



Managing for Development Results: Strategic Lessons for the Implementation of the National Poverty Alleviation Policy

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#### **Abstract**

Several attempts have been made by the Nigerian government to use the instrumentality of policy to address the incidence of poverty that has been identified as a major development problem in Nigeria. This paper is an effort to critically analyse these policy measures to find out why poverty persists in spite of the enormous resources that have gone into their design and implementation. The secondary method of information gathering and content analysis were adopted. Due to the multiplicity of policies and programmes adopted over the years and the similarities in their goals and strategies, the National Economic Empowerment and Development Strategy (NEEDS) was examined more closely. The study revealed that regardless of the good intentions of the policy initiative, it lacked demand-side input in its design. Consequently, the policy only succeeded in getting government endorsement and funding but never went far in achieving development results to positively impact the lives of the targeted population. The study recommends that a systematic and effective adoption of the Managing for Development Results (MfDR) strategy would enhance the capacity of the implementation organization to achieve the desired objectives.

## **Keywords**

Poverty alleviation, development, Millennium Development Goals, Stakeholder Ownership, Managing for Development Results

# Introduction

There is no doubt that poverty lies at the root of much of Nigeria's social, economic and political problems. Such recurrent problems of stress, disease and desperation; insecurity, militancy and terrorism; fraud, corruption, armed robbery and other forms of crime, as well as the problem of electoral malpractices and social exclusion have been attributed to issues of poverty, unemployment and hunger. The incidence of poverty in Nigeria is particularly disturbing as records reveal that over 6% of the world's poor are in Nigeria (Nwachukwu, 2006). The Millennium declaration of poverty as the world's number one problem is therefore very relevant to Nigeria. There is also a synergy between poverty and such other Millennium Development Goals as gender equality and women empowerment education and employment, child and material health, agriculture, water and sanitation, as well as HIV/AIDS, malaria and other disease. Any programme to tackle poverty will therefore significantly impact the achievement of the other Millennium Development Goals.

In response to the United Nation's drive for the achievement of the MDGs by 2015, many developing countries are adopting and vigorously implementing pro-poor polices with the broad goal of poverty reduction. Notable examples include Egypt, Ghana, Malawi, Tanzania, Kenya, Uganda, Ethiopia and Mozambique.

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The effort of the Nigerian government in this direction has culminated in the establishment of such propoor policies and programmes as the various National Directorates of Employment (NDE) Schemes, the Universal basic Education (UBE) Programme, the Expanded Programme on Immunization (EPI), The better life Programme. Peoples Bank. Rural Electrification Scheme, The National Poverty Alleviation Programme (NAPEP) National Economic Empowerment and Development Strategy (NEEDS) and so on. These efforts have been inefficient and have produced little development results for the end-users. In fact, recent studies Jacob (2007) and Aluko (2009) find that poverty is on the increase in spite of the enormous resources that have gone into these programmes. The good intentions of the policy initiatives and programme designs have not been delivered to the target population due in part to the lack of demand-side input at the level of conception and implementation. This paper examines the challenges affecting the nation's effort at poverty reduction and offers the view that a systematic and effective adoption of the managing for Development Results (MfDR) Strategy will enhance goal attainment in this drive.

## Poverty in Nigeria

Poverty is a highly political issue. People with right-wing views often see it as related to laziness and lack of family planning while those with left wing views see it more in terms of social justice and lack of opportunities. Hence, Marxists argue that industrialist and politicians actively work to create poverty.

Whatever our ideological orientation, there is no doubt that poverty is a problem to individuals and societies alike and effort to alleviate it should be led by government. Poverty is however both a relative and multi-dimensional concept. It is relative in that persons at different social strata would not understand it in the same terms, and it is multi-dimensional because several economic, social, political and geographical factors are relevant to its definition. It therefore goes beyond the income level conception to include social vulnerability and lack of access to proper nutrition, healthcare, education and social amenities, inadequate housing and lack of physical assets, as well as social exclusion. This is in agreement with the United Nations High Commission for Human Rights (2009) which defined poverty, from a human rights point of view, as the denial of a person's rights to a range of basic capabilities such as the capability to be adequately nourished, to live in good health and to take part in decision making processes in the social and cultural life of the community. Poverty also often strongly correlates with crime disease and destitution.

Regardless of this broad conceptualization of poverty, definitions based on minimum income levels continue to be essential to poverty measurement partly because they are quantitative and so can be compared over time and between groups, and be subject to the rigours of statistical testing (Enugu SEEDS, 2009). Accordingly, the World Bank in 1993 established the Poverty threshold of \$1.00 and \$2.00 per day for less developed and developed countries respectively. Anyone living below this threshold is considered to be poor. Using this categorization, the National Bureau of Statistics determined that by 1999, over 70% of Nigerians were living below the poverty line (NAPEP, 2010). Moreover, the UNDP Human Development Report (2008) ranked Nigeria 15 8th out of 177 countries on Human Development Index. This is in spite of her rich cultural endowments and abundant human and natural resources. This position, according to Nigeria Vision 20: 2020 (2009) underscores not only the limited choices of Nigerians but also defines the critical development challenges faced by government. In addition, Nigeria records gross under-achievement of the MDGs with food insecurity, high child/maternal mortality etc.

The Nigeria Vision 20:2020 therefore identifies the following as the basic objectives of the pro-poor development policies of government:

To eradicate extreme hunger and poverty.

To provide sustainable access to quality healthcare.

To provide sustainable access to potable water and basic sanitation.

To provide accessible and affordable housing.

To build human capacity for sustainable livelihood and national development.

To improve access to micro credit.

To promote gender equality and empower women.

To foster a culture of recreation and entertainment for enhanced productivity.

There is really nothing new in these grandiose ideals. Most of them were contained in the second National Development Plan as far back as 1974 and the various Poverty alleviation policies from NDE and BLP to NAPEP and NEEDS had proposed to do pretty much the same. Yet Nigeria in 2014 still has majority of her citizens living in extreme poverty. Obviously, the problem is not with determination of objectives of policies and programs but in the management of the poverty alleviation machinery.

# The Poverty Alleviation Machinery

Whether NAPEP, NEEDS and other poverty alleviation policies are mutually exclusive is unclear, but it is typical of the Nigerian government to duplicate and further proliferate departments and agencies, especially those dealing with seemingly intractable social problems. Because NEEDS is the latest comprehensive addition to these unending attempts to use the instrument of policy to tackle poverty in Nigeria, we are relying on its provisions and management for our illustrations.

NEEDS is a comprehensive economic reform package with the omnibus goal of poverty reduction through the neo-liberal economic pathway. It aims to raise the standard of living through a variety of reforms including macroeconomic stability, deregulation, liberalization, privatization, transparency and accountability. The policy package the National Economic Empowerment Act - was adopted by the council of Ministers in June 2003 but the implementation took effect after the launch on 15 March, 2004 where the president himself presented the keynote address. At the top echelon of the implementation organization is the National Economic Empowerment Council which is located in the presidency. There is even a House of Representatives Committee on Poverty Alleviation to oversight the implementation of the policy. There are also state committees (SEEDs) and local government committees (LEEDS) concerned with the realisation of the objectives at the state and local levels.

NEEDS was envisioned as a home-grown economic development policy evolved through an extensive consultative and participatory process, with a 7-point agenda for food security and poverty alleviation. It focused on addressing deficiencies in water supply, electricity, decaying infrastructure, corruption and impediment to private enterprise as the centre piece of growth and poverty reduction. The government hoped that NEEDS would create 7 million jobs by 2007 through the active involvement of the private sector, in concert with government.

The strategies adopted in pursuit of these goals include:

Public sector reform which focused on downsizing the public service and minimizing the role of government in the economy.

Diversifying the economic base to reduce excessive reliance on oil, and collaborating with, and encouraging private sector participation in the economy.

Encouraging small and medium scale enterprises through the grant of micro credits and soft loans.

Building integrity in administrative and economic institutions by fighting corruption.

The philosophy behind NEEDS therefore is that the private sector should take a commanding position in the drive for industrialization and it is hoped that this pathway will help create wealth, generate employment, reduce poverty and bring about value re-orientation.

#### Assessment

As the United Nations Millennium Project (2005) argued forcefully, the end of poverty is an achievable goal. Nigeria is one nation that should do well in pursuit of the MDGs given her enormous endowments in human and natural resources. The focus of government, over the years, on poverty alleviation is therefore a welcome development. However, the development results yielded by the poverty alleviation policy are not as impressive as the professed aim and the funding given to the various programmes.

As has been noted earlier, the level of poverty and social exclusion is on the increase. More jobs have not been created. Rather jobs have been lost owing to the downsizing of the public service. The private sector is also not employing more people. As Aiuko (2009) noted, the Obasanjo administration retrenched about 4.8 million Nigerians in the civil service, statutory corporations and in state owned companies, banks and insurance companies. Under the reform also the NNPC, pruned its workforce down from 17.000 to 9.000 (Jacob. 2009). All those who lost their jobs are back in the labour market, swelling the number of the unemployed and the poor medical services are also not improving as diseases continue to ravage the urban and rural poor alike. Today, Nigeria accounts for 20% of the world's malaria cases and malaria is responsible for 24% of child mortality and 11 % of death among pregnant women (Jacobs, Ibid). Moreover, infrastructural development is on the downward trend. The roads are bad and getting worse; potable water is scarce and electricity supply is not better. The promise by the Obasanjo administration to increase power generation from 3.5 thousand megawatts to 6.5 thousand megawatts was never realized. An assessment by Jason (2007) indicates that Nigeria lostN126 Billion to erratic power supply in 2006 alone. With the privatization of the electricity company, power supply is diminishing while tariffs are increasing.

The performance of the poverty alleviation programme could not have been impressive in a situation where the policy which purportedly evolved through extensive consultation and participatory process was rather handed down from the top. At neither the formulation not the implementation stages were the poor whom the policy was intended to impact consulted in any forum. Moreover, the policy of handing out money to individuals whose names is compiled by officials of the programme without undergoing any training or engaging in any form of employment could only encourage corruption in the implementation organization.

## The MfDR Alternative

MfDR or Managing for Development Results is a method of policy implementation and programme management which emphasizes goal attainment from the point of view of the end-users. It is actually a variant of Result Based management (RBM) which is defined as a broad-based management strategy aimed at achieving improved performance and demonstrable results (UNEG 2007). As such MfDR has the same basic components as RBM which include planning, monitoring and evaluation. To capture the essence of MfDR, it is necessary to briefly define these basic components (UNDP, 2009) and demonstrate

how they come together as RBM, and then identify the point of departure of MfDR as a distinct variant and an improvement on RBM.

Planning is the process of setting goals, developing strategies, outlining the implementation arrangements and allocating resources to achieve these goals. Planning therefore helps us define what an organization, policy or programme aims to achieve and how it will go about it. Monitoring on the other hand is the process by which stakeholders obtain regular feedback on the progress being made toward achieving their goals. Hence monitoring is goal-oriented and is not only concerned with asking: "Are we taking the action we said we would take?" but also: "Are we making progress on achieving the goals that we said we wanted to achieve?" Evaluation, like monitoring, performs a feedback function which provides information that go into decisions to improve performance and achieve planned results. But unlike monitoring, it is an independent and more extensive analysis made by entities outside the implementation organization.

As we noted earlier, planning, monitoring and evaluation come together as RBM. Good RBM therefore is an ongoing process involving constant feedback, learning and improvement. Existing plans are regularly modified based on lessons learnt through monitoring and evaluation, and future plans are developed based on these lessons. Since there are no perfect plans, RBM emphasizes the heuristic factor of learning from successes and failures of existing programmes and using the lessons leant to improve performance. Organizations employing RBM are expected to have a competitive salary structure to effectively incentivize their staff and elevate their motivational status to that upon which the goal of the organization are based.

MfDR is RBM in action, but it is oriented more towards the external environment and results that are important to end users, and less towards an agency's internal performance, as does RBM. It places emphasis on the development conditions of people rather than the internal performance of the organization. Accordingly, the essential ingredients of MfDR include:

Ownership: Plans should be made not just to fulfil all righteousness or to get approval of supervising bodies. Plans should rather be used to guide ongoing managerial action towards goals; the persons whom the development programme are expected to benefit and not just the few persons that will approve and release funds.

Engagement of Stakeholders: It is necessary to engage all stakeholders at the planning stage to promote buy-in and commitment, and to motivate action. This also implies the setting of goals and specific objectives within the agency through management by Objectives.

Focus on Results: Management should be geared towards ensuring that results are achieved and not towards ensuring that all activities are performed as planned. What really matters is the development changes in people's lives and not the legalistic focus on procedures and conformity to rules. This approach is in line with the global approach to development being encouraged through international agreements such as the Paris Declaration and the Accra Agenda for Action.

Focus on Development Effectiveness: Meaningful and sustainable development results require more than just a general plan of outcomes and activities. To avert the tendency to return to business as usual, once plans have been approved and funds released, agencies should focus on "how to do development" rather than "what to do in development"

Inclusiveness and focus on gender is also emphasized as inequalities, discriminatory practices and unjust power relations between groups in society are very often found to be at the heart of development problems. There is greater pride and satisfaction, greater willingness to protect and maintain assets,

greater involvement in social and community effort when people have a vested interest in something, i.e., when they feel 'ownership'

The lessons of MfDR which inform the recommendations of this paper are to be found in stakeholder engagement and ownership of the programme from the point of conception through the implementation process. This process will minimize elitism and corruption in poverty policy implementation and enhance the capacity of the agency to accomplish the goals envisioned in the policy.

## **Summary and Conclusion**

Our assessment of the poverty Alleviation Policy of government and the impact of NEEDS on poverty reduction led us to conclude that the policy has not been effectively implemented and its goal of poverty alleviation has not been realized.

Given the elitist top-down design of Nigeria's Poverty alleviation policy and the consequent disconnect with the targeted population, this paper recommends as follows:

The poverty alleviation machinery should work closely with the National Population Commission to identify the poor that really need government intervention in their condition. This would be done on the basis of a realistic census that will culminate in each and every Nigerian having a unique identification number. Through a demographic classification of the population, the poor of Nigeria could be clearly identified for targeting and consulting

The poverty alleviation programme should be devolved to the local government level where a regular contact could easily be established between the implementation agency and the targeted group whereby the needs and changes in the need of the group as well as the resources capability of the agency would easily be communicated up and down the system.

A unit for the registration of employable job seekers should be established at the local government level where the poverty Alleviation Programme should be based. Registered job seekers should be offered a stipend for a limited duration while they actively look for work or engage in skills acquisition training.

Those who successfully complete skills acquisition training should have micro credit facilities made available to them on an ongoing basis to promote economic empowerment and self-reliance.

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