement theory**

“Reinforcement theory proposes that a person engages in a specific behaviour because that behaviour has been reinforced by a specific outcome” (Wagner III & Hollenbeck, 2010, p. 89). The theory “looks at the relationship between behaviour and its consequences by changing or modifying followers’ on-the-job behaviour through the appropriate use of immediate rewards or punishments” (Daft & Pirola-Merlo, 2009, p. 240). The theory deals with learned behaviours that are strengthened or reinforced by rewards and it is based largely on Edward L. Thorndike’s law of effect (1913) (Luthans & Kreitner, 1975, p. 23; Stajkovic & Luthans, 1997, p. 1128).

The law of effect says:

> When a modifiable connection between a situation and a response is made and is accompanied or followed by a satisfying state of affairs, that connection’s strength is increased; when made and accompanied or followed by an annoying state of affairs, its strength is decreased (Thorndike as cited in Luthans & Kreitner, 1975, p. 23).

There are four types of behaviour modification in reinforcement theory: positive reinforcement, negative reinforcement, punishment and extinction (Luthans & Kreitner, 1975, pp. 44-45; Wagner III & Hollenbeck, 2010, p. 90). At work, positive reinforcement is concerned with the administration of pleasant and rewarding responses towards good behaviour, such as giving praise and bonuses. Negative reinforcement is about action to reduce and remove the negative consequences of one’s behaviour; for example, avoid being late to avoid the negative consequences. Punishment typically occurs following undesirable behaviour; it occurs for example when an employee does wrong and incurs a penalty for
wrongdoing, and is the application of something the person dislikes. Extinction refers to when “a weakened response occurs because the desired outcome is no longer paired with some positive reinforcer” (Wagner III & Hollenbeck, 2010, p. 90). For example, in attempting to process a credit application more quickly, an employee may sacrifice quality if no reinforcement exists for making good and fast decisions.

The theory is given practical application in organisations where attempts are made to modify employees’ behaviours to improve their performance. However, the question arises as to whether the reinforcement actions work in a similar way, or have the same impact, in all contexts. Also, the theory assumes that a prime objective of work organisations is always motivating people to perform well. Accounts of developing country bureaucracies reveal that this is not necessarily the case (Turner & Hulme, 1997; Wallis, 1989). The recent work on neopatrimonialism and patronage in developing countries clearly demonstrates that considerations such as loyalty to patrons dominate employees’ behaviour rather than any commitment to performance (Blunt et al. 2012a, 2012b).

**Expectancy theory**

Expectancy theory suggests that “motivation depends on individuals’ mental expectations about their ability to perform tasks and receive desired rewards” (Daft & Pirola-Merlo, 2009, p. 242). Nadler and Lawler III (2007, p. 173) explained that “people make decisions among alternative plans of behaviour based on their perceptions [expectancies] of the degree to which a given behaviour will lead to desired outcomes”. This theory holds that people tend to do things because they expect outcomes or rewards that they desire. They also avoid doing things or perhaps doing them well if they do not expect to get their desired outcomes or rewards. Expectancy theory is a motivation theory originally proposed by Victor Vroom (1964) who proposed that “the force on a person to perform an act is equal to the product of the valence of outcomes and the strength of expectancies that those outcomes will follow that act” (Vroom, 1964, p. 193).

Expectancy theory utilises three major concepts to explain individual of motivation:

- Performance-outcome expectancy: every behaviour is associated with performance-outcome expectancy. It means that “the individual believes or expects that if he or she
behaves in a certain way, he or she will get certain things” (Nadler & Lawler III, 2007, p. 173).

- Valence: each outcome of performance has a valence or value, worth, and attractiveness to an individual’s needs (Nadler & Lawler III, 2007, p. 173).

- Effort-performance expectancy: is quite similar to performance-outcome expectancy; however, it “represents the individual’s perception of how hard it will be to achieve such behaviour and the probability of his or her successful achievement of that behaviour” (Nadler & Lawler III, 2007, p. 174).

In expectancy theory, achievement of desired outcomes not only relies on motivation but also on skills and knowledge. This is summarised in Figure 2.3 which shows that motivation links directly to valence of outcomes/rewards. However, motivation depends on the amount of effort-performance expectancy to achieve a particular level of performance-outcome expectancy, and then the valence of outcomes/rewards. The achievement of desired outcomes/rewards also relies on the skills and knowledge which people possess.

**Figure 2.3: Motivation in expectancy theory**

![Figure 2.3: Motivation in expectancy theory](image)

Source: Nadler & Lawler III, 2007

The theory can be used to explain motivation in public and private work organisations. It does not set out specific contexts but instead provides universal predictions of behavioural responses that may not, in fact, be found everywhere. As Adler (1991) has pointed out in
connection with expectancy theory, culture influences the types of reward that motivate workers and their perception of the amount of control they can exercise over their environment (see also Chen 1995, p. 17). Furthermore, the theory does not include any mention of human needs and job satisfaction/dissatisfaction factors.

**Equity theory**

Equity theory proposes that

People make judgements about relational fairness by forming a ratio of their perceived investments (or inputs, $I$) and perceived rewards (or outcomes, $O$). They then compare this ratio to a similar ratio reflecting the perceived costs and benefits of some other reference person (Wagner III & Hollenbeck, 2010, p. 162).

This equity comparison is illustrated as follows:

\[
\frac{I_{\text{Person}}}{O_{\text{Person}}} = \frac{I_{\text{Reference Person}}}{O_{\text{Reference Person}}}
\]

- **Inputs:** education, intelligence, experience, training, skill, social status, job effort, personal appearance, health, profession.
- **Outcomes:** pay, satisfaction, supervision, seniority benefits, fringe benefits, status symbols, job perquisites, working conditions (Wagner III & Hollenbeck, 2010, p. 162).

The illustration above shows that equity theory is based on the comparison of the perceived level of fairness of individual work outcomes/rewards as compared with other people who contribute the same inputs. The feelings of unfairness can become motivators or demotivators of people’s performance. Adams (1963, 424) pointed out that “inequity exists for Person whenever his perceived job inputs and/or outcomes stand psychologically in an obverse relation to what he perceives are the inputs and/or outcomes of Other”. When perceived inequity exists, an individual is likely to change work inputs (reduce performance efforts); change the outcomes; leave the situation; and act to change the inputs or outputs of the
comparison person (Furnham, 2004, p. 84; Wood et al., 2006, p. 90). As is shown in Figure 2.4, the equity explanation links pay to individuals who make equity comparisons with others, and then to job satisfaction and performance which will be affected accordingly to whether they perceive that inequity exists.

**Figure 2.4: Equity theory and performance relations**

![Diagram showing the flow from pay/rewards to individual makes equity comparisons to job satisfaction and performance are affected.]

Source: Furnham, 2004; Wood et al., 2006

The general message of equity theory is that individuals are driven by the fair distribution of rewards or outcomes as a result of their inputs or contribution and in the amount they perceive appropriate. However, the theory omits consideration of many motivation factors which are explored in needs-based theories, reinforcement theory and expectancy theory, and which reasonably can be claimed to affect human motivation in work performance. While quite evidently equity theory mostly focuses on wages or reward comparisons, Adams (1963, p. 424) argued that inequity exists as a psychological construct rather than as an objective standard. Moreover, whenever inequity is perceived, both observing person and reference person feel negatively affected. As Vroom (1964, p. 168) stated, “if a person receives less than a fair amount he feels that an injustice has been done him; if he receives more than the fair amount he feels guilty”. The comparisons of fairness that are part of this theory can be made in the formal sector of public and private organisations in developed countries, based on the thinking that there can be fair pay for each worker of each job. Such comparisons are quite difficult to make in the formal sector, particularly the public sector, in developing countries like Cambodia however, where public personnel are paid a basic salary equally for the same positions and categories (for qualifications see Chapter 3), while there are huge differences and unequal amounts in supplemental fringe benefits and unofficial fees. It is also the case in many instances, that other factors may act as motivational factors that encourage personnel to stay in their employment and even perform well. Another weakness in this theory is that
perceptions of inequity and attitudes towards inequality may well vary across cultures and organisations, so that the theory may not be universally applicable.

**Assessing the theories**

The motivation theories that have been reviewed can be grouped into two types: content and process (Wood et al., 2006). “Content theories are primarily concerned with what it is within individuals or their environment that energises and sustains their behaviour” (Wood et al., 2006, p. 82). These theories refer to specific needs or motives that motivate people to perform their jobs. Content theories are needs-based theories, and include such as the hierarchy of needs theory, the two-factor theory and the acquired needs theory. By contrast, “the process theories strive to provide an understanding of the cognitive processes that act to influence behaviour” (Wood et al., 2006, p. 82). Thus, the process theories include reinforcement theory, expectancy theory and equity theory. It must be made clear, however, that content and process theories are not mutually exclusive. Interrelations between content theories and process theories are possible. For instance, in content theories, if one needs recognition, then one needs to work hard to satisfy the boss. The process theories simply go beyond this stage to ask how and why the needs have been met and their linkage to rewards. As Wood et al. wrote, “process theories add a cognitive dimension by focusing on individuals’ beliefs about how certain behaviours will lead to rewards such as money or promotion; that is, the assumed connection between work activities and the satisfaction of needs” (Wood et al., 2006, p. 82).

Each type of theory reviewed has made a significant contribution to our understanding of motivation. Each has adopted a different approach to explaining what motivates people to perform work roles effectively. This does not mean that one is better than another, or one is valid while another is invalid. In fact, all theories presented have their strengths in that they alert us to possible ways of examining motivation. But all have weaknesses as well, as has been noted at the end of the discussion of each of the theories; mainly these are in their claims to universality or in what they omit from consideration. One does not, however, have to pick a single theory for explaining motivation. The theories can be used in a complementary way (Robbins et al., 2010, p. 133). Notably, all the above mentioned theories have been developed to explain motivation in the workplace in Western countries. Thus, their capacity to explain motivation in developing countries must be open to doubt. This argument will be examined in conjunction with data collected from the CCS in Chapter 8.
Organisational culture and politics

Several factors are not fully covered by the two explanations of motivation and the earlier discussion of the relationship between pay and performance. This section explores two of these factors that have particular relevance for this study, namely organisational culture and politics. Each of these two workplace environmental factors is believed to have a significant impact on staff performance.

In regard to organisational culture, Hofstede (1991, p. 5) argued that “culture is always a collective phenomenon, because it is at least partly shared with people who live or lived within the same social environment, which is where it was learned”. More specifically, organisational culture refers to “the climate and practices that organisations develop around their handling of people, or to the espoused values and credo of an organisation” (Schein, 2004, p. 7). This culture obviously affects staff performance because the staff are under an umbrella of shared values, beliefs and practices. Wagner III and Hollenbeck (2010, p. 283) stressed that “an organisation’s culture is therefore an informal, shared way of perceiving life and membership in the organisation that binds members together and influences what they think about themselves and their work”.

There is considerable literature which links organisational culture to patterns of organisational behaviour. Schein (2004, p. 17) summed up this link, noting that culture is

A pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.

Likewise, organisational culture is expressed, at least in part, through the beliefs, values, attitudes and norms of behaviour that are the products of, and also expressed in, history, tradition and social practices (Turner & Hulme, 1997, p. 34). These elements of culture exercise “a major influence on how actors will perceive the rest of the environment and how organizations and managers will operate” for the achievement of organisational goals (Turner & Hulme, 1997, p. 34). This statement implies that there can be better or worse cultures and stronger or weaker cultures that will have an impact on goal achievement. Schein (2004, p. 7)
explained that “the right kind of culture will influence how effective the organisation is” as members are taught and exposed to shared values and beliefs in relation to job performance. The statement implies also that the wrong kind of culture will result in an ineffective organisation as its members perform their jobs under “conflicted” values and beliefs. In addition, when beliefs and values of the organisation work at cross purposes with other beliefs and values, an organisational conflict will be incurred. This is because there are few or no shared common beliefs and values or there are too many factional groups with different beliefs and values within the organisation.

Organisational culture works in an organisation and upon its members at three levels: observable culture, shared values and common assumptions (Wood et al., 2006, p. 311). Observable culture or ‘the way we do things around here’ includes the unique stories, ceremonies, corporate rituals and organisational symbols that make up the history of a successful work group or the organisation as a whole (Wood et al., 2006, p. 311). This culture is developed and taught to new members. Shared values include, for example, a commitment to quality products, the encouragement of innovative ideas, or the importance of following rules. These values “can play a critical part in linking people and can provide a powerful motivational mechanism for members of that culture” (Wood et al., 2006, p. 311). Common assumptions or ‘taken-for-granted truths’ are the deeper and hidden aspects of the organisational culture including, for example, “we are progressive” or “we are better at...” statements (Wood et al., 2006, p. 312). These assumptions are known and shared by organisational members as a result of their joint experience in the organisation. Organisational culture manifests itself in different ways from one organisation to another and from one country to another too. In the CCS, for example, there are three key dimensions of organisational culture which are expressed through the developed practices, values and credo used to deal with public staff. These include high power-distance, high uncertainty avoidance, and high collectivism (Blunt & Turner, 2005, p. 4). They will be examined critically in Chapter 3.

The political environment is also held to be “a key determinant of performance” in public and private organisations (Ochi as cited in Pandey & Moynihan, 2006, p. 133). Politics is a fact of life in organisations: it “can be defined as activities in which individuals or groups engage so as to acquire and use power to advance their own interests” (Wagner III & Hollenbeck, 2010, p. 223). Essentially, politics is power in action and as such has significant effects on
organisational behaviour and influences relations between an organisation’s members and between them and external stakeholders (Robbins et al., 2010, p. 251; Wagner III & Hollenbeck, 2010, p. 223).

Political behaviour of leaders or managers in organisations is associated with “activities that are not required as part of one’s formal role in the organisation, but that influence, or attempt to influence, the distribution of advantages and disadvantages within the organisation” (Robbins et al., 2010, p. 251). While political behaviour is not a formal job requirement, it is nevertheless a fact of life in all organisations and its exercise has considerable influence on organisational behaviour (Robbins et al., 2010). Moreover, particularly in the public sector, politicians are major actors in the political arena of organisations as they have the “opportunity and ability to penetrate deeply into the inner workings of public organisations” (Pandey & Moynihan, 2006, pp. 134-35). In essence, they have power and are able to use their power to influence others for their own or group interests without consideration of professionalism or the responsibilities of bureaucrats in performing their work. Thus, Wagner III and Hollenbeck (2010, p. 215) contended that politicians use power in the public sector bureaucracy; they use their “ability to influence the behaviours of others and persuade them to do things they would not otherwise do... and to resist unwanted influence in return”.

According to John French and Bertram Raven (cited in Wagner III & Hollenbeck, 2010, pp. 216-17), there are five major sources of power that are evident in organisations. These include:

- Reward power – control over giving rewards
- Coercive power – control over imposing or recommending punishment
- Legitimate power – power derived from a formal position of authority
- Referent power – power from personality characteristics
- Expert power – power from special knowledge or skills

Wagner III and Hollenbeck (2010, pp. 217-18) highlighted three different types of response to the attempted exercise of power. These are:
- Compliance – conformity based on the desire to gain rewards or avoid punishment. It continues as long as rewards are received or punishment is withheld.
- Identification – conformity based on attractiveness of the influence. It continues as long as a relationship with the influencer can be maintained.
- Internalisation – conformity based on the intrinsically satisfying nature of the adopted attitudes or behaviours. It continues as long as satisfaction continues.

The five types of power and three responses to them are elements of organisational life. The interaction of types of power and responses to them is summarised in Figure 2.5 which shows that compliance is the response to reward and coercive power in the mechanism for contingency. Identification is the response to referent power in the mechanism for attractiveness. And internalisation is the response to legitimate and expert power in the mechanism for credibility.

**Figure 2.5: A model of interpersonal power**

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<tr>
<th>Power base</th>
<th>Mechanism</th>
<th>Response</th>
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</thead>
<tbody>
<tr>
<td>Reward</td>
<td>Contingency</td>
<td>Compliance</td>
</tr>
<tr>
<td>Coercive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Referent</td>
<td>Attractiveness</td>
<td>Identification</td>
</tr>
<tr>
<td>Legitimate</td>
<td>Credibility</td>
<td>Internalisation</td>
</tr>
<tr>
<td>Expert</td>
<td></td>
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</tbody>
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One form of influence of politics is the practice of patronage. Patronage can determine power, status, authority relations and even the citizen’s role in society (Turner & Halligan, 1999, p. 134). The practice of patronage is found in the reciprocal patron-client ties which penetrate public organisations and society and can be seen especially in terms of a combination of reward, coercive and referent power. The notion of reciprocity lies at the core of the patron-client relationship where “...patrimonial leaders dispense favours to their trusted clients in order to ensure their continued loyalty” (Turner & Halligan, 1999, p. 134). In the politics of patron-client relationships, some people are included, while others are excluded. People who are included have chances to survive and thrive in their careers. In return for the support of the patron, clients have to serve their group or party interests and be loyal to their party while allocating less importance to their supposedly primary duties of serving the public. Membership of a patron-client network can give political protection if a member is not performing well and can provide avenues to promotion and increased income. Loyalty to the patron is the dominant value of the patron-client relationship.

The degree of influence that politicians and bureaucratic leaders have may vary from one organisation to another and from one country to another. In a democratic regime, it is expected that elected politicians have authority over bureaucrats, but that bureaucrats perform their work roles based on their professional skills and experience. However, this idealised depiction of relations between politicians and bureaucracy is frequently a misrepresentation of reality, but it is especially so in developing countries where patron-client relations involving ruling political parties have penetrated bureaucracy and heavily influence organisational behaviour. In Cambodia, for example, the country has a semi-democratic political regime that controls the public service (Carlson & Turner, 2009). Even low-level bureaucrats are politically influenced and their job performance is affected by such an environment. This argument implies that government personnel cannot perform their jobs based on their professionalism and formal responsibilities; rather, they will do what they are told to do by those above them in the patronage network.

There has been a recent resurgence of interest in patronage in developing countries, often framed in terms of neopatrimonialism, as these relations of power have not disappeared as predicted in Marxist and modernisation theories of development. Patronage relations have proven adept at moving from one type of political regime to another despite public sector reforms and good governance initiatives (Khan, 2005; Blunt et al., 2012a, 2012b). Khan
(2005, p. 714) observes that the defining feature of contemporary patronage is the ‘personalization of power’ in situations where “the state is treated as an extension of the property of the leader and the leader rules with the help of clients who get a pay-off for their support”. Thus, Grindle (2010) has shown for Latin America how networks of patronage involving state and non-state actors in informal contractual relations have facilitated the exercise of power over state resources for personal advantage.

Elimination or reduction of the influence of patronage through donor-funded programs of public sector reform and good governance have often had disappointing results. For example, Blunt et al. (2011) have used the examples of Cambodia and Indonesia to demonstrate that despite extensive capacity-building efforts in public administration and good governance, patronage and associated corruption remain defining characteristics of the state in both countries. While concurring that corruption driving from patronage remains a prevalent problem in developing countries, some authors have offered possible solutions. For example, Rosser et al. (2011) have observed that corruption at the local government level can be overcome in Indonesia when leaders use ‘political entrepreneurship’ to obtain popularity and hence votes by promising free public goods to the poor. In order to stay in office the leaders must deliver these goods or be ousted in the next election. Finally, Booth (2011) in his work on sub-Saharan Africa believes that such accountability from below may be unable on its own to loosen the grip of patronage and singlehandedly lead to improved service delivery. He argues that to achieve the latter there should be a combination of both bottom-up and top-down initiatives, and that we should look for cases of societies where patronage is evident but where there has been substantial and sustained improvement in citizens’ welfare and service delivery.

From the above analysis, it is possible to construct a theoretical framework on which to base this case study of the CCS (see Figure 2.6). This study used the theoretical framework of pay, motivation, performance and public service delivery to investigate the relationship between pay and performance. The explanatory framework proposes a link between pay and public service performance. Mediating this link is motivation that can be explored through four types of theories: needs-based theories, reinforcement theory, expectancy theory and equity theory. These theories are used to explain what motivates people to perform well in their work. Pay is seen as an element of motivation which creates specific behaviours in relation to the performance of work roles. However, the framework also recognises the additional potential
influences of organisational culture and political environment neither of which is fully covered by the theories of motivation. The framework also acknowledges that levels of skills and knowledge should have an impact on the level of performance. But this research does not include an investigation of these levels: rather, the assumption was made that the levels of skills and knowledge are neutral. In this thesis, the explanatory power of the theoretical framework was used to examine the link between pay and performance against the empirical data of the Cambodian case study.

Figure 2.6: A theoretical framework for the study of the relationship between pay and performance in the CCS
Conclusion

In this chapter, motivation is identified as a core element in the relationship between pay and performance. Pay is proposed as a key motivational factor for individual and organisational performance. This proposition will be explored in connection with empirical data from the CCS presented in chapters 5-7. Two key approaches are identified to postulate explanations. The first approach seeks to identify factors and motives which inspire civil servants to perform the jobs. The second approach uses motivation theories for explaining. Four possible conceptual theories to understanding motivation have been presented in this chapter: needs-based theories, expectancy theory, equity theory and reinforcement theory. Each theory has its own assumptions, and logical strengths and weaknesses in providing explanations of what motivates people to perform in organisations. According to the theories, people have different needs, drives and desired rewards, and are motivated by them depending on whom and where they are. However, there are additional factors that must also be considered. Two that have been given particular attention here are organisational culture and politics. Organisational culture affects job performance via the espoused values and credo of that organisation and so influences organisational behaviour. Politics also has an influence on individual and organisational performance, especially through political and bureaucratic leaders who have power and opportunity to influence even the day to day operations of public organisations. One common form of political influence in developing countries is the practice of patron-client relationships. These elements of pay, performance, motivation, politics and organisational culture have been combined into a framework that is used to explore the relationship between pay and performance. The remaining chapters of the thesis contain the report of this empirical investigation and an analysis of the results.
Chapter 3

The development of the Cambodian civil service

In the thirty years after the Second World War, Cambodia witnessed the reassertion of colonial power, the spread of nationalism, the birth and growth of a communist party, the achievement of independence, the stifling of reform during a decade of peace, the rise of an armed domestic insurgency, the encroachment of an international war, massive bombardment and civilian casualties, pogroms and ethnic “cleansing” of religious minorities. From 1975 to 1979, genocide took another 1.7 million lives. Then, after liberation from the Khmer Rouge regime, Cambodia survived a decade of foreign occupation, international isolation, and guerrilla terror and harassment. UN intervention and democratic transition were followed by Cambodia’s defeat of the Khmer Rouge in 1999 amid continuing internal tension and political confrontation (Kiernan & Hughes, 2007, p. i).

The contemporary literature on Cambodia is generally associated with major crises including civil war, political unrest, genocide and tragedy as highlighted in the quotation above. It is also associated with the transition towards democracy, the growth of a market economy, the United Nations (UN) intervention in 1993 and consequent influx of foreign aid and economic development, and the final collapse of the Khmer Rouge (KR) in 1999. The latter signalled for the first time in decades that the territorial integrity of the nation was secured. There was now no internal conflict and the entire population could be promised access to public services. This chapter begins by providing a country profile and a brief history of Cambodia. It then closely examines the development of the Cambodian civil service (CCS), focussing particularly on recent years and arguing that the contemporary CCS was born in 1979, ‘the year zero’, and since then has been able to establish its control over the country. Finally, the chapter investigates several key human resource management (HRM) components of the current CCS including its composition, career paths, the remuneration system, performance management, and the relationship between pay and performance.
Country context

The Kingdom of Cambodia is a country steeped in culture and history, an ancient Kingdom renowned for its architecture. The Kingdom covers a total land area of 181,035 square kilometres in the south western part of the Indochina peninsula in Southeast Asia and shares land borders with Thailand in the northwest, Laos in the northeast, Vietnam in the east and the southeast, and the Gulf of Thailand in the southwest (NIS, 2008b, p. 8). In 2008, the population of Cambodia was 13.4 million, of which 51.5 per cent was female and 48.5 per cent was male (NIS, 2008a, p. 6; NIS, 2008b, p. 9; Royal Embassy of Cambodia, 2009). About 80.5 per cent of the total population live in rural areas and is engaged in agricultural production (NIS, 2008b, p. 9). The annual growth rate of the population over the past decade was 1.54 per cent which is higher than the average growth rate for Southeast Asia – 1.3 per cent (NIS, 2008a, p. 7).

Figure 3.1: Map of Cambodia

Source: WHO, 2009
War and the KR’s genocidal regime resulted in an acute shortage of skilled workers. Although much development has occurred since then, Cambodia still ranked only 129th among the 177 countries on the United Nations Development Program (UNDP)’s 2007 Human Development Index (HDI) (MoP & UNDP Cambodia, 2007, p. 3).

The literacy level of the population aged 15 years and above is very low compared to neighbouring countries. Figure 3.2 shows that Cambodia’s literacy rate was only 76 per cent in 2007 while in Thailand literacy was 94 per cent, and in Vietnam it was 90 per cent. Of Cambodia’s neighbouring countries, only Laos recorded a lower literacy level (UNESCAP, 2008).

**Figure 3.2: Adult literacy rate for Cambodia and its neighbours in 2007 (% of population aged 15 years and above)**

![Adult literacy rate for Cambodia and its neighbours in 2007](image)

Source: UNESCAP, 2008

Life expectancy at birth for both sexes is the lowest in Cambodia when compared to Laos, Vietnam and Thailand. In 2007 (see Figure 3.3) Cambodia’s life expectancy was 61 years for females and nearly 57 years for males, while the other countries ranged from 65.5 to 76 years for females and 62.8 to 72.3 years for males (UNESCAP, 2008). Income per capita at PPP in Cambodia, which was US$1,701 in 2007, was also the lowest compared to Laos, Vietnam and Thailand (see Figure 3.4) (UNESCAP, 2008, p. 100).
Figure 3.3: Female and male life expectancy at birth in Cambodia, Laos, Thailand and Vietnam in 2007 (years)

Source: UNESCAP, 2008

Figure 3.4: Income per capita at PPP in Cambodia, Laos, Thailand and Vietnam in 2007

Source: UNESCAP, 2008

Cambodia is a post-conflict country; it was devastated by wars, insurgency, political strife, genocide and destruction for three decades (1970-1999). Following the UN intervention in 1993, Cambodia adopted a political system of a constitutional monarchy in which the King
reigns but does not rule, and also a free market-economy. There has been considerable progress since then, including strong economic growth which reflects the peace and security of the country and its people. Today, Cambodia is one of the most open economies in the developing world and this has encouraged local investment, foreign direct investment (FDI) and private sector development.

Figure 3.5 shows an average growth of 9.5 per cent during the decade (1999-2008), 10.3 per cent during the five years to 2008, and a record high of 13.3 per cent in 2005. The growth has been mainly driven by the garment sector and the tourism industries. However, economic growth hit a low of 5.0 per cent in 1998 after factional fighting in mid-1997 that ended with a violent crushing of forces loyal to the United National Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia (FUNCINPEC) Party of the first prime minister. Consequently, the second prime minister, Hun Sen, came to exercise power solely and he continues in this office today. The temporary economic damage caused by these political events was exacerbated by the spillover effects of the 1997 Asian financial crisis. Economic growth also declined in 2008 and 2009 (6.8 per cent in 2008 and 4.8 per cent on preliminary fiscal data for 2009) reflecting the global economic crisis, and rising food and fuel prices.

Figure 3.5: Cambodia Real GDP growth (in per cent, 1994-2009)

Sources: CDC, 2008a; Neou, 2007; NIS, 2008b; World Bank, 2007a
A brief history of Cambodia

Though the country is endowed with rich natural resources, Cambodia has long been a poor nation with chronic problems. During the Angkor period (802-1431) it was a great empire, but much of its territory was lost and its prestige declined owing to invasions from its neighbours, poor leadership and internal conflict. Through its long history, Cambodia (or Kampuchea) has been a battlefield for regional as well as superpower interests. These events have often had a devastating effect on the Khmer people and their social well-being, and have hampered economic development.

In the Angkor period (802-1431), Cambodia was also known conventionally as the Khmer Empire after King Jayavarman II pronounced himself ‘world emperor’ in 802 (Freeman & Jacques, 2008, p. 9). Between the 12th and early 13th centuries, the Khmer Empire was at its zenith and its rulers, especially King Jayavarman VII (1181-1219), gained control of all the fertile lowlands in the territory “from the Andaman Sea in modern Myanmar to the South China Sea in today’s Vietnam, and far northwards into what is now Laos” (Tully, 2005, pp. 27-29); that is, the territory now occupied by Cambodia and Thailand, and partly by Laos, Malaysia, Myanmar and Vietnam (Chandler, 1998, p. 29; Tully, 2005, pp. 27-28).

Ruins of magnificent stone temples built in this period still stand today. One temple, the Angkor Wat, is the largest religious building in the world and is regarded as one of the wonders of the world (Chandler, 2008, p. 62). It has become the symbol of Cambodia and its image has appeared on the national flag since 1953. From the late 13th century, the Khmers frequently had conflicts and wars with their neighbours, Siam (now Thailand) and Vietnam, and finally the Angkor era came to an end in the mid-15th century (Chandler, 1998, p. 7). Tully (2005, p. 49) noted that Siam “occupied large parts of the empire, carrying off Khmers as slaves and possibly sabotaging the irrigation system” before they sacked Angkor city in 1431. Parts of the remaining Cambodian territory were gradually lost so that all that remains of the once-great Khmer Empire is what is now Cambodia.

The end of the Angkor period and the centuries which followed saw the nation weaken politically, socially and economically, while its neighbours were able to gain advantage of this weakness. Tully asserted that “Cambodia did suffer a long-term decline relative to its own
former power, and to the growing strength of its rivals” (2005, p. 56). After its collapse in the 15th century, the political and economic centre of Cambodia shifted from Angkor, north of the Tonle Sap Lake, to the Phnom Penh region. Phnom Penh, originally called Chaktomouk ‘four-face city’, which is located near the crossroad of two rivers of Mekong and Tonle Sap, was founded and settled officially in 1434 by King Phonhea Yat (1421-1463) (Municipality of Phnom Penh & Cambodia Chamber of Commerce, 2008, pp. 58-60).

**Figure 3.6: Angkor Wat temple from the sky**

Source: The author’s collection

Cambodia, like its neighbours, became orientated towards international maritime trade routes. By the 18th century, the competition from rival polities, Ayutthaya in the west and Vietnam in the east, had intensified, and by the mid-19th century Cambodia had become a semi-independent state subordinate to its neighbours. In 1863, Cambodia signed a protectorate treaty with the French to prevent takeover by its enemies, Thailand and Vietnam.
Table 3.1: Transition of political, legal and economic system in Cambodia (1953-present)

<table>
<thead>
<tr>
<th>Era/Name</th>
<th>Legal system</th>
<th>Political system</th>
<th>Political power</th>
<th>Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-1953</td>
<td>French-based code and judiciary</td>
<td>French protectorate</td>
<td>Held by French</td>
<td>Colonial type</td>
</tr>
<tr>
<td>1953-1970 (The Kingdom of Cambodia)</td>
<td>French-based civil code and judiciary</td>
<td>Constitutional monarchy</td>
<td>Held by King Norodom Sihanouk (until he abdicated in 1955) then as Prince Norodom Sihanouk alternately as prime inister or head of state of an elected government known as the Sangkum Reastr Niyum or People’s Socialist Community (1955-1970)</td>
<td>Free market</td>
</tr>
<tr>
<td>1970-1975 (The Khmer Republic)</td>
<td>French-based civil code and judiciary</td>
<td>Republic</td>
<td>Led by Lon Nol as prime minister and then president with US support</td>
<td>Market, war economy</td>
</tr>
<tr>
<td>1975-1979 (Democratic Kampuchea)</td>
<td>Legal system destroyed</td>
<td>All previous governance systems abolished, extreme Maoist agro-communism</td>
<td>Pol Pot and central committee of the Communist Party of Kampuchea (CPK) with Chinese and North Korean support</td>
<td>Agrarian, centrally planned</td>
</tr>
<tr>
<td>1979-1989 (The People’s Republic of Kampuchea)</td>
<td>Vietnamese-oriented model</td>
<td>Central communist committee and local committees</td>
<td>Held by the Kampuchean People’s Revolutionary Party (KPRP) which picked Hun Sen as PM beginning in 1985 (Vietnamese backed with 200,000 troops; Soviet support)</td>
<td>Soviet-style central planning</td>
</tr>
<tr>
<td>1989-1993 (The State of Cambodia)</td>
<td>Greater economic rights</td>
<td>Central communist committee and local committees</td>
<td>Held by Cambodian People’s Party (CPP) (renamed from KPRP) with Hun Sen as PM (Vietnamese backed, all troops withdrawn)</td>
<td>Liberalised central planning</td>
</tr>
<tr>
<td>1993-1998 (The Kingdom of Cambodia)</td>
<td>French-based civil code combined with common law</td>
<td>Constitutional monarchy in which the King reigns but does not rule</td>
<td>Shared between three parties: FUNCINPEC, the CPP and the BLDP</td>
<td>Transition to market economy</td>
</tr>
<tr>
<td>1998-Present (The Kingdom of Cambodia)</td>
<td>As above</td>
<td>As above</td>
<td>Held by Hun Sen as PM in a CPP-FUNCINPEC coalition government that required a 2/3 supermajority (to form a government) until 2006 when the Constitution was changed to allow 50% +1</td>
<td>Market economy</td>
</tr>
</tbody>
</table>

Sources: Compiled from Ayres, 2000; Chandler, 1991; Chandler, 2008; Ear, 2009; Hughes, 2003; Ledgerwood & Un, 2002; Pellini, 2007; Tully, 2005; Vickery, 2007
While the treaty of protection between France and Cambodia provided Cambodia with the needed protection against both neighbouring Thailand and Vietnam and local dissidents (Ayres, 2000, p. 18), the French exploited Cambodia’s strategic geographic location to block territorial acquisitions by other colonial powers and their enemies (Ayres, 2000, pp. 18-19; Tully, 2005, p. 80). Thus, by the time of the protectorate treaty to independence in 1953, Cambodia was under French influence with a legal system based on the French code and judiciary, a political system of a French protectorate and a colonial economy (Table 3.1).

As summarised in Table 3.1, after receiving full independence from France in 1953, the Kingdom of Cambodia shifted from being a French protectorate to a constitutional monarchy with a free-market economy but retaining the French-based legal system. The Kingdom was ruled by King Norodom Sihanouk until he abdicated in 1955 to become prime minister or head of state of an elected government until 1970. His government was known as the Sangkum reastr niyum (People’s Socialist Community or Popular Society) (1955-1970). During King Sihanouk’s reign and rule, the Kingdom and its people enjoyed reconstruction and development. This period is known as ‘the precious days of Cambodia’.

In 1970, Prince Sihanouk, the head of state, was deposed by a coup orchestrated by his prime minister, General Lon Nol, and his cousin, Prince Sisovath Sirik Matak, through a no-confidence motion vote in the National Assembly. The Khmer Republic was then established with the full support of the United States, and General Lon Nol was elected president. There was, however, no change in the legal system. The economy suffered as the Khmer Rouge (KR), Maoist communist revolutionaries, expanded their war against the republic which followed the declaration of war against the Khmer Republic made on 23 March 1970 by Sihanouk from Beijing (Chandler, 1991, pp. 200-01; Slocomb, 2003, p. 15).

In 1975, KR armies entered Phnom Penh and successfully ousted the Lon Nol regime. A devastating era then began. The KR established a new regime known as the Democratic Kampuchea (DK) led by the Communist Party of Kampuchea (CPK) under the leadership of Pol Pot, and launched a program of radical political and socio-economic change based on an extreme Maoist agro-communism. The institutions of the state were destroyed, including the public service, and the entire population was forced into slave labour camps. The KR transferred people from urban areas to the countryside and from one place to another in rural areas. Life was hard everywhere and eventually as many as 1.7 million people are believed to
have died of starvation, overwork, disease, victimisation and execution (Marston, 2002, p. 41). Factional fighting broke out in 1976 resulting in ‘purification’, which was manifested in execution, genocide and destruction. Increasingly strained relations with Vietnam eventually erupted into military conflict and this escalated from mid-1977 after scattered encounters in 1975 and 1976.

On 7 January 1979, between 100,000 to 200,000 Vietnamese troops entered Cambodia and toppled the genocidal regime of Pol Pot. A new regime, the People’s Republic of Kampuchea (PRK), was set up with assistance from Vietnam and eastern European socialist countries. The PRK adopted a Vietnamese-style legal system and communism as its political system. The PRK regime was led by the Kampuchean People’s Revolutionary Party (KPRP) which in 1985 chose Hun Sen as prime minister. It practised Soviet-style-central planning for the economy. The bureaucracy was reconstituted for this purpose and also to re-establish control.

The PRK regime, in 1989, was transformed into the State of Cambodia (SOC) following the collapse of the Soviet bloc and Vietnam’s ensuing inability to provide economic support to Cambodia. While the SOC regime sought greater individual economic rights and partially liberalised the economy, the political system remained the same. The SOC regime can be seen as a transition towards international recognition with negotiations between the SOC and the opposition tripartite government called the Coalition Government of Democratic Kampuchea (CGDK), complete Vietnamese troop withdrawal, and the adoption of a market-driven economy.

The warring factions in Cambodia reached a peace agreement, the Paris Peace Accord, in October 1991 with intervention and assistance from the international community. The United Nations then set up the United Nations Transitional Authority in Cambodia (UNTAC) and spent more than US$2 billion on rehabilitation, peace-keeping and democratic development. In 1993, the new Kingdom of Cambodia was declared as a result of the UN-sponsored general election.

A coalition government of the Kingdom of Cambodia, comprised of three main political parties - FUNCINPEC, the Cambodian People’s Party (CPP), and the Buddhist Liberal Democratic Party (BLDP) - was established within a framework of pluralism and democracy and a monarch as the head of state. A new Constitution was adopted on 21 September 1993
and Prince Norodom Sihanouk was re-crowned as King of Cambodia. He reigned but did not rule. The state received full recognition from the UN and the international community. The flow of external assistance from the international community continued at a high level in order to promote rehabilitation and development. The Cambodian civil service was also reformed. Key details of this reform are recounted in the next section of this chapter.

For the cause of national reconciliation, the Royal Government of Cambodia (RGC) in its first legislature (1993-1998) was led by two prime ministers. Prince Norodom Ranariddh and Hun Sen were appointed the first and second prime ministers respectively. Both prime ministers held equal powers, rights and privileges working on a consensus decision basis. This system did not work well. It created tensions between the CPP and FUNCINPEC in the coalition government. Eventually this government came to an end in violent clashes in July 1997. Phnom Penh became a battlefield. Many people were killed and injured and hundreds of houses, factories and offices were destroyed by the fighting and looting. Prince Norodom Ranaridh (son of King Sihanouk), the first prime minister, was removed from his post. The July-1997 events had a large negative impact on the Cambodian economy and society. Many foreign investors’ interests were destroyed and looted.

In July 1998, a general election was conducted with 40 political parties participating. More than five million Cambodians, over 90 per cent of the country’s registered voters, turned out and voted both secretly and peacefully. However, the general election brought scepticism and uncertainty to Cambodian politics. The CPP won a majority (64 out of 122 seats) in the National Assembly but not enough to form a government on its own. Eventually, a coalition government was formed by the CPP and FUNCINPEC.

In the July 2003 general election, the CPP again won a majority but was unable to form a government alone and once more joined with FUNCINPEC to form a coalition government. The Constitution was amended in 2006 to allow a majority of 50 per cent plus one to form a government. Although the CPP won an absolute majority in the July 2008 general election and could form a government on its own, it still favoured FUNCINPEC as a partner in a coalition government. FUNCINPEC plays only a minor role in the coalition government which is led by the prime minister Hun Sen.
Cambodia has yet to fully recover from the aftermath of three decades of civil war and genocide (1970-1999), which seriously undermined the state system, and the country’s human resources and society. One factor hampering the recovery has been the weak capacity of the public institutions and the civil service. This capacity shortfall is a reflection of the limited human resources, but particularly workers with the skills, knowledge and experience for effective public sector management. The rest of this chapter traces important aspects in the development of the CCS since the overthrow of the KR.

**The development of the Cambodian civil service**

The fall of the KR and rise of the PRK led to the emergence of the contemporary CCS. As Turner (2002, p. 355) noted, “the overthrow of the Khmer Rouge regime in 1979 left Cambodia without the apparatus to run a state, and with virtually no educated personnel to staff the state institutions which needed to be re-established. The State barely existed”. The new government faced the huge task of reconstructing Cambodia and this included the installation of a new administration, restoration of law and order, the provision of security and the alleviation of poverty and famine. All needed to be done but with very limited resources. Its priority task was to create a new administration and particularly a civil service to run the state system.

The PRK was at first reluctant to adopt a particular administrative model. Eventually, the new administration was set up; it evolved from both DK and Vietnamese practices. Slocomb (2003, p. 55) noted that:

> The system evolved from its predecessor, the regime of Democratic Kampuchea, and borrowed essential elements from the system of the Socialist Republic of Vietnam but it also adapted itself to the concrete situation of Cambodia at that time.

She observed that the top administrators came from among the revolutionary cadres. These included

> Those cadres who attended the [first] congress of the Front in November 1978 and those who took part in the [third] party congress of January 1979, the
cadres who had returned from political courses in Thu Duc, Ho Chi Minh City, and who were currently engaged in concrete work, and some sympathetic former intellectuals of the Sihanouk and Lon Nol regimes (Slocomb, 2003, p. 64).

The CCS was an early priority as it was a vital tool for rebuilding the nation. New ministries were set up and bureaucrats were sought to staff them. People were recruited to positions in the ministries based on general knowledge and education; they often lacked the higher education and special skills and knowledge required for their positions. As Slocomb (2003, p. 58) stated, “the major problem at the beginning was finding people with sufficient education, let alone experience or party affiliation, to staff the ministries and departments set up by the new administration”. Hundreds of Cambodians were sent to train in Vietnam while many ‘Vietnamese experts’ were put in place to support or supervise the Cambodian staff (Hughes, 2003, p. 22; Slocomb, 2003, pp. 58-59).

The CCS was run by the ruling party’s cadres including “the vanguard elite and trusted functionaries of the party, the military and the security officers” (Slocomb, 2003, p. 125). Slocomb (2003, p. 58) noted that

…the central leadership in Kampuchea now [1979] consists only of 25 people and an initial search for those with secondary school education who could be considered “intellectual” and given administrative responsibility has produced only 106 others. In the early 1970s the number of people with such attainments was reportedly 20,000…

The new administration found even greater difficulty staffing the sub-national levels of government such as the municipalities (Krong) or provinces (Khet), districts (Srok), communes (Khum/sangkat) and villages (Phum). Slocomb (2003, p. 60) drew attention to this matter when writing that, “staffing the provincial administration with reliable, skilled people loyal to the regime was a major problem and the new government relied heavily on Vietnamese assistance”. Nevertheless, by the end of 1979, a rudimentary administrative structure had been installed; it was one that was supervised by Vietnamese officials and modelled on the Vietnamese system.
According to Slocomb (2003, pp. 47-60), the system was controlled by the following bodies:

- The Central Committee of the People’s Revolutionary Party of Kampuchea (PRPK) a permanent committee (*Kennak achen*trey), and the politburo. It was coordinated by three commissions and a general department:
  i. The Central Administration Commission,
  ii. The Propaganda and Education Commission,
  iii. The Monitoring Commission
  iv. The Department of the Central Committee.
- The People’s Revolutionary Council of Kampuchea (PRCK) was an executive body running the administration, led by the Central Committee.
- The Kampuchean United Front for National Salvation (FUNSK) was responsible for mass organisations, mass mobilisation and party recruitment.

The state institutions that had been set up by 1980 were: the Ministry of Economy and Living Standards; the Ministry of Industry; the Ministry of Agriculture and Forestry; the Ministry of Commerce; the Ministry of Finance and Banking; the Ministry of Communication and Transport; the Ministry of Interior; the Ministry of Foreign Affairs; the Ministry of Education; the Ministry of Propaganda, Information and Culture; the Ministry of Health; the Ministry of Defence; the Preparatory Committee for Organising a Ministry of Disabled Soldiers and Social Action; the Department of Government; the state media (Radio, SPK, *Kaset Kampuchea*); and some overseas embassies and consulates.

Some state institutions were restructured and new ones added during the first session of the National Assembly following the adoption of the constitution in late June 1981. The People’s Revolutionary Council of Kampuchea (PRCK) was replaced by the Council of State with Heng Samrin as head, and the Council of Ministers with Pen Sovann as prime minister. The Ministry of Economy and Living Standards and the Ministry of Finance and Banking were combined into the Ministry of Finance. Other state institutions were added such as the Ministry of Planning, the Ministry of Justice, the Committee of State Affairs and the National Bank of the Cambodian People (also see Figure 3.7) (Puy, 2006, pp. 151-55; Slocomb, 2003, pp. 64-85).
Soon after the inception of the CCS system, there were even more problems of recruitment and deployment. According to a decision laid down by PRCK (PRCK, 1979), “some ministries and enterprises recruited people properly in accordance with internal secret principles but others recruited staff improperly resulting in difficult situations”. These situations included:

Those who have work to do are small [in number] while those who have nothing to do are numerous…, those who have technical skills are very few while state employees are numerous…, and some staff who may be enemies take advantage from our neglect to bring carelessness into their work and to infiltrate ministries and enterprises in order to commit destructive activities.

Therefore, the PRCK decision No. 29 ordered every ministry and enterprise to stop selecting people and to review and distinguish between staff and their dependents who were living with them in the ministries and public enterprises. Every new ministry and unit now had to request the PRCK for staff. Staff were linked to specific tasks, job performance was monitored, and skill requirements were created. Staff who did not meet these criteria were listed as being on probation or in provisional employment or dismissed from the state institution. However, staff, who had sufficient educational background (in 1979) but no skills, were sent to training centres. Unsatisfactory staff were dismissed, prosecuted or handed over to their regional government for mentoring according to their levels of wrongdoing.

To run its new public functions, the PRK government received both financial and technical assistance from Vietnam, USSR and Soviet bloc countries, but the assistance did not meet the country’s needs. Due to famine, a non-functioning economy, as well as a lack of currency and assets, the government could not run the public sector properly and could not even pay its staff. According to Slocomb (2003, p. 117), in 1980, the expenditure of the government was 294,546,000 riels (US$73,636,500 at 1980 official exchange rate) while the domestic state revenue was only 25,477,000 riels (US$6,369,250 at 1980 official exchange rate). The result was a large deficit.

Although the PRK was reluctant to do so, in 1982 an import tax on items such as clothes, cigarettes and other consumer goods was introduced to boost state revenue. However, a huge amount of potential income was lost due to well-organised smuggling activities that were indicative of the limited control of the state. As the minister noted, “…some people rely on
arms to threaten taxation staff and bribe them…” while civil taxation officers do not have rights to inspect military transportation and vehicles (Slocomb, 2003, p. 119).

Under such revenue-poor circumstances, the government was only able to pay its staff very small incomes (see Appendix 1). For several years, in addition to the monetary salary state, employees were supplied with rations including rice, clothes, sugar, cigarettes, detergent and soap, fish oil/fish paste (Prabok), and petrol from the aid provided by Eastern bloc countries (Gottesman, 2003, pp. 79-80; Hughes, 2003, pp. 24, 49; Slocomb, 2003). By the late 1980s, however, the Soviet bloc was in serious economic decline itself and the aid pipeline was cut (Gottesman, 2003, p. 316). Many goods could not be imported and the national treasury encountered a shortage of money to pay public servants. The government responded by printing more currency. This resulted in the depreciation of the riel and rocketing inflation (Gottesman, 2003, p. 316).

Since the departure of Vietnamese troops in 1989 and the arrival of UN forces and aid after the 1991 Paris Peace Accord, civil service salaries have slowly increased (Gottesman, 2003, p. 301; McAndrew, 1996, p. 1). Following the reform of the civil service in 2002, general salaries increased regularly by 10 to 15 per cent annually, and by about 30 per cent annually between 2005 and 2006 (Hor, 2006b, p. 53; World Bank, 2004, p. 46). The average salary of civil servants was increased from approximately US$33 per month in 2002 to US$46 per monthly in 2006 (DESA, 2004, p. 12; Eng & Craig, 2009, p. 83; Hor, 2006b, p. 53; World Bank & Asian Development Bank, 2003, p. 96; World Bank, 2004, p. 46). By 2008, the average monthly state salary was US$64.2 per month, and the government indicated its intention to maintain an annual increase of 20 per cent (RGC, 2008a, p. 14). In 2009, state salaries averaged US$75.5 per month (Sok, 2009) (for more details of pay history, see Appendix 1). The details of the pay and remuneration system are discussed below.
The contemporary Cambodian civil service

Concepts and framework

The terms ‘civil service’ and ‘public service’ in this thesis are interchangeable. The civil service is defined in Cambodia as “the Competent or Delegated Agency\(^1\)” that performs the state’s activities “with a view to serving the public interest” (CAR, 2006, p. 4). The World Bank and the Asian Development Bank (2003, p. 91) noted that “the civil service is the institution that is charged with transforming government and donor resources into poverty-reducing services”. They also noted that “civil servants are the link between resource delivery and service delivery” (World Bank & Asian Development Bank, 2003, p. 91).

The machinery of government

According to these definitions, the state institutions in Cambodia are the competent agencies charged with performing state activities “with a view to serving the public interest.” These agencies are classified into two levels in the civil service structure: the central administration (national level) and the provincial/municipal offices (sub-national levels). In the central administration there are 26 ministries and two state secretariats (depicted in Figure 3.7) (Kim, 2006, p. 7; RGC, 2008a, p. 67), while there are 24 provinces/municipalities.

Most ministries and institutions have their own provincial and municipal departments, but some departments also have district offices. Some ministries and state secretariats do not have sub-national offices, including the Ministry of Foreign Affair and International Cooperation, the Ministry of National Defence, the Ministry of Justice, the Office of the Council of Ministers, the Ministry of Interior, the State Secretariat of Public Function, and the State Secretariat of Civil Aviation.

\(^1\)‘Competent Agency’ refers to state institutions or state agents or all levels of state authorities working within their areas of competent jurisdiction. Delegated Agency refers to the organisations in the private sector or civil society that are delegated particular responsibilities and duties from the state but stay under the control of the state and state agents (CAR, 2006, p. 4).
Figure 3.7: Changes in Cambodian government structure from 1980 to the present

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Cabinet of Council</td>
<td>Office of Council of Ministers</td>
<td>OCM</td>
<td>OCM</td>
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<tr>
<td>of Ministers</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Foreign Affairs</td>
<td>Foreign Affairs and</td>
<td>MFAIC</td>
<td>MFAIC</td>
</tr>
<tr>
<td></td>
<td>International Cooperation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Justice</td>
<td>Justice</td>
<td>MoJ</td>
<td>MoJ</td>
</tr>
<tr>
<td>Finance</td>
<td>Economy and Finance</td>
<td>MEF</td>
<td>MEF</td>
</tr>
<tr>
<td>Industry</td>
<td>Industry, Mines and Energy</td>
<td>MIME</td>
<td>MIME</td>
</tr>
<tr>
<td>Interior</td>
<td>Interior</td>
<td>MoND</td>
<td>MoND</td>
</tr>
<tr>
<td>National Security</td>
<td></td>
<td></td>
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<tr>
<td>National Defence</td>
<td>National Defence</td>
<td></td>
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<tr>
<td>Planning</td>
<td>Planning</td>
<td>MoP</td>
<td>MoP</td>
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<tr>
<td>Propaganda and</td>
<td>Information</td>
<td>Information</td>
<td>Information</td>
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<tr>
<td>Information</td>
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</tr>
<tr>
<td>Commerce</td>
<td>Commerce</td>
<td>MoC</td>
<td>MoC</td>
</tr>
<tr>
<td>Culture</td>
<td>Culture and Arts</td>
<td>MCFA</td>
<td>MCFA</td>
</tr>
<tr>
<td>Cult</td>
<td>Cult and Religious Affairs</td>
<td>MoRaC</td>
<td>MoRaC</td>
</tr>
<tr>
<td>Health</td>
<td>Health</td>
<td>MoH</td>
<td>MoH</td>
</tr>
<tr>
<td>Education</td>
<td>Education, Youth &amp; Sports</td>
<td>MoEYS</td>
<td>MoEYS</td>
</tr>
<tr>
<td>Agriculture</td>
<td>Agriculture, Forestry</td>
<td>MoWRaM</td>
<td>MoWRaM</td>
</tr>
<tr>
<td></td>
<td>and Fisheries</td>
<td>MAFF</td>
<td>MAFF</td>
</tr>
<tr>
<td>Posts,</td>
<td>Environment</td>
<td>MLMUPC</td>
<td>MLMUPC</td>
</tr>
<tr>
<td>Telecommunication</td>
<td>Post and</td>
<td>MoE</td>
<td>MoE</td>
</tr>
<tr>
<td>Public Works and Transport</td>
<td>Telecommunications</td>
<td>MPTC</td>
<td>MPTC</td>
</tr>
<tr>
<td></td>
<td>Public Works and Transport</td>
<td>MPWT</td>
<td>MPWT</td>
</tr>
<tr>
<td>Disabled Soldiers</td>
<td>Social Welfare, Labour</td>
<td>MoSAVYR</td>
<td>MoSAVYR</td>
</tr>
<tr>
<td>and Social Affairs</td>
<td>and Veteran Affairs</td>
<td>Women’s and Veteran’s Affairs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>State Secretariat of</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Women’s Affairs</td>
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<td></td>
<td>Tourism</td>
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<tr>
<td></td>
<td>State Secretariat for the</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Relations with the National</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assembly</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>State Secretariat of Civil</td>
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<td></td>
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<tr>
<td></td>
<td>Service (Public Function)</td>
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<tr>
<td></td>
<td>State Secretariat of Civil</td>
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<td>Aviation</td>
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<tr>
<td>Sources: Kim, 2006;</td>
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<tr>
<td>Kingdom of Cambodia, 1998;</td>
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<td></td>
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<tr>
<td>Kingdom of Cambodia, 2004</td>
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</tr>
</tbody>
</table>

Legend:
- MoWRaM: Ministry of Water Resources and Meteorology
- MLMUPC: Ministry of Land Management, Urban Planning and Construction
- MoSAVYR: Ministry of Social Action, Veterans and Youth Rehabilitation
- MLVT: Ministry of Labour and Vocational Training
- MoSAVYR: Ministry of Social Action, Veterans and Youth Rehabilitation
- MWA: Ministry of Women’s Affairs
There have been three deliberate and planned changes to state organisations over the period from the 1980s to the present. The initial major change was in the first mandate of the Royal Government of Cambodia in 1993 (see column 2 in Figure 3.7). This was a fundamental change that accompanied the change from the socialist and communist government to a liberal democratic one. In bureaucratic terms, there was considerable growth in the number of ministries and other state organisations. Importantly, at this time the basic structure of the Cambodian government was established and remains until today. Two other relatively minor changes occurred between 1998 and 2004 involving the creation of several new ministries (see Figure 3.7 for details).

**The civil service system and human resource management**

To understand the civil service and HRM in Cambodia, it is necessary to focus on several key matters including the composition of the civil service, the career paths available, the remuneration system and the process of performance management.

*The composition of the civil service*

Public servants are the staff of the administration of the Kingdom of Cambodia, excluding judges of the juridical order and civil servants of the legislative orders (Kingdom of Cambodia, 1994). They are classified as the ‘public body’, (in Khmer mean krom khan), and administered by the State Secretariat of Public Function. These administrative staff include permanent staff, floating staff and contract staff. The *Anukret* (Sub-Decree) No. 19 – ANK – BK on the Organization and Functioning of the State Secretariat of Public Function dated 28 May 1997 says that the State Secretariat of Public Function (SSPF) manages all of the civil servants in terms of civil service personnel administration and records (RGC, 1997).

The size of the CCS has grown slightly but with some fluctuations over the past 15 years. Table 3.2 shows that it increased from 148,353 personnel in 1994 to 179,192 in 2008, representing an increase of 20.8 per cent (RGC, 2008a, p. 14; World Bank & Asian Development Bank, 2003, p. 100). Although the number of civil servants is reported by the RGC, there is some speculation about whether this is the true number as different government sources provide inconsistent figures. The size of civil service according to the budget law of
the Ministry of Economy and Finance (MEF) was smaller than that identified by the Council for Administrative Reform (CAR), being 156,731 and 161,466 respectively. In 2003, the size of the civil service in the budget law of the MEF was 1,397 staff more than CAR’s figure. At the same time, the figures from these two sources did not match the figures released by the SSPF. A comparison of reported civil service staff numbers is provided in Table 3.2.

Table 3.2: Size of the Cambodian civil service between 1994 and 2008 according to different sources

<table>
<thead>
<tr>
<th>Year</th>
<th>SSPF</th>
<th>Budget Law (MEF)</th>
<th>CAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>n/a</td>
<td>148,353</td>
<td>n/a</td>
</tr>
<tr>
<td>1995</td>
<td>n/a</td>
<td>143,855</td>
<td>n/a</td>
</tr>
<tr>
<td>1996</td>
<td>n/a</td>
<td>147,086</td>
<td>n/a</td>
</tr>
<tr>
<td>1997</td>
<td>n/a</td>
<td>153,372</td>
<td>n/a</td>
</tr>
<tr>
<td>1998</td>
<td>n/a</td>
<td>156,731</td>
<td>161,466</td>
</tr>
<tr>
<td>1999</td>
<td>n/a</td>
<td>155,233</td>
<td>162,772</td>
</tr>
<tr>
<td>2000</td>
<td>n/a</td>
<td>165,539</td>
<td>162,991</td>
</tr>
<tr>
<td>2001</td>
<td>n/a</td>
<td>164,397</td>
<td>162,969</td>
</tr>
<tr>
<td>2002</td>
<td>n/a</td>
<td>164,219</td>
<td>165,369</td>
</tr>
<tr>
<td>2003</td>
<td>166,752</td>
<td>167,778</td>
<td>166,381</td>
</tr>
<tr>
<td>2004</td>
<td>165,734</td>
<td>n/a</td>
<td>165,953</td>
</tr>
<tr>
<td>2005</td>
<td>n/a</td>
<td>n/a</td>
<td>164,595</td>
</tr>
<tr>
<td>2006</td>
<td>n/a</td>
<td>n/a</td>
<td>163,469</td>
</tr>
<tr>
<td>2007</td>
<td>n/a</td>
<td>n/a</td>
<td>167,167</td>
</tr>
<tr>
<td>2008</td>
<td>n/a</td>
<td>n/a</td>
<td>179,192</td>
</tr>
</tbody>
</table>

Sources: CAR, 2005; CAR, 2008; RGC, 2008a; SSPF, 2005b; World Bank & Asian Development Bank, 2003

The differences are due to different methodologies or bases for counting used by the different agencies. The MEF is responsible for the preparation of the budget law for the civil service. It
accepts figures from CAR, the SSPF and directly from individual ministries and public organisations although these figures of civil service numbers do not necessarily match. CAR keeps a civil servant database, but it is not available to researchers and the public. The SSPF is an administrative body. It is concerned with civil service personnel administration and records, and deals with matters such as appointments, advancements, dismissals, retirements, sanctions against civil servants, family status and payroll. SSPF administration and records are coordinated with individual ministries and public organisations which are responsible for their own personnel administration and records. Despite these variations in the reported number of civil servants the differences are actually relatively small.

The largest number of civil servants is employed in the education sector. Figure 3.8 shows that the education sector employs nearly 60 per cent of Cambodia’s civil servants, largely because teachers are included; all other government agencies together account for only 40 per cent. The education sector includes the national level of the Ministry of Education, Youth and Sports (MoEYS), the sub-national levels of municipal/provincial offices and all public schools nationwide. Given its significance, the education sector was selected as the mean of the focus of this research namely to examine the connection between pay and performance in the CCS.

**Figure 3.8: Number of civil servants in education and non-education sectors in 2005**

![Figure 3.8: Number of civil servants in education and non-education sectors in 2005](source: Hor, 2006a)
While the number of civil servants has grown annually, the ratio of civil servants to the total population has gradually declined over the past 15 years, decreasing from one civil servant in 66.5 Cambodians (1:66.5) in 1994 to one civil servant in 74.8 Cambodians (1:74.8) in 2008 (see Table 3.3). This means that the population growth was greater and faster than civil servant growth during this period. However, the size of the civil service is less of a problem in the provision of public services to the population than other aspects identified below.

Table 3.3: Cambodia: total population, civil servants and ratio of civil servants to the total population in selected years

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population</th>
<th>Civil Servants</th>
<th>Civil Servants to the Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>9,870,000</td>
<td>148,353</td>
<td>1:66.5</td>
</tr>
<tr>
<td>1996</td>
<td>10,703,329</td>
<td>147,068</td>
<td>1:72.8</td>
</tr>
<tr>
<td>1998</td>
<td>11,437,656</td>
<td>161,466</td>
<td>1:70.0</td>
</tr>
<tr>
<td>2004</td>
<td>12,824,000</td>
<td>165,953</td>
<td>1:77.3</td>
</tr>
<tr>
<td>2008</td>
<td>13,400,000</td>
<td>179,192</td>
<td>1:74.8</td>
</tr>
</tbody>
</table>

Sources: NIS, 2008a; RGC, 2008a; Royal Embassy of Cambodia, 2009; World Bank & Asian Development Bank, 2003

One major problem is the geographically skewed deployment of civil servants. A very high proportion of total civil servants is employed and located in the central ministries and public organisations in Phnom Penh, the nation’s capital, in provincial capitals and other urban centres. Very few public servants are based in rural areas, even though this is where most Cambodians live (World Bank & Asian Development Bank, 2003, p. 101). This situation has been considered “a result of low pay and the absence of moonlighting opportunities in remote areas” (Eng & Craig, 2009, p. 40). Furthermore, there is an oversupply in lower priority sectors. A study by the World Bank and the Asian Development Bank (2003, p. 99) found that “large shares of civil servants are deployed in low priority sectors and in some sectors inadequate numbers of civil servants are deployed in the provinces”.

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A second problem is that many civil servants have low levels of skill and capacity. According to the World Bank and the Asian Development Bank (2003, p. 101), in 2003 the majority of civil servants, specifically 67,562 or 40 per cent of the total number of civil servants, were employed in category C, which is reserved for those with only a high school diploma. In the same year, 39,916 or 24 per cent of civil servants were employed in category B, and had an associate bachelor degree, and while Category D which had civil servants with an education below high school graduation, was comprised of 31,719 staff or 19 per cent of the CCS and Category A, where employees are required to have at least a bachelor degree, had only 18,808, or 11 per cent of Cambodia’s civil servants. There were 8,867 other staff (5 per cent) including personnel on term contracts or on leave without pay. But these Categories A, B, C and D are required further elaboration for the purposes of this thesis.

A third problem is that of the ageing workplace. The origin of this situation in the Cambodian public service dates back to 1979 when the PRK government had no alternative but to hire people with low-level skills and education. Such people have been admired for their great contribution to the nation’s reconstruction and development, but they are now ageing and, to some extent, cannot deal with today’s challenges. Some officials, it is alleged, particularly those at senior levels and in good positions and who have reached retirement age, have manipulated their dates of birth in order to stay longer. Prime Minister Hun Sen recognised this problem when addressing a regular weekly cabinet meeting on 14 August 2009, warning his cabinet, “it is simply that the retirement age computerised system was manipulated... thus, many staff, who reached retirement age, did not get retired” (Kaset Kampuchea Thmei, 2009). He wondered “how and why only ordinary staff, who were poor and powerless, had been alerted of their retirement age by the computerised system... while senior officials, particularly who were powerful and/or in strategic positions, never appeared in the retirement age system” (Kaset Kampuchea Thmei, 2009). The Prime Minister questioned: “How can a Khmer saying, ‘youth replaces the older, Tom pang snang rouesy’, work if they had reached the retirement age but they did not retire?” (Kaset Kampuchea Thmei, 2009). Therefore, he ordered his cabinet to investigate and eliminate such manipulation for the sake of the public sector reform effort.
The Cambodian civil service career path

The Kram (Royal Code) No. 6 NS, dated 30 October 1994, on Common Statute of Civil Service (Kingdom of Cambodia, 1994) promulgates the legal basis for the CCS career path and includes recruitment, promotion and retirement age. According to the Kram No. 6 NS, the recruitment of civil servants is made in response to the need for national economic, social and political development and technological advancement as well as veterans’ retirement. The basic qualifications for recruitment into government employment or the public body for all positions are:

- Cambodian citizenship;
- at least 18 years but not more than 25 years old;
- has not been deprived of his/her civil rights, civic and political;
- has not been found guilty for a crime or attempted offence but being of good moral conduct, honour and integrity;
- has satisfactory physical aptitude for the exercise of the function as required by guidelines and applicable regulations;
- has satisfied the aptitude conditions required by the particular statute governing his/her state employment or public body.

The Kram No. 6 NS also promulgates that “in principle, the recruitment of civil servants shall be undertaken through competitive examination, except for contrary arrangements enacted by the Royal Government.” This promulgation has theoretically been implemented in the CCS’s staff recruitment procedure. There have been allegations, however, that in practice the staff recruitment procedure has generally involved corrupt practices such as bribery, nomination based on political factors and sitting exams is simply window-dressing. Having entered state employment, every civil servant must pass a probationary period of 12 months before getting permanent employment status.

Promotion is available for every permanent staff member in the civil service. The Kram No. 6 NS promulgates that “a promotion in grade and class [steps] for civil servants shall be effected solely through selection or seniority.” Each promotion requires at least a two-year period in the step below. However, there are exceptions to these requirements due to personal qualities
and work performance. Thus, civil servants can be promoted at any time within their government organisations if they are found to be performing well, are qualified and/or are needed to fill available positions. The retirement age of civil servants for both sexes is from 55 to 60 years based on the position and the particular statute governing their employment. Civil servants officially work five days a week, from Monday to Friday, and eight hours per day, 07.00 – 11.30 in the morning and 2.00 – 5.30 in the afternoon (RGC, 1996).
Table 3.4: Civil service employment categories

<table>
<thead>
<tr>
<th>Category</th>
<th>Grades</th>
<th>Ranks</th>
<th>Steps</th>
<th>Functions/Positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>-</td>
<td>A1</td>
<td>Chief administrator</td>
<td>6</td>
</tr>
<tr>
<td>A</td>
<td>-</td>
<td>A2</td>
<td>Principal administrator</td>
<td>10</td>
</tr>
<tr>
<td>A</td>
<td>-</td>
<td>A3</td>
<td>Administrator</td>
<td>14</td>
</tr>
<tr>
<td>B</td>
<td>-</td>
<td>B1</td>
<td>Chief-middle level civil servant</td>
<td>6</td>
</tr>
<tr>
<td>B</td>
<td>-</td>
<td>B2</td>
<td>Principal-middle civil servant</td>
<td>10</td>
</tr>
<tr>
<td>B</td>
<td>-</td>
<td>B3</td>
<td>Middle civil servant</td>
<td>14</td>
</tr>
<tr>
<td>C</td>
<td>-</td>
<td>C1</td>
<td>Chief secretary</td>
<td>6</td>
</tr>
<tr>
<td>C</td>
<td>-</td>
<td>C2</td>
<td>Principal secretary</td>
<td>10</td>
</tr>
<tr>
<td>C</td>
<td>-</td>
<td>C3</td>
<td>Secretary</td>
<td>14</td>
</tr>
<tr>
<td>D</td>
<td>-</td>
<td>D1</td>
<td>Chief administrative agent</td>
<td>6</td>
</tr>
<tr>
<td>D</td>
<td>-</td>
<td>D2</td>
<td>Principal administrative agent</td>
<td>10</td>
</tr>
<tr>
<td>D</td>
<td>-</td>
<td>D3</td>
<td>Administrative agent</td>
<td>14</td>
</tr>
</tbody>
</table>

Sources: CAR, 2008; Eng & Craig, 2009; SSPF, 2005a; SSPF, 2005b
Within each major category there are three grades. As summarised in Table 3.4, category ‘A’ is for administrators in the civil service who are required to have at least a bachelor degree. This category is divided into A1, A2 and A3. ‘A1’ is for chief administrators, including those in the positions of secretary-general, deputy secretary-general, director-general, general inspector, and provincial and municipal governor. There are six steps starting from ‘A1-6’ to ‘A1-1’. Grade ‘A2’ is for principal administrators including those in the positions of deputy director-general, deputy general inspector, director of central department, provincial and municipal vice governor, chief of district, and inspector; there are ten steps in this category starting from ‘A2-10’ to ‘A2-1’. Grade ‘A3’ is for administrators including those in the positions of deputy director of a central department, chief of a local department, and holders of a degree of bachelor, master or doctor without any position; it has fourteen steps starting from ‘A3-14’ to ‘A3-1’.

Advancement to a higher step, grade or category is conducted in two ways\(^2\). First, advancement is based on seniority, personal qualities and/or capacities relating to job performance. This process generally occurs every two years and personnel get a one-step advancement. In this way, advancement is, for example, made from A3-14 to A3-13... and then in further steps on to A3-1, but such advancement cannot be made from A3-10 to A2-10. Second, the advancement is based on one of three outstanding achievements including promotion, passing an internal exam, or attainment of a higher degree (Master or Doctoral degree). By means of this second procedure, advancement is, for instance, made from A3-14... to A3-10 and then on to A2-10... to A1-6. The first, the second or both types of advancement can be applied to all civil servants. For example, an official can be advanced under the first way, or the second way, or can achieve a two-level increase by advancing simultaneously in both ways.

Categories ‘B’, ‘C’ and ‘D’ are arranged and operated in the same way as category ‘A’. However, categories B and C are for middle-level civil servants who have an associate bachelor degree, and also secretaries or skilled operators with high school diplomas. Category D is for administrative agents, the lowest-level civil servants who have high school diplomas or a level of education below than Grade 12. Each category has its own three grades: Grade 1 has 6 steps; Grade 2 has 10 steps; and Grade 3 has 14 steps (Table 3.4). Together these

\(^2\) Information obtained from mainly the head of Administration Department, the Ministry of Industries, Mines and Energy in telephone interviews on 23 February 2010.
categories cover the range of positions and functions of all personnel in the civil service, from the lowest of low-skilled worker to the highest central office head.

**Remuneration in the Cambodian civil service**

Civil servants are paid according to the pay structure set out in *Kret* (Royal Decree) No. NS/RKT/1201/450, dated 1 December 2001 on Base Salary and Allowances of Civil Servants (Kingdom of Cambodia, 2001). This pay structure is delineated by categories, grades and classifications (steps). Civil servants receive their base salaries along with allowances which include a functional allowance, risk allowance, family-support allowance and educational allowance (for teachers) as summarised in Table 3.5. A base salary is paid for every civil servant according to category (eg. A, B, C or D), grade (eg. A1, A2 or A3), and step (eg. A3-14, A3-13 or A1-1) (see Appendix 2). The functional allowance is provided for civil servants in categories A, B and C (see Appendix 3). These benefits are subdivided into 5 levels according to the length of service and work experience in the position. The risk-benefit allowance covers health care and risks related to their jobs. It is 1,500 riels (1US$ = 4,000 riels) per month for all staff. The family-support allowance is for all staff and is 2,500 riels per month for each child and 3,000 riels per month for a spouse. So, allowances make up only a very small proportion of the total salary of a civil servant.
Table 3.5: The general pay structure of the Cambodian civil service

<table>
<thead>
<tr>
<th>Type of pay/allowances</th>
<th>Recipients</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base salary</td>
<td>All staff</td>
<td>A base salary is paid to all staff who are working in the public service. Each unit of the base salary is worth 600 riels, which is used to calculate the total base salary (ex. 600 riels ( \times ) indicator of civil service employment in the system).</td>
</tr>
<tr>
<td>Functional allowance</td>
<td>All staff in categories from A to C</td>
<td>This value of this allowance payment is classified into 5 levels according to the length of service and work experience of a person in the position.</td>
</tr>
<tr>
<td>Risk allowance</td>
<td>All staff</td>
<td>This allowance is provided to staff who work in locations that have potential health and related risks; currently it is 1,500 riels per month.</td>
</tr>
<tr>
<td>Family-support allowance</td>
<td>All staff</td>
<td>This allowance is paid to those who have children and/or a spouse; currently it is 2,500 riels per month for each child and 3,000 riels per month for a spouse.</td>
</tr>
<tr>
<td>Educational allowance</td>
<td>Teachers only</td>
<td>This allowance is paid for specified teaching qualifications</td>
</tr>
</tbody>
</table>

Sources: Eng & Craig, 2009; Kingdom of Cambodia, 2001

Two pay incentive schemes accompany the existing pay system. The Priority Mission Group (PMG) and the Merit-Based Pay Initiative (MBPI) have been incorporated into the public service reform program for the purpose of motivating government staff to perform effectively and efficiently in the priority missions of their organisations. The schemes could be regarded as offering ‘salary supplement’ or ‘salary top-up’ to promote and enhance results-based performance to improve the effectiveness and efficiency of public service delivery.

The PMG scheme was launched in 2002 by Anukret (Sub-Decree) No. 83 ANK-BK (RGC, 2002). The Anukret stated,

A PMG is an active and dynamic group to enhance an organisation’s development and to be accountable to the head of an organisation in the implementation of achievable priority missions based on work experience and skills.
In other words, this scheme was launched to improve service delivery, using enhanced pay as a motivator for high performance in critical areas of government, to promote development of skills to use information and communication technology, and to develop the general capacity of the staff and administrative institutions of government (Neang, 2008, p. 5).

The Anukret No. 83 ANK-BK stated that every member of a PMG had to be equipped with skills in line with the mission assignments. Such skills included general management, planning, budgeting, personnel administration, information technology, English language, or other relevant skills. Qualified civil servants were selected by special committees using the terms of reference for specific priority missions (RGC, 2003a; RGC, 2003b; RGC, 2003c). The Anukret No. 83 ANK-BK also indicated that the priority missions were to be assigned by individual ministries or institutions to help them achieve their priority goals including poverty reduction, socio-economic development and other priority action programs of the government.

Civil servants selected for PMG groups received supplementation (PMG supplement allowance) according to their grades which were granted in return for effective and efficient performance. Those in categories A, B and C received 520,000 riels (US$130), 450,000 riels (US$113) and 250,000 riels (US$63) respectively (see Appendix 3) (RGC, 2002; RGC, 2007a; RGC, 2007b). This PMG allowance was significant compared to the average state salary. In fact, in 2009 it was nearly double the average salary of US$75.5 per month for category A personnel. The PMG allowance was offered to staff whose job titles were below the rank of deputy department director. The PMG scheme had been successfully implemented before it was frozen from the beginning of 2010 and for the rest of the year (OCM, 2009). It started from 13 priority mission projects with 389 members in six government organisations in 2004 and increased to 83 priority mission projects with 3,108 members in 24 public organisations by the first half of 2008 (CAR, 2008, pp. 27-32).

The MBPI was another scheme introduced by the Royal Government of Cambodia (RGC) that used salary incentives to improve civil servant performance (Anukret (Sub-Decree) No. 98 ANK-BK, dated 5 August 2005, on the Implementation of the MBPI and then the Anukret 3 Special committees included the Recruitment Committee for Priority Mission Group Members, the Audit and Inspection Committee for the Priority Mission Group Implementation, and the M & E Committee for the Priority Mission Group Implementation which were set up by the Anukret (Sub-Decrees) of the government (RGC, 2003a; RGC, 2003b; RGC, 2003c).
(Sub-Decree) No. 38 ANK-BK, dated 3 May 2006, on the Adjustment of MBPI (RGC, 2005b; RGC, 2006). Subsequently the two Anukret (Sub-Decrees) No. 98 ANK-BK and 38 ANK-BK were abrogated by Anukret No. 29 ANK-BK, (2 April 2008) on the MBPI which stipulated that the MBPI is an allowance that is supplementary to a civil servant’s salary and other allowances, and is financed by the donor partners (DPs) under an agreement between DPs and the RGC (RGC, 2008b).

Anukret No. 29 ANK-BK stated that the MBPI applied to all levels of civil servants (including PMG members) selected to participate in projects undertaken for the strategic development of their organisations, whether participation was in management, implementation or skills assistance. The MBPI, which applied to civil servants below the rank of deputy department director, was designed to include the PMG allowance and avoid double payment. This can be seen in the following examples of salary supplement MBPI calculations when base salary and other allowances are constant.

The MBPI allowance ranged from the lowest rank of secretary of US$113 per month to the highest rank of director-general of US$450 per month (Appendix 3) (RGC, 2008b).

The Anukret No. 29 ANK-BK continued by saying that:

- MBPI will be deployed in support of strategic priorities requiring high levels of skills;
- MBPI shall be consistent with existing systems;
- MBPI is not indicative of eventual salary policy; and
- MBPI conditions shall be limited to the program they support and not affect the unity, stability and sustainability of the administration.

The MBPI was seen as an incentive tool; it was designed for the purpose of motivating highly skilled officials to improve their performance and so help to provide effective and efficient public service delivery on the one hand, and to harmonise project funding by DPs on the other. As Murphy (2009, p. 2) noted,

The MBPI is designed to progressively replace Development Partners’ funding of ad hoc and opaque salary supplementation to technical and professionally qualified civil servants with a harmonised, transparent, targeted and ultimately sustainable system - through increasing government contributions - of funding for employee incentives.
The MBPI scheme was initially introduced into the MEF as a pilot project and there were plans to extend it into other government organisations as a component of civil service reform for improved service delivery (MacLean, 2006, pp. 24-25; Cambodia Daily, 2007). This argument was stated by Prime Minister Hun Sen:

> Indeed, the RGC and development partners have recently cooperated to pioneer an innovative approach by piloting the Merit Based Pay Initiative (MBPI) at the Ministry of Economy and Finance. This initiative is a program to provide incentives in the form of high salary to officials in accordance with their merits, qualifications, and skills, but there is also a requirement to put in place an operational system with rigorous management (Hun, 2007).

The MBPI scheme covered 262 qualified civil servants and five criteria were used to determine membership: knowledge, experience, high participation level, communications and discipline (Hang-Chuon, 2007; Murphy, 2009, p. 4; Cambodia Daily, 2007). The MBPI was expanded to include four other government organisations: the Ministry of Land Management, Urban Planning and Construction, the Ministry of Health, the Ministry of Interior, and the Council for Administrative Reform of the Office of Council Ministers in early 2009 (Murphy, 2009, p. 2). The scheme, however, was suspended for the whole of 2010 due to the domestic financial crisis brought about by the global recession (OCM, 2009).

**Performance management**

Increasingly, performance management has become an important tool for public service management (see Chapter 2) (Bouckaert & Halligan, 2008, pp. 12-13). It is used to increase public sector capacity and productivity and so to improve public service delivery. In the CCS, performance management in the form of performance appraisal is used in every state agency to measure individual staff performance. According to Eng and Craig (2009, p. 45), “performance appraisal is conducted every two years for each staff member, in the context of regular increments and promotions within a category”. This performance appraisal is implemented within the framework of performance standards which are used as benchmarks for measuring staff member performance (see Appendix 4).
The benchmarks of performance appraisal occur in two formats: there are teacher employment benchmarks and general civil service employment benchmarks. A typical performance appraisal for teachers covers the four criteria: initiative, capacity and ability, responsibility and accountability, and national-interest contribution. Each criterion is marked up to 20 and teachers are expected to reach scores of at least 10 on each criterion (see Appendix 4). Performance appraisal for general civil service employees covers four categories A, B, C and D. Each general employment category of the CCS (eg. A, B, C and D) has its own performance criteria for evaluation. For example, category ‘A’ employees are assessed on initiative, capacity and ability, responsibility and accountability, national-interest contribution, leadership, and good moral character (see Appendix 4 for more details). As with the teachers, general civil service employees are expected to score at least 10.

The PMG and the MBPI incentives’ schemes were assessed using their own performance measures in addition to the general service-wide standards. For instance, the MBPI measured performance on the four criteria of discipline, work activeness, work results and communication in addition to the criteria mentioned above (Hang-Chuon, 2007). The assessment for MBPI was conducted twice a year (Hang-Chuon, 2007).

Generally, government organisations at both national and sub-national levels have bureaucratic mechanisms to manage performance appraisal. Initially, staff are required to complete the appraisal form and then submit it to their boss within their Unit or Department for preliminary review and assessment. After the preliminary screening, the appraisal form is submitted to the department-in-charge (at national level) or unit-in-charge (at sub-national level) and then to the central committee of the individual organisation for review and assessment. Typical departments-in-charge at national level include the Inspection Departments, Administration/Personnel Departments and/or Committees of Performance Appraisal. The final assessment paper has to be signed by the head of organisation and then sent to the SSPF and CAR for action on advancement and increments, and for records. At the sub-national level, common units-in-charge include Administration/Personnel Units or Committees of Performance Appraisal. The final assessment paper has to be approved by the head of the immediate organisation for which personnel work before proceeding to higher

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4 The information obtained from personal communication with officials during the fieldwork conducted in the Cambodian civil service in 2008 and 2009. It is partly based on the author’s experience and knowledge as a government official serving in the sector for more than 14 years.
levels in the hierarchical system (for example, from sub-national to a higher sub-national level up to national level) and then to the SSPF and CAR for action on advancement or increments and for records.

For example, in the Ministry of Education, the performance appraisal starts at the local school where a teacher at the school fills in the form (Appendix 4) and submits it to the School Committee on Performance Appraisal. The performance appraisal form is then approved and signed by the school principal who submits it to the District Office of Education, Youth and Sports and then it goes to the Provincial Office of Education, Youth and Sports before going to the ministry headquarters for a decision. The performance appraisal form is also sent to the SSPF and CAR for action and recording. In the case of the district office, the personnel appraisal process begins at the district office level and proceeds first to the provincial and then the ministry headquarters levels. For provincial personnel, the process begins at the provincial office and proceeds to the ministry headquarters, while for the ministry headquarters, the appraisal is carried on within the organisation before going to the SSPF and CAR for action recording.

Performance appraisal is a long bureaucratic process and there is debate as to whether it is taken seriously or not. A study by Eng and Craig (2009, p. 45) observed that “provincial managers feel that this performance management is mainly paper-processing, the outcome being determined centrally by the State Secretariat [of Public Function] and CAR. Many staff do not take it seriously...” With such thinking, performance appraisal is primarily a tool for individuals to get advancement or increments in their public organisations. It is unlikely to be an effective tool of performance management and therefore unlikely to improve public service delivery.

**The relationship between pay and performance**

Low pay has been a constant concern in the CCS since its inception in 1979. State salaries started with 13 kilograms of rice and then in the early 1980s changed to US$15 per month for lower administrative levels (Hughes, 2003; PRCK, 1980). The salary increased to approximately US$33 per month in 2002, and then to US$46 per month between 2004 and
2006\(^5\) (DESA, 2004, p. 12; Eng & Craig, 2009, p. 83; Hor, 2006b, p. 53; World Bank & Asian Development Bank, 2003, p. 96; World Bank, 2004, p. 46). In 2009, the state salary was on average US$75.5 per month (Sok, 2009), which is still below subsistence level for a family (see Appendix 1). As one World Bank and Asian Development Bank report noted, “the most pressing issue facing the Cambodian civil service is undoubtedly the low level of pay for most civil servants, in relation not only to wage levels outside the service, but also to the cost of living” (see Table 3.6) (World Bank & Asian Development Bank, 2003, p. xv).

Table 3.6: Monthly salary comparison in 2004 (USD)

<table>
<thead>
<tr>
<th>Category</th>
<th>Civil Servants</th>
<th>Local NGOs</th>
<th>Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Min</td>
<td>Ave</td>
<td>Max</td>
</tr>
<tr>
<td>D</td>
<td>10</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>C</td>
<td>20</td>
<td>30</td>
<td>45</td>
</tr>
<tr>
<td>B</td>
<td>30</td>
<td>40</td>
<td>50</td>
</tr>
<tr>
<td>A</td>
<td>50</td>
<td>100</td>
<td>200</td>
</tr>
</tbody>
</table>

Source: Eng & Craig, 2009, p. 83

Table 3.6 shows that in 2004 the average state salaries ranged from US$15 per month for category D to US$100 per month for category A, while the average NGO salaries ranged from US$84 per month for category D equivalent positions/qualifications to US$390 per month for category A equivalent positions/qualifications, and private-sector salaries averaged from US$68 to US$700 per month for category D and A equivalent positions/qualifications respectively. For all categories of workers, there were large differences in salary between the government sector and both the Non-Governmental Organisation (NGO) and private sectors, and the government salaries were lower in all occupational categories. In category C, for instance, the average state salary was US$30 per month, which was about six times lower than (or 16 per cent of) salaries for equivalent positions/qualifications in NGOs and four times lower than (or 23 per cent of) the salary paid in the equivalent positions/qualifications in the private sector. In category A, the average state salary was US$100 per month, which was

\(^5\) State salaries have been increased annually from 10 to 15 per cent. The increase has been made in Cambodian riels. While net state salaries have increased in riels, they have fluctuated when riels are converted into US dollars due to changing exchange rates.
approximately four times lower than (or 25 per cent of) NGO equivalents and seven times lower than (or 14 per cent of) private sector equivalents.

The basic living cost in Cambodia for a family of two adults and two children was between US$100 to US$150 per month in 2006 (see Appendix 5) (Sok et al., 2006, p. x). The cost of living in urban areas was even higher than the average figures. The gap between levels of state salary and market rates has been widening. The low-income conditions of public servants has led them to pay less attention to their tasks and duties, and to be involved in corruption and ‘moonlighting’ in other jobs. As a result, public service delivery has suffered.

**Causes of low pay**

There are two fundamental causes of low pay in the CCS. These are (a) aid dependency and low government revenues, and (b) the government’s implicit intention to retain the low-level of pay in a corrupt and weak state.

Aid dependency and low government revenues are characteristic of a post-conflict nation such as Cambodia. A strong reliance on external funding through grants and loans, while having low government revenues (both tax and non-tax revenues) is a major weakness in the budgets of such governments.

As mentioned earlier, throughout the 1980s, Cambodian governments relied heavily on limited financial flows from Vietnam and Soviet bloc countries while suffered from international community sanctions and internal insurgency (Hughes, 2009; Kiernan & Hughes, 2007; Slocomb, 2003). During this period, it was also the case that Cambodia’s taxation revenue was limited because of the lack of a functioning economy and the prevalence of smuggling and corruption (Gottesman, 2003; Hughes, 2003; Hughes, 2009; Slocomb, 2003). Since the early 1990s, again the government’s budgets have relied on foreign assistance (international community) to make up the gap between domestic revenues and expenditures. As into other post-conflict countries, official development assistance (ODA) has been the major source of Cambodian government resources for reconstruction and development. A study by Hughes (2009, p. 136) noted that “huge quantities of international aid... flowed into the country, making a new era of aid dependence.” Over the period of a decade starting from 1998, international aid reached approximately US$5.5 billion (Ek &
Sok, 2008, p. 1). During the last five years of the decade, development assistance to Cambodia averaged US$600 million a year (CDC, 2008b, p. 1; Ek & Sok, 2008, p. 1), and currently the country receives more than half a billion US dollars a year (Hughes, 2009, p. 136). In 2005 alone, Cambodia obtained US$538 million in ODA which was 112.6 per cent of the government budget, 9.1 per cent of gross national income (GNI) and US$38 per capita (World Bank, 2007b).

These large amounts of aid have not led to an increase in general salaries and allowances. Aid has funded projects, rather than recurrent expenditure which comes out of domestic revenue. Notably, however, there is a history of projects and programs paying additional allowances in a variety of guises (Godfrey et al., 2002) which has encouraged a drift of able personnel into project work where higher incomes are available. In addition, part of this development assistance has been allegedly misused by powerful elites and government officials rather than being used for public interests. It is often said that aid has been diverted to serve personal and party interests such as the weakening and elimination of opposition supporters (Hughes, 2009, p. 156). This misuse of funds and fraudulent behaviour has meant civil servants have suffered by receiving low pay among other things, and citizens, who are recipients of public services, have been victimised even further.

In the area of government revenues, the adoption of a market-oriented economy has encouraged foreign investment and the private sector. However, tax revenues have increased little. The National Institute of Statistics (Eng & Craig, 2009, p. 83; NIS, 2008b, p. 12) highlighted that “given the high levels of poverty and the various tax exemptions and concessions given to businesses in order to attract foreign investors, the potential revenue base for the RGC is very small”. In the case of government non-tax revenues, a huge amount of revenue has been diverted from exploitation of forestry, fisheries and mines. A part of revenues was used to end the insurgency by giving some money to defeated groups and leaders for their support (Hughes, 2009, p. 158). At the same time, some funds were used to buy votes by “dishing out goods to the population”, including roads, bridges, schools, temples and training centres (Hughes, 2009, p. 159). While such expenditures can be seen as good investments by Cambodians at other times funds have been diverted by corrupt practices.

The second reason for low pay in the CCS is the government’s implicit intention to retain low levels of pay. The RGC does not appear to have the political will to increase public sector
wages to subsistence level or above. It is as Hughes argued, that “the CPP [government has] favoured the retention of bloated, poorly paid, and poorly functioning organisations” (Hughes, 2009, p. 160) or, as a Cambodian Development Resource Institute (CDRI) study observed, that “spending on pay is not seen as a good investment...” (Eng & Craig, 2009, p. 83).

The retention of a low pay regime has allegedly helped to create patron-client relationships in the CCS and to keep any civil servants poor. In the civil service, patrons control and maintain certain resources to which they give their clients access in return for loyalty and support. The resources they control include positions, jobs and finance. These are especially valuable resources where pay is low. Patrons have the power to increase pay or allow second jobs, perhaps even turning a blind eye to corrupt practices. The patron-client networks are comprised of numerous reciprocal relationships which involve obligations relating to “friendship, kinship and trust [that] make public officials informally ‘accountable’ to many players including political parties, influential business people, families and friends” (Malena & Chhim, 2009, p. 5). Patrons manage the networks of reciprocity to their own advantage while making sure their clients get some benefits from the ties. As claimed in a study by the World Bank (Malena & Chhim, 2009, p. 5), “the patrons maintain their position and influence by combining political, military, economic and administrative power through an ‘interlocking of pyramids of patron-client networks’”. In such circumstances, if clients do not affiliate with a powerful patron or party, they will struggle to live on their low levels of pay. However, not everyone has the chance to be in the networks of reciprocity. Civil servants who are outside the patron-client networks are struggling to live on their low state salaries; they have to look for additional activities to supplement their incomes.

**Effects of low pay**

It is widely believed that low pay adversely affects civil servants’ performance and hence government performance. Firstly, the low salary scale creates improper incentives for civil officials; there is an incentive to work in additional outside jobs, or exclusively in aid-funded projects in return for salary supplements. These external activities result in a failure to give full commitment to their primary public service work. Skilled people are more likely to get multiple jobs or leave government entirely for higher salaries in the private sector. But unskilled workers also look for additional jobs because their salaries are below the subsistence
level. Under such circumstances, the quality and perhaps quantity of public services are reduced.

Secondly, the low salary scale of the public sector provides a strong motive for public personnel to abuse their authority in order to generate unofficial income through corruption. A World Bank and Asian Development Bank study drew attention to this noting that “it is clear that low public sector wages provide a breeding ground for corrupt practices. At the same time it is apparent that low pay is a leading cause of Cambodia’s relatively poor standing on public sector performance” (World Bank & Asian Development Bank, 2003, p. xv). Corrupt practices ranging from those aimed at survival to those conducted on a large scale, are thought to divert from 300 to 500 million US dollars every year from the public treasury (Pact Cambodia, 2007; Sok et al., 2006, p. ix) which amounts to about 50 per cent of the total government budget (Sok et al., 2006, p. ix). Thus, in Cambodia the citizens and the society are deprived of what they are entitled to: better funded health and educational services, and higher living standards.

The Economic Institute of Cambodia (EIC) linked low pay with the poor quality of performance in the CCS. To measure the performance of Cambodian civil servants, the EIC uses services delivered as its key indicators (Sieng, Hor, & You, 2006). According to the EIC’s survey of performance in service delivery at local primary schools and health centres, the effectiveness and satisfaction with the quality of services provided were 63 per cent for schools and 49 per cent for health centres as shown in Table 3.7 (Sieng et al., 2006, pp. 8-9). The other responses, including ‘sometimes effective and sometimes not’, ‘not effective’ and ‘no answer’, stood at 37 per cent for schools and 51 per cent for health centres. It is interesting that only 5 per cent for schools and 7 per cent for health centres regarded the services as ‘not effective’. However, high levels of ambivalence are reflected in the ‘sometimes effective and sometimes not’. The EIC’s survey was conducted with 859 respondents (Table 3.7).
Table 3.7: Performance assessment of primary school and health centres in Cambodia

<table>
<thead>
<tr>
<th></th>
<th>Primary School</th>
<th>Health Centre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective</td>
<td>63%</td>
<td>49%</td>
</tr>
<tr>
<td>Sometimes Effective, Sometimes not</td>
<td>32%</td>
<td>41%</td>
</tr>
<tr>
<td>Not effective</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>No answer</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Total respondents</td>
<td>859</td>
<td>859</td>
</tr>
</tbody>
</table>

Source: EIC (as cited in Sieng et al., 2006)

The survey also showed the extent to which service receivers and users were willing to pay service providers for faster or better services. Figure 3.9 explains that almost three quarters of users paid unofficial fees to get services. In this case, although effective performance stood at 63 per cent, public service delivery was still disappointing because most users had to pay unofficial fees to get the services.

Figure 3.9: Acceptance of users to pay unofficial fees for faster services

Source: EIC (as cited in Sieng et al., 2006)
The EIC research also showed that the incomes of primary school teachers actually come from three main sources: official salary of US$30, unofficial fees of US$46 and extra course fees of US$75 per month (see Figure 3.10) (Sieng et al., 2006). Therefore, these provide teachers with an average income of US$151 per month. Besides these three main sources, teachers may earn additional money from activities such as motor-taxi driving and selling food at school. Figure 3.10 shows that a primary school teacher’s official salary was only 20 per cent of total income earned. The practice of earning additional income means that teachers will spend time, possibly during official hours, ‘moonlighting’ in other jobs or raising unofficial income in school.

Figure 3.10: Estimated main sources of primary school teachers’ incomes

| Source: EIC (as cited in Sieng et al., 2006) |

Organisational culture, politics and staff performance

Other significant factors that often contribute to poor performance are organisational culture and politics. The organisational culture of the CCS derives in part from tradition, social structure and the political environment and affects both individual and organisational performance (Pandey & Moynihan, 2006, pp. 133-35; Turner & Hulme, 1997, p. 34).
In the CCS, organisational culture finds expression in three key elements. These are high power distance, high uncertainty avoidance, and high collectivism (Blunt & Turner, 2005, p. 4). High power distance supports bureaucratic hierarchy within the public organisation. Superiors are the persons who hold power and have the authority to make decisions on all matters while subordinates are distant in the relation and just do what they are told without consultation or question. High uncertainty avoidance also supports hierarchical relations in the organisation so that lower-level staff have to follow what is set out by their superiors whether or not such things are prescribed in the formal system. High collectivism reflects the high value given to the needs and interests of the group and party. In other words, friendship, kinship and loyalty are highly valued, while outsiders are valued much less. In this way these values and beliefs are supportive of the formation of patron-client relationships within public service organisations and lead to a lack of democratic accountability.

One aspect of organisational culture is the patron-client relationships referred to earlier, and these can involve membership of a political group or party. The membership of a patron-client network can give political protection if a member is not performing well. Loyalty to a patron is the prime value. The patron-client networks are based on reciprocity and involve mutual obligations for patrons and clients; their existence has worsened the quality of public service delivery. Patron-client relationships or neo-patrimonialism have become embedded in the CCS, but especially so since the late 1980s when Cambodia changed to a market-oriented economy and a political system involving multiple democratic parties (Pak et al., 2007, pp. 49-69). The networks have pervaded the state where they have permeated through all levels (Malena & Chhim, 2009, p. 5; Pak et al., 2007, p. 34).

Hughes (2003, p. 3) argued that patron-client relationships grew particularly extensive and powerful in the 1990s when Cambodia was characterised by militarisation, elitism, charismatic leadership and the widespread use of violence for economic and political gain. In this situation:

Civil servants and soldiers, in conditions of intense uncertainty, galloping inflation, and widespread violence, were encouraged to look to their patrons within the public service to protect and provide for them (Hughes, 2009, p. 157).
The practice of patron-client relationships has allowed civil servants to supplement “their salaries through the private sale of state assets and the acceptance of bribes”, and has been a way to get promotions or appointments to higher positions (Hughes, 2009, p. 157).

Politicisation of the civil service is linked to patron-client networks. With the support of political parties and leaders staff are allowed to perform poorly as it is their loyalty that is important not their performance. The strength of the party network is valuable to members. The politics of patronage serve to build and enhance party and personal power rather than the interests of the public and nation. The politics of patron-client relationships allows some government staff to be included, while others are excluded. Staff who are included have chances to survive and thrive in their careers. In return for patron and network support, these staff have to serve their group or party interest and be loyal to their party while paying less attention to their official duties of serving the public.

Patron-client relationships allow strong discretionary personal power in the government structure. A report on a study by the World Bank argued that “one political party, the Cambodian People’s Party, continues to dominate and there is a strong legacy of viewing the government as an instrument for implementing party policy” (Malena & Chhim, 2009, p. 4). Thus, the networks’ stakeholders are accountable within the networks, but they are poorly, and perhaps not at all, accountable to the population who are recipients of public service delivery (Malena & Chhim, 2009, p. 5; Pak et al., 2007, p. 50). As network members are politically shielded and secure in the networks, they are unlikely to have any punishment imposed on them for wrong-doing. Under such circumstances, Malena and Chhim (2009, p. 5) argued that “incentives... [that are] transparent and responsive to citizens’ needs are undermined, activities with little potential for rents are neglected and, developmental functions of the state are jeopardised”.

**Conclusion**

Cambodia is a post-conflict and aid-dependent nation. Although the RGC has made some effort to reform the CCS, the quality of public services has remained relatively poor. One of the main explanatory factors for poor quality appears to be the low pay of civil servants. The
average state salary of a civil servant was US$46 per month in 2006 and US$75.5 per month in 2009 while in the same period the basic cost of living for a family was twice these amounts. Low pay is caused by two key factors: aid dependency and low government revenues; and the government’s apparent intention to retain the low level of pay in what is quite evidently a corrupt and weak state.

With low levels of pay, civil servants look for other activities to supplement their income shortfall. They either have second jobs or get involved in corrupt practices. Furthermore, some officials seek support from potential superiors and form patron-client relationships with them. Patrons are able to provide their clients valuable resources in exchange for loyalty and support. Such networks have become deeply entrenched in the CCS and have likely weakened public accountability.
Chapter 4

Research methodology

This chapter describes the research methodology adopted for this study. This includes the research design and organisation, selection of areas and participants (sampling), and data collection and analysis. A case study strategy was used to explore the relationship between pay and performance in the Cambodian civil service (CCS), the focus being on the education sector which is a priority for the Royal Government of Cambodia (RGC). The education sector employs the largest number of government staff in the CCS. Information was also obtained from public employees in key central government institutions in order to gather their perceptions about the relationship between pay and performance and thus a broader perspective. Details of the institutions of both the central government and the education sector will be presented in the sampling sub-section and in the next three chapters.

The study involved both literature and field research. Multiple methods were used for gathering information and included the use of semi-structured interviews, questionnaires and documents (academic literature, government reports and other relevant documents). In addition, information was obtained from informal conversations and direct observation at the field study sites. The information was obtained using the various methods as the research questions required that both qualitative and quantitative data be collected. However, the qualitative data collection was remarkably dominant. A thematic analysis was adopted to deal with the data collected.

Research design and organisation

A case study strategy was used to investigate the research questions because it is not only an accepted research strategy but it is the best one for investigating the complexity and real life of humans and organisations which were central to this research. The case study method is commonly used and is appropriate for “empirical inquiry that investigates a contemporary
phenomenon within its real life context” (Yin, 2003, p. 13). It enables understanding of complex social phenomena (Yin, 2003, p. 2). Tharenou et al. (2007, p. 74) emphasised that “a case study is an in-depth, empirical investigation of a single instance or setting to explain the processes of a phenomenon in context”. The case study is the most appropriate when attempting to understand a complex situation, like the one presented by this Cambodian study.

The research questions were not oriented to testing a hypothesis using experimental or survey techniques. Rather, the research questions sought to facilitate elucidation of the complex matrix of factors influencing individual and organisational performance, and the linkage between these factors, but especially the focus was on the linkage between pay and performance in the context of the CCS. These factors of performance and the relationships between them were necessarily multifaceted. It was not possible to explore all facets throughout the CCS, but it was feasible to identify relevant performance issues and data in key national government and the education sector with the adoption of the case study strategy.

The case study is a good strategy to explore factors that contribute to job performance in the CCS primarily because it enables an explanation and/or description of “in-depth and in-detail the characteristics” of the phenomenon studied (Cargan, 2007, p. 204). However, Cargan (2007, p. 204) stressed that the case study may not provide suitable data from which to generalise the findings to a larger population group because it explores only a particular subject in a specific timeframe. Thus, it is possible the case may be unique. However, these problems of validity and reliability can be addressed when multiple evidence of findings is compiled and analysed.

According to Kayrooz and Trevitt (2005, p. 6), valid and reliable research is based on multiple evidence. Similarly, Yin (2003, p. 14) pointed out that:

...[reliable research] relies on multiple sources of evidence, with data needing to converge in a triangulation fashion, and as another result benefits from the prior development of theoretical propositions to guide data collection and analysis.

Multiple sources of data enable the researcher “to deal with the problems of establishing the construct validity and reliability of the case study evidence” (Yin, 2003, p. 97). This then, is a major strength of case study data collection. “The use of multiple sources of evidence in case
studies allows an investigator to address a broader range of historical, attitudinal and behavioural issues” (Yin, 2003, p. 98). The most important aspect is “the development of converging lines of inquiry” (Yin, 2003, p. 98). The triangulation of evidence that is possible means a conclusion in a case study is much more convincing and accurate than if only one source of data were available. In this study, the principal methods used for the triangulation of data were documents, interviews and questionnaires. There were, in addition, the information from informal conversations with respondents and direct observation at the study areas included as data sources. The nature of triangulation for this thesis is as depicted in Figure 4.1.

**Figure 4.1: Triangulation of evidence for this thesis**

Triangulation requires information to be obtained from the mixed methods approach. The main advantage of mixed methods data is “a better understanding of research problems than either approach alone” can achieve (Creswell & Plano Clark, 2007, p. 5). It means that it draws concepts and tools from both the quantitative and qualitative research approach into collective findings. In other words, mixed methods are employed in order to expand understanding through multiple approaches and to confirm findings from different data sources; for instance, the quantitative possibly generalises a large population group, while the qualitative perhaps underpins deeper concepts (Creswell, 2003, p. 10). However, mixed methods bring about challenges for “the extensive data collection, the time-intensive nature of
analysing both text and numeric data, and the requirement for the research to be familiar with both quantitative and qualitative forms of research” (Creswell, 2003, p. 10). Although mixed methods were used for this research, there was a heavy emphasis on qualitative techniques and data.

**Selection of areas and participants (sampling)**

The focus of this study on the CCS was the education sector. The first task was to delineate the content and context of pay and performance in the CCS. This required a clear understanding of the key state institutions involved and how they managed pay, personnel and performance matters. The specific institutions involved were the Council for Administrative Reform (CAR), the State Secretariat of Public Functions (SSPF), the Ministry of Economy and Finance (MEF), and the Ministry of Labour and Vocational Training (MLVT).

CAR has its mission to make the public service an efficient and effective “service provider” and to fulfil the task of “serving people better” (CAR, 2006, p. 2). It maintains a civil servant database and works to make the CCS more capable, responsible and transparent by initiating, enhancing, advancing and following up the implementation of administrative reforms. The SSPF is another administrative body that is concerned with civil service personnel administration and records and deals with matters such as appointments/advancements, dismissals/retirements, sanctions against civil servants, family status and payroll.

The MEF deals with national economic and financial matters with the goal of improving the living standards of Cambodians. It is also responsible for the preparation of the budget law for the civil service. It accepts data on civil servants from CAR, the SSPF and also directly from individual ministries or other government organisations. The MEF is important to this study because it controls the finances of all public sector institutions, and determines the salaries of all civil servants.

The MLVT is a new state institution founded in 2005 and delegated by the RGC to govern the labour and vocational training sector (RGC, 2005c). It oversees matters relating to the Cambodian labour market. As I am a public servant and familiar with the CCS, it was feasible
to access information from this source for this case study and to interview employees who were informed about the type of information I sought. The involvements of these key central government institutions in terms of perceptions, views and ideas about pay, performance, motivation, influences of organisational culture and politics on performance, and public service delivery were crucial to answering my research questions. In fact, for these key state organisations I interviewed a total of 12 officials from various levels using semi-structured interviews (Appendix 6).

I also looked closely at different levels in the education sector ranging from the central ministry, the Ministry of Education, Youth and Sports (MoEYS) to Phnom Penh Municipal and Kampong Cham Provincial Offices of Education, Youth and Sports (OEYS), and six selected schools in Phnom Penh and Kampong Cham province. The MoEYS and OEYS were the key informants and gatekeepers to the selected schools and, of course, schools are the core of the education sector. They provide public service – general and basic education – directly to everyone in Cambodia, and their services are free of charge for school-aged children. The public schools make up the bulk of the education sector and provide considerable employment for educational personnel, thus they play the leading role in national human resource development. Through them, general and basic education and knowledge are delivered to young Cambodians who are expected to contribute to the country’s economic growth, sustainable development and poverty reduction.

For the research, I chose two public schools in Phnom Penh as examples of city schools: Kolab 1 Primary School and Wat Koh High School as specific locations for data collection. The selected schools were judged to be typical of schools in urban areas. The schools were in good buildings and equipped with standard equipment such as tables, chairs and black/white boards. Such city schools are considered to be better equipped with qualified teachers than the provincial schools. Since I have worked for the Cambodian government for more than ten years, I have built up relationships with many key respondents not only at the ministry level and in municipal and provincial offices but also at some schools across Phnom Penh. I also have a very good relationship with several government officials who helped me access documents and undertake field visits as part of this research project.

I also chose four schools in Kampong Cham province for collecting data for the research: Svayteap Primary School, Deidos Secondary School, Preah Sihanouk High School and Bun
Rany Hun Sen Speu High School. These schools varied in their location from provincial town centre to the rural areas of the province. The selected schools were considered typical schools in provincial areas in Cambodia. Generally such schools are not as well equipped as city ones, and often there are shortages of good buildings and few classrooms have ample tables, chairs, and white/black boards. Kampong Cham province is about 121 kilometres east of Phnom Penh and is easily accessed from the capital. I had some familiarity with this province as I used to be a consultant for the Northeast Village Development Project which was based in the province. In addition, I conducted a case study entitled “Empowerment of Local People in the Management of Integrated Rural Development: assessing participation in the Northeast Village Development Project” which I submitted to the Australian National University in 2003 as part of my Master in Development Administration. More importantly, I had good rapport with some local authorities such as village chiefs, commune chiefs and some school heads.

I classified all research participants in the education sector into two groups (or two samples). The first group was made up of six administrative level officials of the MoEYS and OEYS. I interviewed each of the six using the semi-structured interview approach (the interview questions are set out in Appendix 6). The second group was made up of 30 teachers and principals of the six selected schools (four from each school plus six additional teachers). Each was asked the semi-structured interview questions set out in Appendix 7.

Data collection and analysis

Data were collected for the study from multiple sources such as government documents, non-governmental organisation (NGO) reports, academic literature, interviews, questionnaires, direct observation and informal conversation. Documents, reports and academic literature were sources of secondary data. Interviews and questionnaires produced primary data; these were included for “the purpose of asking questions to ascertain people’s thought about and feelings towards, issues, events, and behaviours” (Tharenou et al., 2007, p. 102). The informal conversations and direct observations during the study provided additional data or were a means of confirming of data collected via other methods.
Documents, reports and academic literature

Secondary data, derived from documents, reports and academic literature, were important for guiding the way to and contextualising the research topic. The data gathered from these sources informed me in both general and specific terms on factors of performance such as pay, motivation, skills and knowledge, and the relationship between pay and performance; they also provided a general understanding of the CCS: its history and organisation and their context in Cambodia. The secondary data contributed much to shaping and forming the theoretical framework of the research (as can be seen from reading Chapters 2 and 3). The data were obtained from academic literature, minutes of meetings, reports, notes, administrative documents, formal studies or evaluations, newspapers, other mass media, and community newsletters (Yin, 2003, pp. 85-86); published and unpublished documents and reports of government institutions, especially education institutions and schools, the World Bank, the Asian Development Bank, the Cambodian Development Resource Institute (CDRI), Economic Institute of Cambodia (EIC), local and international organisations, research papers and other publications also contributed to the study.

These secondary data were gathered from both printed and electronic sources, located in the Australian National University and University of Canberra libraries, the Australian National Library, the Asian Development Bank library in Phnom Penh and from the web-pages of several major international agencies (eg. World Bank, Asian Development Bank and International Monetary Fund), which have broad experience in the government sector in Cambodia and other developing countries. Data were also collected from government institutions such as CAR, the MoEYS, the Ministry of Planning (MoP), the National Institute of Statistics (NIS) and other ministries relevant to the topic. Hard copy and the internet publications of CDRI, local and international NGOs were also consulted.

Semi-structured interviews

The interview is one of the most important sources of information for a case study (Cargan, 2007; Morris, 2006; Punch, 1998; Yin, 2003). With this technique, I obtained opinions, perceptions and insights about events and behaviour as data to use in answering my research questions. Kayrooz and Trevitt (2005, p. 188) stresses that “interviews allow the researcher to
enter into the real-world experience of the interviewee”. In addition, interviews enable the researcher to both learn of and interpret the interviewee’s ascription of meaning to events (Kayrooz & Trevitt, 2005, p. 188).

Semi-structured interviews rather than structured or unstructured ones were used. The semi-structured interviews are far more flexible instruments than questionnaires with closed questions. In the semi-structured interviews, groups of questions are asked in a logical order and themes are raised for discussion (Cargan, 2007, p. 108; Kayrooz & Trevitt, 2005, p. 192; Tharenou et al., 2007, p. 104). The open-ended nature of the questions allows respondents to provide full and detailed answers. The interviews were conducted with key informants in the selected areas. There were 18 informants: 12 were officials of the key central government institutions and six were senior officials of the MoEYS and OEYS of Phnom Penh and Kampong Cham (two from each organisation). Each interviewee was asked the same questions from a list of questions determined in advance (see Appendix 6).

The information and opinions regarding the relationship between pay and performance were drawn from the 12 government officials, all of whom were located in one or other of the four organisations: CAR, the SSPF, the MEF and the MLVT. One third of the 12 were women. All came from various positions ranging from middle-level staff to top level (director-general) and they were between 23 to 45 years old. The interviews were conducted in two separate periods of the research project. The first round of interviews was in 2008 when only six civil servants participated. All six were asked the same 11 questions as set in Appendix 6. Although most respondents were happy to cooperate with me and understood the purpose of the study, some of the responses obtained were unsatisfactory such as too-short answers or there was a reluctance to provide detailed viewpoints. One likely reason for the unsatisfactory results was the effect of the general election campaign. Many government staff were required to accompany their superiors to electorates in regional constituencies at the time of the research so that interviews by a doctoral research student from Australia ranked low on their agendas. Additionally, the political climate was volatile because the election campaign meant a reluctance to express opinions which might be construed as controversial.

In 2009, the second round of interviews was carried out. The same six interviewees were questioned again to cross-check their earlier answers. An additional six officials were also interviewed in order to gather a broader and deeper understanding of the ideas and
perceptions being offered, especially where their responses to questions in the first round of interviews drew incomplete data. Information and perceptions were gathered from these respondents using the same set of questions used for the first interviews (Appendix 6), but from Question 4 onward.

In the second sample, the interviewees involved were six senior personnel of the MoEYS and OEYS in Phnom Penh and Kampong Cham province. These civil servants were not only key informants but also their permission was required for data collection in the selected schools. Also, information and perceptions on the relationship between pay and performance were drawn from the six administrative educational personnel (or civil servants) in these organisations who held positions ranging from middle level staff to deputy director-general. They were between 35 to 50 years old and one third of them were women. All six respondents were asked the same 11 questions as set out in Appendix 6.

These civil servants understood the purpose of the study and volunteered to participate in the research. However, here also there was the effect of the general election campaign. Thus, in 2009, the six interviewees were revisited to cross-check and expand on earlier responses. The same set of questions as in Appendix 6 were used, but this time only from Question 4 onward.

Individual interviews varied in length from one to two hours. Prior to interviews, a package of information about this research study was sent to the selected organisations, a requirement for getting permission to carry out the study, and then given to each participant by myself in person. The participants were then called directly in order to double check and reconfirm their voluntary cooperation.

The 18 key informants of the central government organisations and the administrative level of the education sector were very important. They were singled out because they could provide the most relevant information and insights for the project topic because of their strategic locations in particular government organisations. As Tharenou et al. (2007, p. 108) pointed out:

Key informants possess special knowledge, status or communication skills, are willing to share their knowledge and skills with the researcher, and have access to perceptions or observations denied to the researcher.
More importantly, these key respondents provided advice and feedback about the project and also acted as a pipeline to other groups who were then pivotal to the success of the research. Even though the semi-structured interviewing process provided rich information, the technique had a few disadvantages. These included being labour-intensive, time-consuming and costly (see Kayrooz & Trevitt, 2005, p. 190). However, careful attention to the numbers of interviewees and the length of the interviews made possible the collection of a manageable amount of data for analysis.

**Questionnaires**

Questionnaires were another important method of data collection in this study. This method was important for triangulating evidence from multiple sources in order to secure validity and reliability. Questionnaires are recognised as being a very common and useful way of gathering both quantitative and qualitative information from a large number of people (Kayrooz & Trevitt, 2005, p. 219). Close-ended questions permit “a number of known themes to be addressed and allow data to be tallied and interpreted very efficiently” (Kayrooz & Trevitt, 2005, p. 220). Open-ended questions permit “respondents to raise issues and tender feedback that otherwise may not have been anticipated” (Kayrooz & Trevitt, 2005, p. 220).

The questionnaire was comprised of both closed and open-ended questions. It was used for 30 school teachers and principals in the six selected schools in Phnom Penh and Kampong Cham. Through a questionnaire for the interviews conducted in 2008 and 2009, information and perceptions on the relationship between pay and performance were obtained from 24 principals and teachers plus, in 2009, six additional teachers in these six public schools. Those interviewed were between 25 to 54 years old and 13 of them (43.3 per cent) were women. Like the two previous samples, the interviews were conducted in two separate periods. The first round of interviews was in 2008 when 24 principals and teachers participated. All 24 participants were asked the same 14 questions as set out in Appendix 7. All respondents understood the purpose of the study and agreed to cooperate with me despite the fact it was during the general election campaign which required many government staff to accompany their superiors on electoral business in regional constituencies. All 24 respondents agreed that the research questions on pay and performance were quite acceptable and that did not seem to have political implications relating to the election. However, the responses provided by these
participants were still unsatisfactory for some questions; it seems they may have been avoiding what they perceived to be political matters.

In 2009, a second round of interviews was carried out to clarify the earlier responses that were unsatisfactory. The schools selected for the first round of interviews were revisited. However, as some of teachers from the first round were unavailable, six other teachers were questioned in the second round in order to retain the original sample size. The 18 principals and teachers of the first round and six additional teachers were interviewed in order to gather broader and deeper ideas and perceptions for six questions from the original questionnaire. Each interview lasted between one and two hours. Prior to the interviews, the procedure of the interviews was made clear; it was the same procedure as followed in the earlier samples.

According to Moorman and Podsakof (as cited in Tharenou et al., 2007, p. 102), questionnaires “are relatively easy to use, inexpensive, and are often the most plausible alternative for measuring unobservable constructs such as attitudes, values and preferences, intention, and personalities”. While the most popular method of questionnaire delivery is by mail for respondents to self-administer (Tharenou et al., 2007, p. 102), such a method would not work in Cambodia because the post system did not function properly. Instead, I delivered questionnaires in person. This consumed considerable time and placed restriction on the number of respondents that could be accommodated in the field study.

**Informal conversations and direct observations**

In going through the processes of interviewing from a set of open-ended questions and making use of closed questions, I informally conversed with respondents in the organisations selected for the field study. The data and impressions from these informal conversations were also used for my study, especially as they assisted with triangulating evidence. The conversations were loosely around the research topics but lacked the specificity of the questions used in the semi-structured interviewing and questionnaires. In addition, at the study sites I observed the basic of attitudes and behaviours of the respondents. These observations added more information to the data obtained from the interviews and questionnaires. Observation is considered as an unobtrusive method to increase the researcher’s knowledge about the phenomenon, “since it is a method for the non-inquisitorial involvement of a researcher” (Cargan, 2007, p. 141). In the observation process, I prepared
some questions in my mind that would guide me in watching what respondents did, listening to what they said and noting their behaviours. This coincides with Cargan’s observation (2007, p. 142) that

The major advantages of the observation technique are that it is flexible and can be used to provide an accurate description of situations in their natural settings, to gather supplemental data to help interpret findings obtained from other sources, to gain insights, or to test hypotheses.

Data analysis

To facilitate an effective analysis for answering the research questions, a thematic approach was adopted. This process began soon after the data collection started. The data collection process generated a vast amount of material, audio recordings and transcripts as well as texts, which were organised through a variety of manual and electronic research tools. Such sorting and classification was the essential first step of the data analysis. Computer software was extremely useful for coding and categorising the large amounts of data that were collected from the interviews and questionnaires. These data were reduced into a number of groups and a coding process was employed. As Wiersma and Jurs (2005, p. 207) put it, “data reduction is necessary for the description and interpretation of the phenomenon under study”. Following this grouping and coding, data from each classification were translated from Khmer language into English and were sorted out into themes that had been identified from the interview questions (Chapters 5, 6 and 7).

This approach helped me treat the evidence fairly, produce compelling analytic conclusions, and rule out alternative interpretations (Yin, 2003, p. 111). Moreover, this approach to data analysis helped me revisit the data, particularly the recordings, transcripts and thematic classification, as many times as necessary in order to gain insights into opinions, perceptions, behaviours and attitudes of all the respondents towards the study aim/objective. This computerised system for coding and ordering data let me retrieve information quickly and easily for whatever purposes were required for this research study.
Chapter 5

Pay and performance in the CCS: findings from the key central government institutions

This chapter is concerned with the presentation of interview data collected in 2008 and 2009 from officials of four key national government institutions, which play a vital role in the Cambodian civil service (CCS). The data were obtained as a result of interviews conducted using eleven interview questions provided in Appendix 6. The exact questions were developed using the theoretical framework, aim/objective for guidance and with the expectation that they would provide answers to the research questions.

The chapter begins with a brief profile of the four key central government institutions chosen as the sample for this case study. The data obtained from officials of these organisations concerning the relationship between pay and performance are presented. They focus on the following themes: perceptions of performance; factors which encourage performance; factors which discourage performance; current pay/salary for daily expenses; pay as a factor affecting performance; increased pay and performance; why people become civil servants; factors for staying in this job; incentives in the workplace; organisational culture and performance; and political influences on performance.

Four key national government institutions

The state institutions are the competent agencies that are charged with conducting all activities “with a view to serving the public interest” in the unitary state (CAR, 2006 p.4). These agencies are classified into two levels in the CCS structure: the national and sub-national levels (see Chapter 3). Four central or national-level government institutions are central to this case study. They are the Council of Administrative Reform (CAR), the State Secretariat of Public Functions (SSPF), the Ministry of Labour and Vocational Training (MLVT) and the Ministry of Economy and Finance (MEF).
CAR maintains a civil servant database which is unavailable to outsiders. It works to make the CCS more capable, responsible and transparent by initiating, enhancing, advancing and following up the implementation of administrative reform. The SSPF is concerned with civil service personnel administration and records and deals with matters such as appointments/advancements, dismissals/retirements, sanctions against civil servants, family status and payroll. The MEF deals with national economic and financial matters, and attempts to improve the living standards of Cambodians. It is also responsible for the preparation of the budget law for the civil service. The MLVT oversees manpower in the Cambodian labour market (see Chapter 4 for more details).

As mentioned in Chapter 4, for this project, information and also general perceptions regarding the relationship between pay and performance were drawn from 12 government officials all of whom were located in one or other of these four institutions. One third of the 12 were women. Their positions ranged from middle-level staff to the top level (director-general) and they were between 23 to 45 years old. The information was obtained by means of semi-structured interviews. The interviews were conducted in two separate periods. The first round of interviews were in 2008 when only six civil servants participated. All six were asked the same 11 questions as set in Appendix 6. Although most respondents were happy to cooperate with me and understood the purpose of the study the responses obtained were, unfortunately, not really satisfactory. One likely reason for the unsatisfactory results was the general election campaign, but also there was the impact of a volatile political climate which meant a reluctance to indicate any political affiliation and a fear of intimidation. In 2009, the second round of interviews was carried out. This time, six different officials were interviewed in order to gather broader and deeper ideas and perceptions especially from their responses to questions which were not well responded to in the first round of interviews.

**Presentations and analyses of the interview data**

In this section, the results of the interviews and the analysis of the data are presented using the key themes identified in the introduction to this chapter.
Perceptions of performance

The first question asked was: How do you know when you are performing well? This question was designed to see how officials in the national government institutions perceived the notion of ‘performance’. When asked how they knew when they were performing well, five out of six respondents (85.0 per cent) agreed that they performed well when the results of their work achieved what they had planned. Typical responses were that good performance could be seen when “results are achieved as planned”, “results are produced as planned” and “we can achieve our results according to time frame and target set”. Another respondent explained in detail how he achieved tangible results as planned. He reported that he needed to prepare a plan with a vision and mission statement. He also claimed that when he achieved what he had planned, it meant that he had performed his job effectively.

The plan has to be well prepared with a clear vision and a mission statement. A mission statement is an institution’s common purpose to achieve its plan. The mission statement can be achieved when strategies and work plans are in place. For example, to have human development, I had two strategies skills development in the short term and broader skills development in the long term. Also, I had a work plan which reflected my work progress with an indicator of what I have achieved. In this case, if I did not achieve as planned, it was my failure. However, if I achieved what I planned, it indicated that I achieved what I wanted to. It implied that my performance was highly effective.

Another interviewee observed that he only knew that his performance was good from results achieved if told or instructed that this was so by senior officials or superiors. As he put it, “results were achieved as told by leaders/superiors”.

Respondents knew their levels of performance via feedback and assessment from their superiors, a process known as ‘performance appraisal’. There was a common perception of knowing their levels of performance through ‘feedback from colleagues and superiors’, and ‘regular assessments’. One interviewee noted that the result of achievement was assessed by colleagues and superiors. “The achievement of results is reflected in the feedback from colleagues and leaders”. Another interviewee said that she knew the degrees of performance via a formal process. “We know [our results] through feedback from assessment mechanisms, assessment committees, systems and procedures”. Another interviewee acknowledged both means of feedback and formal assessment. She said,
These results are indicated through assessments made every two years, feedback and praise from colleagues and feedback from the management team. If he [the boss] asked us to work continuously, it meant that we could do [what we were assigned to do] and thus we are accumulatively assigned more responsibilities.

In summary, respondents overwhelmingly perceived performance to be “results are achieved as planned”. Performance involves actions and functioning to produce public service delivery. The respondents perceived how they achieve their levels of performance via feedback from friends, colleagues and superiors, and also by means of formal assessment or performance appraisal.

**Factors which encourage performance**

There can be many tangible and intangible dimensions of performance motivation which inspire civil servants to perform their tasks and duties or discourage them from doing so. To identify these matters, Question 2 asked: *What encourages you to perform your tasks and duties?* There was considerable variation in answers obtained from this question. Most respondents reported more than one factor. Overall, 10 factors were identified by respondents and these are indicated in Table 5.1 below.
In Table 5.1, it is evident that the most commonly identified factor is good working environment, which includes mutual understanding with colleagues, no time pressure, independent responsibility and support from colleagues and the management team. This factor was cited by four out of six respondents (66.6 per cent). Despite respondents being told to exclude pay/salary because it was the focus of a separate question, three out of six interviewees (50.0 per cent) still identified pay/salary contributing to meeting basic needs as a factor which encouraged them to perform their jobs. The other remaining factors were mentioned by only one or two respondents. They were: honour incentives; commitment; future personal growth and opportunity; recognition of achievements; availability of material.

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good working environment:</td>
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<td>66.6</td>
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<tr>
<td>- Mutual understanding with colleagues</td>
<td></td>
<td></td>
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<tr>
<td>- No time pressure</td>
<td></td>
<td></td>
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<tr>
<td>- Independent responsibility</td>
<td></td>
<td></td>
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<tr>
<td>- Support: colleagues and management team</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary/pay contributing to basic needs</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Honour incentives: praise, medals and honour rolls/certificates</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Willingness/wisdom/commitment</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Further personal growth and opportunity including career growth, pay-grade advancement, education development, job training chances and overseas missions</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Recognition of captivity and achievements</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Availability of resources: materials and human</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Supplementary allowances: MBPI</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>The attraction of retirement fund</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Family motivation</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>
and human resources; supplementary allowances; the attraction of retirement fund; and family motivation. A senior official demonstrated a few factors which encouraged general civil servants including salary, commitment, promotion and the attraction of a retirement fund.

_Initially they want salary... [then] they have a willingness to practise their skills and knowledge to serve the nation... they expect to get promoted and receive higher salaries... [and] when they retire they will have a retirement fund for life._

**Factors which discourage performance**

When asked about what discouraged them from performing their jobs (Question 3), a variety of answers were given. Some respondents identified several factors which discouraged them but others focused on only one or two (Table 5.2). The most commonly cited factor was inequity in promotion. Three out of six respondents (50.0 per cent) agreed that this was the pivotal demotivating factor, as is shown in Table 5.2. A senior central government official admitted that “people who performed very well got nothing for their efforts while people who performed badly got what they did not deserve”. It was commonly understood that officials were promoted based on their good links to the senior levels or their patron-client relationships (in Khmer, ‘Mean kse’). In other words, promotion is associated with patronage in the unofficial networks within the state system and apparatus. Nevertheless, several other factors were also identified by respondents. These factors can be seen in Table 5.2.

**Table 5.2: Central government officials’ views on factors discouraging performance**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inequity in promotion</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Low remuneration</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Shortage of human resource</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Patron-client networks</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Time pressure</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Overload of job assignments</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Inequity in benefit sharing and assessment</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>
In Table 5.2, it is evident that low remuneration was identified by two (33.3 per cent) of the respondents. One official stressed that “remuneration is still low and [we are] struggling to make a living”. Surprisingly, however, another official claimed that “salary cannot discourage civil servants [to perform their jobs]” and blamed other factors such as inequity in promotion, benefit sharing and assessment instead. A shortage of human resources was also identified by two (33.3 per cent) of the respondents as a factor of discouragement and so one that affected work performance. This referred to an overload of job assignments due to limited skilled human resources, but un-skilled employees and insufficient knowledge of employees were also identified. The remaining factors were each identified by only a single respondent. They were patron-client networks, time pressure, overload of job assignments, and inequity in benefit sharing.

There was a variety of responses reported in this question, but there was no a great deal of agreement between respondents. As presented in Table 5.2, there was no one factor cited by more than 50 per cent of interviewees.

**Current pay for daily expenses**

The next question specifically addressed the matter of pay. It asked: *Is your current pay sufficient to cover your family’s daily expenses? If “No” how do you cover your family’s daily expenses?* For this question and the remaining ones, 12 officials responded. Six of these respondents were involved in the first round also, but the answers obtained were inconclusive so another six officials were later chosen and interviewed in order to clarify and cross-check the earlier responses.

When asked whether their current pay was sufficient to cover their family’s daily expenses, a common answer was given. Ten out of 12 respondents (83.3 per cent) agreed that their current pay/salary was not sufficient to cover their family’s daily expenses. Two respondents (16.7 per cent) claimed that their salary was enough for basic needs, but to meet all the family needs there had to be other sources of income as well. The large majority (83.3 per cent) of respondents who agreed that they received insufficient pay provided a variety of responses expressing how their salary was not enough to pay all their expenses. The most common answers were:
Absolutely, salary is not enough...

Net salary is not enough. It is very little...

Salary is really not enough for daily consumption...

Salary is low and not appropriate market costs, particularly given the cost of children’s education as well as health services.

Another respondent revealed that he received more than US$400 per month of state salary and other allowances associated with his position, but the amount was still not enough for him at his position and the needs at his levels. Thus, he stated he was struggling. “For me, it is not enough. With more than US$400 per month [state salary and other allowances associated with my current position]... I am [still] struggling to make a living.”

Other two interviewees made a similar observation of insufficient pay to cover only the basic needs (food, clothes and shelter) despite excluding costs of education, health service and social activities. In their words,

Generally, I think it is not enough. My salary is more than 200,000 riels [US$50 at 2009 exchange rate] per month but my expenses are between US$200-300 per month for basic needs only. I exclude school fees, health service costs, party costs and other social activity costs... My salary is just enough to cover petrol costs to come to work and to cover my breakfast costs.

Surely, it is not enough. I think it is not enough only for me but also generally for civil servants. Even children, they know that civil servants’ salaries are low and cannot cover monthly consumption. They [salaries] can cover food only for 10 days. If there is a health problem, they [civil servants] have to spend their reserved money [if they have any].

Among the 83.3 per cent of respondents mentioned above, however, two of them claimed that if they spent efficiently, their salary actually was sufficient to cover their basic needs of food, clothes and shelter. One official said that he thought it was just enough for basic needs if he spent it very carefully and efficiently. But he admitted that he really needed more than the basic salary. Another official similarly stressed that “salary is enough for basic need in my family because I work and my wife also works”. Although they claimed that their combined pay was enough for their basic needs, they noted that they had to spend it efficiently while also receiving other sources of income. This raised another question about what amount could
be considered ‘enough’? It was generally concluded that the state salary of one income-earner was not sufficient to cover a family’s daily expenses. They needed other sources of income.

When asked how they covered their family’s daily expenses, a variety of responses were given. Two thirds of the interviewees (66.6 per cent) claimed they had at least one other source of income, including unofficial fees, second jobs, partner’s jobs or family’s businesses to fulfil their cost of living while one third (33.3 per cent) declined to respond to this sub-question.

A high ranking official was quoted as saying, “generally, civil servants have second jobs for extra income to cover their daily costs of living”. A similar claim was made by another senior official who gave more details. He admitted that besides government job he did another job as a lecturer and sometimes dealt with business to raise more income.

...everyone has an additional income... Besides my government job, I do after hours tutoring... I don’t steal business hours. After official hours, namely from 5.30pm, I do another job as a lecturer to earn extra income... I teach [at university]. I can earn about US$800 per month and at the same time I do other businesses. Therefore, I can have some savings. But I cannot reach a level of luxury.

Several other senior officials revealed the ways they acquired their second and/or third incomes in order to make a living and how they responded to their public jobs. One said that he had another job while also being involved in making unofficial fees from his government position.

Net salary is not enough. But I have additional income from project jobs... Here I can ‘run work’ or ‘seek rents’ (in Khmer, ‘Rotka ekksa’). I am offered some commissions for those rent-seeking activities. So, I can make a living.

Other sources of income were also claimed by another interviewee as being significant to fill the gap between the state salary and cost of living. She said that these sources of income came from her husband’s income and unofficial fees, particularly rent-seeking. She also said that she came to work depending on her availability and sometimes she did not come as a result of low pay. Despite she done so, she did not incurred any punishment. Therefore, the quality of her performance was disqualified and the public service provided in her position suffered.
My salary is just enough to cover the cost of petrol to come to work and to cover my breakfast cost... I have family [husband] who also works. Besides, I sometimes take unofficial work or seek a commission within this ministry [MLVT] and then at least [I] earn enough to cover my noodles and coffee... I come to work depending on my availability. Sometimes I come but sometimes I don’t. My boss does not penalise me because he knows that my salary is very low. Thus, he cannot complain.

As a result of too-low pay, another interviewee said that he just came to present his face to his superior in his government job and then he went back to help with his parents’ business. This was a means by which he covered daily expenses.

They [salaries] can cover food for 10 days only. If there is a health problem, [civil servants] have to spend their reserve money... I spend my family money. Thus, I come to work. [I] just come to present my face to my boss then I go back to help with my parents’ business at home.

At least one respondent provided the exact percentage of state salaries needed to cover the cost of living, and also information about the ways he was able to fill the gap including income from his motorbike-taxi and his wife’s income. Although he had the combination of incomes, he said his family was struggling and money was short to pay school and health service fees.

Absolutely, [salary] is not enough. It is only about 30.0 per cent [of my monthly consumption]. Another 70.0 per cent comes from other incomes: motorbike-taxi and my wife’s small sales of groceries from our home. However, [we are] struggling, especially because of children’s school fees and health service costs.

Pay as a factor affecting performance

The empirical evidence from the above question in this case study indicates that the pay of civil servants is very low and even under subsistence level. To Question 5 asked: Do you think pay is an important factor in determining your performance? Why and how? a frequent answer was ‘Yes’. Pay clearly was an important factor for performance and in turn it affected performance. Nine out of 12 respondents (75.0 per cent) observed that pay was an important factor for performance, and that therefore it affected performance and public service delivery. Civil servants claimed that they worked, so they had to get paid. However, when pay did not correspond to their costs of living, their work performance was negatively affected because they paid less attention to their public jobs while looking for alternative sources of income.
such as unofficial fees or second jobs to supplement their income shortfall. Some typical responses are included as follows:

One interviewee noted that pay was a significant factor that was necessary to cover the cost of living. He used Cambodian sayings to link the importance of pay to performance by which people could not perform their jobs well if they were not paid sufficiently to cover their cost of living. He said: “We work and earn money to cover our living cost. It is similar to a Khmer saying, plant rice with water and go to war with rice.”

Another interviewee provided a similar observation, seeing pay as a key factor in determining job performance. He believed that civil servants would perform effectively if they were highly paid. However, since civil servants were poorly paid (lower than subsistence level), they had to seek other sources of income such as unofficial fees or second jobs associated with their functions and business hours.

*One hundred per cent, it is true for every individual’s performance [here]. It is true, it is 100 per cent true that no matter what situation or their living standards are, people have to clearly understand that when they are highly paid, their responsibilities and performance are also at high levels... I used to see and hear questions and answers from some people that if their salaries are too low and they cannot cover their living standards, they have to take any available opportunity during their official duties to seek other jobs...*

Pay as a significant factor in determining performance was reported by another interviewee as well, stressing that when pay was short to cover the cost of living, she could not perform her job properly. She used metaphor to explain the important relationship between pay and performance. She also revealed that she had to seek all means she could to make additional income for a decent living.

*It is important. Because my salary is not enough for daily expenses, I cannot only do an official job. I have to use whatever means I can do to make extra income... [I] want to do my job well but my stomach [standard of living] is more important. If [I] don’t have food or enough food, how can I work?*

Another interviewee acknowledged the importance of pay in relation to performance, but added that despite she wanted to work as required by the standards of the civil service, she did not have anything to do because she did not have a position and clear job assignments.
Yes... I cannot come to work for 7 to 8 hours a day when [my] salary is low. Even if I want to work many hours, I don’t know what to do as I don’t have any position and clear assignments.

The importance of pay was mentioned by another interviewee who noted that pay was an important motivator for every civil servant. But since pay was lower than subsistence level, the quality of performance was harmed.

It [salary] is one of the important factors motivating civil servants to achieve their work... Salary is an important thing for every civil servant’s peace of mind, it encourages them to perform their duties as assigned by higher orders as well as ministries... when we have too low income to cover family needs, our work is not good. Thus, our career performance is not satisfactory and we cannot achieve as planned.

Similarly, another interviewee identified the important relationship between pay and performance. He demonstrated that he could not perform well as he was paid poorly. Rather, he looked for alternative means of income, particularly unofficial fees from rent-seeking to make a living. The practice of rent-seeking jeopardised his quality of performance in the formal function.

I think it is important... Due to my low salary I cannot perform well. .... I am not expected to perform well to meet the work standards of the Ministry or what are set because my salary is low, it does not meet the standard of living. Thus, I have to look for all means of alternative income to make a living...

Notably, one quarter of the interviewees (25.0 per cent) said that pay was not really important; they just ranked it at 50.0 per cent while other factors counted for the other 50.0 per cent. However, even if they identified other motivating factors, respondents still returned to the importance of pay. One respondent said: “it [salary] is also important. It is a basic. We work so we have to be paid too. Salary is our base income and is our monthly work’s pay.” The other factors contributing to performance included working environment, support from colleagues and a management team, recognition, promotion, opportunity to study and work in overseas missions, accountability and responsibility.
Increased pay and performance

Having found that pay was perceived as either the most important factor of performance or a significant influence on it, I asked the interviewees (Question 6) whether increased pay results in better performance by them, and if so, why. All respondents (100 per cent) answered ‘Yes’.

One third (33.3 per cent) were sure that “increased pay would result in better performance by them”. From these people, a typical response was:

*I think it would be 100 per cent better if the government paid higher salaries to civil servants. If the salaries were equivalent to the market costs [of daily living], their responsibilities [and willingness to perform their duties] would also be as high as they were paid.*

The respondent continued, noting that his salary then was 200,000.00 riels (or US$50) per month. This amount was not enough to cover his family’s daily living costs at the current market rates, which were ranging from US$120 to US$150 per month. He claimed that if the government would pay between US$120 and US$150 per month to every civil servant, then these officials would be highly responsible in performing their duties.

Another official used metaphor to explain the importance of increased pay, and claimed that when pay was increased, government personnel were also more active and performed better.

*Previously, when department directors were not paid functional allowances, they were considered to be like a pool of still water. However, when [department directors] were paid functional allowances of 630,000 riels [US$157.5 per month] and deputy directors of department were paid at 540,000 riels [US$130], some [directors and] deputy directors who used not to be very active, and used to sleep at home [when they should have been at work], now come to work and are active.*

The metaphor in this argument is that the increase in pay is considered a catalyst which stirs the pool of still water and continuously keeps the pool shaken. To keep this pool of still water shaken, he argued, the institution uses an internal audit mechanism to monitor and retain the process of that shakes water sustainably, so it can retain a level of ‘unbroken shower’.

While eight out of 12 respondents (66.6 per cent) perceived that increased pay resulted in better performance by them, they believed that it had to be accompanied by the provision of
other factors such as commitment, working environment, resources, knowledge and skills, and clear assignments. A typical statement was: “I think every civil servant’s productivity [performance] will be increased [better].” But in this case, the respondent thought that the increase in pay worked effectively only if civil servants’ capacities were upgraded, through training for example. He believed that an increase in pay would contribute to improved attitudes and better work culture; to pay more attention to civil servants’ performance levels without any concern about their living standards; to build their capacities (instead of looking for alternative incomes) and to work professionally and conscientiously.

Therefore, an increase in pay is seen as an important factor in the determination of performance levels; it is the key to encouraging civil servants to perform better. For eight of the 12 respondents, however, this increase in pay had to be accompanied by other factors. This is evident from their responses. One respondent insisted that job performance was related to increased pay at subsistence level but it would depend on the implementation of law. She said: “It is possible to perform better but our performance depends on the implementation of law/rule.” Increased pay resulting in better performance was mentioned by another respondent, but it would have to be accompanied by a few more factors such commitment, working environment, support and resources: “Yes, but plus commitment, working environment, and support and resources.” Another respondent acknowledged an increase in pay would result in better performance as she would pay more attention on her job, but other factors must be counted, particularly possession of capacity.

*I can perform better because I can concentrate on my job rather than to assist my parents’ business... Particularly, to perform duties properly requires enough capacity. How high I am paid if I don’t have capacity, I cannot perform better than what I possess.*

Another respondent made similar observation about increase in pay, especially at subsistence level, would result in better performance by her. However, she inclined to have clear job assignments, objectives and resources associated with her public function.

*Possibly, I can perform better because I don’t care anymore about my shortage of food. Thus, I can try my best. It [better performance] depends on my terms of reference, particularly my position and organisation. If I don’t know what to do, don’t have clear terms of reference, don’t have objectives and tasks set out to do while being in a small space but with too many staff, how can I perform better?*
Why people become civil servants

In Cambodian national government institutions, the pay is low compared to market rates and the cost of living. However, government officials still work in the sector. So, what attracts them and keeps them there? There must be some special interests and benefits from working at these jobs. When asked why they became civil servants (Question 7), respondents cited 13 reasons. These are summarised in Table 5.3.

Table 5.3: Central government officials’ views on reasons for becoming a civil servant

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term job/lifelong employment</td>
<td>8</td>
<td>66.6</td>
</tr>
<tr>
<td>Social status/reputation/honour</td>
<td>7</td>
<td>58.8</td>
</tr>
<tr>
<td>Opportunity for education development and training</td>
<td>7</td>
<td>58.8</td>
</tr>
<tr>
<td>Promotion</td>
<td>6</td>
<td>50.0</td>
</tr>
<tr>
<td>Personal choice</td>
<td>4</td>
<td>33.3</td>
</tr>
<tr>
<td>Need a job</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td>Direct contribution to national development</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td>Expectation of future personal growth from the job</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td>Wisdom/fortune/conscience</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td>Social networks</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Family support</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Less competency and commitment (after being employed in the sector)</td>
<td>1</td>
<td>8.3</td>
</tr>
<tr>
<td>A training centre for career growth</td>
<td>1</td>
<td>8.3</td>
</tr>
</tbody>
</table>

From Table 5.3, long-term job/lifelong employment was the most commonly cited factor identified by eight out of 12 respondents (66.6 per cent). Social status/reputation/honour, and opportunity for education development and training were each identified by seven respondents (58.8 per cent). Promotion was identified as an influencing factor for becoming a
civil servant by six respondents (50.0 per cent) while personal choice was raised by four respondents (33.3 per cent). ‘Need a job’, ‘direct contribution to national development’, ‘expectation of future person growth from the job’, and ‘wisdom/conscience’ were each cited by three respondents (25.0 per cent). Each of the remaining reasons was identified by only one or two respondents when asked why they became civil servants. They included ‘social networks’, ‘family support’, ‘less competency and commitment’, and ‘a training centre for career growth’.

The reasons cited are actually linked to one another. For instance, some respondents explained that they became civil servants because they wanted to have lifetime jobs, jobs which provided secure employment, social status/reputation, promotion, study development opportunity and an expectation of being better off in the future. Various other respondents pointed to other combinations of factors in accounting for themselves and others becoming public servants. One respondent linked personal choice, social status and opportunity for education development as reasons for becoming a civil servant. “It is my choice. I like this job. It is valuable, and from it I have a great chance for studies - scholarships, training and workshops abroad.” Another respondent reported expectation of future personal growth in career as a reason: “I still expect that my salary will not be inflexible... I have a vision that in the future I will be better off.”

Personal choice, social status and expectation of future personal growth in the career were also mentioned by another respondent. However, in this case she added two favourable other reasons of lifelong employment and job promotion.

*I have been interested in this job for a long time. It is my choice and I like a public service job because society values it and this value is conceptually rooted from the past [referring to Sangkum reasnyum, Popular Society or People’s Socialist Community, in the 1960s]... It is a long-term and stable job. Although sometimes I come and sometimes I don’t, I am not fired... meanwhile, I expect that salary will be increased ... perhaps I will get promoted and I can make money.*

Another respondent reported several reasons already cited including need a job, social status, lifelong employment, and opportunity for education development.
I needed a job after leaving school. I like public employment because it gives me and my family a good reputation as well, and I can contribute to the nation’s interests... Civil service employment is good. It is a long term job. It is safe and does not require too much competency. Dismissal is very rare... I expect to get promoted. I can earn [unofficial fees] much more than if I had a job in the private sector... At the Ministry of Economy and Finance, I have great opportunities to earn a Master degree and doing other vocational training courses.

**Reasons for staying in this job**

The next question (Question 8) asked why interviewees stayed in their public service jobs if they were so poorly paid. Interviewees largely repeated the responses they had already given for Question 7 although one person did not respond. Typical reasons given for staying in public service employment in response to this question are shown in Table 5.4.

**Table 5.4: Central government officials’ views on reasons for staying in the jobs**

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term job/lifelong employment</td>
<td>8</td>
<td>66.6</td>
</tr>
<tr>
<td>Social status/reputation/honour</td>
<td>8</td>
<td>66.6</td>
</tr>
<tr>
<td>Opportunity for education development and training</td>
<td>7</td>
<td>58.8</td>
</tr>
<tr>
<td>Promotion</td>
<td>6</td>
<td>50.0</td>
</tr>
<tr>
<td>Personal choice</td>
<td>4</td>
<td>33.3</td>
</tr>
<tr>
<td>Need a job</td>
<td>4</td>
<td>33.3</td>
</tr>
<tr>
<td>Direct contribution to national development</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td>Expectation of future personal growth from this job</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td>Wisdom/fortune/conscience or professionalism</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td>Social networks</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Family support</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Less competency and commitment (after being employed in the sector)</td>
<td>1</td>
<td>8.3</td>
</tr>
<tr>
<td>A training centre for career growth</td>
<td>1</td>
<td>8.3</td>
</tr>
</tbody>
</table>
From both Tables 5.3 and 5.4, long-term job/lifelong employment and social status/reputation/honour were the most common factors cited by respondents for staying in their public service jobs. Long-term job/lifelong employment was still identified by eight out of the 12 respondents (66.6 per cent) to Question 8 while social status/reputation/honour was also cited by 66.6 per cent. This reason has moved a level up when compared to the responses provided to Question 7. Needing a job was more frequently cited too. It was identified by 33.3 per cent of respondents to 25.0 per cent in Question 7. The remaining reasons were repeatedly identified by respondents: opportunity for education development (58.8 per cent), promotion (50.0 per cent), personal choice (33.3 per cent), direct contribution to national development (25.0 per cent), expectation of future personal growth from this job (25.0 per cent), conscience (25.0 per cent), social networks (16.7 per cent), family support (16.7 per cent), less competency (8.3 per cent), and a training centre for career growth (8.3 per cent). These responses to this question, clearly, reinforced the reasons given for becoming a civil servant in the first place (Question 7).

Several characteristic responses are included here. One interviewee stated that he needed a job where he sometimes worked only a half in the public service while working elsewhere another half. In his words, “I have also worked for the civil service for long time. I think there is no job that is better than it... I sometimes work a half day here [the civil service] and another half day elsewhere. So, my family can survive.” Another interviewee reported the expectation of future personal growth from the job as a reason for staying in her job: “Now, a job in the civil service is not easy to get. I continue because I hope to be better off. I stay and wait for the government to be considerate of and more generous to us.”

The expectation of future personal growth from the job was acknowledged by another interviewee, but in this case, in connection with thriving personal career growth (promotion) and boosting additional incomes.

We hope that we will be better off in the future, for instance, better pay, promotion and even better opportunity... When [we] get promoted, we are good [in position and benefit making]. [We] have power and can earn a lot of money accordingly if [we] are in the right place... For me, my salary is as low as 200,000 riels per month. But I have MBPI and I can work for a few projects at the ministry. Therefore, I can live [within my incomes].
Another respondent gave many more details. She cited reasons already mentioned, but added social status and opportunity for education development in her case.

*I needed a job... People prefer and value this job. Traditionally, in the past, it was an honour and brought a good reputation if one worked for the government... In the past, if only one person worked for the government, the whole family could be raised financially. So, I, in the future, hope my salary will be increased being comparable to the level in the past... now, it is even more difficult to have other jobs. They require English capability, skills and competency.... On the other hand, the private sector pays inflexible wages and does not provide any chance for further studies and, even more important, it is not valued in society.*

**Current incentives in the workplace**

The next question (Question 9) probed the matter of whether there were incentives in the workplace that may have an impact on performance. Question 9 asked: *From your experience in your workplace, what incentives lead to improved performance? How effective are they?* A variety of short answers were given. Some respondents identified several incentives while others stressed just one or two. As can be seen from the table referring to incentives below (Table 5.5), the responses overlapped with those given for the previous two questions.
Table 5.5: Central government officials’ views on current incentives in the workplace

<table>
<thead>
<tr>
<th>Incentives</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>8</td>
<td>66.6</td>
</tr>
<tr>
<td>Verbal appreciation/praise</td>
<td>7</td>
<td>58.8</td>
</tr>
<tr>
<td>Honour incentives: medals, honour rolls or certificates</td>
<td>5</td>
<td>41.7</td>
</tr>
<tr>
<td>Training/education development opportunity</td>
<td>5</td>
<td>41.7</td>
</tr>
<tr>
<td>Willingness/wisdom/conscience</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Recognition of achievements</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Good social status</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Contribution and favours to the government and nation</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Job security and lifelong employment</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Increase in pay</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Supplementary income: MBPI and other allowances</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Social networks</td>
<td>1</td>
<td>8.3</td>
</tr>
<tr>
<td>Support from superiors</td>
<td>1</td>
<td>8.3</td>
</tr>
</tbody>
</table>

As can be seen in Table 5.5, interviewees reported a wide range of incentives. They ranged from support from their superiors to recognition, including verbal appreciation and good social status. They also ranged from recognition of achievements to promotion and then rewards including honour incentives, training and education development opportunity, supplementary allowances and even increase in pay. Furthermore, they included willingness and wisdom, contribution to the government and nation, social networks, and job security and lifelong employment.

Promotion was the factor most commonly cited being identified by eight out of 12 respondents (66.6 per cent). As a senior official explained it, “the higher the position you have the more benefits you can make” (in Khmer, ‘Leungkan te thom leapkan te chroeun’). Verbal appreciation/praise was identified by seven out of 12 respondents (58.8 per cent) as an incentive in their workplace. This was followed by training and education development...
opportunity, and honour incentives which were each identified by five respondents (41.7 per cent). The remaining incentives were each identified by just one or two respondents.

Organisational culture and performance

Performance can be influenced by other major factors. The case study investigated two of these factors namely, organisational culture and politics. The former will be dealt with in this section.

Many respondents provided detailed responses, some made just a few remarks while two people did not respond at all when asked about organisational culture in their workplace. Most interviewees perceived that there was an organisational culture which had an impact on their workplace performance. They believed that this organisational culture was manifested in various ways but mainly influenced their performance in the CCS by the means listed in the Table 5.6.

Table 5.6: Central government officials’ views on typical expressions of organisational culture

<table>
<thead>
<tr>
<th>Typical expressions</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patron-client relationships</td>
<td>8</td>
<td>80.0</td>
</tr>
<tr>
<td>Practices of bribery, corruption and nepotism</td>
<td>7</td>
<td>70.0</td>
</tr>
<tr>
<td>Passivity and tolerance</td>
<td>4</td>
<td>40.0</td>
</tr>
<tr>
<td>Practice of low pay levels</td>
<td>2</td>
<td>20.0</td>
</tr>
<tr>
<td>Support for top-down hierarchy and bureaucracy</td>
<td>2</td>
<td>20.0</td>
</tr>
<tr>
<td>Inequity in promotion</td>
<td>1</td>
<td>10.0</td>
</tr>
<tr>
<td>Confidentiality</td>
<td>1</td>
<td>10.0</td>
</tr>
<tr>
<td>Political differences and interest leading to conflicts</td>
<td>1</td>
<td>10.0</td>
</tr>
<tr>
<td>Practice of salary supplementation (unofficial fees or second jobs)</td>
<td>1</td>
<td>10.0</td>
</tr>
</tbody>
</table>

Note: The data in this table are from ten out of 12 respondents as two people did not respond.
As can be seen in Table 5.6, patron-client relationships was the most frequently cited reason given by respondents being raised by eight out of ten respondents (80.0 per cent). This was followed by the practices of bribery, corruption and nepotism which were identified by seven respondents (70.0 per cent). These two expressions of organisational culture were in fact interlinked and also linked to several other expressions listed in the table. One respondent explained how and why these expressions of organisational culture influenced staff performance. He linked patron-client relationships and practices of bribery and corruption.

*It is a patron-client relationships and a corrupt culture. People, who work hard do their best to death but get nothing, while people who are high-ranking officials and their patron-client networks receive benefits. High-ranking officials get more benefits while low-level officials get a much smaller amount of benefits as they can... Most of us are discouraged from working hard. Sometimes, when we come to work we have nothing to do because there are no jobs assigned."

Some officials acknowledged patron-client relationships, and nepotism, but added inequality in promotion and the low pay levels.

*Organisational culture always exists in every institution... Traditionally, my institution as well as other institutions are in a low salary system... I am looked after by my boss. Thus, I can make some benefits [extra income: PMG/MBPI and other benefits]... Therefore, I have to respect my boss because he gives me some benefits. If this were not so, I cannot live with my state salary.*

*I am tired to work... although I work harder, I am still here [at her current position]. They [superiors] deployed their people in strategic positions and even promoted them to higher positions.*

Passivity and tolerance was identified by four respondents (40.0 per cent) and practice of low pay levels was identified by two respondents (20.0 per cent) as being expressions of organisational culture and influential in staff performance. These have interacted with each other and also with the other expressions of organisational culture listed in Table 5.6. By the way, the expression of passivity and tolerance was seen as accepted and applied in institutions throughout the CCS. The acceptance and application of this factor was thought to be particularly present in the low pay levels of the civil service. The practices of these expressions of organisational culture were therefore common in state institutions and there was no punishment which could be incurred as a result of any wrong-doing by government officials. As one official highlighted:
My boss cannot penalise me although sometimes I come to work and sometime I don’t. He knows that salary is low. If I come to work regularly, I don’t have anything to do. Hence, he sometimes closes his eyes and is sometimes tolerant.

Support for top-down hierarchy and bureaucracy was cited by two respondents (20.0 per cent) while the remaining expressions of organisational culture were each identified by a single respondent. They were linked to one another and also linked to the earlier expressions. One respondent underlined how and why these expressions impinged adversely on staff performance in this way:

Organisational culture has a strong impact [on performance] because the system makes it very complicated and time-consuming to process paperwork in the hierarchy. As a result, we cannot achieve what we aim for... In the government job, civil servants seem to look for all means for gaining personal interest. Everyone does things for their own benefit while ignoring serving the public interest.

Another senior government official admitted that the political differences and interest leading to conflicts particularly resulted in inclusion and exclusion of people in their groups. The comment was that:

There are different groups, especially between political party supporters. CPP members [civil servants who belong to CPP] hold key financial places. In addition, even if they belong to the same party, they have a special link to different patrons for personal or group interests. As a result, work flow is interrupted and slow and it is necessary to pay some money [by whoever wants the work done] to get the work done... Senior officials eat big while junior official eat small (in Khmer, ‘Neakthom si thom hoy neak touch si touch’).

Another official who specifically referred to the practice of the low pay level, practice of salary supplementation from unofficial fees or second jobs and even passivity and tolerance, said that:

It is very tolerant. There is no penalty incurred although civil servants are bound to the Royal Code (Kram) on Common Status of Civil Servants. This is due to low salary and sometimes no terms of reference and no assignment to be done... Once, I worked as a consultant for the UNDP in one of the Decentralisation Programs at the commune level. I was paid US$ 1,500 per month. I asked permission from him [my boss] to do this for nearly two years. He did not disagree... because the boss understood that the state salary was not enough. So, the boss was good to me and then I owed a debt of gratitude to him.
Nevertheless, according to the last interviewee, not everyone can work for a project or do tutoring. Opportunities to do this depend on personal capacity, especially English and other skills. He named the culture as a “culture of salary top-up to survive”. He argued:

_However, it is difficult to complain to the government because it has low revenues while civil servants are numerous. Then we just stay where we are [at the current pay level]... I am one of the leaders. It is important to look after subordinates. I cannot just ignore anyone and I try my best to assist and share benefits as much as I can, so we all can live. Sometimes I don’t come to work and sometime others don’t come either because we have to look for alternative incomes._

The quotes above highlight that the expressions of organisational culture have provided remarkably good chances for some officials to make personal benefits by using state functions and networks. It appears they were not responsible for providing public service delivery to the population through their public jobs; rather, they were accountable to their superiors. Government staff who were not included in these networks, however, were demotivated from performing their duties. Under such circumstances, it can be said that government staff performance has been directly influenced by these expressions. And, quite evidently, the quality of public service delivery has also suffered from such expressions of organisational culture.

**Political influences on performance**

When asked about what political influences affected their performance (Question 11), nine respondents provided responses while three did not respond. Six out of nine of the respondents (66.7 per cent) commonly observed that there were three aspects of politics that influenced their performance, and were linked to one another in their impact on government staff performance. These included ‘member of a political party’, ‘political party interest’, and ‘patron/superior’s influence or interference’.

‘Member of a political party’ and ‘political party interest’ were two factors identified by four out of nine respondents (44.4 per cent) as aspects of politics which influenced staff performance. They simply meant that government staff were mobilised and/or coerced into a political group or party, particularly into the ruling party. The mobilisation and coercion was aimed at forming a political party’s patron-client networks in the CCS. These networks have
resulted in the inclusion of some government staff while others were excluded. Staff included have had the good fortune to survive and grow up in their careers rather than to perform their jobs better for the public. In addition, these staff have had to serve their interests and be loyal to their party while paying less attention to their official duties of serving the public. The details of how and why the two aspects of politics influence staff performance are in the following typical responses. One respondent explained the politics of political party membership, particularly in the ruling party, by using Khmer sayings thus:

...because everyone, including me, has to belong to a political party, particularly the CPP. If one enters the river one has to follow the flow (‘Chaul steng tam bat chaol srok tam tes’). If we do not, we can have only a net salary. [We] have no chance [to earn extra income and other benefits]. It is common to say that being with the CPP seems like living in a concrete building while being with other parties, it seems like living in a cottage.

Membership in a political party was also mentioned by another interviewee, but in this case, in connection with serving the party interest while paying less attention to the public.

Not only me but others are members of political parties... I am not a key person. So, I sometimes come to work and sometimes I don’t... However, superiors and high ranking officials who hold good positions are members of the CPP party. They have to serve the party and particularly during the recent election campaign they went to their electoral base in a constituency, leaving their official duties. So, I can see that they work for party interests rather than for the country. If this is not so, they are sacked.

Political party interest as the prime task orientation was also cited by another interviewee while government interest came second.

I think they work every day for their political party as a primary task and for the government as a secondary one... Sometimes, especially during political campaigns, they accompany their bosses to their electoral bases in the constituencies (in Khmer, ‘Moulthan’) while leaving offices unattended.

Another interviewee claimed similarly that government personnel required to be member of a political party and then to serve the party. He stressed that if government staff, especially at senior levels, did not join, they were likely to be sacked.

We work for the political party interest rather than for the people and the national interest... Ranging from ordinary officials to the institution’s head, we are required to be members of a political party and to do activities for the
party’s interest... Honestly, senior officials who hold good positions are members of the CPP party. If they don’t join it, they are sacked from office. I think everyone works for the party.

Patron/superior’s influence or interference on performance was cited by two respondents (22.2 per cent) as another aspect of politics influencing government staff performance. The two officials apparently perceived that patrons/superiors reined in their power to shield whose relatives who had been involved in extracting unofficial fees or corrupt practices. Likewise, other superiors exercised their influence over their subordinates to look after and train their relatives to work in the government. As soon as these trainees could cope with the jobs, they would be appointed to higher and/or strategic positions. Through this aspect, politics seems to impact on performance indirectly. Politics indirectly affects performance via misuse of power and/or corrupt practices that enable them to immunise their clients and relatives from punishment for wrong-doing or inactive job performance.

Meanwhile, three out of nine officials (33.3 per cent) believed that, generally, there was no political influence on their performance including that from being a member of a political party. Their party membership was a choice. However, one admitted that “senior officials are required to serve the party’s interest”. Another claimed: “We have to follow the government policy... It is required to join a political party. But it is everyone’s freedom to choose personally.”

In responses to this question, there was not a consensus about aspects of politics influencing job performance. There was no single aspect of politics identified by more than 50 per cent while a few did not see any aspect of politics in association with their performance. Nevertheless, from all aspects of politics, then, it seems that politics affects performance both directly and indirectly. Politics means attending to alliances in order to survive and thrive and not attending to performing better at one’s job. Performance for the public interest is actually a secondary matter at best.
Conclusion

This chapter has shown that central government personnel saw performance as “results [that] are achieved as planned” to produce services to the public. Their achievements were reflected via feedback from friends, colleagues and superiors, and also by means of a formal assessment. The government staff lacked motivation to perform their jobs as their salaries were lower than subsistence level. State salary only formed an important source of income and was a major factor in determining their performance in the CCS. The majority of public servants relied on additional sources of income to pay living expenses. These sources included incomes of their partners or families, second or third jobs, and rent-seeking activities in the unofficial networks within the government. The supplementation of incomes has long been a fact of life for general government staff. However, it has led public service staff to pay less attention to their jobs than they need to.

Pay was found to be either the most important motivator of performance or a significant influence on performance for civil servants, but other factors also contributed, such as personal possession and motivating incentives. Personal possession included knowledge and skills, commitment, and responsibility and accountability. Motivating factors included working environment, resources, clear job assignments, honour incentives, education advancement opportunity, recognition of capacity and achievements, promotion, the attraction of retirement fund, family support, support from colleagues and superiors, supplementary allowances. Contrarily, there were factors contributing to poor performance including shortage of human resource, patron-client relationships, time pressure, overload of job assignments, and organisational culture and politics. The organisational culture and politics were manifested in various ways including patron-client relationships, practice of corruption and nepotism, passivity and tolerance, member of a political party, political party interest, and superior’s influence. They were frequently interlinked and adversely impinged on staff performance.
Chapter 6

Pay and performance in the CCS: findings from the education sector

This chapter presents the interview data collected in 2008 and 2009 from officials of the education sector, but specifically the administrative personnel. The education sector is a priority for the Royal Government of Cambodia (RGC) as it is expected to facilitate economic growth, sustainable development, and poverty reduction. It employs the largest number of government staff in the Cambodian civil service (CCS). The data in this chapter were obtained from semi-structured interviews. Each interviewee was asked 11 questions (listed in Appendix 6). These questions were developed using the theoretical framework and aim/objective for guidance.

The chapter begins with a brief profile of the education sector. Then the data derived from the officials in this sector concerning the relationship between pay and performances are presented. The data presented concerns the following themes: perceptions of performance; factors which encourage performance; factors which discourage performance; current pay/salary for daily expenses; pay as a factor affecting performance; increased pay and performance; why people become civil servants; factors for staying in this job; current incentives in the workplace; organisational culture and performance; and political influences on performance.

The education sector

The education sector plays crucial roles in national development and poverty reduction particularly because this sector is involved with human resource development. It is the largest government sector in terms of employees. In 2005, this sector employed 97,253 personnel or about 60 per cent of Cambodia’s civil servants (see Chapter 3). The education sector includes,
at the national level, the Ministry of Education, Youth and Sports (MoEYS), and at sub-national levels the municipal and provincial Offices of Education, Youth and Sports (OEYS) and also all public schools nationwide. The interviews for this study were with education sector personnel from the national and sub-national levels as well as with school teachers and principals. The former will be dealt with in this chapter, while the latter will be the focus of the next.

The Ministry of Education, Youth and Sports

The MoEYS is the central authority of the education sector and has the mission of “leading, managing and developing the education, youth and sport sector in Cambodia in response to the socio-economic and cultural development needs and the reality of globalisation” (MoEYS, 2005 p.1). Its goal is “to establish and develop human resources of the very highest quality and ethics in order to develop a knowledge-based society within Cambodia” (MoEYS, 2005 p.1). The Ministry therefore takes on the responsibility of developing Cambodia through capacity building and human resources development, one of the main strategies of the Rectangular Strategy, the national development strategy of the RGC.

Offices of Education, Youth and Sports

Municipal and provincial Offices of Education, Youth and Sports (OEYS) are sub-national level organisations and authorities of the MoEYS set up to handle matters of education, youth and sports within their territorial mandate. Two OEYS were chosen for this research: one in Phnom Penh city and the other in Kampong Cham province. Phnom Penh is the nation’s capital while Kampong Cham is the largest Cambodian province in terms of size of population (1,680,694 persons in 2008) and number of educational personnel (11,245 personnel of the total educational personnel of 97,003 in 2008) (NIS, 2008a p.vii; NIS, 2008b pp.118-125). This province, about 121 kilometres east of Phnom Penh, was chosen to represent OEYS offices in the provincial rural areas of Cambodia.

The MoEYS and OEYS personnel in Phnom Penh and Kampong Cham province were particularly important to this research. The civil servants in these organisations were not only key informants but also their permission was required for data collection in the selected
schools (data presented in Chapter 7). Information and perceptions on the relationship between pay and performance were drawn from six administrative educational personnel (or civil servants) in these organisations whose positions ranged from middle level staff to deputy director general. They were between 35 to 50 years old and one third of them were women. All six respondents were asked the same 11 questions (set out in Appendix 6).

They understood the purpose of the study and volunteered to participate in the research. However, the fact it was conducted during the general election campaign, a time when many government staff accompanied their superiors to regional constituencies to run the campaign hampered the interviews. Furthermore, despite the fact that questions asked were not significantly linked to politics, participants were reluctant to express honest opinions which may have political consequences. The situation at the time was when they were critically influenced by colleagues and superiors who were watching each other, and the state maintained strong control over bureaucracy. Therefore in 2009, the six interviewees were revisited to complete and cross-check where necessary.

**Presentations and analyses of the interview data**

In this section, the results from the interviews and analysis of this data are presented using the key themes used for analysis of empirical data collected during fieldwork for this research.

**Perceptions of performance**

The first question (*How do you know when you are performing well?*) was designed to see how government officials in the educational organisations of the MoEYS and the OEYS perceived the notion of ‘performance’.

When asked how they knew when they were performing well, all six respondents perceived the notion of performance as being the achievements in their job assignments or duties in accordance with a plan. This notion of performance was indicated in various ways of describing how good performance could be seen. One respondent noted they had “achieved positive results to meet our needs and goals in accordance with a plan”. Another made a
similar observation but added the idea of a timeframe: “Achievement is made as planned and within a timeframe.”

Another respondent acknowledged good performance as meeting one’s ‘requests’ from above and below:

... when I perform smoothly... I can deal with requests made by subordinates within a timeframe on the one hand. I can handle requests made by senior levels and line organisations on the other.

The interviewees’ common assertions of their achievements having to be on ‘a good plan’ referred to a combination of a work plan, management, direction, leadership and monitoring and evaluation.

The achievements were reflected via two means: feedback and assessment which are referred to as ‘performance appraisal’ by the organisation. There was a common perception of knowing their levels of performance through feedback and regular assessments. The former could be manifested through self-reflection on work plans and feedback from colleagues and superiors. The latter could be seen through a formal performance appraisal held regularly and which entailed tangible incentives for good performance. One respondent noted: “I know myself when I am happy... I also know from the feedback of colleagues and superiors.” Another respondent remarked that

My immediate boss evaluates the effectiveness and results of my work performance... An annual meeting is held to assess all staff performance within the organisation. Some incentives, such as bronze, silver or gold medals are awarded for those who are found to have performed well.

Factors which encourage performance

When asked about what encouraged them to perform their jobs (Question 2: What encourages you to perform your tasks and duties?), there was considerable variation in the answers obtained. Overall, eight factors were identified by respondents as indicated in Table 6.1.
Table 6.1: MoEYS and OEYS officials’ views on factors encouraging performance

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Future personal growth and opportunity including career growth, pay-grade advancement, education development, job training chances, and overseas missions</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Honour incentives: honour rolls, certificates and non-verbal praise</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Commitment and responsibility</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Recognition of achievements and credits</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Degree matching with jobs</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Supplementary allowances or income (project allowance, mission allowance, PMG allowances and other supplements)</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Non-monetary benefits: dignity, social status and job security</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Family financial support and satisfaction</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>

Table 6.1 shows that the most commonly identified factors which referred to future personal growth and opportunity, including career growth, pay-grade advancement, education development, job training chances and overseas missions; and honour incentives. These were each cited by three out of six respondents (50.0 per cent). The remaining factors were identified by one or two respondents. They were commitment and responsibility (33.3 per cent), recognition of achievements (33.3 per cent), degree matching with job (33.3 per cent), supplementary allowances (33.3 per cent), non-monetary benefits (16.7 per cent), and family financial support (16.7 per cent). Interviewees mostly cited more than one factor. A few typical responses in relation to the cited factors are below.

One interviewee said that several factors encouraged him to perform his job such as promotion, second jobs and government subsidy. His exact words were:
First, I got promotion... gradually step by step, namely I was promoted through the hierarchy year after year. Second, I am employed as a partner or a member of a working group in the project of an international development partner. In return, I am compensated with some allowances. Third, recently I was given membership in the Priority Mission Group (PMG) by the Ministry of Education, Youth and Sports as part of its motivation program. When becoming a member of PMG, my salary increased from US$120 per month to the current one.

Another interviewee indicated that commitment, degree matching with jobs, and family support were motivating factors in his job performance. He stated that:

... regardless low pay, because of this commitment, I am patient with being in public employment and have achieved my job assignments so far... I wish to exercise my skills and knowledge which I pursued in schools by applying them to my job. This job matches my degree... With satisfaction with the standard of living in my family, I have peace of mind in performing my job.

Another respondent also acknowledged commitment and responsibility while raising the two additional factors of credit accumulation and recognition, and future personal growth and opportunities. In his words,

**It is my responsibility... I do my best in everything I do regardless of the time consumed, in order to get the job done. I am committed to my job assignments... It is my philosophy to work hard in what I do and do better to achieve the final results. I want to get credit and recognition... Here there are possibilities for future personal growth and other opportunities which the non-state sector cannot provide me. These include overseas missions, scholarships, training and workshops overseas.**

There was considerable variation in the responses given to this question. As shown in Table 6.1, all respondents could identify many encouraging factors but there was not a great level of agreement between them. In other words, there was no one factor that dominated the considerations of the interviewees.

**Factors which discourage performance**

When asked what discouraged them from performing their jobs (Question 3: **What discourages you to perform your duties and tasks?**), a variety of answers was given. Some respondents identified up to four factors while others focussed on only one or two. Altogether, ten factors were identified. These factors are presented in Table 6.2.
Table 6.2: MoEYS and OEYS officials’ views on factors discouraging performance

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low pay resulting in unsatisfactory standard of living</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Political party influence and interference</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Complaints from colleagues and superiors about job performance</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Inequity in benefit-sharing</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Inequity in promotion</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Inequity in working period</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Support for a top-down bureaucracy</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Colleague discouragement and voicelessness</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Uncooperative behaviour</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Nepotism</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>

Table 6.2 shows that the most commonly cited factor was low pay resulting in unsatisfactory standard of living even though respondents were told to exclude the pay factor because it was the focus of a separate question. Three out of six interviewees (50.0 per cent) clearly identified low pay as a factor of discouragement in the way they performed their jobs, as a senior official in the education sector admitted: “Naturally, when we are performing our duties while our stomach is empty and we are hungry, we feel that if we work elsewhere we may earn enough money to cover our standard of living.” It was commonly understood by the public that officials paid less attention to their tasks and duties than they should because they worked under poor pay conditions; they sought other sources of income to supplement the gap between their state salary and costs of living. As a consequence, public service delivery to the population may well be suffering.

Political party influence and interference, complaints from colleagues and superiors about job performance, and inequity in benefit-sharing were factors identified by two respondents each (33.3 per cent). The remaining factors were each identified by only a single respondent. They were: inequity in promotion; inequity in working period; support for a top-down bureaucracy;
colleague discouragement and voicelessness; uncooperative behaviour; and nepotism. One official gave a brief explanation of how he was discouraged specifically by political influence and interference, and inequity in promotion. As he put it,

_The interference of senior officials from both FUNCINPEC and the CPP interrupts our work activities... Promotion is made under political party quota which does not reflect skills, knowledge or experience. I have worked for 15 years. I got promotion in the hierarchical way while some people jumped from an ordinary school teacher to being a deputy director of a department without having any knowledge or experience... [This gesture] increases unsatisfaction from some chiefs of offices who have worked for ages and expected to get this position or at least be placed in charge of general internal administration. This is a matter of real discouragement in the civil service._

Another official identified inequity of benefit distribution as a factor discouraging better job performance:

_When I compare my benefits to those of others, particularly in relation to capacity, I am discouraged. For instance, we are in the same position but they earn much more than I do. I sacrifice time to do my work while others are relaxing and doing private business during official hours._

All respondents could easily identify discouraging factors but there was not a great deal of agreement as to what they were. Many factors discourage civil servants. The respondents clearly have different perceptions and priorities when it comes to identifying factors discouraging good performance in their jobs.

**Current pay for daily expenses**

The next question specifically addressed the matter of pay. Interviewees were asked: _Is your current pay sufficient to cover your family's daily expenses? If “Not” how do you cover your family’s daily expenses?_

When asked this question, a common answer was given. All respondents (100 per cent) reported that their current state salaries were not sufficient to cover their daily expenses. According to the interviewees, they were paid differently depending on their pay grades and positions in the CCS (Chapter 3). According to respondents, their pay ranged from approximately US$50 to US$200 per month. Given this considerable variation in public
sector pay, it might be expected that the more highly paid would report their income as adequate for their daily expenditures. However, all respondents claimed that their salaries were not enough to cover their basic cost of living at the level they perceived appropriate. Their argument was that the higher the position they were in, the more their daily expenses. Respondents expressed these views in a variety of ways. Two typical responses were:

*Referring to state salary, it is absolutely not enough. It is not comparable to the cost of living in the free market. My salary is between 200,000 riels [US$50] to 250,000 riels [US$62.5] per month while my living cost is more than 300,000 riels [US$75] per month.*

One of the interviewees used a Khmer saying to illustrate that the more you earn, the more you spend.

*It cannot be enough; it is as the Khmer saying: Touk thom kdaong thom, (when we drive a big boat, we must also equip it with a large sail). If I ride a motorbike to work, it may be enough with US$200 per month [but he drives a 4WD luxury car].*

When interviewees said their salaries were not sufficient to cover their living costs, this led to another question: *How they did cover their family’s daily expenses?* In response, all (100 per cent) claimed they had at least one other source of income. That income came from second jobs, mission and project allowances, marital partner’s income or family businesses. The incomes from these activities helped them cover their cost of living.

One respondent revealed that he acquired second or third incomes to make a decent living and how this impinged on his public service job.

*I have another US$120 per month. Thus, my total salary is about US$190 per month. Therefore, at least, I am a motivated hard worker. Otherwise, I would encounter a difficult time. I think that if the state salary continues to be low, the quality of performance will be adversely affected. We may not be able to work properly. We would look for other jobs to make extra income. These include doing tutoring at universities, working for the private sector or other sectors by taking business hours. This is inevitable when our standards of living are miserable.*

Another respondent identified a different way of making her living. She explained: “my salary is not enough. But family members financially support each other.” Other respondents claimed they relied not only on second jobs but also on supplementary incomes, particularly
mission allowances plus careful and efficient spending. For instance, a provincial senior official interviewed noted that he had a few sources of income such as mission allowance, salary supplements from second and third jobs plus careful and efficient spending. In this way he could cover his living cost. He noted,

*I am dispatched to base [schools and district education offices] or to training courses at the central level. I am paid with some subsidies for these. I spend them carefully and efficiently. Then I can live. In addition, I will not face any problem because I am a partner of an NGO- Save the Children. For this I am paid US$150 per month. Also, I am a partner of a World Bank project. For this I am paid another US$150 per month. Thus, I do not have any problem because I have additional income of US$300 per month from NGOs and projects. I can cover my living costs.*

Similarly, one senior official at the central ministry explained how he could cover his living cost by means of government subsidies such as mission allowances and salary supplements, and careful and efficient spending. He emphasised that:

*Salary is not enough, but I get some subsidies... plus careful and efficient spending... Up to now, I still ride a motorbike to work. At least, I spend from 4,000 riels [US$1] to 5,000 riels on petrol to come to work and drop my children at school. This morning, I had my breakfast at home. I just had an omelette... my family and I go to have noodles outside only twice a week. My wife rides a bicycle to teach at the Royal University of Phnom Penh. This is firstly for saving some money and secondly for health reasons.*

From the interviewees’ responses, it can be concluded that the state salary of one income-earner is widely believed to be insufficient to cover a family’s daily living expenses. To make their living, the respondents have to spend efficiently while also generating income from other sources.

**Pay as a factor affecting performance**

Question 5 was: *Do you think pay is an important factor in determining your performance? Why and how?* In response to this question, two thirds of respondents (66.6 per cent) identified pay as an important factor in performance determination and said that the amount of pay seriously affected their performance. They argued that when their pay did not meet their costs of living, their work performance was negatively affected; they then gave less time and
attention to their public jobs while looking for other sources of income such as unofficial fees or second jobs. As one respondent indicated,

*I think pay is important because performance is affected by the time spent doing work elsewhere. If we are paid enough [at subsistence level], we can work perhaps until 6.00 or 7.00pm... we can complete what we want to have done today. However, because we need to maintain a certain standards of living we have to leave at 5.00pm. We have to leave the office even though an assignment is not completed. We have to go to do paid tutoring...*

The same respondent said that as a result of his income shortfall his work hours were restricted as he needed some time to work elsewhere. He stressed that:

*Even more, our research is limited. Generally if we want our work to be better or more effective, we need to read, to research anything associated with our duties in order to follow the world or stay updated. ... But we need time for this research or study.*

Another respondent provided similar observation, seeing pay as a significant factor in determining her performance. She used Cambodian metaphors and sayings to explain the important relationship between pay and performance. She believed that

*It is not only me, everyone understands that Thveu sre nong tek thveur sek nong bay, [literally plant rice with water and go to war with rice]. Thus, when we are paid [reasonably], we are happy and we perform very well without being so concerned with our standard of living. However, if we have only heart and soul while falling short in financial support, we cannot do our work. Logically, we cannot work while leaving our children starving. Questions are raised if we go on a mission while leaving our children starving, so how can we perform our work task well when we are worried about them?*

However, one third of the respondents (33.3 per cent) while not denying the importance of pay, pointed to the significant other factors including commitment, soul and heart. Thus, one respondent said:

*Initially, we can live in a reasonable condition by looking for all means to make extra income... However, our performance is not totally determined by salary but by heart and soul, responsibility and commitment.*

Thus, even where they identified other factors, respondents still returned to the importance of pay and its connection with the basic need to cover the cost of living.
Increased pay and performance

To focus more attention on pay, interviewees were asked (Question 6) whether increased pay would result in better performance by them and if so, why. All respondents (100 per cent) believed that ‘increased pay will result in better performance by them’ but gave different explanations of why and how.

Two respondents (33.3 per cent) observed that increased pay would result in better performance without involving other factors, but with the proviso that the increased pay must be enough to cover living costs. For example, one stated: “Yes, it will result in good performance because I will not pay any attention to other matters [including looking for other sources of income or being concerned with standard of living].” The other respondent said that “if salary is not increased reasonably, perhaps we cannot perform at 100 per cent of the required standard”.

Four out of six respondents (66.6 per cent) felt that increased pay would result in better performance by them but it would have to be accompanied by other factors and actions. These factors included staff capacity, personal commitment, professional conscience and good leadership of superiors. The actions to be taken included law enforcement, enforcement of the organisational code of conduct, and punishment seen to be imposed as a result of wrongdoing. One interviewee insisted that performance was related to actions and enforcement. He noted:

*Performance will be good but some factors have to be enforced such as the code of conduct at the work place and punishment for those who are unable to perform: such as remove them from their position or fire them... Stronger action has to be taken within the code of conduct and capacity to work... In fact, the law is in place. However, it is not properly enforced due to reasons such as political influence...*

Another interviewee commented on how increased pay would improve his job performance. As he stated:

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6*Professional conscience* is the literal English translation from the Khmer language. Respondents also used the French term ‘conscience professional’. The term approximates to English language translation of ‘professionalism’.

I think it would be better because I wouldn’t have any concern with my standard of living cost. Then, I would focus on my job here 100 per cent. When we focus 100 per cent on our jobs, we do better.

However, this interviewee acknowledged that the increased pay would have to be accompanied by rule enforcement, particularly in the workplace. In his words,

This factor is also dependent on the internal code of practice and leadership of our leaders. When we have an internal code of practice and common status of civil servants as well as enforcement in place, we certainly can perform very well. [Supplementary question: Will they go back to traditional practice?] They can go back to their traditional practice. However, when we have the motivation and enforcement and everyone abides by the rules, we will go together. [What required is] law reinforcement, clear planning, good pay and leadership.

Another interviewee also believed that while increased pay was a good way to encourage government staff to perform better, it would need to be accompanied by other factors, especially commitment. He stressed that:

Of course, salary is a main factor, we cannot disagree with that. Increase in pay is a good means of improving the standard of living. But good or bad performance is not totally determined by salary, but by commitment also.

With this question, respondents indicated that an increase in pay would work effectively on performance if the increase was at a reasonable level, but also that other factors and actions were required. From the responses, a reasonable increase could be interpreted as one satisfying their daily needs. They also believed that an increase in pay would contribute to improved attitudes and better work culture; it would allow them to pay more attention to their performance without being concerned about their living standards; it would enable them to build their capacities (instead of looking for alternative incomes) and to work professionally and conscientiously. Therefore, it can be said that an increase in pay was seen as an important motivating factor for encouraging civil servants to perform better. However, while pay increase was seen as necessary to improve performance, it was not sufficient. Other factors and actions were judged significantly once pay had been increased.
Why people become civil servants

Civil servants are poorly paid, whether they are in education or in some other part of the civil service. There is a large gap between their pay levels and cost of living. However, people are still working in the sector and willing to work there. Thus, there must be some specific reasons why. When asked about why they became civil servants (Question 7), respondents offered a wide variety of reasons, 14 in total. These are summarised in Table 6.3.

Table 6.3: MoEYS and OEYS officials’ views on reasons for becoming a civil servant

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social status and prestige</td>
<td>4</td>
<td>66.6</td>
</tr>
<tr>
<td>Job security and lifelong employment</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Dignity and value</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Supplementary allowances or incomes: mission, project, second jobs and unofficial fees</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Personal choice and destiny</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Future personal growth and other opportunities: career growth, pay-grade advancement, education development, job training chances, and overseas missions</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Professional conscience or professionalism</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Develop human resources</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Degree matching with jobs</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Contribution to national development</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Recognition and credit of achievements</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Commitment and responsibility</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Promotion</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Family support</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>
As is evident in Table 6.3, when asked about why they became civil servants, social status and prestige was the most commonly cited reason, being identified by four out of six respondents (66.6 per cent). Several other reasons were each cited by two respondents (33.3 per cent). Reasons cited by two respondents included job security or lifelong employment, dignity and value, supplementary allowances or incomes, personal choice and destiny, future personal growth and other opportunities, professional conscience and human resource development. The remaining reasons were each identified by only one respondent (16.7 per cent). The reasons given are linked to one another. Typically, respondents pointed to combinations of reasons accounting for themselves and others becoming public servants as can be seen in the following:

One respondent linked social status and job security as reasons for becoming a civil servant. As he noted:

*From the beginning, I knew that the salary was low but I still wanted to work in the government sector... I have received non-monetary benefits such as dignity, social status as a civil servant, and job security so I have peace of mind in my employment.*

Another respondent cited these two reasons but added others relating to desirable opportunities that are available in the public service.

*We are government officials. We have a job to serve the public, and this job is stable. In addition, we have good social status and we are recognised as a government official in society. We can also get some benefits from our workplace... We have the opportunity to study abroad and we have chances to know various people around the world.*

Opportunities were also mentioned by another interviewee but in this case, in connection with boosting income from unofficial fees.

*We knew the issue of low pay. This low pay level is not only for teachers and educational personnel but also for all civil servants nationwide. Nevertheless, some of us have opportunities to make unofficial fees...* 

Professional conscience in professional job and human resource development were two other reasons identified by another interviewee. She said:
It is my professional conscience. I want to develop human resources, particularly from the basic education sector... to develop them to become resource persons who can serve the nation.

Another interviewee gave many more details. He raised several reasons already mentioned but added personal choice, job value and prestige. In his words:

... in 1983, when I started my professional job as a teacher and then in educational personnel, in fact I had choices... [I could have been] a policeman, soldier, factory worker, driver or teacher. Eventually, I decided to be a teacher and educational staff member. The decision was motivated by my relatives who used to be teachers and educational staff in Sangkhum reasr nyum (People’s Socialist Community or Popular Society in the 1960s) [who were well paid]; and a popular pattern by which teachers and educational staff are appreciated and valued... To be in this employment, I am respected and my family is also considered a good and prestigious one. Thus, I have prestige and social status and I am a good example for my children too.

Reasons for staying in the job

The next question (Question 8) asked why the interviewees stayed in their public service jobs if they were so poorly paid. The respondents largely repeated the responses they had already given for taking a public service job in the first place (Question 7). As with the responses to Question 7, the reasons for staying were many and are summarised in Table 6.4.
### Table 6.4: MoEYS and OEYS officials’ views on reasons for staying in the jobs

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social status and prestige</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Job security and lifelong employment</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Dignity and value</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Supplementary allowances or incomes: mission, project, second jobs and unofficial fees</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Commitment and responsibility</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Future personal growth and other opportunities: career growth, pay-grade advancement, education development, job training chances, and overseas missions</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Professional conscience or professionalism</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Attraction of retirement funds</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Develop human resource</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Personal choice and destiny</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Recognition of achievements</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Promotion</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Need a job</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>A good role model for children</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>

As can be seen in Table 6.4, no specific reason was mentioned by more than 50.0 per cent of respondents. Social status and prestige, and job security and lifelong employment were the reasons most commonly given. Social status and prestige was identified by three (50.0 per cent) which puts it one level lower in this table than it appeared in Table 6.3 (in answer to Question 7). Job security and lifelong employment was also cited by three respondents (50.0 per cent) moving it a level up compared its position in Table 6.3. One respondent said that public service employment was valued and “has good status in our society”. Another respondent stated that as government officials, they had “a job to serve the public, and this job
is stable… We have a good social status and we are recognised as a government official in society”.

A few new reasons were also offered when answering this question. These included the attraction of retirement funds, cited by two respondents (33.3 per cent), the need for a job identified by one, while a good role model for children also identified by one respondent (16.7 per cent). The remaining reasons were simply repeats of what was identified by the respondents in answer to Question 7, namely: dignity and value; supplementary allowances; commitment; future personal growth and opportunities; professional conscience; human resource development; personal choice; recognition of achievements; and promotion. Thus, the responses to this question of why people stayed in their public service jobs largely confirmed the reasons given for taking the jobs in the first place (Question 7).

**Incentives in the workplace**

The next question probed whether there were incentives in the workplace that may have an impact on performance. Specifically, Question 9 asked: *From your experience in your workplace, what incentives lead to improved performance? How effective are they?* A variety of short answers were given. Some respondents identified several incentives while others stressed only one or two as can be seen from Table 6.5. Some responses overlapped with the information already given in replies to the previous two questions about getting into and staying in the public service.
Table 6.5: MoEYS and OEYS officials’ views on incentives in the workplace

<table>
<thead>
<tr>
<th>Incentives</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievements in job assignments</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Verbal appreciation/praise</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>Honour incentives: honour rolls, certificates and medals</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Social status and prestige</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Supplementary allowances or incomes: mission, project, second jobs and unofficial fees</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Future personal growth and opportunities: career growth, pay-grade advancement, education development, job training chances, and overseas missions</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Recognition of achievements</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Promotion</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Degree matching with jobs</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Family support</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Colleague support and cooperation</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Salary</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>

As is apparent in Table 6.5, the respondents identified a wide range of incentives. They ranged from achieving work assignments to recognition, including verbal appreciation, social status and prestige, and colleague support and cooperation in the workplace. They also included promotion and future personal growth as well as degree matching with jobs, family support, supplementary allowances, honour incentives and even salary. There was no common agreement on what were incentives in the workplace. No single incentive was identified by more than 50.0 per cent of respondents. However, respondents did overlap in terms of the factors indentified. All pointed to more than one factor.

Achievements in job assignments and verbal appreciation/praise were the incentives most frequently cited by respondents; each was identified by three out of six respondents (50.0 per cent). Civil servants saw these as encouraging them to do their jobs well. The verbal
appreciation then given as a result of these achievements also became incentives for staff to work harder and perform better. Moreover, the achievements themselves offered civil servants several additional rewards such as honour incentives, promotion, recognition and credit of achievements, future personal growth and opportunities, and prestige in society. Ten of the 12 incentives were each identified by only one or two respondents.

**Organisational culture and performance**

Work performance can be influenced by incentives but it can also be influenced by other major factors. The study investigated two of these factors: organisational culture and political impact. The former is dealt with here. When asked about organisational culture in relation to work performance in their workplace (Question 11: *Do you think there are organisational culture influences on your performance? What, why and how?*), many respondents provided detailed responses, although some made only a few remarks. Most interviewees believed there was an organisational culture which had an impact on their performance in the workplace. They observed that this organisational culture expressed itself in various ways. These ways by which organisational culture was thought to be expressed are listed in Table 6.6.

**Table 6.6: MoEYS and OEYS officials’ views on typical expressions of organisational culture**

<table>
<thead>
<tr>
<th>Typical expressions</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nepotism</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Patron-client relationships</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Group or party factions and political ‘colourings’</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Support for top-down hierarchy and bureaucracy</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Passivity and tolerance</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Low pay</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Conflicts of interests</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Uncooperative behaviour</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Culture of lip service (face fits)</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>
Table 6.6 shows there was no common agreement on what constituted organisational culture in this workplace. No one expression of organisational culture was identified by more than two respondents (33.3 per cent) although patron-client relationships, nepotism, group or party fractions and ‘colourings’, support for top-down hierarchy and bureaucracy, and passivity and tolerance were the expressions most cited by the respondents. Even so, each expression was cited by only two respondents (33.3 per cent). The remaining expressions of organisational culture were low pay, conflicts of interests between two parties, uncooperative behaviour and a culture of lip service. Each was noted by only one respondent (16.7 per cent). These expressions of organisational culture can, however, work in a complementary manner to influence staff performance.

Nepotism, for example, is concerned with unfair use of connections between friends and relatives to provide advantages to them or yourself. It can fit in with patron-client relationships that are based on reciprocity, and involve obligations relating to friendship and kinship. The client supplies the patron with loyalty and support in exchange for valuable resources such as promotion or turning a blind eye to second jobs. These two expressions of culture result in the inclusion of some staff and the exclusion of others. Staff become informally accountable to their teams including political parties, influential business people, families and friends. As a consequence, they pay less attention to general public service delivery than to meeting the demands of their informal groups and networks.

One respondent explained how and why, these expressions of organisational culture, particularly patron-client relations and nepotism, influenced staff performance. This response was typical of all responses given in regard to these matters:

*When we are not in their group, we are excluded from the working team... I think this culture does apply not only to me but also to others in the way of patron-client relation. Junior officials respect senior ones while seniors tell juniors what to do. You are my team, I include you ... you follow me then I let you live...*

By creating in-groups and out-groups, there was favourable treatment for some and indifference towards others. Members of in-groups worked for their team while members of out-groups necessarily looked further afield for means to survive instead of performing their formal function. Thus, it can be said that both groups served their own interests through
affective and informal means, but they performed their duties in the formal bureaucratic system poorly.

Another respondent also spoke of nepotism and patron-client relationships, but added other factors including group factions and political ‘colourings’, conflicts of interest and the practice of low pay. The factions and ‘colourings’ relating to political parties had penetrated to a remarkable extent into the CCS. The conflicts of interest had worsened over personal interests between faction groups, nepotism, and patron-client relationships. The practice of paying low salaries had been blamed as the main cause of the growth and development of the above expressions of organisational culture. One respondent summed up how these elements of organisational culture had impinged on their performance in the public service.

Seemingly there are factions within each institution. From my experience and observation, factions and ‘colourings’ exist not only in the Ministry of Education, [Youth and Sports] but also in other ministries. This is one of the main factors associated with nepotism, patron-client relationships and political party division... Because public servants are paid even less than subsistence levels, they take this opportunity, particularly those who have great opportunities, to look for whatever means they can find to make benefits [unofficial incomes]. However, these benefits are generally looked at and challenged by other groups. Then, they feel afraid of losing them or having them grabbed away. Thus, the culture of factions or divisions is formed [to protect their interests]. I think that what is a fault or the bad culture in each institution stems from the low salaries of civil servants.

Passivity and tolerance was another expression of culture that apparently interacts with some other components of culture listed in Table 6.6. The expression of passivity and tolerance was identified as penetrating institutions of the education sector, particularly in association with nepotism and patron-client networks. As one official revealed: “The boss closes his eyes because everyone at some time needs to do private business [during business hours].” Another official noted similarly how public servants have been given special treatment due to low pay and shortfalls of income to cover their need for a decent living.

Emotional sympathy is given to civil servants as they are struggling, ageing and often incapacitated. Thus, they are still kept in the office. Here there are 70 personnel. Only 20 of them are actively involved in daily work activities... The remainder are just employed for emotional reasons, they are tolerated. They should not be sacked but rather allowed to remain in their public employment until retirement.
Support for a top-down hierarchy was also an expression of organisational culture which was evident, and which affected staff performance. This system of authority enabled the senior staff to dominate and had their interests served whereas the lower levels of staff who were outside of patron-client relationships suffer. Even those within the patronage networks must had accepted the leader’s total dominance in decision-making and the allocation of benefits. One interviewee revealed how this expression of culture impinged adversely on his performance in his public professional job. He followed orders without question resulting in a loss of his professional integrity in the performance of his public functions:

*It is an authoritarian top-down hierarchy... To some extent, professional administrators just follow politicians’ orders. I am a bit too scared to say “authoritarian” but sometimes we have to do what we are commanded. Even further, senior officials are not responsible for their orders. For example, in a new school building project, we assess it according to criteria and conditions of construction. It is found that the project cannot be permitted because there is inadequate paperwork and explanations relating to educational requirements to ensure that, if the school is opened, it runs smoothly and sustainably... But the top managers requested us to proceed. In this matter, the minister three times sent my department a hand-written note to intervene... On the third time, I zipped up my mouth I did not say “yes” or “no” but just “seen and submitted” to high levels. If there is any command from high level, there is no reason to ask ...just do it.*

In conjunction with this argument, the same respondent referred to a saying which accurately described the situation. It consisted of two articles:

*Article 1: the boss is never wrong.*
*Article 2: subordinates never have any say, they just follow.*

Uncooperative behaviour was another expression of organisational culture identified by one interviewee. He said it weakened the quality of staff performance in public organisations. He thought that some staff did not cooperate for various reasons such as a division between a newcomer and a veteran staff member, and between different nepotistic and network groups. One respondent spelled out how the lack of cooperation occurred in public service organisations and how it affected performance.

*Generally, every public institution has several staff who not only avoid participating and discourage us in performing our job assignments... This is because they think that what we are doing is not useful and of benefit to them. Rather, they think that we perhaps weaken them. So,*
they do not want to cooperate. They do not understand what we are doing and do not see it as useful to the public; they only see that what we are doing is useless, and time and resource consuming.

The same respondent complained that one cause of uncooperative behaviour was being seen as a ‘newcomer’, one who could not be on a level equal to that of a veteran member of staff, in terms of experience and job performance. This complemented the adherence to hierarchy. The respondent believed that he could contribute to changing this culture in the long term. He explained using metaphors and Khmer sayings.

Several colleagues probably thought that we were newcomers [to this organisation]. We cannot be compared to them [veteran staff at this organisation]. We speak out, but our voices are not heard and our comments are not considered. Simply, we are newcomers. We can see things need to be changed or reformed... This is the culture of some institutions by which the newcomers are challenged. Metaphorically, ‘Tek muy dam nok del dak choul tao khnong tek prai theu mech aoch tao chea sap ban’ (‘when a drop of plain water pours into a sea of salt water, it cannot change the taste’). Somehow we have to be flexible and we have to remember a Khmer saying: ‘Tek muy dam nak thlak le thmore thlak yu-yu tao vea kong khong deo’ (‘a drop of water drops on the rock repeatedly, creating a hole in the rock’).

Another expression of hierarchy was ‘lip service’ whereby public servants agreed to all orders, opinions and announcements by their superiors. As one interviewee noted,

When institutional leaders have a mission to rural areas, many subordinates follow their bosses. For this action, they [civil servants] have to leave offices unattended while sitting near their bosses to be a ‘window dressing’ or a ‘good decoration’.

**Political influences on performance**

When asked about what political influences affected their performance (Question 11), five of the six interviewees provided responses. Three respondents provided detailed answers while the others made only a few remarks. The five interviewees made a common observation, namely, that there were three aspects of politics that influenced their performance, aspects that were linked to one another. They were political influence and interference, political party interest or affiliation, and patron-client relationships.
Political influence and interference was the aspect most commonly cited by respondents. It was identified by four out of five respondents (80.0 per cent) as the aspect of politics which most influenced staff performance. Political party interest or affiliation, and patron-client relationships were each cited by two respondents (40.0 per cent). These three aspects of politics were closely linked to one another in having an influence on staff performance in the sector.

Many government staff had been mobilised to support a political group or party, particularly the ruling party. The mobilisation had entailed forming a political party’s patron-client networks among public servants. These networks did not include all public servants. Staff who were included had the good fortune to survive and thrive in their careers, rather than gaining these benefits from performing their jobs better. These favoured staff had had to serve their political party’s interests and be loyal to their party and so quite possibly paid less attention to their official duties of serving the public. As they were shielded and supported by powerful political figures in the networks, they were unlikely to have any punishment imposed on them for wrongdoing and/or inadequate performance. The details of how and why these aspects of politics had penetrated and influenced staff performance were evident in the following typical responses.

One interviewee clearly and succinctly spelled out the politics of patron-client relationships as follows:

It is political party networks, literally patron-client relationships... They use their people to pursue personal interests even though they don’t have skills and knowledge to perform well... This is an improper deployment for personal benefits.

Another interviewee made specific mention of political party work done to serve party objectives by using public organisations and business hours.

Another practice is to do political party work in the public organisation. Legally, only under-secretaries of state and higher are in political positions and can be involved in individual political party activities... However, at my ministry as well as other ministries, civil servants even at low levels are involved in political party activities. When we do party work, we are wasting our office hours.
The same interviewee observed that too many promotions in one portfolio were based on political favour, rather than on job performance.

... senior government officials are increasingly appointed in particular to the positions of deputy director of a department and higher. Each position has from 3 to 5 officials deployed. This results in no one being definitely responsible for the terms of reference in this position. Too many under-secretaries of state and secretaries of state were appointed with overlapping terms of reference and this is costing the national budget.

These statements from interviewees indicate that senior officials were involved in political work in public organisations during business hours. They were involved in political appointments and deployments in order to serve their personal and political interests and to enhance their power and the power of the party.

This means that senior officials or patrons who control resources give their clients access to them in return for loyalty and support. The resources they control include power, positions, jobs, finance and impunity. They are powerful, and thus able to influence their clients’ performance. Naturally, they are government officials and so are able to intervene in government affairs including in such matters as impunity, appointments, promotions, decision-making, rent-seeking activities and corrupt practices. This can be understood as political influence and interference and it has a strong impact on staff and staff performance. In this regard, one respondent said:

Inevitably, political influence is imposed by outstanding elites. For example, [a staff or student’s] transfer from place to place is made under intervention from the central ministry and provincial elites. This is a normal action. We have to deal with it as best we can. However, to some extent, we cannot do anything if nothing is noticeably illegal... Student exams are also subject to intervention by senior officials to get their relatives passed. For example, one student failed, but it was requested that he get passed... how can we refuse? We just follow.

Another complained that politics and patrimonialism determined promotion, and this could discourage general public servants from performing their jobs well.

Promotion is made under political party quotas which means it does not reflect skills, knowledge and experience... The interference of senior officials from both FUNCINPEC and the CPP interrupts our work activities here...
Conclusion

This chapter is about how staff saw performance as achievements in their job assignments or duties in accordance with a plan. The achievements were known and recognised by means of feedback and assessment. State salary formed an important source of income for government staff and was also a major factor in determining their performance. However, responses also revealed that state salaries were considered insufficient to pay for a family’s living expenses. To cover these costs, state salaries had to be supplemented with other sources of income. These other sources included income of their partners and/or families, second or third jobs and/or rent-seeking activities from their positions in government. The supplementation of incomes had long been a fact of life for many years, but it had led public service servants to pay less attention to their tasks and duties than they might have done if pay were higher, and to engage in corruption.

While pay was reported to be the most important motivator for civil servants to perform, other dimensions were also revealed such as personal factors and motivating factors. Personal factors included commitment/responsibility; intention and ‘professional conscience’; soul and heart; and capacity. Motivating factors included future personal growth and opportunity; honour incentives; recognition and credit of achievements; degree matching with jobs; family support; supplementary allowances; and non-monetary benefits. There were also factors identified as contributing to poor performance other than low pay. These included political party influence and interference; patron-client relationships; inequity in benefits sharing; inequity in promotion; inequity in working period; uncooperative colleagues; and nepotism. These phenomena were often expressions of organisational culture and politics. They were frequently interlinked and, according to interviewees, directly influenced staff performance.
Chapter 7

Pay and performance in the CCS: findings from the public schools

This chapter presents the interview data collected in 2008 and 2009 from teachers and principals of selected public schools in both urban and rural areas. As mentioned in Chapter 4, the data were obtained from questionnaires developed using the 14 questions listed in Appendix 7. The questions were developed using the research’s theoretical framework and aim/objective for guidance.

The chapter begins with a brief profile of the Cambodian national education system and the public schools. Then the data derived from the teachers and principals in the selected schools are presented. The data concern the following themes: perceptions of performance; factors which encourage performance; factors which discourage performance; current pay/salary and additional incomes for daily expenses; pay as a factor affecting performance; increased pay and performance; why people become teachers/principals; factors for staying in the job; quality of performance and working period; current incentives in the workplace; organisational culture and performance; and political influences on performance.

The education system and public schools

The contemporary formal education system in Cambodia consists of four levels: early childhood education, primary education, secondary education and higher education (MoEYS, 2009). Early childhood education covers preschool services provided to children under six years old. The primary education system delivered through primary schools provides free basic education and knowledge to children aged from six to 11 years old within 6 grades (1-6). The secondary education system has two sections: a lower secondary section and an upper secondary section. The former is designed to provide general education and knowledge from grades 7 to 9 (or year 7 to 9). In the latter, high schools provide general education from grades
10 to 12 (or year 10 to 12). Higher education is for bachelor degrees and above delivered through colleges and universities.

Public schools, particularly primary, secondary and high schools, are general education development centres for all, and services are free of charge for school-aged children. The public schools make up the bulk of the education sector and provide considerable employment for educational personnel; they also play the leading role in national human resource development. Through them, general and basic education and knowledge are delivered to young Cambodians who are expected to contribute to the country’s economic growth, sustainable development and poverty reduction.

**The chosen public schools in Phnom Penh city and Kampong Cham province**

Six public schools were chosen for this research: two in Phnom Penh city and four in Kampong Cham province. The Phnom Penh schools are in the nation’s capital and are representative of urban schools. The Kampong Cham schools are in the largest province in terms of the size of population and educational personnel, most of whom are teachers. These schools in this province were chosen to represent public schools in the provincial rural areas in Cambodia.

As I had already built up good relationships with many key government officials, particularly in the education sector, at both national and sub-national levels, I found it relatively simple to get permission for data collection in the selected schools. More importantly, I had a good rapport with school principals in both places, which was particularly important to this research. Information and perceptions on the relationship between pay and performance were drawn from 30 principals and teachers in these six public schools. Those interviewed were between 25 to 54 years old and 13 of them (43.3 per cent) were women. The information was obtained by means of questionnaires comprised of open-ended and closed questions. The interviews were conducted in two separate periods.

The first round of interviews was in 2008 when 24 principals and teachers participated. All participants were asked the 14 questions set out in Appendix 7. All respondents agreed to
cooperate with me and understood the purpose of the study despite the fact it was during the general election (see Chapter 4). All 24 respondents said that the research questions on pay and performance were quite acceptable and did not have noticeable political implications relating to the election. However, their responses to some questions were still unsatisfactory; the most likely reason was that they avoided political matters. In 2009, a second round of interviews was carried out to clarify the responses to several questions. The schools selected for the first round of interviews were revisited. Eighteen of the principals and teachers who participated in the first round and six additional teachers (not all of the originally interviewed teachers were available) were interviewed.

**Presentations and analyses of the interview data**

In this section, the data obtained from the interviews are presented using the key themes identified in the introduction to this chapter.

**Perceptions of performance**

The first question (*How do you know when you are performing well?*) was designed to see how school principals and teachers perceived the notion of ‘performance’. Basically the principals and teachers described the notion of performance in two ways, depending on the terms of reference for their jobs. Principals said they focussed on achieving their jobs within the work plan and job description at the management level. Teachers, however, reflected on the actual results of their students such as students’ understanding and passing exams.

Five out of the six principals (83.3 per cent) perceived the notion of performance as being the implementation and achievements of their job descriptions in accordance with a work plan. Thus, one principal noted that “work is implemented and achieved... through a work plan and job description...”. Another principal (16.7 per cent) perceived the notion of good performance as being a reflection of the relationship between teaching and students’ results and capacity for understanding. He observed that the better the results of students as evidenced through assignments and exams, the better the teaching or performance of the teachers and principals.
Likewise, the majority of teachers (13 out of 18 or 71.5 per cent) identified the notion of good performance as being reflected in the link between teaching and students’ achievements principally the visible results in terms of students’ capacity to study and to understand what was taught. One teacher said: “Initially, I teach students. They understand and receive good results and through these my performance’s result is indicated tangibly. My good result is seen clearly in class.” Another teacher gave a similar perception of performance: “I can see tangible results when students are able to understand quickly and easily, and they like studying too.” Students’ capacity for understanding was derived through questions and answers. As one teacher put it, “... after teaching, I can know how much they learned via my questions and their answers...”.

Four teachers out of 18 (22.0 per cent) perceived the notion of performance, and also good performance, as being concerned with job descriptions and/or assignments plus having sufficient resources. As one teacher observed: “I have to know my job description and responsibility from when I start to when I finish my work. In addition, I have to have sufficient resources for teaching through which students can be actively involved.” One teacher interviewed (5.5 per cent) did not give any opinion.

The achievements of job descriptions and assignments, as well as good student results were reflected via feedback and assessment which is known as ‘performance appraisal’ in the organisation. There was a common perception that they knew their levels of performance through feedback and regular assessments. The former could be manifested through self-reflection on job descriptions and in feedback from students, colleagues, superiors and the community (student’s parents). In relation to feedback from students, one respondent said: “Student results are reflected in their assignments and assignment marks. I can see how good they are and what per cent have passed.” Another respondent referred to feedback from colleagues, superiors and the community.

*Feedback is given by school management teams and colleagues... as well as the community. Particularly when children return home, they tell their parents and people in the community about my strength for teaching what they have learned and adopted... and most children do not tell my weaknesses.*

The official assessments of teachers could also be seen through a formal performance appraisal, an event held regularly and which entailed monetary and non-monetary rewards for
good performance. One respondent explained that “evaluation is made by the principal, head of Technical Committee and district officials... it is through them I can know what the result [of my teaching] is”.

**Factors which encourage performance**

Although principals and teachers had different terms of reference, there were common elements in their jobs and they shared the working environment of the school. When asked about what encouraged them to perform their jobs (Question 2: *What encourages you to perform your tasks and duties?*), they reported similar factors. Even so, there was considerable variation in the responses obtained. Most of them identified more than one factor. Overall, 15 factors were identified by 23 respondents as listed in Table 7.1 below. One respondent did not answer.
Table 7.1: Principals’ and teachers’ views on factors that encourage performance

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support, motivation from being valued by students, colleagues, parents,</td>
<td>14</td>
<td>60.8</td>
</tr>
<tr>
<td>management team and/or local authority</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional conscience or professionalism</td>
<td>10</td>
<td>43.4</td>
</tr>
<tr>
<td>Honour incentives: honour rolls, certificates and non-verbal praise</td>
<td>9</td>
<td>39.1</td>
</tr>
<tr>
<td>Responsibility/duty</td>
<td>3</td>
<td>13.0</td>
</tr>
<tr>
<td>Verbal appreciation/praise</td>
<td>3</td>
<td>13.0</td>
</tr>
<tr>
<td>Monetary reward</td>
<td>3</td>
<td>13.0</td>
</tr>
<tr>
<td>Like children</td>
<td>2</td>
<td>8.7</td>
</tr>
<tr>
<td>Increase in pay</td>
<td>2</td>
<td>8.7</td>
</tr>
<tr>
<td>Supplementary incomes (unofficial fees)</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Future personal growth and opportunity</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Enjoy the job</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Good working environment</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Contribution to social development</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Social status</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Pay (to contribute to the cost of living)</td>
<td>1</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Table 7.1 shows that the most commonly identified encouragement factor was the support and motivation that came from being valued by students, colleagues, parents, management team and/or local authority. This factor was cited by 14 out of 23 respondents (60.8 per cent). A typical respondent referred to several of these sources of motivation and inspiration. “There are some motivations from parent community, supervisors and colleagues.” Another respondent also acknowledged the fact of support, motivation or inspiration from parents and colleagues but added technical team and local authorities as well: “Support and motivation came from colleagues, technical team, parent community and local authorities.” Another respondent identified just the fact of support, motivation or inspiration from students. “When
students understand and they want to learn, this circumstance inspires me to teach and to exercise my knowledge for them as much as possible.”

‘Professional conscience’ or professionalism was cited by ten respondents (43.4 per cent), and this was followed by honour incentives (covering such as honour rolls, certificates and non-verbal praise), which was identified by nine respondents (39.1 per cent) as a factor that encouraged them to perform their jobs. One respondent noted how she was motivated by her ‘professional conscience’ or professionalism to teach children. “It is my ‘professional conscience’... to educate and develop children as well as to transfer my knowledge to them. I enthusiastically want to teach them ten words and they can absorb all or they can remember all.”

Responsibility and duty, verbal appreciation/praise, and monetary reward were each cited by three respondents (13.0 per cent) while the factors of like children and increase in pay were each identified by two respondents (8.7 per cent). The remaining factors are presented in Table 7.1. They are supplementary incomes (unofficial fees), future personal growth and opportunity, enjoying the job, good working environment, contributing to social development, social status and pay (to contribute to the cost of living) and were each identified by only a single respondent.

Clearly, there was wide variation in the responses given to this question about what encourages good performance. The respondents could identify many encouraging factors but only the factors of support, motivation or inspiration from students, colleagues, parent community, management team and/or local authority drew a great level of agreement from principals and teachers: it dominated the considerations of the interviewees.

**Factors which discourage performance**

When asked what discouraged them from performing their jobs (Question 3: *What discourages you in performing your duties and tasks?*) Again a variety of answers was given. Some respondents identified up to four factors while others focussed on only one or two. Altogether, 12 separate factors were identified by 23 respondents while one did not respond. The factors identified are presented in Table 7.2.
Table 7.2: Principals’ and teachers’ views on factors discouraging performance

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low pay</td>
<td>13</td>
<td>56.4</td>
</tr>
<tr>
<td>Little support and motivation from parents or the government</td>
<td>5</td>
<td>21.7</td>
</tr>
<tr>
<td>Complaints from colleagues and superiors about job performance</td>
<td>3</td>
<td>13.0</td>
</tr>
<tr>
<td>Failure of student discipline</td>
<td>3</td>
<td>13.0</td>
</tr>
<tr>
<td>Colleague discouragement and voicelessness</td>
<td>2</td>
<td>8.7</td>
</tr>
<tr>
<td>Insufficient resources</td>
<td>2</td>
<td>8.7</td>
</tr>
<tr>
<td>Bribes to higher levels in hierarchical system</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Lack of recognition of job performance</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Little opportunity for further education/studies</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>No punishment for poor performance</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Unsatisfactory working environment</td>
<td>1</td>
<td>4.3</td>
</tr>
<tr>
<td>Intervention by outsiders to pass exams</td>
<td>1</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Table 7.2 shows that the most commonly cited factor of discouragement was the low pay resulting in an unsatisfactory standard of living even though respondents were told to exclude the pay factor because it was the focus of a separate question. Thirteen out of 23 interviewees (56.4 per cent) clearly identified low pay resulting in unsatisfactory standard of living as a major factor of discouragement in the way they performed their jobs. One respondent said that “salary is the major factor of demotivation in my job performance”. Two other respondents echoed that salary was the most important aspect of their jobs. One stressed that “as human beings, the most important things are standard of living and salary as it determines everything...”, while the other noted that “not only I but also my colleagues... think that salary is the single most important factor to discourage us from performing well”.

Another interviewee linked her low pay to standard of living and her job performance and even compared it to other workers’ salaries.
When salary does not meet subsistence level, I am not actively doing my best... and even more I am disappointed and demotivated when I see my salary which is very low compared it to other public servants in the government, houses of representatives and even private sector who are paid hundreds of dollars per month.

One principal complained that the low level of pay produced a number of adverse consequences including the difficulty of performing effective leadership and supervision in the workplace, and also the staff leaving their teaching responsibilities while undertaking second jobs.

The factor which demotivates me is low salary for my staff. It is difficult to lead and supervise those who are starving. Many issues are always arising. Consequently, many staff request to be on leave in order to do second jobs for surviving. This is a bad demotivation. Sometime, I want to resign because I am not quite sure how to motivate them to perform well.

It is commonly understood in Cambodia that civil servants, including teachers and principals, pay less attention to their tasks and duties than they should because they work under poor pay conditions. As a consequence, they seek other sources of income to fill the gap between their state salaries and the cost of living. The focus of the next four questions will deal with teacher and principal performance in response to low pay.

Little support and motivation from parents and the government was offered by five out of 23 respondents (21.7 per cent) as a factor discouraging their job performance. For example, one respondent complained that

The government does not pay strong attention to the education sector, particularly teachers... Today, teachers are regarded as ‘rubbish’. Even more, a few students’ parents considered us as useless people because their children cannot find jobs after school.

Another interviewee made similar observations by comparing teachers’ status in the pre-Khmer Rouge regime in the 1960s with the current situation: “Students’ parents look down on teachers who cannot be compared to teachers in the Sangkhum reasr nyum [the Popular Society or People’s Socialist Community in the 1960s]”. At first sight, this factor appears to be at odds with the most cited factor of encouraging performance in Question 2 (Support and
Complaints from colleagues and superiors about job performance, and failure of student discipline were each cited by three respondents (13.0 per cent), and were followed by colleague discouragement and voicelessness, and insufficient resources in the workplace, each identified by two respondents (8.7 per cent). The remaining factors were each identified by only a single respondent (4.3 per cent) as factors discouraging their job performance. These factors included bribes to higher levels in the hierarchical public service system, lack of recognition of job performance, little opportunity for further education/studies, no punishment for poor performance, unsatisfactory working environment, and intervention by outsiders to pass exams.

All respondents could easily identify discouraging factors but only low pay was cited by a majority of the respondents. While a lot of other demotivating factors were cited, there was not a great deal of agreement as to what they were.

**Current pay and other sources of additional income for daily expenses**

The next question (Question 4 in Appendix 7) contained two parts and specifically addressed the matter of pay. Interviewees were first asked a closed ‘Yes’ or ‘No’ question – *Is your current pay sufficient to cover your family’s daily expenses?* Then they were asked, *If “Not” how do you cover your family’s daily expenses?* A set of answers was given to interviewees to tick in answer to the latter question. For this question, there were 30 respondents who participated. Twenty-four of these respondents were involved in the first round, but the answers obtained were inconclusive. Thus, a second round of interviews was carried out to clarify and cross check with the earlier responses to the question. The schools selected for the first round of interviews were revisited for the second. However, some of teachers from the first round were unavailable and so six other teachers were questioned in the second round in order to retain the sample size.

When asked this question, a common answer was given. All respondents (30 out of 30 or 100 per cent) answered ‘No’; that is, they said their current state salaries were not sufficient to cover their daily expenses. According to the interviewees, their current pay could cover
between 25.0 to 70.0 per cent of their basic costs of living. In this wide range, eight interviewees (26.6 per cent) claimed that their pay could cover up to 50.0 per cent, five (16.7 per cent) perceived that their pay could cover 60.0 per cent, three (10.0 per cent) said 30.0 per cent, two (6.7 per cent) reported 25.0 and 70.0 per cent, and one (3.3 per cent) claimed 40.0 per cent to the cost of living. The additional income needed to cover the teachers’ and principals’ cost of living came from other sources of income.

When all reported ‘No’ – that their current salaries were not sufficient to cover cost of living – a sub-question was then asked to find out what they did in response to the shortfall between cost of living and their current salaries. All (100 per cent) claimed they had at least one other source of income to fill the gap. These sources of income are presented in Table 7.3.

Table 7.3: Principals’ and teachers’ views on other sources for additional income

<table>
<thead>
<tr>
<th>Other sources for additional income</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>My family members also work</td>
<td>22</td>
<td>73.3</td>
</tr>
<tr>
<td>Providing paid tutoring before and/or after class</td>
<td>16</td>
<td>53.3</td>
</tr>
<tr>
<td>Working part time elsewhere</td>
<td>10</td>
<td>33.3</td>
</tr>
<tr>
<td>‘Other’</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td>Selling in class: goods and/or documents to students</td>
<td>2</td>
<td>6.7</td>
</tr>
<tr>
<td>Require students to pay daily/monthly for my teaching</td>
<td>1</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Table 7.3 shows that other family members also working was the most common source of additional income and it this helped to cover their family’s daily expenses. This factor was identified by 22 out of 30 respondents (73.3 per cent). Providing paid tutoring before and/or after class was the second most mentioned source of additional income: it was identified by 16 respondents (53.3 per cent). This was followed by working part-time elsewhere which was cited by ten respondents (33.3 per cent). ‘Other’ sources of income, which included house rental fees, unofficial fees and teaching with double shifts, were identified by four respondents (13.3 per cent). Selling in class, including goods and/or documents to students
was noted by two respondents (6.7 per cent), while requiring students to pay daily/monthly for teaching was cited by only a single respondent (3.3 per cent) as their source of additional income.

One respondent observed that he could make a decent living by combining the incomes from his salary, a family business, and contributions from other family members to cover the daily expenses.

... my salary can cover 50.0 per cent of my cost of living while the remainder is covered by income from the family’s business... I can make it through my family business. I have invested in a business to make a living. In short, nowadays I can conclude that I cannot work alone to make a living for a whole family. Other members have to work as well to make incomes for a decent living. By the way, I have to manage to come to work here while doing other jobs with family members to make a living.

Another respondent relied on the combination of incomes from her teacher’s salary and additional fees earned from providing paid tutoring before and/or after class.

I am a teacher in Khmer literature. I don’t sell any documents to students, rather I provide paid tutoring. If formal class starts at 1.00pm, then I come at 12.00pm and I teach until 1.00pm. If I sell documents to them, it seems to destroy my rice cook [to cut off my source of income]... So, I do better by providing paid tutoring. If they attend, they know more. If they don’t, they go adrift.

However, another interviewee did not work elsewhere or provide paid tutoring, he just requested students to contribute some money daily. “Today, students are our payers. They contribute as much as they can.”

To cross-check what principals and teachers did to cover the shortfall in their current salaries, another closed question with a set of given answers was posed (Question 5 in Appendix 10). Twenty-three out of 24 respondents observed that other principals and teachers had similar sources of income to cover their living cost while one respondent did not answer. Sources of additional income for their colleagues are summarised in Table 7.4 and confirm that all principals and teachers derive additional income from a similar range of sources.
Table 7.4: Principals’ and teachers’ views on their colleagues’ additional incomes

<table>
<thead>
<tr>
<th>Other sources for additional incomes (from their colleagues)</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proving paid tutoring before and/or after class</td>
<td>22</td>
<td>95.5</td>
</tr>
<tr>
<td>Their family members also work</td>
<td>14</td>
<td>60.8</td>
</tr>
<tr>
<td>Working part time elsewhere</td>
<td>13</td>
<td>56.4</td>
</tr>
<tr>
<td>Selling in class: goods and/or documents to students</td>
<td>5</td>
<td>21.7</td>
</tr>
<tr>
<td>Require students to pay daily/monthly for their teaching</td>
<td>5</td>
<td>21.7</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>8.7</td>
</tr>
</tbody>
</table>

According to Table 7.4, providing paid tutoring before and/or after class was recognised as the most common source of additional income for other teachers being identified by 22 out of 23 respondents (95.5 per cent). Whereas it only appeared in second position in Table 7.3 (in Question 4). Family members also working, and teachers and principals working part-time elsewhere, were cited as other sources of additional income by 14 respondents (60.8 per cent) and 13 respondents (56.4 per cent) respectively. Selling in class, including goods and/or documents, to students was identified by five respondents (21.7 per cent) while requiring students to pay daily/monthly for their teaching and ‘Other’ were each cited only by two respondents (8.7 per cent).

The survey clearly demonstrated that the state salary of just one income-earner was not sufficient to cover a family’s daily expenses. Other sources of income were needed to help provide a decent living. This is the situation that has discouraged them from performing their jobs well (as indicated in Question 3). They seek alternative sources of income and thus divert their attention from their primary duties in schools. This is the behaviour that is likely to adversely affect their quality of performance in the public function (teaching).

**Pay as a factor affecting performance**

To perceive how pay is important in relation to job performance, another closed or ‘Yes’, ‘No’ or ‘Do not know’ question was asked (Question 6: *Do you think pay is an important*
factor in determining your performance?). In this question, 23 out of 24 people responded while one did not answer at all. The vast majority (21 out of 23 respondents or 91.3 per cent) answered ‘Yes’, pay was an important factor and they said that the current amount of pay impinged adversely on the quality of their performance. They simply thought that when their pay did not meet their costs of living; with the low pay they gave less attention to their public jobs while looking for other sources of income such as unofficial fees and/or second jobs as presented earlier. Two (8.7 per cent) answered ‘Do not know’

Although it was a closed question, some respondents still provided comments on how pay was important in relation to their job performance. One respondent claimed that “salary is very important for stimulating job performance to be better”. Another also acknowledged this importance and linked job performance with sources of additional income.

If civil servants are paid properly [at subsistence level], they will not spend their business hours doing other jobs. Rather, they totally focus on their main jobs here. Hence, they can perform their jobs very well.

Other respondents made similar statements on the importance of pay and indicated that the quality of job performance was adversely affected by the low level of pay.

In fact, it is important. If salary is paid at subsistence level, teachers would not worry about their standard of living. Rather, they would focus on their teaching job. Unfortunately, salary is not enough and it is a factor to damage the quality of performance and education because teachers pay less attention to their teaching job.

For this reason, another interviewee remarked on how all teachers and principals have second jobs or at least have a second income to make their living.

Since I have worked here, those at higher level (‘Thnak leu’) have always reminded and iterated that salary cannot cover cost of living. Thus, you should have other jobs to support your standard of living. Therefore, it is very rare that anyone here does not have a second job.

Thus, the overwhelming majority identified pay as important in relation to performance; specifically they stated that pay was inadequate to cover living costs and that teachers and principals needed to find other sources of income. It was this pursuit that negatively affected their performance in schools.
Increased pay and performance

Continuing the focus on pay, another closed or ‘Yes’, ‘No’ or ‘Do not know’ question was asked (Question 7: *Do you think increased pay will result in better performance by you*?). To this question, 23 out of 24 people responded while one did not answer at all. All who responded (23 out of 23 or 100 per cent) answered ‘Yes’. They thought that increased pay would result in better performance. Notably though they added the proviso that the increase should at least take their salary up to subsistence level. Three respondents (13.0 per cent) also cited other factors such as ‘professional conscience’ or professionalism, capacity and/or rule enforcement, particularly at the workplace as being factors influencing performance but this was in association with pay.

One interviewee argued that the level of pay increase should enable her to meet her cost of living, otherwise there would be no difference in her performance:

> When salary is reasonably increased, especially when it is comparable to the cost of living, it would make me satisfied and then I could perform my job well accordingly. If the salary is increased but it is not balanced to the cost of living, there will be no change.

Another interviewee believed that an increase in pay would result in better performance by her as she would then be able to focus more on her job; this would include doing more research and reinforcing student discipline. Furthermore, she believed that she and other teachers would not be so mentally affected by external social factors and students’ valuation of them, prestige and behaviour, particularly the bribes made to teachers for passing students in their exams.

> I would perform my job better. I would do more research in order to improve the quality of both the students’ and my skills and knowledge.... Also student discipline would be reinforced accordingly. Students would listen to and respect teachers who can enjoy a higher living standard; and external influence would not be exercised over teachers. It is commonly understood that if standards of living of teachers are lower than students, teachers can be under students’ influence [social value, prestige and behaviour] although they try to maintain their professional conscience.
Another interviewee also acknowledged the importance of increased pay but said that any increase should be to an amount above the basic need; he also called for raising the status of teachers and for reinforcing the code of conduct at the workplace.

*I think if teachers are paid better but not just to meet basic need, our performance will be better too. [However], if pay is given, especially to cover only three meals a day, there will be no difference from what we are now. In contemporary society, teachers should be appreciated and valued. In fact, we are considered as a humble class... We are less valued compared to [other civil servants] in other institutions. ... If there was any reform to improve teachers’ standards of living, and to reinforce the code of conduct, we would be motivated to perform well.*

Other interviewees also believed that increased pay was a good way to encourage government staff to perform better but said that better performance also depended on professional conscience. One said that “an increase in pay can accelerate our performance. But it does not work 100 per cent alone because good performance also comes from professional conscience”; another said that “professional conscience and satisfactory standard of living [subsistence level of pay] have to go together”.

All respondents indicated that an increase in pay would work effectively on performance if the increase was at least to subsistence level. However, three of them added other factors thinking these also were required to improve their job performance. Therefore, it was believed that an increase in pay at least to subsistence level was a key factor and impetus to encouraging principals and teachers to perform their jobs better, although in some circumstances other factors such as professional conscience or professionalism, capacity and/or rule enforcement at the workplace were also thought necessary.

**Why people become teachers and principals**

It is commonly understood that in Cambodia teaching is a job with very limited career prospects, and also very little chance of pay-grade advancement, education development, job training opportunities, and overseas missions. Low pay along with these limitations makes the situation even worse. However, many people are still working in and even entering this career. Given these circumstances, Question 8 asked: *You know that pay is very low in teaching and perhaps all public service jobs, so why did you become a teacher/principal?*
This question was also a closed question with a set of answers provided for respondents to tick off (Appendix 7). For this question, principals and teachers gave similar responses as can be seen in Table 7.5.

### Table 7.5: Principals’ and teachers’ views on reasons for becoming a teacher/principal

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop human resources</td>
<td>25</td>
<td>83.3</td>
</tr>
<tr>
<td>Contribute to community and social development</td>
<td>23</td>
<td>76.6</td>
</tr>
<tr>
<td>Enjoy the job</td>
<td>22</td>
<td>73.3</td>
</tr>
<tr>
<td>Care for children</td>
<td>19</td>
<td>63.3</td>
</tr>
<tr>
<td>Other</td>
<td>14</td>
<td>46.6</td>
</tr>
<tr>
<td>Need a job</td>
<td>10</td>
<td>33.3</td>
</tr>
<tr>
<td>Secure employment</td>
<td>8</td>
<td>26.6</td>
</tr>
</tbody>
</table>

According to Table 7.5, ‘develop human resources’ was the most commonly cited reason given by respondents for becoming a teacher/principal being identified by 25 out of 30 respondents (83.3 per cent). ‘Contribute to community and social development’, and ‘enjoy the job’ were factors identified by 23 respondents (76.6 per cent) and 22 respondents (73.3 per cent) respectively; ‘care for children’ was identified by 19 respondents (63.3 per cent), while ‘Other’ was cited by 14 respondents (46.6 per cent). ‘Other’, here, included job-matching with degree, professional conscience, value and social status, unofficial fees, student’s contribution, and limited capacity. ‘Need a job’ was cited by only ten respondents (33.3 per cent) and ‘secure employment’ was an even less cited reason, being identified by only eight out of the 30 respondents (26.6 per cent).

Some typical responses are provided here by way of illustration. It is evident that generally, respondents pointed to combinations of reasons when accounting for themselves and others becoming teachers/principals. One respondent linked the three reasons – develop human resources, contribute to community and social development, and care for children. He noted,
For me, I have worked in this job since 1979 when I just survived from the Pol Pot regime. At that time, I had an idea to help children. I understood that most educated people were killed. I was not really a highly educated person. I just completed high school in the 1970s...But I saw our Khmer children were illiterate. Thus, I wanted them to be educated... I, together with other medium educated people, came to work as teachers because we intentionally and patriotically contributed to our country and cared for children. After 1979, our standards of living were miserable. Our ration for teaching job [instead of salary] was some potatoes, red corn and wheat, and later rice. Not very long after, we were supplied with some logistic rations and in late 1979 and the early 1980s, we were paid a monetary state salary of 65 riels per month.

Another respondent cited enjoyment of the job as a reason for remaining in the public service teaching.

_I enjoy this job because I am a woman for whom it is very hard to find other jobs. Teacher is a reasonable job for a woman... Furthermore, this job is reasonable for a woman who can educate children and can be a good parent in the family._

Enjoy the job was also mentioned by another respondent although they added other reasons as well, including a traditional perception of the teaching job, and an expectation of good pay.

_From the traditional perception, a teacher was thought to receive a good salary. Also I enjoy this teaching job. Furthermore, I expect that salary should not be inflexible. It would be reasonable to cover living cost one day._

Another respondent linked the need for a job and secure employment as reasons for being in this job but acknowledged the need to make income from other sources.

_Although salary is low, I still do this job... I can find another job which can be paid higher, but it is not secure employment. Thus I am better to be in this public job where I can look for alternative incomes to fill the gap [between state salary and cost of living]._

Another respondent cited social status and honour as benefits of the job but also noted the possibilities for earning extra income.

_The job gives me prestige, honour and social status... I am honoured to have a job... My salary is low, but I can make extra income to cover my living costs. As a principal, I can make unofficial fees from different ways. One of these_
ways is teachers receive some contribution from students but I get some amount from them. Teachers take from students while principal takes some from them, so we live together.

Reasons for staying in the jobs

The next question (Question 9) asked the interviewees why they stayed in their public service jobs if they were so poorly paid. This was a closed question with a set of answers provided (Appendix 7). Once again, there were no significant differences in the responses of principals and teachers. Six reasons for staying were given: these are summarised in Table 7.6.

Table 7.6: Principals’ and teachers’ views on reasons for staying in the job

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prestige and social status</td>
<td>17</td>
<td>70.7</td>
</tr>
<tr>
<td>Like children</td>
<td>14</td>
<td>58.2</td>
</tr>
<tr>
<td>Job security</td>
<td>12</td>
<td>50.0</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>29.1</td>
</tr>
<tr>
<td>Good rewards compared to other jobs for which I am qualified</td>
<td>6</td>
<td>25.0</td>
</tr>
<tr>
<td>Cannot find other jobs</td>
<td>3</td>
<td>12.5</td>
</tr>
</tbody>
</table>

As can be seen in Table 7.6, each interviewee identified several reasons for staying in the job. Prestige and social status was the most common. It was identified by 17 out of 24 respondents (70.7 per cent), and was followed by like children a reason identified by 14 respondents (58.2 per cent). ‘Job security’ was cited by 12 respondents (50.0 per cent) as a factor for staying in the job. ‘Other’, and ‘good rewards compared to other jobs for which I am qualified’ were cited by seven (29.1 per cent) and six interviewees (25.0 per cent) respectively. ‘Cannot find other jobs’ was the reason least cited, being identified by only three respondents (12.5 per cent). The responses to this question are reinforced when cross-checked with the reasons given for becoming teachers and principals identified in Question 8.
The quality of performance and working hours in response to rewards/compensation

The next question linked the quality of performance to rewards and compensation (Question 10: *How do you perform in response to your rewards/compensation*?). In this closed question, each interviewee cited only a single answer selected from a set of answers provided, and 30 people were interviewed. There was no variation between teachers and principals. Their responses are summarised in Table 7.7.

**Table 7.7: Principals’ and teachers’ views on the quality of their performance**

<table>
<thead>
<tr>
<th>Quality of performance</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective</td>
<td>21</td>
<td>69.9</td>
</tr>
<tr>
<td>Sometimes effective and sometimes not</td>
<td>6</td>
<td>20.0</td>
</tr>
<tr>
<td>Very effective</td>
<td>3</td>
<td>10.0</td>
</tr>
<tr>
<td>Not effective</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Not effective at all</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

The results recorded in Table 7.7 show that the majority of interviewees (21 out of 30 interviewees or 69.9 per cent) reported that they performed effectively even though their pay was low. Three of them (10.0 per cent) said they even performed their jobs very effectively while six interviewees (20.0 per cent) ranked their performance quality at sometimes effective and sometimes not. Not effective and not effective at all were not cited by any interviewee; that is, no one believed that their low pay was reflected the quality of their performance.

Several common responses were given in support of their belief in the quality of their performance. One stressed that she performed very effectively regardless of how much she was paid as her thoughts about work and pay were overridden by her responsibility and obligation in her professional job as a teacher. “My performance is very effective although my salary is low. I still perform very well because it is my obligation.” Another interviewee
observed that his salary was important for his living cost. However, his professionalism in teaching was even more important.

*In fact, we cannot rule out our salaries for covering our standard of living. But, we cannot either think about these salaries while leaving children behind. We have to help them. We are motivated by our professional conscience to help them.*

Another interviewee made a similar observation; he believed he performed effectively because he was motivated by his professionalism.

*My performance is effective. It does not depend on salary. In fact, when I do my teaching job, my conscience is rooted into students who are considered as my children, brothers, sisters or relatives. So, I intentionally want to develop them although my salary is low. I do all I can to be accountable to them.*

Professionalism was also recognised by another respondent as a key motivator to performance.

*My performance is effective. Importantly, I like my professional job and I am willing to educate students because the country depends on human resources... Students will become Tombang snang rouesey, [literally bamboo-shoot replaces bamboo, but here is used to mean youth replaces the older person]...* 

Another interviewee added time considerations: she did not teach for the salary but used her time effectively; she was a good teacher while doing this job.

By comparison, one other interviewee estimated his quality of performance as sometimes effective and sometimes not, and related this judgement to involvement in taking unofficial fees from his job.

*My performance is sometimes effective and sometimes not... If we don’t have any extra unofficial fees and we rely on our state salaries, our performance would be a bit relaxed and poor... We cannot achieve our job description and assignments on time... Fortunately, we have some extra unofficial fees. We share these together [with his colleagues]. We can make a living...* 

The same interviewee noted that other government staff, particularly principals, who were also involved in taking unofficial fees in their jobs.
From interviewees’ responses, then, there appears to be several key factors contributing to their performance. First, their performance was motivated by their professional conscience or professionalism and the resulting obligation to teach well regardless of their official pay. Second, they had different sources of incomes: official pay and additional incomes whether from providing paid tutoring before/after class; working part-time elsewhere; family members also working; requiring students to make financial contributions; and selling items in class (Questions 4 and 5). The combination of incomes was usually sufficient to cover their cost of living. Third, the self-assessment of performance unsurprisingly produced positive evaluations.

We should be somewhat cautious in taking these estimations at face value. The majority said they performed ‘effectively’ and ‘very effectively’, but perhaps they were being defensive of their images and they saw themselves as professionals so they paid ‘lip service’ to performance. It is possible they pretended to teach while the government pretended to pay them a living wage. In other words, they were playing ‘lip service’ to performance. Another factor that may have contributed to their quality of performance is their average working hours which is the focus of the next question.

Question 11: *(How many hours do you work in school and/or preparation out of school per day?)* was asked to probe interviewees about their working hours which, as has seen above, were associated with the quality of performance. Principals were not asked this question because most of them did not teach. The responses of the 18 teachers are presented in Table 7.8.

**Table 7.8: Teachers’ views on working period**

<table>
<thead>
<tr>
<th>Working period</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 hours in school</td>
<td>9</td>
<td>50.0</td>
</tr>
<tr>
<td>More than 4 hours in school</td>
<td>9</td>
<td>50.0</td>
</tr>
<tr>
<td>2-4 hours for preparation out of school</td>
<td>7</td>
<td>38.9</td>
</tr>
<tr>
<td>More than 4 hours for preparation out of school</td>
<td>1</td>
<td>5.6</td>
</tr>
<tr>
<td>Less than 4 hours in school</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Table 7.8 shows that ‘four hours in school’ and ‘more than four hours in school’ were each identified by nine interviewees (50.0 per cent) as their official working hours per day in school. In addition, seven interviewees (38.9 per cent) spent 2-4 hours for preparation out of school while only one interviewee (5.6 per cent) spent more than four hours for preparation out of school. The majority, then, did not report spending time for preparation out of school.

The teachers who worked more than four hours in school generally did double shifts because the average business hours for a teacher are usually not more than four hours a day. According to the responses, the accepted working hours for teachers were: 16 hours per week for teachers at high school; 18 hours per week for teachers at secondary school; and 20 hours per week for teachers at primary school.

This pattern is half the hours for general government personnel (non-teachers) who are required to work eight hours a day and five days a week or 40 hours a week (Chapter 3). Thus, the number of business hours for teachers could be a factor contributing to the self-estimated high quality of performance because they worked an average of only four hours a day in their teaching jobs. This gave them plenty of time to undertake second jobs.

**Incentives in the workplace**

The next question investigated whether there were incentives in the workplace that may have had an impact on performance. Specifically, Question 12 asked: From your experience in your workplace, are there any performance incentives to improve your performance? Yes or no? If ‘Yes’ what are they how effective are they? Although principals and teachers made similar observations in replying to this question, varied answers were given. Some respondents gave detailed responses so that many incentives were identified as can be seen in Table 7.9. For this question, 30 people were interviewed, 29 people responded while one declined to answer. All respondents who participated (29 out of 29 respondents or 100 per cent) acknowledged the existence of some performance incentives in the workplace. Some responses overlapped with the information already given for the previous question (Question 2) about encouraging them to perform their jobs.
Table 7.9: Principals’ and teachers’ views on incentives in the workplace

<table>
<thead>
<tr>
<th>Incentives</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honour incentives: honour rolls, certificates and medals</td>
<td>16</td>
<td>55.0</td>
</tr>
<tr>
<td>Student support: enrol, study, understand and appreciate</td>
<td>14</td>
<td>48.2</td>
</tr>
<tr>
<td>Verbal appreciation/praise</td>
<td>11</td>
<td>37.8</td>
</tr>
<tr>
<td>Recognition: from superiors, students and their parents</td>
<td>10</td>
<td>34.4</td>
</tr>
<tr>
<td>Colleague support and cooperation</td>
<td>8</td>
<td>27.5</td>
</tr>
<tr>
<td>Community support and motivation</td>
<td>7</td>
<td>24.1</td>
</tr>
<tr>
<td>Monetary incentives: 80,000 riels (US$20) to 300,000 riels (US$75)</td>
<td>6</td>
<td>20.6</td>
</tr>
<tr>
<td>Field visits/study tours</td>
<td>3</td>
<td>10.3</td>
</tr>
<tr>
<td>Good working environment: classes, tables, chairs and other relevant teaching resources</td>
<td>2</td>
<td>6.9</td>
</tr>
<tr>
<td>Promotion (from teacher to head of teaching technical team)</td>
<td>1</td>
<td>3.4</td>
</tr>
<tr>
<td>Family support</td>
<td>1</td>
<td>3.4</td>
</tr>
<tr>
<td>Supplementary allowances or incomes: mission, second jobs or unofficial fees</td>
<td>1</td>
<td>3.4</td>
</tr>
<tr>
<td>Salary/pay (with expectation of getting higher pay)</td>
<td>1</td>
<td>3.4</td>
</tr>
</tbody>
</table>

As listed in Table 7.9, the respondents identified a wide range of incentives that included both monetary and non-monetary rewards. The incentives identified have been classified into 13 categories. There was no common agreement as to which incentives were most important. The most cited incentive, the honour incentives, was identified by just 55.0 per cent of the respondents.

The honour incentives which cover such things as honour rolls, certificates and medals were identified by 16 out of 29 respondents (55.0 per cent). Student support, which covered enrolment, study, understanding and appreciation from them, was the second most popular incentive, identified by 14 respondents (48.2 per cent). Principals and teachers saw these as
incentives that encouraged them to do their jobs professionally, and even to work harder and perform better. They also saw other incentives such as verbal appreciation/praise (cited by 11 respondents or 37.9 per cent); recognition from superiors, students and parents (cited by ten respondents or 34.4 per cent); colleagues’ support and cooperation (cited by eight respondents or 27.5 per cent); community support and motivation (identified by seven respondents or 24.1 per cent); monetary incentives between US$20 and $75 (provided by six respondents or 20.6 per cent); and field visits/study tours (identified by three respondents or 10.3 per cent). The remaining incentives were each cited by one or two respondents only.

One interviewee indicated that he received the honour incentive regularly for his good performance in the workplace. He said he was “frequently...awarded an honour certificate for good performance by the Education Office of Chamkar Leu district”. Another interviewee made a similar observation on honour incentives, but added verbal appreciation and praise from her superiors also motivated her to work harder and perhaps better. As she put it:

*I am appreciated by the management panel for good performance. Sometimes, I am awarded a medal by the Municipal Office [of Education, Youth and Sports]. These motivating incentives made me happy and wanting to teach better.*

Recognition as a good teacher and being given priority in doing anything associated with her teaching job was identified by on interviewee.

*... I am generally given priority for doing anything. ... because the fact is that he [principal] regards me as a good teacher and he gives me priority in doing something associated with my teaching job. Thus, I have to try my best even further to do my job assignments.*

Another interviewee spelled out colleague support and cooperation:

*I am supported and motivated by friends and colleagues, particularly teachers here, who are actively involved in my work plan. This work plan is generally associated with education, and teacher and staff activities.*

The same interviewee also acknowledged student support as another incentive. This came particularly by means of student progress whereby students advanced in their studies and then got jobs.
Extra incomes, particularly unofficial fees, were also an incentive for some respondents as these encouraged them to sustain their job performance. One respondent revealed that,

> When we have some unofficial fees, we are motivated to perform our duties and tasks within the timeframe... [However], if we rely on our low salaries, we cannot do our job... Higher officials have known these sources of unofficial fees including providing paid tutoring after class, [selling documents, student’s contribution to teachers...]. Because of these unofficial fees we can cover our cost of living, and we, the school management team, staff and teachers, are motivated to do our jobs.

**Organisational culture and performance**

As was noted in Chapter 2, there are other significant factors which influence performance in the workplace, particularly organisational culture and politics. Specifically the former is examined in this section. When asked about organisational culture in relation to performance in their workplace (Question 13: Do you think there are organisational culture influences on your performance? What, why and how?), the principals and teachers made no outstandingly different observations probably because they shared jobs of much the same nature, work environment and institutions. For this question, 30 people were asked but only 26 people responded. Of the 26 respondents, many provided detailed responses but some made only a few remarks. These respondents generally believed there was an organisational culture which had both negative and positive impacts on their performance in the workplace. Most of them (24 out of 26 respondents or 92.3 per cent) identified only one expression of organisational culture although two cited more than one. Organisational culture was thought to be manifested in three ways. These are summarised in Table 7.10.
Table 7.10: Principals’ and teachers’ views on typical expressions of organisational culture

<table>
<thead>
<tr>
<th>Typical expressions</th>
<th>Number of respondents</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adherence to professional conscience or professionalism</td>
<td>21</td>
<td>80.6</td>
</tr>
<tr>
<td>Supplementary incomes: unofficial fees, student’s contribution, and selling in class like documents and goods to students</td>
<td>5</td>
<td>19.2</td>
</tr>
<tr>
<td>Passivity and tolerance</td>
<td>2</td>
<td>7.7</td>
</tr>
</tbody>
</table>

As is evident in Table 7.10, adherence to professional conscience or professionalism was identified by 21 out of the 26 respondents (80.6 per cent) as being an expression of organisational culture in their workplace. The practices of having supplementary incomes including unofficial fees, student’s contribution, and selling documents and goods to students in class, and passivity and tolerance were expressions of organisational culture cited by five respondents (19.2 per cent) and two respondents (7.7 per cent) respectively.

‘Adherence to professional conscience’ was a key expression of organisational culture influencing their performance. They claimed that they practised ‘high uncertainty avoidance’ in their professional jobs, just doing the tasks that were assigned in their job description and they were told to do by their superiors. By doing so, they could perform well and achieve their targets. As one respondent noted: “As a teacher, if I don’t perform my job properly, the class and school would be closed. I have to abide by the code of practice. And I have to teach according to my plan.”

Another respondent made a similar observation of how he adhered to his job description, and he could achieve his target.

... I have practised five steps in teaching. The first step is general supervision, the second step is lesson’s review, third step introduces new lessons, fourth step improves knowledge, and fifth step is homework. I am flexible within these five steps. I achieve positive results and I can complete a teaching plan on time
and according to the Ministry’s target. I am not complained about for doing an incomplete job or one not on target.

Another respondent explained a little differently how and why adherence to professional conscience or professionalism influenced his and other teachers’ performance.

School is more disciplinary than other institutions because it has precise timetables and clear job descriptions. For example, classes start at 7am. Students have to be in classes by 7am while teachers must be present as well. In the case that the teacher doesn’t turn up, students would be uncontrolled, undisciplined, unruly and all over the place. So, if it happened, everyone would know. By the way, teachers are praised for their punctual and good performance, namely for always turning up just more or less at 7am following their timetable and job description.

Thus, adherence to their professional conscience or professionalism was an expression of organisational culture which reinforced their performance. In this sense, their performance was apparently guided by the values associated with professionalism towards their jobs.

Unlike the practice of professionalism, the practice of supplementary incomes was thought to harm the quality of performance and to do so directly for two reasons. First, staff took business hours to undertake these activities and second, they took unofficial fees for what they should have provided to the public free of charge as components of their public service employment. Even so, one interviewee defended such practices as follows,

Inevitably, some teachers sell documents while teaching. Now, we are different from the past practice when we did not have photocopiers. Teachers were then asked to write on the blackboard... Nowadays, we are in a modern technology era. We have computers and photocopiers. Students just want their teachers to make photocopies and sell these to them. This practice has become a culture.

Another interviewee admitted that he and his colleagues took unofficial fees for dealing with student enrolments and school transfers although the practice is against the formally prescribed rules in the sector.

When a students’ enrolment is in place, teachers are paid unofficial fees for writing a receipt... In fact, principally, we are not permitted by the Ministry and the Municipal Office to take bribe/unofficial fees. But they [children] do not have all the necessary supporting documents as required, so then we take unofficial fee [for fixing this gap]. Every school works this way. [Another
source of unofficial fee] they [teachers] are paid an unofficial fee for doing a student’s school transfer.

The payment of unofficial fees was also acknowledged by another interviewee as expressing organisational culture. It involved staff at all levels in the system, and money passed up the hierarchy.

Corruption involves junior and senior officials in the hierarchy... I am given contributions by students. At the same time, I have to give some amount to the school management team, in the same way; the school management team gives some amount to the district office which pays something higher level in the system.

This expression of organisational culture was thought to negatively impinge on the respondents’ performance in the public service as they not only used business hours for it but also took unofficial fees for what should have been free public service delivery.

The other expression of workplace culture, passivity and tolerance, was recognised as having penetrated the public schools particularly in association with low pay and incomes that failed to cover the need for a decent living. One respondent said he was tolerant towards his staff and did not impose punishment for wrong-doing like taking leave without permission. As a result of such tolerance, the quality of teacher performance suffered.

I have my own strategy which motivates them [teachers] to teach well. First, I use nice language with them and I am flexible with them. When they don’t come to work for any reason, I just call them in and tell them to submit a formal leave form to me. I also urge them to come and teach just as much as the tasks assigned. Being aware of their circumstances, their standards of living, I strategically set a flexible roster for them to satisfy them. I do not exercise absolute dictatorship.

Recognising the situation resulting from their low pay, the same respondent insisted that he could not be overly strict with his staff. He explained his attitude with reference to the Electricity Department where staff could not be punished for poor performance.

I cannot follow the bureaucracy’s standards unless our salaries are reasonable [comparable to living cost]... in the Electricity Department, some staff were complained about by their inspectors for losing concentration on their job performance. At the same time, those staff asked their inspectors, how much are you paid? Inspectors answered US$2,000 per month. By the way,
how much are we [staff] paid? We [staff] are paid on 200,000 riels per month or US$50 per month. How can you expect us to start at 7.00am? We have to help our wives to run businesses.

**Political influences on performance**

When asked about political influences affecting their performance (Question 14), principals and teachers identified three aspects. These were political influence and interference, political interest and affiliation, and politics itself, but they were not thought to impact job performance greatly as the principals and teachers were adherents of professionalism. There were 30 interviewees asked these questions and there was some variation between principals and teachers in responses. Most principals (five out of six or 83.3 per cent) provided a single aspect of politics although one (16.7 per cent) identified two aspects. By comparison, all the teachers who responded (16 out of 16 or 100 per cent) identified only a single aspect of politics, while eight of the teachers declined to answer.

Three out of six principals (50.0 per cent) observed that there was political influence and interference reflected in their performance. Political influence and interference is widely and historically understood to mean that government personnel, particularly at senior levels, are able to influence and interfere in government matters such as giving impunity, appointment, promotions, decision-making, rent-seeking activities, but also relates to corrupt practices.

One interviewee noted that his performance was affected by politics although he declined to iterate specifics about what issues were influenced or how the influence affected his performance.

_There are some interventions from higher levels. It is a bit difficult to deal with this matter which is applied not only in my organisation but in every institution... These practices and influences have been actively applied in Khmer society.... This is a major constraint on job performance._

Another interviewee complained that politics meant that staff did not need to perform well in their public jobs. Despite failing to follow the performance requirement of their jobs, staff were not penalised because they were shielded by more powerful actions.
Some of my subordinates are supposed to come to work as the others do. But they don’t come because they are shielded by political influence which pressures me as a head of this organisation [principal of this school]. This political influence by which they are shielded, comes from higher-ranking officials and political party affiliation.

The same interviewee also admitted he could only do what he was told or commanded to do regardless of formal assignments. Under such political pressure, he could ignore his professional obligations connected with his public function of serving the public.

I do what I am commanded to do. For instance, a teacher wanted to transfer from a provincial school to my place. I said there was no more room for him/her. But because he/she is supported by intervention from senior officials, then I had to find room...

Political interest and affiliation was identified as influencing job performance but this was cited by only one principal (16.7 per cent). Particular appointments or promotions were seen to be based on people’s affiliation to a political party, especially the ruling party. As soon as such persons were appointed or promoted, they had to be loyal to and serve the party regardless of the impacts on the way they performed. Their obligation to the party provided them with protection and security in their public service jobs.

However, three out of six principals (50.0 per cent) believed that while politics did exist, it did not impact on their job performance because of their professionalism. Thus as one principal stated,

In fact, school is an institution where staff are involved in techniques... Its staff perform technical work. In our country, of course, political influence is very strong, but it cannot impact much on technical work.

Another interviewee acknowledged political influences in the civil service, but ruled out such influences having an effect on job performance in the education sector.

Cambodian people and I have been involved in politics. But, how much we have been involved has depended on who we are? In my job, I don’t classify myself and teachers into different groups following political party favourites. If I do so, my performance would not be good.
Likewise, most teachers (14 out of 16 or 87.5 per cent) interviewed observed that while politics existed, it did not impact on their job performance as they strongly adhered to professionalism. For example, one respondent insisted that she had nothing to do with politics; rather, she was involved only in teaching as that was her professional career.

"My responsibility is only to teach. In teaching, if I have been involved in politics, I would work poorly. I may be politically motivated. I would not teach well. Thus, my professional job would be useless. So, I don't want my professional job to be disqualified. I have to be involved in nothing but to teach children who are treated as my own children and who are going to replace this generation to serve all institutions..."

Other interviewees also pointed to the professional nature of their careers, noting they paid attention to students not politics. As one of them reported: “Political influence is not really a problem but I focus on the relations between students and teachers...to transfer knowledge to students. When students have good results, I am happy...” Another claimed that although previously she had been involved in politics, she was no longer involved. She said: “As far as politics is concerned, as a teacher, I don’t want to be involved in politics... because although I have been involved I am still a teacher and I can move elsewhere.”

However, there was one teacher (6.3 per cent) who believed that political influence and interference did occur, while another (6.3 per cent) perceived that political interest and affiliation did influence job performance. One respondent who linked political influence and affiliation to job performance, noted that this occurred when staff were shielded by ‘string’ patron-client relationships which connected them to a political party. As a result, they were not caught and charged with any wrong-doing or poor performance. Moreover, he observed that principals and other senior officials used their business hours to serve their political party interests. He noted how their quality of performance in serving the public was consequently degraded and jeopardised.

People who have string [connections] here do not listen to anyone’s order and even if they commit wrong-doing no one dares blame them. Furthermore, promotion is linked to this string. In this school, many people belong to political parties throughout the hierarchy. However, I don’t link to anyone. I am a civil servant. I want to be neutral. I don’t want to belong to any political party. Truly, if you don’t belong to a party, you are not promoted... For instance, I was about to get promoted to deputy principal of this school. I was dropped following their investigation in which I was found not to belong to...
their party [the ruling party]. Even more, sometimes, the principal and head of district office did not come to work. Rather, they did political campaigning for their party.

Conclusion

This chapter has shown that the majority of principals saw performance as “the implementation and achievements of their job description in accordance with a work plan”, while most teachers saw performance as the link between teaching and achieving visible results in terms of their students’ capacity to pursue and understand what they have been taught. This suggests that, to some extent, principals and teachers lack motivation to perform their jobs well. The quality of performance is being harmed by the low state salary which, while clearly one important source of income, needs to be supplemented in order to cover the cost of living. Both principals and teachers frequently seek alternative sources of income to secure a decent living. This involves time and effort, thus it must be thought that they are distracted from their primary duties as public servants and that their job performance suffers.

Other factors were also revealed as being factors contributing both negatively and positively to performance quality. Factors such as adherence to professionalism, involvement in pursuing supplementary incomes, political influence and interference, and political interest and affiliation were reported by respondents. These factors were quite often simply expressions and aspects of normal organisational culture and politics. Although pay was an important motivator and therefore impinged on the quality of performance, it is evident from the data that it was countered by professionalism. Professionalism, according to many interviewees, was a factor that had an overriding impact; they were professionals, regardless of how much they were paid. Moreover, as professionals, other factors contributed to ‘effective’ and ‘very effective’ performance, factors such as support, motivation and values; intention; honour incentives; responsibility; verbal appreciation and some other rewards. However, there should be considerable scepticism about their claims of good performance occurring because of the overriding influence of professionalism. The respondents’ views on the positive influence of professionalism may have been simply a way of defending their images because they defined themselves, and wanted others to see them, as professionals. In fact, they may really have been playing only ‘lip service’ to professionalism in their job performance.
Chapter 8

Analysis of the findings: bringing theory and practice together

This chapter is an analysis of the empirical data collected from the key national government institutions and the education sector in 2008 and 2009. It is undertaken in the light of the literature reviewed and the theoretical framework that postulates a causal link between pay and public service performance in Cambodia (see Chapter 2). In the framework, motivation is identified as a core element in mediating the relationship between pay and performance. A key motivational factor for work performance is pay. The framework also identifies the additional potential influences of organisational culture and politics. It is acknowledged that levels of skills and knowledge should have an impact on performance; these are not investigated. The assumption is that the levels of skills and knowledge are neutral.

The chapter begins by considering the link between pay and performance. It then examines performance through the lenses of the four types of motivation theory that have been developed and used to explain, in different ways, what motivates people to perform well in their work in developed countries. Each theory of motivation will be thoroughly examined in connection with the empirical data to find out whether any one of them has explanatory power regarding employee performance behaviour in the Cambodian civil service (CCS). The final section of the chapter explores the other two major factors of politics and culture.

The link between pay and performance

Previous studies have been conducted on the performance of individuals at work and the link between pay and performance in general, with both practitioners and researchers identifying a causal relationship between pay and performance. However, there has been no in-depth research on the relationship between pay and performance in Cambodia. Many authors and commentators have assumed a relationship exists but have not provided empirical evidence or
any detailed analysis of the relationship and nor have they examined the role pay plays in motivating and demotivating people to obtain public jobs and then to perform in their jobs. This section goes some way to filling this gap through its critical analysis of this relationship using empirical data and examining it in the light of the existing literature.

There are two key terms that are central to this analysis: pay and performance. In general, ‘pay’ refers to wages, including salaries (base pay), allowances, and contributions to employee (civil servant) provident funds (Armstrong & Murlis, 2004; Chew, 1997). In this section, the focus is on the ‘state salary’ paid to Cambodian civil servants. As presented in Chapter 3, Cambodian civil servants are paid according to directions set out in Kret (Royal Decree) No. NS/RKT/1201/450, dated 1 December 2001 on base salary and allowances of civil servants (Kingdom of Cambodia, 2001). This pay structure provides for different amounts of income according to civil servants’ categories, grades and classifications. Civil servants receive their base salaries along with allowances that include a functional allowance, risk-benefit allowance, family-support allowance and educational allowance (for teachers and principals). These are summarised in Table 3.5 in Chapter 3.

As regards ‘performance’, this study utilises a combination of definitions recognising the common ground present in the definitions provided by the principal writers on the topic and noted in Chapter 2. In general, the definitions of performance include managing, operationalising and achieving results. Thus, organisations are believed to utilise individuals and other resources to achieve their goals.

Data from this Cambodian case study show that all central government and education-administrative personnel saw performance as ‘results that are achieved as planned’ and directly related to their role in the production of services to the public (see Chapters 5 and 6). Most principals of public schools saw performance as the implementation and achievement of their job descriptions in accordance with a work plan. Most teachers shared much the same view of performance. They saw it in terms of results, describing the link between teaching and achieving visible results as seen in their students’ capacity to pursue and understand what they have been taught (Chapter 7). The performance in all sectors was reflected in, and assessed by, feedback from friends, colleagues and superiors, and also by means of a formal assessment process. According to the interviewees, pay was a major determinant of their motivation to perform work roles. In the remainder of the chapter, the relationships between
the two key terms ‘pay’ and ‘performance’ are investigated empirically. Essentially, the matters of how pay is important and how it is linked to performance are explored.

**The importance of pay in connection with performance**

While a variety of answers relating the importance of pay to performance came from all sectors studied, there was universal agreement that pay was either the most important motivator of performance or a significant influence on it. The variation was in the details of the nature of importance (how it motivated) rather than in whether or not it had importance (was a motivator) (see Table 8.1).

**Table 8.1: Respondents’ views on the importance of pay in connection with performance**

<table>
<thead>
<tr>
<th></th>
<th>Central government officials (%)</th>
<th>Educational administrators (%)</th>
<th>Principals and teachers (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, pay is important</td>
<td>75.0</td>
<td>66.6</td>
<td>91.3</td>
</tr>
<tr>
<td>Pay is not important/not applicable</td>
<td>0</td>
<td>0</td>
<td>8.7</td>
</tr>
<tr>
<td>Combination of pay with other factors</td>
<td>25.0</td>
<td>33.3</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 8.1 shows that there was little variation between the views of the central government personnel and the educational administrators on the importance of pay in connection with performance, standing at 75.0 per cent and 66.6 per cent respectively. No one in either of these two sectors answered ‘No’: in other words, no one said that pay was of no importance in their performance. Twenty-five per cent of respondents in the central government identified the importance of pay but for them it was in combination with other factors including working environment, recognition of achievements and opportunity for further study. Similarly, 33.3 per cent of the educational administrators identified a combination of the importance of pay and other factors affecting performance. However, there was a significant variation between these two groups of respondents compared to the public school personnel. The latter
overwhelmingly identified pay as the major performance motivator with 91.3 per cent adopting this view. None linked pay in combination with other factors but notably 8.7 per cent declined to answer the question.

Seventy-five per cent of respondents in the central government sector believed pay was an important factor affecting performance, and hence public service delivery. Civil servants claimed as they worked, so they had to get salaries. However, when their pay did not correspond to their costs of living, their work performance was negatively affected because they paid less attention to their public jobs while looking for alternative sources of income such as unofficial fees or second jobs to supplement their income shortfall. One quarter of the interviewees (25.0 per cent) said that pay was not important on its own but it assumed importance in combination with other factors. However, even when they identified other motivating factors, respondents still returned to the importance of pay. For example, one respondent said that salary was also important: “It is a basic. We work so we have to be paid too. Salary is our base income and is our monthly work’s pay.” The other factors identified as contributing to performance varied but often included working environment, support from colleagues and a management team, recognition of achievements, promotion, opportunity to study and work overseas, accountability and responsibility.

Two thirds of the administrators in the education sector identified pay as an important factor, saying that the amount of pay seriously affected their performance. Like their central government colleagues, they argued that when their pay did not meet their costs of living, their work performance was negatively affected. They gave less time and attention to their public service jobs while looking for other sources of income such as unofficial fees or second jobs. But one third of the respondents, while not denying the importance of pay, also pointed to other significant factors including responsibility, recognition of achievements, working environment, opportunity for further studies, commitment, and ‘heart and soul’. Thus, one respondent said that “initially, we can live in a reasonable condition by looking for all means to make extra income... However, our performance is not totally determined by salary but by heart and soul, responsibility and commitment”. But again, like their central government counterparts, even where they identified other factors, respondents still returned to the importance of pay and its connection with the basic need to cover the cost of living.
For teachers and principals of the public schools, the overwhelming majority (91.3 per cent) answered that pay was the most important motivational factor affecting performance and that the current amount of pay impinged adversely on their quality of performance. Most stated that their pay was inadequate. Because their pay did not meet their costs of living, they gave less attention to their public jobs while they looked for other sources of income such as unofficial fees and/or second jobs. This, they said, negatively affected their own performance in schools and the performance of their colleagues.

The research literature shows that pay is important to workers who perform their jobs or is a means to obtaining a decent living. While respondents asserted that pay is either the most important factor of performance or a significant influence on it, the question arose as to whether they thought increased pay resulted in a better performance by them and their colleagues and if so, why? My analysis of the responses revealed that all central government organisation staff, all education sector administrators and all public school personnel reported that ‘increased pay’ would result in better performance. Some added the provisos that other factors had to be included as well, and that the increase should at least take salary up to subsistence level.

It was not always clear, however, just how and why ‘increased pay’ would improve performance. One line of argument, one particularly advanced by teachers and principals, was that in order to improve performance pay must be increased to at least subsistence level. Apart from this, there was no indication of the amount of pay needed to boost performance. Respondents had also not considered whether a certain increment of pay increase would boost the productivity of staff by a particular amount. This was perhaps because their perceptions of the relationship between pay and performance was built on negative foundations: they recognised that low pay adversely affected work performance, but it was not necessarily the case that high pay or ‘increased pay’ would boost performance. Statements from some respondents indicated that simply increasing pay would not automatically lead to better performance. They thought that there were other factors that needed to be considered as well.

Thus, central government interviewees and educational administrators noted that while pay was important it was not independent of other factors; performance was not necessarily improved ‘just by increasing pay’. Increased pay must be accompanied by improvements in other factors such as staff capacity, personal commitment, professionalism, good leadership of
superiors, job assignments, organisational resources and good working environment. Likewise, all teachers and principals thought that ‘increased pay’ would result in better performance but some added the proviso that the increase should at least take their salary up to subsistence level. Some added other factors such as ‘professional conscience’ or professionalism, capacity and rule enforcement, particularly at the workplace as influencing performance in association with pay and which were required to improve their job performance (Chapter 7). The literature also acknowledges that motivational elements occur in combination: the relevant discussion centres on intrinsic and extrinsic rewards as motivators for performing jobs well (Agarwal, 1998; Daft & Pirola-Merlo, 2009; Mann, 2006).

From the analysis of responses from the participants, the conclusion is reached that in all sectors it was thought that an increase in pay would work as an effective motivator on performance if the increase brought up salaries to at least subsistence level, but other factors and actions were required as well. An increase to subsistence level would be regarded as making their incomes sufficient to satisfy their daily needs so they did not have to worry about making any more money to cover their basic costs. They believed that such an increase in pay would contribute to improved attitudes and better work culture as it would allow the employees to pay more attention to their work performance without being constantly concerned about how to maintain their living standards. It would enable them to build their capacities to do their public sector jobs, to work professionally and conscientiously instead of looking for and working for alternative incomes. Thus, it can be said that an increase in pay was seen as an important motivating factor for encouraging civil servants to perform better. However, while a pay increase was seen as necessary to improve performance, it was not sufficient. Other factors and actions were judged significant at the same time once pay had been increased.

These findings echo the evidence in the literature on developing countries that indicates that low pay has been a strong and active determinant in demotivating public servants to perform their work. This is not to say that high pay has been a good motivator of job performance (Nunberg & Nellis, 1995, pp. 1-2 and 4-7). But it does mean that with low pay, citizens get inadequate services (2003, p. 144), and there are other adverse consequences as well, particularly corruption, as public servants look for other sources of income to support themselves and their families. Public servants’ commitment to their jobs is affected as they
divert their commitment from their primary public service duties to other jobs (McCourt, 2003, p. 144). Public servants still work for their salaries/wages but have limited commitment to their work roles and responsibilities as they devote time and effort to alternative ways of making extra income or, assume the attitude that their low incomes justify poor performance. In situations such as that of Cambodia, where public service performance is a key element in accelerating development, reducing poverty and achieving the MDGs the low level of public service pay is clearly a major problem.

Other sources of income

The nature of the link, particularly how they diverted their time and effort to alternative ways of making additional incomes, is investigated in this section. The analysis of the responses reveals that pay was not sufficient, but it also shows that the vast majority of public servants in all the sectors studied relied heavily on other sources of income to pay their living expenses. The supplementation of incomes has long been a fact of life for general government staff in Cambodia. The additional employment activity has involved time and effort, and has thus distracted them from their primary duties as public servants. This is no doubt a widespread problem in Cambodia as the average state salary in Cambodia is very low compared to the cost of living. In 2009, for instance, the state salary was on an average US$75.5 per month (Sok, 2009) while in the fieldwork respondents claimed that the cost of living for a family was between US$200 to US$300 per month. Even allowing for some exaggeration of living costs, it is clear that the average civil servant’s pay was below subsistence level for a family. This situation has led public servants to pay less attention to their government tasks and duties as they diverted their time and effort to other sources of income including corruption, rent-seeking and moonlighting in other jobs.

As explored in Chapter 3, there are two major effects of low pay. Firstly, the low salary scale creates improper incentives for civil officials, particularly skilled people; they must choose whether to work in outside jobs or foreign aid-funded projects in return for salary supplements. But unskilled workers also look for additional jobs because their salaries are also below the subsistence level. Secondly, the low salary scale of the public sector provides strong motives for public personnel to abuse their authority as they seek to generate unofficial income through corruption. Whichever route the public servant takes the general citizens are
deprived of their entitlements to adequate services of good quality, and higher living standards.

The analysis of the responses shows that the large majority of central government workers (83.3 per cent) believed their current salary was not sufficient to cover their family’s daily expenses. Although 16.7 per cent claimed that their salary was enough for basic needs, they said that they still needed other sources of income as well. The state salary was only one important source of income. They had to receive alternative sources of income even though they spent frugally.

The analysis also indicates that all respondents of the education sector – both administrative personnel, and teachers and principals of the public schools – reported that their current state salaries were not sufficient to cover their daily expenses (see Chapters 6 and 7). Education-administrative level personnel are paid differently depending on their pay grades and positions in the CCS. Their pay ranges from approximately US$50 to US$200 per month. Given this considerable variation in public sector pay it is surprising that all respondents in the education sector reported that their current salaries were not sufficient to cover daily expenses. It might be expected that the more highly paid would report their income as adequate for their daily expenditures. However, all respondents claimed that their salaries were not enough to cover their basic cost of living at the level they perceived appropriate. Their argument was that the higher the position they were in, the more their daily expenses. Teachers and principals of the public schools did not relate the amount they were being paid; they preferred to talk in percentages, indicating that their current pay could only cover between 25.0 to 70.0 per cent of their basic cost of living (see Chapter 7 for details). Even for them the additional income needed to cover their cost of living came from other sources.

Two thirds of central government interviewees acknowledged they had at least one other source of income, including unofficial fees, second jobs, partner's with jobs or family businesses. It is possible that the figure is an understatement of the situation as respondents may have wished to hide the identification of the alternative income sources, especially if they were illegal and unknown to their superiors. Also, all administrative level personnel of the education sector including the public schools claimed they had at least one other source of income, the sources being similar to those mentioned by central government respondents. The incomes from these additional activities helped the respondents cover their cost of living.
They recognised that their public service performance was adversely affected as they acquired second or third jobs for income support.

The teachers and principals, while admitting to other sources of income, indicated sources that were different from those of the educational administrators and central government officials. Having other family members also working was the most commonly cited means of additional income being identified by 22 out of 30 of the teachers and principals (73.3 per cent). Providing paid tutoring before and/or after class was the second most mentioned source of additional income, identified by 16 respondents (53.3 per cent), and this was followed by working part-time elsewhere which was cited by ten respondents (33.3 per cent). ‘Other’ sources of income were identified by four respondents (13.3 per cent). Selling, for example, goods and/or documents to students, was mentioned by two respondents (6.7 per cent), while requiring students to pay daily/monthly fees for teaching was cited by only a single respondent (3.3 per cent). Most principals and teachers of the public schools observed that other principals and teachers nationwide used similar sources of income to cover their living costs.

The empirical data gathered for this study clearly show that the state salary of a public servant where that person was the one income-earner in the family was not sufficient to cover their family’s daily expenses. State salaries of civil servants of the CCS were very low and even below subsistence level. They found that this situation discouraged them from performing their jobs well. As they sought alternative sources of income and diverted their attention from their primary duties in offices and schools, the quality of their performance in their public service jobs was probably affected. But why did they work in the public service when they knew that pay was extremely low and could not cover their living costs? And what was the role of pay in connection with their job performance?

**Role of pay and motivation in applying and in performing the jobs**

*In getting the jobs*

A major research question was to probe how far pay was a motivation for seeking public service job and did the respondents join the civil service for pay? The responses are laid out in Table 8.2.
Table 8.2: Respondents’ views on the role of pay/motivation in getting civil service jobs

<table>
<thead>
<tr>
<th>Motivators for getting civil service jobs</th>
<th>Central government officials (%)</th>
<th>Educational administrators (%)</th>
<th>Principals and teachers (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay (state salary)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Job security/ lifelong employment</td>
<td>66.6</td>
<td>33.3</td>
<td>26.6</td>
</tr>
<tr>
<td>Social status and prestige</td>
<td>58.8</td>
<td>66.6</td>
<td>0</td>
</tr>
<tr>
<td>Opportunity for education development</td>
<td>58.8</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Promotion</td>
<td>50.0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Personal choice</td>
<td>33.3</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Need a job</td>
<td>25.0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Contribute to community and social</td>
<td>25.0</td>
<td>16.7</td>
<td>76.6</td>
</tr>
<tr>
<td>development or direct contribution to</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>national development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Future personal growth</td>
<td>25.0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Professionalism</td>
<td>25.0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Social networks</td>
<td>16.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Family support</td>
<td>16.7</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Less competency and commitment (after</td>
<td>8.3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>being employed in the sector)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A training centre for career growth</td>
<td>8.3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Supplementary allowances</td>
<td>0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Dignity and value</td>
<td>0</td>
<td>33.3</td>
<td>83.3</td>
</tr>
<tr>
<td>Develop human resources</td>
<td>0</td>
<td>33.3</td>
<td>83.3</td>
</tr>
<tr>
<td>Degree matching with job</td>
<td>0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Recognition of achievements</td>
<td>0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Commitment and responsibility</td>
<td>0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Enjoy the job</td>
<td>0</td>
<td>0</td>
<td>73.3</td>
</tr>
<tr>
<td>Care for children</td>
<td>0</td>
<td>0</td>
<td>63.3</td>
</tr>
<tr>
<td>‘Other’</td>
<td>0</td>
<td>0</td>
<td>46.6</td>
</tr>
</tbody>
</table>
While pay was cited as either one important or the most important motivational factor for work performance, surprisingly, as evident in Table 8.2, pay played no role at all in motivating people to seek public service jobs in Cambodia. They knew that pay was extremely low; they were motivated by other factors. The long list of influencing factors and the responses recorded in the table show that there was remarkable variation in factors that motivated respondents to become civil servants. But, despite this variation, there was little difference between the central government personnel and the educational administrators. Respondents in these two sectors mainly focussed on self interest.

Job security and lifelong employment was the most commonly cited reason for taking a job with the CCS by 66.6 per cent of central government employees. Social status and prestige, and opportunity for education development were ranked together in the second place, each being cited by 58.8 per cent as their motivators to get the public service jobs. These were followed by promotion (50.0 per cent). By comparison, social status and prestige was ranked number one by educational administrators, being cited by 66.6 per cent, while job security and lifelong employment held second rank standing at 33.3 per cent. Promotion was the least cited as a motivator for entering the CCS being identified only 16.7 per cent of this group. But principals’ and teachers’ motivation to get their jobs was notably different from the previous respondents seemingly due to their nature of their jobs and professional orientation. Principals’ and teachers’ motivation evolved around their professionalism and altruism directed towards helping others.

Table 8.2 indicates that develop human resources was the most commonly cited reason by teachers and principals. It was identified by 83.3 per cent of principals and teachers, and by 33.3 per cent of educational administrators but was not identified by any central government staff. Contribute to community and social development was identified by 76.6 per cent of teachers and principals as factors influencing becoming teachers/principals. Enjoy the job was cited by 73.3 per cent, care for children was identified by 63.3 per cent, while other was cited by 46.6 per cent of teachers and principals. Secure employment/job security was the least cited reason, being identified by only 26.6 per cent of teachers and principals. This contrasted with the first and second places as a motivator in the central government officials’ and the educational administrators’ lists.
In performing the jobs

Analysis of the responses shows that, once again, pay played little or no role in motivating public workers to perform their jobs well. Rather it was the major demotivating factor, the factor that played a primary role in discouraging personnel from performing their jobs well.
Table 8.3: Respondents’ views on the role of pay as a motivator in performing their jobs

<table>
<thead>
<tr>
<th>Motivators for performing civil service jobs</th>
<th>Central government officials (%)</th>
<th>Educational administrators (%)</th>
<th>Principals and teachers (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay (state salary)</td>
<td>50.0</td>
<td>0</td>
<td>4.3</td>
</tr>
<tr>
<td>Good working environment</td>
<td>66.6</td>
<td>0</td>
<td>4.3</td>
</tr>
<tr>
<td>Honour incentives: praise, medals and honour rolls/certificates</td>
<td>33.3</td>
<td>50.0</td>
<td>39.1</td>
</tr>
<tr>
<td>Willingness/commitment/responsibility</td>
<td>33.3</td>
<td>33.3</td>
<td>13.0</td>
</tr>
<tr>
<td>Future personal growth and development opportunities</td>
<td>33.3</td>
<td>50.0</td>
<td>4.3</td>
</tr>
<tr>
<td>Recognition of achievements</td>
<td>33.3</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Availability of resources: materials and human</td>
<td>33.3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Supplementary allowances: MBPI, PMG allowances and unofficial fees</td>
<td>16.7</td>
<td>33.3</td>
<td>4.3</td>
</tr>
<tr>
<td>The attraction of retirement fund</td>
<td>16.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Family support</td>
<td>16.7</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Degree matching with jobs</td>
<td>0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Non-monetary benefits: dignity, social status and job security</td>
<td>0</td>
<td>16.7</td>
<td>4.3</td>
</tr>
<tr>
<td>Support and motivation from being valued by students, colleagues, parents, management team and local authority</td>
<td>0</td>
<td>0</td>
<td>60.8</td>
</tr>
<tr>
<td>Professionalism</td>
<td>0</td>
<td>0</td>
<td>43.4</td>
</tr>
<tr>
<td>Verbal appreciation</td>
<td>0</td>
<td>0</td>
<td>13.0</td>
</tr>
<tr>
<td>Monetary reward</td>
<td>0</td>
<td>0</td>
<td>13.0</td>
</tr>
<tr>
<td>Like children</td>
<td>0</td>
<td>0</td>
<td>8.7</td>
</tr>
<tr>
<td>Increase in pay</td>
<td>0</td>
<td>0</td>
<td>8.7</td>
</tr>
<tr>
<td>Enjoy the job</td>
<td>0</td>
<td>0</td>
<td>4.3</td>
</tr>
<tr>
<td>Contribute to social development</td>
<td>0</td>
<td>0</td>
<td>4.3</td>
</tr>
</tbody>
</table>
Table 8.3 shows that pay (state salary) was identified by 50.0 per cent of central government respondents as a motivational factor in the way they performed their jobs. Despite pay being very low and below their costs of living, it was at least a basic amount which was secure and it contributed to meeting some daily expenses. It was only cited by 4.3 per cent of principals and teachers and none by educational administrators. Thus, it played very little or no role in motivating educational personnel to perform their jobs well.

From the long list of items in Table 8.3, it is evident that there was significant variation in factors that motivated the respondents to perform their public jobs. All respondents identified more than one motivational factor but there was not a great level of agreement between them. The table shows that the most cited factor (66.6 per cent) of central government respondents was good working environment. This included mutual understanding with fellow workers, no time pressure, independent responsibility and support from colleagues and the management team. But it was the factor cited least often by school principals and teachers (4.3 per cent) and was not cited at all by educational administrators.

Five factors were identified by one third of the central government officials, while three others were pointed to by 16.7 per cent. The factors ranged widely from honour incentives to personal growth opportunities and resource issues. While no clear pattern emerged, there was a tendency to select items with extrinsic value. Educational administrators also ranged widely in their selection of motivators and while their choices sometimes matched or overlapped with the central government officials. They were not a match. For example, items that coincide were willingness/responsibility (33.3 per cent), recognition of achievements (33.3 per cent) and family support (16.7 per cent). Three other items overlapped but were different in percentage. These included honour incentives, future personal growth and development opportunities which were each cited by 33.3 per cent of central government officials but by 50.0 per cent (or the first place) of educational administrators, while supplementary allowances were in the second place of educational administrators but least identified by central government staff. However, several items differed including availability of resources, the attraction of a retirement fund, a degree matching with jobs and non-monetary benefits.

For school principals and teachers, Table 8.3 indicates that the most commonly identified factor was the support and motivation gained from being valued by students, colleagues, parents, management team and/or local authority. This factor was cited by 60.8 per cent of
respondents. No one in other sectors mentioned this motivational factor. ‘Professional conscience’ or professionalism was in the second place and cited by 43.4 per cent of principals and teachers. Once again, this was a motivator not cited by the other sectors. This was followed by honour incentives which were identified by nine respondents (39.1 per cent) as factors to encourage them to perform their jobs. Responsibility and duty, verbal appreciation/praise, and monetary reward were each cited by three respondents (13.0 per cent) while factors ‘like children’ and ‘increase in pay’ were each identified by two respondents (8.7 per cent) as factors encouraging them in the performance of their jobs. The remaining factors were each identified by only a single respondent and included supplementary incomes, future personal growth and development opportunity, enjoying the job, good working environment, contributing to social development, social status. This indicates that the respondents were more oriented to motivations that brought intrinsic rewards.

To sum up, pay was either the most important or an important factor relating to performance and it either adversely affected the job performance of these civil servants or made them dissatisfied with their jobs. Nevertheless, pay, particularly low pay, played little or no role in motivating people for seeking the jobs and encouraging performance in the CCS. Rather they revealed such factors as job security or lifelong employment, social status and prestige, opportunity for education development, promotion or opportunity for advancement, and professionalism (teachers and principals). Essentially, central government personnel and educational administrators were mainly motivated by extrinsic rewards while teachers and principals were generally inspired by intrinsic rewards to seek and perform their public service jobs. And pay was the most important demotivational factor to discourage most of them from performing jobs well. Low pay was the most commonly cited demotivational factor affecting and discouraging job performance in the education sector (the administrative level and the public schools), while it ranked second behind inequity in promotion for respondents in the central government organisation. Besides the above explanations, several motivation theories are also used to explore the relationship and are the subject of the next section.
Motivation theories

In Chapter 2, motivation was identified as a core mediator in the analysis of the relationship between pay and performance, and was explored through four theories of motivation: needs-based theories, reinforcement theory, expectancy theory and equity theory. These theories have been developed and used to explain how people are motivated to perform their jobs, but the research on which they were based appears to have more relevance in developed countries such as Australia, the UK and the USA than in developing countries such as Cambodia which is the concern of this research. The question addressed here is: do these motivational theories explain behaviour in the CCS where conditions are very different from rich countries and where civil servants are paid lower than a decent living wage.

Needs-based theories

There are three main needs-based theories: the hierarchy of needs theory, two-factor theory and acquired needs theory. The hierarchy of needs theory begins with the basic needs of humans and moves up through other needs to self-actualisation needs (see Chapter 2) (Maslow, 1943, pp. 372-83), and “the higher needs cannot be satisfied until the lower needs are met” (Daft & Pirola-Merlo, 2009, pp. 234-35). The two-factor theory is concerned with influences on work motivation including hygiene factors and growth factors (Herzberg, 1968; and 2003). Hygiene factors make people dissatisfied, and “can certainly be demotivating” (Herzberg, 2003, pp. 87, 92). However, motivators are about growth and achievement, and are associated with the fulfilment of high level needs (Herzberg, 2003, pp. 91-92). The theory suggests that when motivators are in place, workers are highly motivated and satisfied to perform work well (see Chapter 2). Acquired needs theory refers to certain types of need which are acquired during an individual’s lifetime (Daft & Pirola-Merlo, 2009, p. 239). These types of need include “the need for achievement, the need for affiliation, and the need for power (or dominance)” (see Chapter 2) (McClelland, 1985, p. 45). Commonly, these theories are concerned with the fulfilment of individuals’ needs.

The hierarchy of needs theory has little relevance for Cambodian public servants who have little or no chance to move up the needs hierarchy to satisfy higher level needs. Satisfying their basic needs was quite evidently the prime imperative of Cambodian civil servants. The
research data show that a great many respondents indicated there were other needs such as praise, acknowledgement, recognition of achievements and good working environment but their preoccupation was with their basic needs. They contended that pay was the most important factor affecting performance, and that the pay they received was not enough to cover their costs of living. Analysis of the responses reveals that there was little variation between the central government personnel and the educational administrators on the importance of pay in connection with performance standing at 75.0 per cent and 66.6 per cent respectively. Furthermore, no one in these two sectors answered ‘No’ when considering the importance of pay although 25.0 per cent of respondents in the central government identified a combination of pay and other factors including working environment, recognition of achievements and opportunity for further study as being important. Similarly, 33.3 per cent of educational administrators identified a combination of pay and other factors. However, there was a significant variation between the respondents of the two organisations mentioned above and those of the public schools for whom it was at 91.3 per cent. The missing 8.7 per cent did not dispute this. They simply declined to answer this question. Thus, pay was in fact identified as either a significant motivational or demotivational factor by all respondents. The importance of pay was most pronounced among teachers and principals.

The large majority (83.3 per cent) of central government respondents agreed that their current pay was not sufficient to cover their family’s daily expenses, although 16.7 per cent said that their salary was enough for basic needs but they still relied on other sources of income. All respondents (100 per cent) from the education sector contended that their current state salaries were not enough to cover their daily expenses. Therefore, they were preoccupied in seeking other sources of income rather than being concerned about moving to higher levels of needs. While some of them expected their safety, belongingness needs and other higher-level needs to be at least partially satisfied when they first got the jobs and while working in the jobs, these needs were more likely to be satisfied through patron-client relations than through the workings of meritocracy.

Two-factor theory provides a partial fit in predicting what motivates the behaviour of workers in the CCS. It does, however, assume universal application when contexts can vary enormously. For example, a few of Herzberg’s motivators or growth factors such as achievement, work itself and personal growth were cited by the interviewees as motivating them in their work. Achievement (social status and reputation) was cited by 66.6 per cent of
central government officials (see Table 5.4), by 50.0 per cent of educational administrators (see Table 6.4), and by 70.7 per cent of public school teachers and principals (see Table 7.6). Personal growth was cited by 25.0 per cent of central government workers, and by 33.3 per cent of educational administrators. However, pay, particularly low pay, is a hygiene factor, a cause of dissatisfaction. Low pay was a commonly cited as demotivating job performance by Cambodian respondents – by 33.3 per cent of the central government interviewees, by 50.0 per cent of the educational administrators, and by 56.4 per cent of principals and teachers.

Pay was actually seen to be a motivating factor rather than merely a hygiene factor by respondents in the CCS. All respondents stated that if pay was increased to a reasonable level they would perform their jobs well. The vast majority picked out pay alone as a motivator rather than a hygiene factor while the remainder included other factors or stated that salary had to be increased to at least subsistence level. Similarly, Herzberg’s hygiene factor of ‘supervisions’ can also be recognised as a motivator in the Cambodian context. Supervision in the CCS is enmeshed with informal patron-client relations, and alignment with a patron can be both a major demotivating factor and a motivating factor depending on an individual’s circumstances. One can benefit by inclusion in a patronage network and suffer through exclusion as the following quotes demonstrate:

*Traditionally, my institution as well as other institutions are in a low salary system... I am looked after by my boss. Thus, I can make some benefits [extra income and other benefits]... Therefore, I have to respect my boss because he gives me some benefits. If this were not so, I cannot live with my state salary.*

*I am tired to work... although I work harder, I am still here [at her current position]. They [superiors] deployed their people in strategic positions and even promoted them to higher positions.*

Acquired needs theory is very weak in explaining motivation in the CCS. It fails to acknowledge variations in culture that could profoundly influence what motivates people. Similarly, variations in social and organisational structures can mediate motivations so that what is applicable in one context does not work in another. The analytical separation of the three principal motivational needs is very difficult to operationalise empirically. One of these is the need for achievement as the survey of the CCS has shown. This need is of minor relevance in the CCS. Respondents rarely mentioned this psychological need to attain set goals or perform at certain levels in order to achieve their own goals (McClelland, 1985, p.
For the other two types of needs in the theory, the need for power and the need for affiliation are even weaker in explaining the Cambodian public servants’ behaviour relating to their job performance. Interviewees rarely referred to such needs, except in the informal patron-client network. Securing adequate income was the overriding concern of the public servants and their all-consuming need. Thus, the needs-based theories can provide relatively little explanation to assist the understanding of motivational behaviour in the Cambodian case.

**Reinforcement theory**

This theory “looks at the relationship between behaviour and its consequences by changing or modifying followers’ on-the-job behaviour through the appropriate use of immediate rewards or punishments” (Daft & Pirola-Merlo, 2009, p. 240). There are four types of behaviour modification in reinforcement theory: positive reinforcement, negative reinforcement, punishment and extinction (Luthans & Kreitner, 1975, pp. 44-45; Wagner III & Hollenbeck, 2010, p. 90). The theory is given practical application in organisations to modify employees’ behaviours to improve their performance. However, the reinforcement actions do not work similarly in all contexts. Also, the theory assumes that a prime objective of work organisations is always motivating people to perform well. However, accounts of developing country bureaucracies reveal this is not necessarily the case (Turner & Hulme, 1997; Wallis, 1989).

In the CCS, a partial explanation of workers’ motivation and behaviour is provided by reinforcement theory. The analytical separation of the four types of reinforcement are partly valid and partly invalid in terms of explaining Cambodian public staff behaviour and motivation. Positive reinforcement concerned with satisfying and rewarding responses towards good behaviour at work, is a good fit in predicting what motivates Cambodian public servants to perform their public jobs. The majority of respondents mentioned that there were such reinforcements as laid out in Table 8.4.
Table 8.4: Respondents’ views on positive reinforcement towards good behaviour at work

<table>
<thead>
<tr>
<th>Pleasant and rewarding responses</th>
<th>Central government officials (%)</th>
<th>Educational administrators (%)</th>
<th>Principals and teachers (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>66.6</td>
<td>33.3</td>
<td>3.4</td>
</tr>
<tr>
<td>Verbal appreciation/praise</td>
<td>58.8</td>
<td>50.0</td>
<td>37.8</td>
</tr>
<tr>
<td>Honour incentives: praise, medals and honour rolls/certificates</td>
<td>41.7</td>
<td>33.3</td>
<td>55.0</td>
</tr>
<tr>
<td>Education development opportunity</td>
<td>41.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Willingness/conscience</td>
<td>16.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Recognition of achievements</td>
<td>16.7</td>
<td>33.3</td>
<td>34.4</td>
</tr>
<tr>
<td>Good social status</td>
<td>16.7</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Contribution to national development</td>
<td>16.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Job security/lifelong employment</td>
<td>16.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Increase in pay</td>
<td>16.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Supplementary income</td>
<td>16.7</td>
<td>33.3</td>
<td>3.4</td>
</tr>
<tr>
<td>Social networks</td>
<td>8.3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Support from superiors or colleagues</td>
<td>8.3</td>
<td>16.7</td>
<td>27.5</td>
</tr>
<tr>
<td>Achievements in job assignments</td>
<td>0</td>
<td>50.0</td>
<td>0</td>
</tr>
<tr>
<td>Future personal growth and opportunity</td>
<td>0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Degree matching with jobs</td>
<td>0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Family support</td>
<td>0</td>
<td>16.7</td>
<td>3.4</td>
</tr>
<tr>
<td>State salary</td>
<td>0</td>
<td>16.7</td>
<td>3.4</td>
</tr>
<tr>
<td>Student support</td>
<td>0</td>
<td>0</td>
<td>48.2</td>
</tr>
<tr>
<td>Community support and motivation</td>
<td>0</td>
<td>0</td>
<td>24.1</td>
</tr>
<tr>
<td>Monetary incentives ($20 to $75)</td>
<td>0</td>
<td>0</td>
<td>20.6</td>
</tr>
<tr>
<td>Field visits/study tours</td>
<td>0</td>
<td>0</td>
<td>10.3</td>
</tr>
<tr>
<td>Good working environment</td>
<td>0</td>
<td>0</td>
<td>6.9</td>
</tr>
</tbody>
</table>
Table 8.4 shows that while there was remarkable variation in what provided positive reinforcement towards good behaviour and motivation at work, a few elements, of positive reinforcement were mentioned by respondents of all sectors studied. Promotion was the most commonly cited element of positive reinforcement by (66.6 per cent) central government respondents, was identified by 33.3 per cent of educational administrators and by 3.4 per cent of principals and teachers as an element of positive reinforcement towards good behaviour and motivation at work. This was followed by verbal appreciation and praise which was identified by 58.8 per cent of central government respondents, but it was the most cited element by educational administrators (50.0 per cent) and was also cited by 37.8 per cent of principals and teachers. Honour incentives were the most commonly cited element of positive reinforcement by principals and teachers (55.0 per cent), cited by 41.7 per cent of central government interviewees, and cited by 33.3 per cent of educational administrators. The table also shows that supplementary income including MBPI, other allowances and unofficial fees was identified by 33.3 per cent of educational administrators, by 16.7 per cent of central government interviewees and by 3.4 per cent of principals and teachers. State salary/pay was cited by 16.7 per cent of educational administrators, by 3.4 per cent of principals and teachers, but by no central government employees as a factor leading to good behaviour and motivation at work.

The idea of negative reinforcement – that is, action to reduce and remove the negative consequences of one’s behaviour – did not appear to explain behaviour and motivation. “Punishment is both widely used and abused. There are many undesirable side effects” (Luthans & Kreitner, 1975, p. 48). For this reason, the theorists recommend avoidance. Respondents rarely mentioned negative reinforcement, punishment and extinction. They said their behaviour was not modified by these three types of reinforcement. This strengthens the view that positive reinforcement and securing adequate income for their family were overriding and predominant viewpoints in the CCS. In summary, this theory does little to explain motivational behaviour in the CCS.

**Expectancy theory**

Expectancy theory suggests that “motivation depends on individuals’ mental expectations about their ability to perform tasks and receive desired rewards” (Daft & Pirola-Merlo, 2009, p. 242). People tend to do things because they expect desired outcomes or rewards but they
also avoid doing things or perhaps doing them well if they do not expect to get their desired outcomes or rewards.

Although the theory does not cover human needs and job satisfaction/dissatisfaction factors, it can still be used to explain the motivation of public workers in the CCS. There are two ways of illustrating the applicability of the theory empirically. Firstly, the analysis of the responses reveals that pay was extremely low and under subsistence level, and that this situation had discouraged civil servants from performing their jobs well. A large majority of respondents (75.0 per cent of central government staff, 66.6 per cent of educational administrators and 91.3 per cent of principals and teachers) reported that pay was the most important motivational factor of performance and they said that the current amount of pay adversely affected performance. An expectancy theory explanation might posit that as they seek alternative sources of income and thus divert their attention and performance effort from their primary duties, they do not expect to get their desired amount of salary. More specifically, they claimed that when their pay did not meet their costs of living, their work performance was negatively affected. They then gave less time and attention and reduced their effort-performance expectancy and performance-outcome expectancy for their public service jobs while looking for other sources of income or feeling that their low wages justified poor performance. One respondent even said how she came to work depending on her availability and sometimes she did not come at all, and this was as a result of low pay. Thus, her quality of performance was disappointing and the public service that she came from suffered. One respondent reported that pay was important “… because performance is affected by the time spent doing work elsewhere”.

The second illustration of the expectancy theory comes from the interview data that revealed public servants were motivated to perform their jobs by their desired outcomes or expectation as depicted in Table 8.5. But it is not necessarily the case that they thought about high performance; rather it can be assumed that they performed at their expected quality level as described throughout this chapter.
Table 8.5: Respondents’ views on desired rewards/outcomes or expectation in relation to performance

<table>
<thead>
<tr>
<th>Desired rewards/outcomes or expectation</th>
<th>Central government officials (%)</th>
<th>Educational administrators (%)</th>
<th>Principals and teachers (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social status and prestige</td>
<td>66.6</td>
<td>50.0</td>
<td>70.7</td>
</tr>
<tr>
<td>Job security/ lifelong employment</td>
<td>66.6</td>
<td>50.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Opportunity for education development</td>
<td>58.8</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Promotion</td>
<td>50.0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Personal choice</td>
<td>33.3</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Need a job</td>
<td>33.3</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Contribute to community and social development or direct contribution to national development</td>
<td>25.0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Future personal growth</td>
<td>25.0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Professionalism</td>
<td>25.0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Social networks</td>
<td>16.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Family support</td>
<td>16.7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Less competency and commitment after being employed</td>
<td>8.3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>A training centre for career growth</td>
<td>8.3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Supplementary allowances</td>
<td>0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Commitment and responsibility</td>
<td>0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Attraction of retirement funds</td>
<td>0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Recognition of achievements</td>
<td>0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>A good role model for children</td>
<td>0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Like children</td>
<td>0</td>
<td>0</td>
<td>58.2</td>
</tr>
<tr>
<td>Good rewards compared to other jobs for which I am qualified</td>
<td>0</td>
<td>0</td>
<td>25.0</td>
</tr>
<tr>
<td>‘Other’</td>
<td>0</td>
<td>0</td>
<td>29.1</td>
</tr>
</tbody>
</table>
Table 8.5 presents a wide range of desired rewards/outcomes and expectations that motivate interviewees in their job performance, but only several reasons were given by principals and teachers. Once again, as their salary was too low for them it was not their motivator. Rather, using an expectancy theory explanation, interviewees were motivated to perform their jobs by their desired outcomes or expectation. Job security or lifelong employment was the most commonly expectation cited by respondents of all sectors, being identified by 66.6 per cent of central government employees, 50.0 per cent of educational administrators and 70.7 per cent of principals and teachers as their motivational desired outcomes. Social status and prestige was also the most desired reward and expectation by central government officials and educational administrators, but it was only the third ranked item by principals and teachers (50.0 per cent) as this group’s motivator. ‘Need a job’ or ‘cannot find other jobs’ was the least cited as a desired reward by respondents of the education sector, and was on the fifth priority by central government interviewees. Namely, it was cited by 12.5 per cent of principals and teachers, by 16.7 per cent of educational administrators and by 33.3 per cent of central government respondents as their desired motivators for performing their public service jobs. Therefore, the expectancy theory goes some way in providing good explanations of behaviour and motivation in the CCS.

**Equity theory**

Equity theory is based on a comparison of the perceived level of fairness of individual work outcomes/rewards as compared with other people who contribute the same inputs. The feelings of unfairness can become motivators or demotivators of people’s performance. Theoretically, the comparisons are difficult to make in the CCS where public servants are paid a basic salary equally for the same positions and categories across the sector (see Tables 3.4 and 3.5 in Chapter 3) while there are significantly different and unequal amounts of supplementary benefits and unofficial fees based on positions and patron-client relations. Nevertheless, the latter is seen as a key point for comparisons.

Interviewees’ comments show that some government personnel were keen to compare their perceived fair treatment to others who contributed the same input. These comparisons included factors such as promotion, supplementary benefit and patron-client relationships, and were considered to affect their motivation and generally negatively affect job performance in the CCS. As soon as they perceived that they were unfairly and unfavourably treated in terms
of their contribution and outcomes, they were demotivated to perform the jobs they would normally do in addition to low pay. However, the question is whether respondents thought they were fairly treated in comparison to others and did the perception that they were being treated fairly motivate them to perform well. The interview data did not provide any answers regarding fair comparison and whether it led to high performance. Rather, respondents preferred to provide the negative side of their comparison, they thought they were being treated unfairly.

Using the factor of promotion, a senior central government official admitted that “people who performed very well got nothing for their efforts while people who performed badly got what they did not deserve”. It was commonly understood that officials were promoted based on their good links to the senior levels or their patron-client relationships. In other words, promotion was associated with patronage in the unofficial networks within the state apparatus. This unfair treatment made co-workers who were not promoted, demotivated to perform their jobs. Those who got promoted may have been motivated to work well, but they worked for their group rather than the public. Another official in the education sector gave a brief explanation of how he was discouraged by inequity in promotion when he and other colleagues compared their inputs to other persons. Promotion was made under political party quota and so did not reflect fair contribution/inputs of skills, knowledge or experience. This unfair treatment resulted in dissatisfaction among some staff who had worked for a long time with greater contribution and inputs and who expected to get promotion. Unfair treatment in regard to promotion became a matter of real demotivation to performing their jobs as was predicted by the theory. When perceived inequity exists, an individual is likely to change work inputs (reduce performance efforts); change the outcomes; leave the situation; and act to change the inputs or outputs of the comparison person (Furnham, 2004, p. 84; Wood et al., 2006, p. 90).

Another example is patron-client relationships which were perceived to exist by respondents in all sectors and were a major means of comparison in connection with motivation at work. The practice of patronage was found in reciprocal patron-client ties which penetrated the CCS and was seen especially in terms of a combination of reward, coercive and referent power. Within the patron-client relationships, some people were included, while others excluded. Members of in-groups worked for their team while members of out-groups necessarily looked further afield for means to survive instead of performing their formal function. Thus, it could
be said that both groups generally compared their inputs and outcomes but bother perhaps served their own interests through affective and informal means, but they performed their duties in the formal bureaucratic system poorly. Therefore, while it may have demotivated some, there were other more significant factors, notably pay, concern with equity in a bureaucracy based on hierarchy and patron-client ties meant that expectations of equity may have been low. The equity theory, anyway, provides a poor fit to assist the understanding of motivational behaviour in the CCS.

Other influences over performance

One of the main reasons for poor and partial fit between some motivation theories and good explanations of performance in the CCS is the influence of culture and politics on organisational life. Organisational culture is “an informal, shared way of perceiving life and membership in the organisation that binds members together and influences what they think about themselves and their work” (Wagner III & Hollenbeck, 2010, p. 283) and is expressed in part from beliefs, values, attitudes and norms of behaviour that are the products of and expressed in history, tradition and social practices (Turner & Hulme, 1997, p. 34). Organisational culture differs from one organisation to another and from one country to another. In the CCS, there were three dimensions of culture that were of particular relevance for this study. These included high power distance, high uncertainty avoidance, and high collectivism (Blunt & Turner, 2005, p. 4) (see Chapters 2-3). The interview data provided a variety of responses to organisational culture in the CCS that helped to explain organisational behaviour in the CCS. These views on organisational culture are set out in Table 8.6.
Table 8.6: Respondents’ views on aspects of organisational culture in relation to performance

<table>
<thead>
<tr>
<th>Aspects of organisational culture</th>
<th>Central government officials (%)</th>
<th>Educational administrators (%)</th>
<th>Principals and teachers (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patron-client relations</td>
<td>80.0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Practices of bribery, corruption and nepotism</td>
<td>70.0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Passivity and tolerance</td>
<td>40.0</td>
<td>33.3</td>
<td>7.7</td>
</tr>
<tr>
<td>Practice of low pay levels</td>
<td>20.0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Support for top-down hierarchy and bureaucracy</td>
<td>20.0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Inequity in promotion</td>
<td>10.0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Confidentiality</td>
<td>10.0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Political differences and interests leading to conflicts</td>
<td>10.0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Practice of salary supplementation (unofficial fees and second jobs)</td>
<td>10.0</td>
<td>0</td>
<td>19.2</td>
</tr>
<tr>
<td>Group or party factions and ‘colouring’</td>
<td>0</td>
<td>33.3</td>
<td>0</td>
</tr>
<tr>
<td>Uncooperative behaviour</td>
<td>0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Culture of lip service</td>
<td>0</td>
<td>16.7</td>
<td>0</td>
</tr>
<tr>
<td>Adherence to professional conscience or professionalism</td>
<td>0</td>
<td>0</td>
<td>80.6</td>
</tr>
</tbody>
</table>

Table 8.6 shows that patron-client relationships were the most commonly recognised aspect of organisational culture by 80.0 per cent of central government interviewees, by 33.3 per cent of educational administrators but by no principals or teachers. Patron-client relationships were a major aspect of organisational culture. Within the patron-client relationships, favoured staff had had to serve their political party’s interests and be loyal to their party and so quite possibly pay less attention to their official duties of serving the public. As these staff were shielded and supported by powerful political figures in the patronage networks, they were
unlikely to have any punishment imposed on them for wrongdoing and/or inadequate performance.

Patron-client relationships tend to be a structure that are characterised by high power distance, high uncertainty avoidance and high collectivism in Blunt and Turner (2005). High power distance, which has a long history in Cambodia, is currently a feature of bureaucratic hierarchy in public organisations. Superiors are the persons who have the authority to make decisions on all matters while subordinates do what they are told without consultation or question. They do not make decisions. High uncertainty avoidance can be a feature associated with hierarchical relations in organisations where lower-level staff follow directions and practices that are set by their superiors whether or not they are formally prescribed. High collectivism reflects the high values given to the needs and interest of the group and party as distinct from the individual. In other words, friendship, kinship and loyalty are valued, while outsiders are valued less. These values and beliefs are supportive of the formation of patron-client relationships within public service organisations and lead to a lack of democratic accountability (Blunt & Turner, 2005, p. 4). This finding coincides with other contemporary work on patronage in developing country bureaucracies (eg Khan, 2005; Blunt et al. 2012a, 2012b; Grindle, 2010) that patronage has deep roots and prioritises a culture of loyalty over one of performance. Individualism is suspected while collectivism is appreciated and divergence form the prevailing norms can be most disadvantageous for the individual employee.

The research results also fit with the contemporary writers on patronage in another way, that is in connection with patronage’s associated practices of corruption and nepotism. Table 8.6 also shows that corruption and nepotism were on the top of the list of aspects of culture for educational administrators (33.3 per cent), in second place for central government (70.0 per cent) but were not mentioned in the list provided by principals and teachers. This aspect of culture was associated with patron-client relationships. Nepotism, in particular, is concerned with unfair use of connections between friends and relatives to provide advantages to them or yourself. It fits in with patron-client relationships that are based on reciprocity, and involves obligations relating to friendship and kinship. The client in the relationships supplies the patron with loyalty and support in exchange for valuable resources such as promotion or turning a blind eye to second jobs. Passivity and tolerance which was also the one of the most cited aspects of culture by educational administrators (33.3 per cent), was on the third place of
the central government officials’ list (40.0 per cent) and was little cited by principals and teachers (7.7 per cent). The aspect of passivity and tolerance was found to penetrate public institutions in the CCS, particularly in association with nepotism and patron-client networks. This aspect of culture was closely associated with high collectivism more than high power distance and high uncertainty avoidance.

Notably, adherence to professional conscience or professionalism was the main aspect of culture in the public schools mentioned by 80.6 per cent of principals and teachers, but central government officials and educational administrators did not cite it. Adherence to professional conscience or professionalism was a key aspect of organisational culture as respondents claimed that they maintained high uncertainty avoidance in their professional jobs. However, this aspect of culture was not related to high power distance and high collectivism.

Supplementary incomes: unofficial fees, student’s contribution and selling in class were cited by 19.2 per cent of principals and teachers as another aspect of the culture influencing work performance in the public schools (see Table 7.10). Unlike the practice of professionalism, the practice of supplementary incomes was inclined to harm the quality of performance directly for two reasons. First, staff took business hours to undertake these activities and second, they took unofficial fees for what they should have provided to the public free of charge as components of their public service employment. This aspect of culture does not appear to be an expression of the three elements identified by Blunt and Turner (2005). It stands by itself. Therefore, to sum it up, central government and educational administrators were concerned about patron-client ties that reflect the high power distance identified by both. However, teachers and principals identified other aspects of culture as most important. This does not mean that the central government officials and educational administrators’ observations were invalid; rather that teachers and principals demonstrated that other values and norms as being of significance.

Politics is also held to be “a key determinant of performance” in public and private organisations (Ochi as cited in Pandey & Moynihan, 2006, p. 133) and an unavoidable fact in organisational culture. Politics is power in action and has significant effects on organisational behaviour influencing over relations between the organisation’s members and between them and external stakeholders (Robbins et al., 2010, p. 251; Wagner III & Hollenbeck, 2010, p. 223). In a democratic regime, people expect elected politicians to have authority over bureaucrats, but also expect bureaucrats to fulfil their roles based on their professional skills
and experience. However, this idealised depiction of relations between politicians and bureaucracy is frequently a misrepresentation of reality, especially in developing countries where patron-client relations involving ruling political parties have penetrated bureaucracy and influence organisational behaviour. Thus, even low-level bureaucrats can be politically influenced and their job performance affected by such an environment. This general depiction of bureaucratic life fits with the empirical data gathered in the semi-democratic political regime of Cambodia where some motivation theories cannot explain organisational behaviour. Analysis of the interview responses revealed several expressions of politics in the CCS as presented in Table 8.7.

**Table 8.7: Respondents’ views on typical expressions of politics in relation to performance**

<table>
<thead>
<tr>
<th>Typical expressions of politics</th>
<th>Central government officials (%)</th>
<th>Educational administrators (%)</th>
<th>Principals (%)</th>
<th>Teachers (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political party interest</td>
<td>44.4</td>
<td>40.0</td>
<td>16.7</td>
<td>6.3</td>
</tr>
<tr>
<td>Member of a political party</td>
<td>44.4</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Political or patron’s influence and interference</td>
<td>22.2</td>
<td>80.0</td>
<td>50.0</td>
<td>6.3</td>
</tr>
<tr>
<td>Patron-client relations</td>
<td>0</td>
<td>40.0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Politics existed, but did not impact job performance as they were adherents of professionalism</td>
<td>0</td>
<td>0</td>
<td>50.0</td>
<td>87.5</td>
</tr>
</tbody>
</table>

All interviewees identified politics as a significant aspect of organisational life, but in the case of teachers and principals, it did not necessarily impinge on them. Table 8.7 indicates that political party interest was the most common expression of politics identified by central government officials (44.4 per cent), the second identified by educational administrators (40.0 per cent) but little cited by principals (16.7 per cent) and teachers (6.3 per cent). The explanation for this is that public employees, but not necessary teachers, were mobilised
and/or coerced into a political group or party, particularly into the ruling party, to join that party’s patron-client networks in the CCS. Staff included in the networks have mostly survived and advanced in their careers but not necessarily through better job performance. These staff have had to serve party interests while possibly paying less attention to their official duties serving the public. As one interviewee stated:

Political party interest as the prime task was cited by one interviewee while the government interest was in second place.

> I think they work every day for their political party as a primary task and for the government as a secondary one... Sometimes, especially during political campaigns, they accompany their bosses to their electoral bases in the constituencies while leaving offices unattended.

Another interviewee claimed, similarly, that government personnel were required to be member of a political party and then to serve the party interest. He stressed that if government staff, especially at senior levels, did not join, they were likely to be sacked.

> We work for the political party interest rather than for the people and the national interest... Ranging from ordinary officials to the institution's head, we are required to be members of a political party and to do activities for the party’s interest... Honestly, senior officials who hold good positions are members of the CPP party. If they don’t join it, they are sacked from office. I think everyone works for the party.

Political influence and interference was the aspect of bureaucratic politics most commonly cited by educational administrators (80.0 per cent) and by principals (50.0 per cent) but it was the least cited expression by central government officials and teachers standing at 22.2 per cent and 6.3 per cent respectively. The notion of political influence and interference is widely and historically understood to mean that government personnel, particularly those at senior levels, are able to exert their influence over appointments, promotions, decision-making, rent-seeking activities and corrupt practices, where these were not necessarily in line with the formally prescribed procedures.

The statements from the interviewees indicated that senior officials were involved in political work in public organisations during business hours. They were involved in political appointments and deployments in order to serve their personal and political interests and to
enhance their power and the power of political parties. This means that senior officials or patrons who control resources gave their clients access to them in return for loyalty and support. The resources they controlled included power, positions, jobs, finance and impunity. The table also shows that for school teachers and principals, but not central government officials and educational administrators, politics existed, but did not affect their job performance. School teachers and principals claimed to adhere to professionalism (identified by 87.5 per cent of teachers and by 50.0 per cent of principals). Thus one principal stated:

*In fact, school is an institution where staff are involved in techniques... Its staff perform technical work. In our country, of course, political influence is very strong, but it cannot impact much on technical work.*

A teacher insisted that she had nothing to do with politics, rather she was involved only in teaching as that was her professional career.

*My responsibility is only to teach. In teaching, if I have been involved in politics, I would work poorly. I may be politically motivated. I would not teach well. Thus, my professional job would be useless. So, I don’t want my professional job to be disqualified. I have to involve nothing but to teach children who are treated as my own children and who are going to replace this generation to serve all institutions...*

Therefore, politicisation of the civil service, particularly in the central government and the education-administrative institutions, is linked to political party influence, interests and affiliation, and can be organised in patron-client networks. Support and affiliation of political parties and leaders allow staff to perform poorly as it is their loyalty that is most important rather than their performance. The strength of the party to members of the network is valuable. The politics of patronage and interference serves to build and enhance party and personal power and distracts from attending to the interests of the public. Such involvement of politics renders redundant the application of some motivation theories to explaining organisational behaviour in the CCS. However, teachers and principals appeared to be little connected with politics. Rather, their claimed adherence to professionalism perhaps indicated better or at least more committed job performance than other respondents. The large majority of teachers and principals (69.9 per cent) reported that they performed effectively although their pay was low.
Several factors contributed to the differences in responses of teachers and principals as compared to the other groups. First, their performance was motivated by their professionalism and their felt obligation to educate students. Second, teachers often had additional sources of incomes including unofficial fees, providing paid tutoring, working part time elsewhere, requiring students to make contribution and selling items in class. Such additional income could be used to cover cost of living. Third, the self-assessment of performance unsurprisingly produced positive results. Central to this is that they may have been defensive in projecting an image of themselves as professionals. Finally, their average working hours were generally shorter than the average of general public employees (see Table 7.8). Data show that teachers’ working time was half the hours for general government workers who were required to work eight hours a day and five days a week (see Chapter 3). Thus, business hours for teachers could contribute to the self-estimated high quality of performance as they worked an average of only four hours a day in their teaching jobs. This gave them plenty of time to undertake second jobs without any negative impact on their motivation or performance.

Conclusion

This research has found empirically that pay is a major determinant of motivation and demotivation to perform work roles in the CCS. The large majority of interviewees of all sectors studied, reported that pay was an important factor for performance, and that it affected performance and public service delivery. Since pay was only one important source of income, the vast majority of respondents acknowledged that they had sought other sources of incomes, and that this had had the effect of diverting their attention from their public service jobs and reducing their performance effort there. Pay, particularly low pay, played a lesser role or no role at all in getting civil service jobs and encouraging performance in the CCS. It was, however, the most demotivating factor discouraging job performance in education, and ranking a second in promotion in the central government.

Motivation theories were employed to mediate and explain this linkage. These theories have been developed and used to explore how people are motivated to perform their jobs in developed countries. Here they were found to lack explanatory power: they provided only a
partial fit, although expectancy theory came closest to a good fit in the CCS. One of the reasons for the poor and partial fit of some motivation theories and explanations of performance in the CCS is the influence that comes from the culture and politics of organisational life. The prevailing patron-client relationships in the CCS reflected the values high power distance, high uncertainty avoidance and high collectivism. Nepotism and passivity and tolerance were closely linked to patron-client relationships closely associated with high collectivism. By contrast, the main aspect of culture mentioned by teachers and principals in the public schools was adherence to ‘professional conscience’ or professionalism. This was said to be a key aspect of organisational culture influencing their professional jobs to stay with high uncertainty avoidance. The acceptance as normal of pursuing supplementary incomes was another aspect of the culture that influences work performance. Unlike the practice of professionalism, the practice of seeking supplementary incomes was inclined to harm the quality of performance directly.

In the area of bureaucratic politics, three expressions were found to be similar in the central government and the education-administrative institutions, namely: membership in a political party; pursuing political party interest; and patrons’ influence and interference. By contrast, in the public schools they acknowledged that bureaucratic politics existed, but claimed it did not have impact on their job performance as they adhered to professionalism. Thus, they perhaps performed better than other respondents. The majority of teachers and principals (69.9 per cent) reported that they performed effectively although their pay was low. My analysis provided an insight into several key factors contributing to this claimed high level of performance. First, their performance was motivated by their professionalism and obligation to educate students. Second, teachers generally had additional sources of income which covered their needs. Third, they were possibly being defensive of their images, choosing to portray themselves as professionals. Finally, their average working hours were generally shorter than the average of other public service employees, enabling them to attend to both teaching and second jobs without adversely affecting the former.
Chapter 9

Summary and Conclusion

The research set out to examine perceptions of the relationship between pay and performance in the Cambodian civil service (CCS) with special attention paid to the education sector using two main research questions:

- What is the relationship between pay and performance in the CCS?
- What factors motivate and/or demotivate civil servants in obtaining and performing their public jobs in the CCS?

As identified in Chapter 1, while much research has asserted a strong relationship between pay and performance, none has actually demonstrated it. This thesis aimed to fill this gap in our knowledge by collecting and analysing empirical data on the subject. Thus this thesis makes a significant contribution to advancing our understanding of the relationship between pay and performance, an understanding that can be used by policy-makers to inform Cambodian public sector reform.

A first step was to review the relevant literature on the relationship between pay and performance (Chapter 2). It found two key approaches for explaining the link: factors and theories. The first approach sought to identify factors or motives, which inspire individuals in the performance of their jobs. Various writers were identified, including Mann (2006, p. 34) who spelled out three factors: rational, norm-based and affective motives, and those who divided motivational factors between intrinsic and extrinsic rewards (Agarwal, 1998; Daft & Pirola-Merlo, 2009; Mann, 2006). A more complex classification of motivational factors involving six clusters was also reviewed (Armstrong & Murlis, 2004). However, in each case the theory and empirical proof were drawn from rich country experiences, especially the USA, where salaries easily cover earners’ subsistence needs. However, as was pointed out, such conditions do not apply in many developing countries such as Cambodia, where civil servants are paid sums that do not support a decent standard of living. Thus, it was suggested
that securing adequate income to meet necessary costs of living might be the first priority in these civil servants’ minds.

Chew (1997, p. 43) stressed that if civil servants were well paid in relation to the cost of living, performance would be good because they could concentrate on their work. They would not constantly be concerned with finding the money to support their standard of living. However, as demonstrated in Chapter 2, in many developing countries where public servants’ pay is very low in relation to the cost of living, their productivity and quality of performance are disappointing. As indicated by Klitgaard (1997, p. 492), “countries with lower civil service wages have significantly and importantly worse performance”. If pay is too low to support a reasonable life style, then civil servants lack the motivation to perform well in their jobs.

Other authors noted the demotivational effects of low pay (such as Nunberg and Nellis, 1995) and that high pay has not necessarily been a good motivator for job performance. One major effect of the alleged demotivation of low level of pay in the public sector was found to be inadequate public services for citizens. Low pay, according to McCourt (2003), produces adverse consequences, particularly corruption, as public servants look for other sources of income to support their families. This affects public servants’ commitment to their jobs as they divert their commitment from their primary duties to other jobs (McCourt, 2003). Chapter 2 identified this as a major problem in places where public service performance is a key to accelerating development, reducing poverty and particularly achieving the MDGs.

A second set of approaches examined in Chapter 2 involved motivation theories. Four types of theories were investigated in this thesis. They were needs-based theories, reinforcement theory, expectancy theory and equity theory. Chapter 2 pointed out that while these theories have been used to explain what motivates people to perform well in their work, the research on which they were based appears to have more relevance in rich countries than in developing countries such as Cambodia where environmental conditions were very different. Nevertheless, it was acknowledged that each of the theories did add to our understanding of motivation in performing jobs. All theories had their strengths which alerted us to possible ways of examining motivation. But all had weaknesses as well, whether in their claims to universality or in what they omitted from consideration. It was also posited in Chapter 2 that
one did not have to pick a single theory for explaining motivation. Some of them could be complementary (Robbins et al., 2010).

In addition to the explanations of these factors and theories, there were two additional factors considered in Chapter 2: organisational culture and politics. Both were seen to be potential influences on organisational behaviour in countries like Cambodia. There were three elements of culture that were seen to be of great relevance for Cambodia: high power distance, high uncertainty avoidance, and high collectivism (Blunt & Turner, 2005). Politics was the second factor seen to operate in developing countries through political and bureaucratic leaders who had the power and opportunity to influence the operations of public organisations especially using patron-client relationships.

The literature review facilitated the construction of a framework to demonstrate the possible link between pay and public service performance. Mediating this link was motivation that could be explored through the four types of motivation theories. Pay was located in the framework as an element of motivation which created specific work behaviours. However, the framework also identified the additional potential influences of organisational culture and politics. Also acknowledged was the idea that levels of skills and knowledge should have an impact on performance; however, this thesis has not dealt with this matter.

Chapter 3 provided a historical and socio-political background on Cambodia. The chapter began with a country profile and a brief history of Cambodia. It then closely examined the development of the CCS since 1979. Finally, the chapter investigated several key HRM components of the current CCS including its composition, career paths, the remuneration system, performance management, and the relationship between pay and performance. The latter was the main focus in this chapter which concluded that although the Royal Government of Cambodia (RGC) had made some effort and progress in reforming the CCS, the quality of public services had remained relatively poor. From the data cited, one of the main explanatory factors for poor quality appeared to be the low pay of civil servants. The average state salary of a civil servant was US$46 per month in 2006 and US$75.5 per month in 2009 while in the same period the basic cost of living for a family was twice these amounts. The chapter traced the cause of low pay to two key factors: aid dependency and low government revenues.
The chapter also reiterated the prevailing view that with low levels of pay it was impossible to motivate civil servants to perform their public duties well. Rather, they looked for other activities to supplement their income shortfall. They either had second jobs or got involved in corrupt practices. Furthermore, some officials sought support from potential superiors and from patron-client relationships with them. Patrons were able to provide their clients with valuable resources in exchange for loyalty and support. It was observed that such networks had become deeply entrenched in the CCS and had significantly weakened public accountability.

Chapter 4 laid out the methodology of the study. A thematic analysis case study was adopted to examine the CCS paying special attention to the education sector. Both desk research and field research activities were identified as important elements of the methodology for the latter. Semi-structured interviews and questionnaire were used. These formed the principal means of gathering original empirical data for the thesis and on which conclusions were based.

Chapters 5 to 7 presented and discussed the data collected in the field in 2008 and 2009, and formed the empirical core of this thesis. The data were mainly from interviews with public servants of the four key national government institutions and the education sector including public schools, and focussed on the following themes: perceptions of performance; factors which encourage performance; factors which discourage performance; current pay/salary for daily expenses; pay as a factor affecting performance; increased pay and performance; why people become civil servants; factors for staying in this job; incentives in the workplace; organisational culture and performance; and political influences on performance. Quality of performance and working period were other themes included in principals’ and teachers’ interviews.

These three chapters showed that both central government personnel and educational administrators saw performance as ‘results are achieved as planned’. Their achievements were acknowledged via feedback from friends, colleagues and superiors, and also by means of formal assessment. The majority of principals saw performance similarly as ‘the implementation and achievements of their job description in accordance with a work plan’, while most teachers saw performance somewhat differently, as ‘the link between teaching and
achieving visible results in terms of a students’ capacity to pursue and understand what they have been taught’.

The large majority (75.0 per cent of central government respondents, 66.6 per cent of educational administrators, and 91.3 per of principals and teachers) asserted that pay was important and affected their performance. They further observed that they lacked motivation to perform their jobs well as their salaries were lower than subsistence level. Interviewees confirmed that state salary only formed one important source of income and that the majority of public servants (83.3 per cent of central government interviewees and all respondents of the education sector) relied on other sources of income to pay their living expenses. These sources included the incomes of their partners or families, second or third jobs, and rent-seeking activities in the unofficial networks within the government. The supplementation of incomes had long been a fact of life for general government staff. However, it had led public service staff to pay less attention to their jobs than they needed to.

Central government interviewees and educational administrators also mentioned that pay was an important motivator and that ‘increased pay’ would result in better performance but must be supplemented by other factors such as staff capacity, personal commitment and professionalism. Likewise, all teachers and principals agreed that ‘increased pay’ would result in better performance but added the proviso that the increase should at least take their salary up to subsistence level. Some added other factors such as ‘professional conscience’ or professionalism, capacity and rule enforcement at the workplace as factors influencing performance in association with pay which were required to improve their job performance. Interviewees also indentified a long list of factors thought to contribute to poor performance such as: inequity in promotion; shortage of resources; patron-client networks; time pressure; overload of job assignments; inequity in benefit sharing; and political party influence. But conversations invariably came back to pay as the key factor.

Principals and teachers recognised other factors as also contributing both negatively and positively to performance quality. Factors such as adherence to professionalism, involvement in pursuing supplementary incomes and political influence and interference were reported. Although pay was reported by all principals and teachers as an important motivator, it was countered by professionalism. According to many interviewees, professionalism was a factor that had an overriding impact; they were professionals regardless of how much they were
paid. They also reported that, as professionals, other factors contributed to ‘effective’ and ‘very effective’ performance, factors such as: support, motivation and values; intention; honour incentives; responsibility; and verbal appreciation. However, the respondents’ views on the positive influence of professionalism may have been simply a way of defining themselves as they wanted others to see them, as professionals. In fact, they may have been playing only ‘lip service’ to professionalism in their job performance given their other concerns and activities relating to low pay.

Chapter 8 analysed of the empirical data presented in Chapters 5-7. The first task was to consider what the findings revealed about the link between pay and performance in the CCS postulated in Chapters 1 and 2. Pay was found to be a major determinant of motivation and demotivation to perform work roles. The large majority of interviewees of all sectors studied reported that pay was an important factor for performance, and that it affected performance and public service delivery. Since pay only formed one source of income, the vast majority of respondents acknowledged that they had sought other sources of incomes, thus diverting their attention from their public service jobs and reducing their performance effort in that work. However, pay, particularly the prevailing low levels of pay, played virtually no role in motivating people to get public service jobs and in encouraging their performance in them. It was, however, the most demotivational factor that discouraged job performance in the education sector, while ranking a second only behind inequity in promotion in the central government.

This Cambodian research has added weight to Vroom’s (1964, p. 30) general observation that, “despite the old saw that ‘money can’t buy happiness’; it can be exchanged for many commodities which are necessary for survival and comfort”. Pay was important to all interviewees because it was essential for the satisfaction of economic and social needs. But, would ‘increased pay’ result in better performance? The respondents said ‘Yes’, sometimes adding the proviso that other factors had to be included as well, and that the increase should at least take their salaries up to subsistence level. However, it was not clear just how and why ‘increased pay’ would improve performance. One line of argument, one particularly advanced by teachers and principals, was that in order to improve performance pay must be increased to at least subsistence level as this would, presumably, keep their attention focussed on teaching and not seeking other employment. Apart from this, there was no indication of the amount of pay needed to boost performance. Respondents had not considered whether a certain
increment of pay increase would boost the productivity of a member of staff by a particular amount. This was perhaps because their perceptions of the relationship between pay and performance were built on negative foundations: they recognised that low pay adversely affected work performance, but had not thought through how high or increased pay would boost performance. Respondents from all organisations did, however, recognise that other factors should be taken into account along with pay. They believed that additional pay needed to be supplemented by other improvements such as increased staff capacity and enhanced professionalism for work performance to improve performance.

The insufficiency of public service pay was reported by the vast majority of interviewees. They relied heavily on other sources of income to pay their living expenses as postulated in Chapter 2. The supplementation of incomes had long been a fact of life for general government staff. The interviewees admitted that additional employment activity involved time and effort, which distracted them or their colleagues from their primary duties as public servants. This was undoubtedly widespread problem in Cambodia where the average state salary in Cambodia is very low compared to the cost of living.

One of the most interesting findings of this study was that the amount of pay played no role at all in motivating people to seek public jobs in Cambodia. They knew that the pay was extremely low and thus they were motivated by other factors in obtaining their public service jobs. Their rationales for seeking public service jobs included such factors as job security or lifelong employment, social status and prestige, opportunity for education development, promotion or opportunity for advancement, and professionalism. But once in public service jobs, pay was reported as being the most important demotivational factor; it discouraged them from performing jobs well as they diverted time and effort from primary duties and tasks to obtain other sources of income. Furthermore, they felt that low pay justified poor performance.

The second set of analytical tools was motivation theories. Motivation was identified as a core concern in the analysis of the pay and performance relationship, and was explored through four theories of motivation, all developed in rich countries and perhaps with limited relevance for the very different conditions of Cambodia.
It became evident that the hierarchy of needs theory had little relevance for Cambodian public servants who had little or no chance of moving up the needs hierarchy to satisfy higher level needs. Satisfying their basic needs was quite evidently their prime imperative. Respondents did indicate there were other needs such as praise, acknowledgement, recognition of achievements and good working environment but their preoccupation was with their basic needs. Thus, they contended that pay was the most important factor affecting performance, and that the pay they received was not enough to cover their costs of living. Therefore, they were preoccupied seeking other sources of income rather than being concerned about moving to higher levels of needs.

The two-factor theory provided a partial fit in predicting what motivated the behaviour of workers in the CCS. Several of Herzberg’s (2003) motivators or growth factors such as achievement, work itself and personal growth were cited by the interviewees as motivating them in their work. But pay, particularly low pay, a hygiene factor, a cause of dissatisfaction for Herzberg (2003) was not only a demotivating factor for the Cambodian respondents, but was also seen to be a motivating factor. All respondents stated that if pay was increased to a reasonable level, they would perform their jobs well. The vast majority picked out pay alone as a motivator rather than a hygiene factor while the remainder included other factors or stated that salary had to be increased to at least subsistence level. Similarly, Herzberg’s hygiene factor of ‘supervision’ could also be viewed as a motivator in the Cambodian context. Supervision in the CCS was enmeshed with informal patron-client relations, and alignment with a patron could be both a major demotivating factor and a motivating factor depending on an individual’s circumstances.

Acquired needs theory was very weak in explaining motivation in the CCS. It failed to acknowledge the clear variations in culture and structure that could profoundly influence what motivates people. Also, interviewees demonstrated a weak commitment to the needs for achievement, power and affiliation as defined by McClelland (1985). There were some reasons for achieving results as planned and becoming involved in patron-client relations but such sentiments were obviously not prime drivers of organisational behaviour; it was acquiring adequate income that dominated their thinking.

Reinforcement theory provided a partial explanation of workers’ motivation and behaviour. Positive reinforcement fitted well in predicting what motivated Cambodian public servants to
perform their public sector jobs. The majority of respondents mentioned a few examples of positive reinforcements towards good behaviour and motivation at work including promotion, verbal appreciation and praise, honour incentives, and supplementary income including MBPI, other allowances and unofficial fees. Negative reinforcement, punishment and extinction were rarely mentioned by respondents. These three types of reinforcement were not used, they said, to modify their behaviour. This strengthens the view that positive reinforcement and securing adequate income for their family were the predominant features determining work behaviour in the CCS.

Expectancy theory provided the best theoretical fit for explaining the motivation of public servants in the CCS. The theory provided two analytical insights. Firstly, analysis of the responses revealed that low pay discouraged respondents from performing their jobs well. The overwhelming majority of respondents reported that pay was the most important motivational factor of performance and they said that the current amount of pay adversely affected their quality of performance. From expectancy theory, it could be argued that as they sought alternative sources of income, thus diverting their attention and reducing their effort in their primary duties, they did not expect to get their desired subsistence wage. They reduced their effort-performance expectancy and performance-outcome expectancy in their public jobs while looking for other sources of income or feeling that their low wages justified poor performance. Secondly, public servants said they were motivated to perform their jobs by their desired outcomes or expectation rather than pay. But it was not necessarily the case that they thought about high performance. Rather, it could be presumed that they performed at their expected quality level as explored throughout this study. Their main expected desired rewards or outcomes were job security or lifelong employment, social status and prestige, and needing a job or not finding other jobs.

Equity theory provided little analytical insight into what motivated Cambodian public servants. Some interviewees commented that they compared their treatment to others who contributed the same input. These comparisons included such things as promotions, benefit infringements and patron-client relationships, and were considered to affect their motivation and hence job performance negatively. But these were secondary factors compared to pay. However, the interviewees did not indicate how (or if) equity perceptions could lead to good performance. Rather, respondents preferred to focus on the negative side of their comparison.
The third approach looked at the influence of culture and politics in organisational life. Among the administrators, organisational culture reflected high power distance, high uncertainty avoidance and high collectivism. They tended to support patron-client relations, corruption, nepotism and conforming to group behaviours. Staff became informally accountable to their teams including political parties, influential business people, families and friends. As a consequence, they paid perhaps less attention to general public service delivery than to meeting the demands of their informal groups and networks. Such patterns were less common among school staff who claimed they put high value on conscience or professionalism. However, this positive self-image was somewhat tempered by their acknowledgement of their need to pursue second incomes.

From the interviewees’ comments, politics was found to exert a significant behavioural influence on all administrators and was mainly in membership of a political party pursuing political party interests and patron’s influence. Organisational behaviour had become oriented to serving the interests of political parties, whether or not they were in the national interest. This link with parties was given particular emphasis through the informal networks of patronage that exerted such a powerful influence over organisational life. This concern with political order and obedience meant that considerations of performance and service quality took secondary roles to politics in the CCS.

Teachers and principals were in contrast to the administrators. They claimed that politics existed, but did not impact on their job performance as they adhered to professionalism. Thus, the majority of teachers and principals (69.9 per cent) reported that they performed effectively despite their pay being low. This was attributed to their professionalism and obligation to teach students. They were not confronted with bureaucratic and party politics in their daily routines.

In summary, this thesis set out to investigate the conventional wisdom that low pay and poor performance are closely linked in the CCS. But until now there has been little or no empirical confirmation of this widely held belief. This thesis provides such confirmation by collecting rich data and applying a range of analytical tools to them. It provides a significant insight into the nature of the relationship between pay and performance. Essentially, it became evident during the research that when staff were significantly paid lower than a living wage, they performed poorly as they diverted their time and effort to other sources of income or reduced
their performance effort; or felt that low pay justified poor performance. Thus, pay was either the most important or a significant factor influencing performance, and it either adversely affected job performance or led to dissatisfaction with civil service jobs. Nevertheless, pay played little or no role in motivating people in seeking civil service jobs and in encouraging performance when employed. Rather, interviewees pointed to such factors as job security or lifelong employment, social status and prestige, future personal growth and other opportunities, and professionalism as motivating factors. But, pay was the most important demotivational factor discouraging them from performing jobs well. This link can draw further insight from motivation theories, especially expectancy theory, but care must be taken in utilising these tools in poor country settings. They were shown to have limited explanatory power in such contexts. Finally, the pay and performance link was potentially influenced by organisational culture and politics in the CCS whereby these phenomena distracted attention from the formal goals of the organisations – that is, to provide good performance. Overall, these insights can be useful to policy-makers in designing and implementing public administration reform in Cambodia.
## Appendix 1: State salary of the CCS, inflation and exchange rates between 1979-2009

<table>
<thead>
<tr>
<th>Years</th>
<th>Average state salary in US$/month (MEF database)</th>
<th>Average state salary in US$/month (Other sources)</th>
<th>Inflation (% year average)</th>
<th>Exchange rates (Riels/US$ at market rate) (MEF database)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979</td>
<td>5.09 + Ration*</td>
<td>13 Kgs of rice + other ration</td>
<td>N/A</td>
<td>50.00</td>
</tr>
<tr>
<td>1980</td>
<td>4.79 + Ration*</td>
<td>$16 (65 riels/month at official exchange rate)**</td>
<td></td>
<td>50.00</td>
</tr>
<tr>
<td>1981</td>
<td>5.07 + Ration*</td>
<td>(Low-level staff)</td>
<td></td>
<td>55.00</td>
</tr>
<tr>
<td>1982</td>
<td>5.31 + Ration*</td>
<td>$15 (100 riels/month at official exchange rate)**</td>
<td></td>
<td>60.00</td>
</tr>
<tr>
<td>1983</td>
<td>5.51 + Ration*</td>
<td>(Low-level staff)</td>
<td></td>
<td>65.00</td>
</tr>
<tr>
<td>1984</td>
<td>5.68 + Ration*</td>
<td>$15 (100 riels/month at official exchange rate)**</td>
<td></td>
<td>70.00</td>
</tr>
<tr>
<td>1985</td>
<td>5.83 + Ration*</td>
<td>(Low-level staff)</td>
<td></td>
<td>80.00</td>
</tr>
<tr>
<td>1986</td>
<td>6.25 + Ration*</td>
<td></td>
<td></td>
<td>95.00</td>
</tr>
<tr>
<td>1987</td>
<td>6.61 + Ration*</td>
<td></td>
<td></td>
<td>120.00</td>
</tr>
<tr>
<td>1988</td>
<td>7.13 + Ration*</td>
<td></td>
<td></td>
<td>148.00</td>
</tr>
<tr>
<td>1989</td>
<td>8.70</td>
<td></td>
<td></td>
<td>223.75</td>
</tr>
<tr>
<td>1990</td>
<td>8.06</td>
<td></td>
<td></td>
<td>143.50</td>
</tr>
<tr>
<td>1991</td>
<td>11.73</td>
<td></td>
<td></td>
<td>182.30</td>
</tr>
<tr>
<td>1992</td>
<td>13.89</td>
<td></td>
<td></td>
<td>93.80</td>
</tr>
<tr>
<td>1993</td>
<td>15.79</td>
<td></td>
<td></td>
<td>152.20</td>
</tr>
<tr>
<td>1994</td>
<td>27.00</td>
<td></td>
<td></td>
<td>-7.50</td>
</tr>
<tr>
<td>1995</td>
<td>33.43</td>
<td></td>
<td></td>
<td>7.20</td>
</tr>
<tr>
<td>1996</td>
<td>32.09</td>
<td></td>
<td></td>
<td>7.10</td>
</tr>
<tr>
<td>1997</td>
<td>31.13</td>
<td></td>
<td></td>
<td>8.10</td>
</tr>
<tr>
<td>1998</td>
<td>26.80</td>
<td></td>
<td></td>
<td>14.70</td>
</tr>
<tr>
<td>1999</td>
<td>31.73</td>
<td></td>
<td></td>
<td>4.00</td>
</tr>
<tr>
<td>2000</td>
<td>30.70</td>
<td></td>
<td></td>
<td>0.80</td>
</tr>
<tr>
<td>2001</td>
<td>30.55</td>
<td></td>
<td></td>
<td>-0.90</td>
</tr>
<tr>
<td>2002</td>
<td>33.69</td>
<td></td>
<td></td>
<td>33.00</td>
</tr>
<tr>
<td>2003</td>
<td>33.50</td>
<td></td>
<td></td>
<td>-0.10</td>
</tr>
<tr>
<td>2004</td>
<td>38.63</td>
<td></td>
<td></td>
<td>1.15</td>
</tr>
<tr>
<td>2005</td>
<td>42.94</td>
<td></td>
<td></td>
<td>46.00</td>
</tr>
<tr>
<td>2006</td>
<td>48.36</td>
<td></td>
<td></td>
<td>46.00</td>
</tr>
<tr>
<td>2007</td>
<td>54.92</td>
<td></td>
<td></td>
<td>51.30</td>
</tr>
<tr>
<td>2008</td>
<td>62.67</td>
<td></td>
<td></td>
<td>64.20</td>
</tr>
<tr>
<td>2009</td>
<td>69.47</td>
<td></td>
<td></td>
<td>75.50</td>
</tr>
</tbody>
</table>

Sources: compiled from (CDC, 2008a; Eng & Craig, 2009; Hughes, 2003; MEF, 2009; NIS, 2005b; PRCK, 1980; RGC, 2008a; Sok, 2009; The Chinese University of Hong Kong, 2000; World Bank, 1996; World Bank & Asian Development Bank, 2003; World Bank, 2004)

*Ration includes rice, cloth, sugar, cigarettes, detergents/soap and petrol.

**Official exchange rate is set by the state and differs from market rates (Hughes, 2003; MEF, 2009; The Chinese University of Hong Kong, 2000)
Appendix 2: Base salary for general administration in the CCS

<table>
<thead>
<tr>
<th>General Administration</th>
<th>Categ.</th>
<th>Levels of classification (in thousand Cambodian Riels)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>14</td>
</tr>
<tr>
<td><strong>Category A: Administrator (Leader, Decision-maker); at least Bachelor Degree and retirement at age of 60</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Administrator</td>
<td>A1</td>
<td></td>
</tr>
<tr>
<td>Principal Administrator</td>
<td>A2</td>
<td></td>
</tr>
<tr>
<td>Administrator</td>
<td>A3</td>
<td>189.0</td>
</tr>
<tr>
<td><strong>Category B: Mid Level Civil Servant (Leadership Assistant); at least High School Education Diploma and retired at age of 58</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Mid-Level Civil Servant</td>
<td>B1</td>
<td></td>
</tr>
<tr>
<td>Principal Mid-level Civil Servant</td>
<td>B2</td>
<td></td>
</tr>
<tr>
<td>Mid-level Civil Servant</td>
<td>B3</td>
<td>132.0</td>
</tr>
<tr>
<td><strong>Category C: Secretary or Skilled Operators (Executive); at least High School Education Diploma and retired at age of 55</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Secretary</td>
<td>C1</td>
<td></td>
</tr>
<tr>
<td>Principal secretary</td>
<td>C2</td>
<td></td>
</tr>
<tr>
<td>Secretary</td>
<td>C3</td>
<td>90.0</td>
</tr>
<tr>
<td><strong>Category D: Administrative Agents; retired at age of 55</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Administration Agent</td>
<td>D1</td>
<td></td>
</tr>
<tr>
<td>Principal Administration Agent</td>
<td>D2</td>
<td></td>
</tr>
<tr>
<td>Administration Agent</td>
<td>D3</td>
<td>60.0</td>
</tr>
</tbody>
</table>

Sources: *Kret*, Royal Decree, No. NS/RKT/1201/45, dated 1 December 2001, on base salary and allowances of civil servants (CAR, 2008; Kingdom of Cambodia, 2001)
Appendix 3: Pay scale table of base salary and selected allowances in the CCS

<table>
<thead>
<tr>
<th>Rank/Position</th>
<th>Base salary</th>
<th>Functional allowances</th>
<th>PMGs</th>
<th>Total</th>
<th>Total</th>
<th>Allowances from projects (or MBPI)</th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In thousand Riels</td>
<td>In thousand Riels</td>
<td>In thousand Riels</td>
<td>In thousand Riels</td>
<td>In thousand Riels</td>
<td>In thousand Riels</td>
<td>Min.</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>-------------</td>
<td>-----------------------</td>
<td>------</td>
<td>-------</td>
<td>-------</td>
<td>-----------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Director General</td>
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<td>204$</td>
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<td>204</td>
<td>178</td>
<td>204</td>
<td>932.0</td>
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<td>1749.6</td>
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<tr>
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<td>(Principal Mid-level Civil Servant)</td>
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<td>190$</td>
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<td>157.2</td>
<td>24.0</td>
<td>42.1</td>
<td>250.0</td>
<td>401.2</td>
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<td>107</td>
<td>452.0</td>
<td>829.8</td>
<td>883.9</td>
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<td>Secretary</td>
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<td>121.2</td>
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<td>91</td>
<td>103</td>
<td>452.0</td>
<td>816.0</td>
<td>865.3</td>
</tr>
</tbody>
</table>

Sources: CAR, 2007; Neou & Chhun, 2008; RGC, 2007a; RGC, 2008b

Note:
(6) = (1) + (3) + (5); (7) = (2) + (4) + (5); (8) = (6); (9) = (7); (11) = (6) + (10); (12) = (7) + (10)
* 1USD = 4,000 riel (average exchange rate in 2009)
* MBPI for those whose job titles fall below the ranking of deputy director of a department is set to include PMG allowance
Appendix 4: A typical performance appraisal for general civil servants

Kingdom of Cambodia
Nation Religion King

Ministry/institution: ___________________________
Department/unit: ______________________________

Performance appraisal (Category-A)
(Literally translates as ‘to assessment bulletin for advancement and increment’)

By 13 April (year).......  

<table>
<thead>
<tr>
<th>Employment duration in current position</th>
<th>Employment duration in the civil service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I. Personal profile

1. Full name: ________________________________ Sex: _______________________
2. ID: ________________________________ Date of birth: _______________
3. Education: ________________________________ Skills: _______________________
4. Date of state employment commencement: ________________________________
5. Date of permanent state employment commencement: ________________________________
6. Current rank-grade: ____________ seniority in this grade: _____ years _______ months
7. Date of being in current rank and grade (latest advancement/increment): ____________
8. Resignation from work in current rank-grade:
   a. Reasons: ___________________________________________________________________
   b. Duration: ___________________________________________________________________

I hereby sincerely and solemnly declare under the penalty of perjury that the above statements are true and correct in every particular to the best of my knowledge.

At: __________ Date: ________
Applicant’s signature

Seen and certified that
(applicant) __________________________________________________________________
Statement above is true and correct.

At: __________ Date: __________
Signature (official in charge)
II. Assessment

1. Initiate activities and ability: ___________________________ /20
2. Responsibility/accountability: ___________________________ /20
3. Contribution to national interest: ___________________________ /20
4. Good leadership: ___________________________ /20
5. Good moral character: ___________________________ /20

Total scores: /20

Comments: ________

General comments and evaluation

____________________________________________________________________
____________________________________________________________________

At: _______ Date: _______
Official-in-charge’s signature

Seen and approved
At: _______ Date: _______
Head of ministry/institution or department/unit

Notes:
- Each criterion (in the assessment) scores from 0 to 20 marks
- All criteria are summed and divided by 5 to get an average
- Bracket of performance appraisal
  a. Excellent quality of performance: 19-20 marks
  b. Good quality of performance: 16-19 marks
  c. Satisfactory quality of performance: 13-16 marks
  d. Fair quality of performance: 10-13 marks
  e. Poor quality of performance: 0-10 marks
A typical performance appraisal form for teachers

Kingdom of Cambodia
Nation Religion King

Ministry of Education, Youth and Sports
Municipality/province: ______________________
District: ______________________
Department/unit: ______________________

Performance appraisal
(Literally translates as ‘assessment bulletin for advancement and increment’)

<table>
<thead>
<tr>
<th>Employment duration in current position</th>
<th>Employment duration in the civil service</th>
</tr>
</thead>
<tbody>
<tr>
<td>By 13 April (year)........</td>
<td></td>
</tr>
</tbody>
</table>

I. Personal profile

1. Full name: ______________________   Sex: ______________________
2. ID: ______________________ Date of birth: ______________________
3. Education: ______________________ Skills: ______________________
4. Date of state employment commencement: ______________________
5. Date of permanent state employment commencement: ______________________
6. Current rank-grade: _______ seniority in this grade: _______ years _______ months
7. Date of being in current rank and grade (latest advancement/increment): _______
8. Resignation from work in current rank-grade:
   c. Reasons: ______________________
   d. Duration: ______________________

I hereby sincerely and solemnly declare under the penalty of perjury that the above statements are true and correct in every particular to the best of my knowledge.

At: _______ Date: _______
Applicant’s signature
II. Assessment

1. Initiate activities and ability: ____________________________ /20
2. Conscience/responsibility/accountability: ______________________ /20
3. Contribution to national interest: ___________________________ /20
4. Unity, good moral character and social activities: ____________ /20

Total scores: /20
Comments: _______

General comments and evaluation

________________________________________________________________________

At: ______ Date: ______
Unit/school head’s signature

A. Comments of head of district office of education, youth and sports: __________
   At: ______ Date: ______
   Signature and name of head of district office of education, youth and sports

B. Comments of head of provincial department of education, youth and sports: ______
   At: ______ Date: ______
   Signature and name of head of provincial department of education, youth and sports

Notes:
- Each criterion (in the assessment) scores from 0 to 20 marks
- All criteria are summed and divided by 5 to get an average
- Bracket of performance appraisal
  a. Excellent quality of performance: 19-20 marks
  b. Good quality of performance: 16-19 marks
  c. Satisfactory quality of performance: 13-16 marks
  d. Fair quality of performance: 10-13 marks
  e. Poor quality of performance: 0-10 marks
Appendix 5: Average monthly household living cost by stratum between 1993-2006

<table>
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<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Cambodia</td>
<td></td>
<td>290.6</td>
<td>258.9</td>
<td>286.6</td>
<td>361.4</td>
<td>410.3 to 615.5</td>
<td>113.1</td>
<td>98.0</td>
<td>103.6</td>
<td>95.0</td>
<td>100.0 to 150.0</td>
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<td>781.2</td>
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<td>1,007.0</td>
<td>304.0</td>
<td>262.9</td>
<td>264.6</td>
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<tr>
<td>Other urban areas</td>
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<td>403.3</td>
<td>452.8</td>
<td>171.0</td>
<td>145.8</td>
<td>119.0</td>
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</tr>
<tr>
<td>Rural areas</td>
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<td>238.8</td>
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<td>284.2</td>
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<td>79.6</td>
<td>74.7</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: NIS, 2005b; NIS, 2008b; Sok et al., 2006

**Note:** The average monthly expenditure of Cambodian households increased by an average of 3.7 per cent a year to 361,400 *riels* in 1999, from 290,600 *riels* in 1993/94 (NIS, 2005b p.196). However, when converted into US dollars, the expenditure decreased from US$ 113.1 in 1993/94 to US$ 95 in 1999 because the *riels* depreciated from 2,570 *riels*/US$ to 3,814 *riels*/US$ during those years (MEF, 2009; NIS, 2005b p.198)
Appendix 6: Semi-structured interview questionnaire

Declaration of confidentiality and privacy
Information in this interview questionnaire will be used only for this research study. You have my assurance that participation in this interview is:

- Voluntary
- Not necessary to answer any questions that make you feel uncomfortable
- Confidential
- Private (privacy guarantees)
- Only if permitted information will be attributable to you
- Happy to answer any questions about the project.

1. How do you know when you are performing well?

2. What encourages you (a civil servant) to perform your duties and tasks?

3. What discourages you (a civil servant) to perform your duties and tasks?

4. Is your current pay sufficient to cover your family’s daily expenses?
   If “No” how do you cover your family’s daily expenses?

5. Do you think pay is an important factor in determining your performance? Why and how?

6. Do you think increased pay will result in better performance by you and If so, why?

7. You know that pay is low in your job and perhaps in all public service jobs, so why did you become a civil servant?

8. Why do you stay in this job?

9. From your experience at your work place, what incentives lead to improved performance? How effective are they?

10. Do you think there are organisational culture influences on your performance? What, why and how?

11. Do you think there are political influences on your performance? What, why and how?
Appendix 7: Semi-structured interview questionnaire

Declaration of confidentiality and privacy
Information in this interview questionnaire will be used only for this research study. You have my assurance that participation in this interview is:
- Voluntary
- Not necessary to answer any questions that make you feel uncomfortable
- Confidential
- Private (privacy guarantees)
- Only if permitted information will be attributable to you
- Happy to answer any questions about the project.

1. How do you know when you are performing well?

2. What encourages you (a civil servant) to perform your duties and tasks?

3. What discourages you (a civil servant) to perform your duties and tasks?

4. Is your current pay sufficient to cover your family’s daily expenses?
   □ Yes
   □ No
   If “No” how do you cover your family’s daily expenses?
   □ Providing paid tutoring after class
   □ Working part time elsewhere
   □ My family members also work
   □ Require students to pay daily/monthly for your teaching
   □ Selling in class: food and/or documents to students
   □ Others…………………………………

5. What do other teachers/principals do?
   □ Providing paid tutoring after class
   □ Working part time elsewhere
   □ Their family members also work
   □ Require students to pay daily/monthly for their teaching
   □ Selling in class: food and/or documents to students
   □ Others…………………………………

6. Do you think pay is an important factor in determining your performance?
   □ Yes
   □ No
   □ Do not know

7. Do you think increased pay will result in better performance by you?
   □ Yes
   □ No
   □ Do not know
8. You know that pay is very low in teaching and perhaps all public service jobs, so why did you become a teacher/principal? (Can answer more than one category)
   - Need a job
   - Enjoy the job
   - Secure employment
   - Care for children
   - Develop human resource
   - Contribute to community and social development
   - Other …………………………………………………

9. Why do you stay in this job?
   - Good rewards compared to other jobs for which I am qualified
   - Cannot find other job
   - Like children
   - Prestige/social status
   - Security
   - Other …………………………………………………

10. How do you perform in response to your rewards?
    - Very effective
    - Effective
    - Sometime effective and sometime not
    - Not effective
    - Not effective at all

11. How many hours do you work in school and/or preparation out of school per day?
    - 4 hours in school
    - More than 4 hours in school
    - Less than 4 hours in school
    - 2-4 hours for preparation out of school
    - More than 4 hours for preparation out of school

12. At your work place, are there any performance incentives to improve your performance?
    - Yes
    - No

    If “Yes” what are they? How effective are they?

13. Do you think there are organisational culture influences on your performance? What, why and how?

14. Do you think there are political influences on your performance? What, why and how?
Bibliography


