



Meritocracy in the Selection of Public Officials and its Effects on Organizational Performance: Results of an Exploratory Study in Latin America

Over the last two decades, one of the predominant issues in public management matters has been the politicization of the civil service and its control through merit systems for recruiting and selecting officials. At a macro level, formal career policies and the advancement of the principle of merit within the state have shown to have a positive impact on the economic growth of countries, reduction of poverty, control over corruption and other development parameters, such as the decline in child mortality (Cingolani et al., 2015; Dahlström et al., 2012; Evans & Rauch, 1999; Henderson et al., 2007). However, it is not possible today to establish for certain to what extent merit-based appointment of civil servants involves better performance in the public sector.

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Resolving this question, or at least addressing it, is a fundamental step towards improving people management in the state. This is especially so at senior management level, given its importance and influence within the state, and the multiple reforms that have been adopted by developed and developing countries alike to foster more transparent and meritocratic selection systems in this segment. In fact, estimating the potential benefits of these mechanisms in public organization management helps to continue to drive or intensify institutional changes along the same lines.

A handful of studies, focusing mainly on US bureaucracy, have confirmed empirically the positive effect senior-level merit systems have on the performance of public agencies (Gallo & Lewis, 2012; Lewis, 2007; 2008; Perry & Miller, 1991). Furthermore, systematic analysis of several cases in the US federal government has highlighted the damage done to management by the abuse of political discretion in the appointment of officials, which often gives rise to more serious institutional crises (Lewis, 2008; Roberts & Moynihan, 2010).

Evidence in this respect from Latin America is sparse and focuses mainly on the case of Chile. The findings show that the arrival in public hospitals of officials selected using merit systems has brought about management improvements, particularly with regard to efficiency and quality (Lira, 2013). In addition, from a more general perspective, agencies whose officials have been appointed on the basis of merit tend to implement their budget more effectively (Morales, 2014).

Recently, in an [exploratory study for the Inter-American Development Bank \(IADB\)](#), conducted by [Mariano Lafuente](#), Juan Carlos Cortázar and myself, we proposed to study to what extent public managers selected through merit systems lead to better performance results for their institutions. We analyze this effect for four public agencies in Chile and four in Peru. These two countries were chosen for their advanced institutional development regarding recruitment and selection of senior public officials. In fact, they are pioneers in Latin America in the design and implementation of reforms to promote merit as the basis for the appointment of civil servants in this segment. While Chile implemented its Senior Executive Service System (Sistema de Alta Dirección Pública or SADP) in 2003, Peru created the Public Managers Cadre (Cuerpo de Gerentes Públicos or CGP) in 2008.

The data for each case were collected through almost 40 semi-structured interviews with senior officials and professionals of each organization, the review of their internal documents, and the analysis of performance data, when available.

Using the model developed by Moore (1995; 2013) as a conceptual framework to synthesize and analyze the evidence, it can be stated that the recruitment of officials selected according to merit criteria generated positive changes in all three dimensions of strategic management. Most of these changes are concerned with the internal administration of the organizations studied (operational management), particularly the management of inputs, people and processes. Other less frequent improvements have to do with the political management of their relevant institutional setting and/or shifts in their public value strategy.

An additional objective of the study was to gain an understanding of how the managers of the cases analyzed promoted the improvements once identified. The data suggest that these improvements are due in part to the application of specific management practices. Paramount among these are the search for more fluid internal and external communication, the formation and consolidation of work teams, and the design or redesign of strategies and administrative structures. Although less common, the promotion of certain values in the culture of the organizations, such as meritocracy and transparency, is also worthy of note.

Furthermore, the results suggest that a large part of the value that civil servants attach to merit systems lies in the legitimacy they afford. This legitimacy is based on the workings of the selection procedure itself; more specifically, its ability to deliver the right candidates, and also its probity and transparency. Another source of legitimacy corresponds to the attributes of the system itself, such as the opportunity for improvement it represents for both successful candidates and their subordinates. Similarly, meritocratic models would certify - emulating an ISO quality test- minimum standards of technical skills, institutional commitment and autonomy of public managers.

It is important to note that these research findings are exploratory, and readers are urged to interpret them as such. Although the data on the eight cases selected were collated and in turn compared with the results available in the literature, they should not be generalized to contexts other than those studied without due caution.

To finish, the paper addresses a topic that is in its infancy in the literature, where the available evidence is insufficient. The results of this research enable us to open up the debate on the effects of merit systems on the performance of public organizations, and to define a future research agenda in this regard. This is crucial for reorienting public policies in countries where institutional development in this issue is advanced, and for designing and implementing systems in those that are starting out along the road to merit-based civil services.

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