

Third, the Al Ahram study is concerned with assessing the behavior of Egyptian officials. By necessity, assessing human behavior often involves assessing the attitudes and opinions of the respondents. As the reader will observe, many of the questionnaire items employed in the Al Ahram study are attitudinal in nature. While attitudes and opinions are important in their own right, the link between attitudes and overt behavior is far from absolute and is influenced by a wide variety of psychological and environmental variables.

Format

The objective of the present chapter has been to provide a general picture of the Egyptian bureaucracy, its history, its problems, and its political, social, and economic milieus. Chapters 2 through 7 address and evaluate the developmental capacity of the Egyptian bureaucracy in terms of drive, flexibility, innovation, and mass rapport. Finally, chapter 8 addresses the major conclusions and recommendations of the study.

3



Apathy, Values, Incentives, and Development

The major economic problem facing Egypt today, according to recent speeches by President Mubarak, is apathy. If Egyptians would work harder and produce more, President Mubarak contends, the Egyptian economy could rid itself of oppressive trade deficits and play its logical role as the industrial hub of the Arab world.¹ President Mubarak's views have found strong support in the Egyptian press. A recent critique of the Egyptian productivity in the popular Egyptian weekly magazine *Rose-Al Youssef*, for example, scorned "the feeble productivity of Egyptian workers in most areas of endeavor," citing the bureaucracy as being a place "where everyone is seeking gain without effort . . . a situation that placed thousands of parasites on the surface of Egyptian society."²

Bureaucracy, Productivity, and Incentives

The burden of increasing productivity within the Egyptian economy is, in essence, the burden of increasing productivity within the Egyptian bureaucracy. Since the advent of the "socialist laws" of 1961, the Egyptian bureaucracy has been the predominant force in the Egyptian economy, both planning and coordinating the economic policies of the state and operating Egypt's major industrial organiza-

¹ An earlier version of this chapter appeared in the Summer 1985 issue of *The Middle East Journal* (vol. 39, no. 3, pp. 341-61). The present chapter includes data and analysis not part of the earlier article.

tions. The emergence of a revitalized private sector in the *infitah* or open door era of President Sadat did not radically alter this picture, for the private sector is primarily engaged in service, construction, tourist, and real estate activities. The industrial sector of the economy, with minor exceptions, continues to be planned, operated, and regulated by the bureaucracy.

As a first step toward increasing the productivity of the Egyptian bureaucracy, including the public sector corporations that dominate the Egyptian economy, Egyptian policy makers have instituted a variety of incentive systems designed to reward enhanced performance. An employee's income is now based upon a complex mixture of base pay, allowances, and incentives. As President Mubarak has indicated, however, the current system of incentives fails to distinguish between productive and nonproductive workers. Incentives, as presently constituted, have frequently become an integral part of the salary structure and are incentives in name only.

One might question, however, whether monetary incentives will serve as the expected panacea for Egypt's productive ills. While monetary incentives have increased productivity under certain circumstances, it is not at all certain that those circumstances are or can be duplicated in Egypt.³ In this regard, several factors must be considered. First, it is doubtful that low productivity is merely the result of laziness or apathy among Egyptian workers. Other problems limiting the productivity of government employees in Egypt would certainly include overstaffing, duplication of functions, poorly defined responsibilities, excessive centralization, and various other structural and environmental factors discussed in chapters 1 and 2.⁴ The presence of these and related factors makes it difficult for many employees to work effectively even if they are so inclined. Incentives cannot solve what are inherently structural or systemic problems.

Second, adding further monetary incentives would be extremely costly and may not be economically feasible. Not only would an ambitious monetary incentive program strain limited government revenues, but it would also compete with intense pressures to provide across-the-board increases in government salaries. The pressures for across-the-board increases stem from the exceptionally low levels of government salaries, from the growing disparity between salaries in the public sector and the corresponding salaries in the private sector, and from the probability that the government will be forced to modify if not abolish the price supports and subsidies that make

existing bureaucratic salaries tenable. Moreover, it is doubtful that the government would be able to reallocate existing incentive programs in a manner that would enable it to reward productive workers at the expense of their less-productive colleagues. Incentives have already become part of the salary base. A redistribution of existing incentives, accordingly, would push many employees below the subsistence level, wreaking havoc with bureaucratic morale and creating political tensions. If the government cannot afford both to increase monetary incentives and to provide a general increase in government salaries, it may find it politically expedient to stress across-the-board increases. It could also be argued that improving overall salary levels is an essential step in alleviating obstacles to bureaucratic productivity. As data to be presented shortly indicate, current salary levels force most government employees to seek supplemental income and do depress productivity levels.

Third, one must consider the social ramifications of an incentive system that would make the salaries of some but not all government employees equivalent to corresponding salaries in the private sector. The prevailing ideology of Egypt is still one of social equality. Indeed, one of the fundamental reasons for the awesome size of the Egyptian bureaucracy has been the government's desire to provide all citizens and particularly university graduates with a position in the bureaucracy as a means of achieving full employment. Dramatic imbalances in salary levels would inevitably create conflict within the bureaucracy and would, in all probability, have political repercussions as well.

Finally, one must question whether the institution of monetary incentives as a means of increasing worker productivity was based upon a thorough study of the values of Egyptian bureaucrats or whether it was instituted intuitively as an easy solution to the problem. We raise this question because the recognized benefits of government employment in Egypt are security, stability, and perhaps, prestige. Nonmonetary incentives or a combination of monetary and nonmonetary incentives might well prove to be a more feasible means of improving productivity than monetary incentives alone. This, at least, has been the conclusion of extensive management studies in the United States and Western Europe.⁵

Within the context of the above discussion, the objectives of the present chapter are (1) to assess the magnitude of the apathy problem within the Egyptian bureaucracy, (2) to explore the various reasons

for the existence of the apathy problem to the extent that it does, indeed, exist, (3) to examine the incentive values of Egyptian bureaucrats in a comparative and theoretical perspective, and (4) to suggest possible alternative or supplementary incentives that might be used in place of or in addition to monetary incentives as a means of increasing the productivity of government employees.

Results: Assessing Low Productivity

Assessing bureaucratic productivity is a difficult and subjective task under the best of circumstances. It is a particularly difficult task in Egypt and the Middle East. In the course of our research, for example, the Al Ahram Center was unsuccessful in its attempts to ascertain precisely how the Ministry of Industry distinguished its most productive units from its least productive units. If such an ordering mechanism exists, it certainly was not disclosed. The Aluminum Corporation, as noted above, was included in the study on the basis of its reputation as one of Egypt's premier public sector enterprises.

In the absence of alternative sources of information, our evaluations of productivity within the Egyptian bureaucracy were necessarily limited to survey data. This is an unfortunate limitation inasmuch as individuals tend to be inaccurate in evaluating their own performance levels. It is also unrealistic to ask people to incriminate themselves by acknowledging low levels of performance.

In an effort to mitigate the above limitations, the study employed five diverse measures of productivity. The first was an assessment by senior-level bureaucrats of the productivity levels of their subordinates. This is an important measure of productivity inasmuch as senior bureaucrats are responsible by law for evaluating the productivity of their subordinates. They should know. The results of this stage of the analysis are presented in Table 3.1.

Our second measure of productivity was based upon two items contained in a sixteen-item group dynamics scale in which middle- and lower-level bureaucrats were asked to describe the work environment in which they operated. Specifically, respondents were asked to respond to two Likert scale items suggesting (1) that most of their peers worked hard and (2) that most of their peers were lazy. Al-

Table 3.1

Assessments of Low Productivity among Egyptian Bureaucrats by Senior Officials
(n=156; nonresponse=8)

What percentage of your subordinates normally put in a hard day's work?				
Percent	Total	Aluminum	Industry	Social
0-10	10.3	2	12.8	15.5
11-21	9.7	8	10.6	10.3
21-40	20.6	14	23.4	24.1
41-60	41.3	42	42.6	39.7
61-100	18.1	34	10.6	10.3
	100%*	100%	100%	100%

*Totals may vary from 100% owing to rounding error.

though the two items did not ask the respondents to criticize themselves, they did ask for candid evaluations of peers, evaluations that some respondents may have been reluctant to make. We would note, however, that the two items received very similar results in spite of the fact that they were worded in inverse order and appeared at alternate ends of the group dynamics scale. The text and results of the group dynamics scale are presented in Table 3.2.

The third measure of productivity was based upon sources of professional information. In this regard, it was assumed that individuals who took the time and effort to consult professional materials in the execution of their job responsibilities would be more productive than individuals who relied upon other members of the work unit for their professional information.⁶ The percentage distributions are provided in Table 3.3. The professional-reference measure of productivity was probably more accurate in assessing the productivity of middle- and upper-level officials than it was the productivity of lower-level officials in as much as many of the lower-level positions do not require advanced skills.

The fourth indicator of productivity was based upon the work-value index to be discussed shortly (Table 3.7) and distinguishes

Table 3.2

Group Dynamics Scale
(Middle- and Lower-Level Respondents)

Sometimes an administrator's ability to achieve his objectives is influenced by his work environment. In this regard, please evaluate the individuals you work with by indicating whether you (strongly agree, agree, disagree, or strongly disagree) with the following statements.

	Weighted Score	Strongly Agree Scores %
1. Work hard	60	28.6
2. Accept new ideas	39	9.3
3. Open and honest with each other	48	18.0
4. Accept new responsibility easily	43	14.4
5. *Delegate authority frequently	29	5.7
6. Treat public with respect	57	26.5
7. *Responsive to constructive criticism	36	8.5
8. *Public service over job security	26	4.5
9. *Willing to accept conflict	15	5.1
10. *Are not lazy	64	41.7
11. Impartial toward friends and relatives	25	8.9
12. Decisive	38	10.4
13. *Willing to take risks	28	7.9
14. *Flexible in executing decisions	28	6.5
15. Listen to public opinions	43	9.3
16. Solicit public opinions	31	8.9

Key: Low scores indicate problem severity.

*In order to assess problems of response bias some of the questionnaire items in this section were presented in a positive format while others were presented in a negative format. Asterisks indicate items presented in a negative format in the questionnaire, i.e., "are not lazy" was presented as "are lazy." All questions are presented in a positive format in the table to facilitate comparison of the scores.

**The scale scores range between 0 and 100 and represent summarized scores of Likert scale items (strongly agree, agree, disagree, strongly disagree) in which "strongly agree" responses have been given twice the weight of "agree" responses. Weighted scores of 30 or less indicate severe problem areas.

Table 3.3

Measures of Bureaucratic Productivity

Value-Based Productivity (middle and lower levels only)

high	13.3
medium	41.8
low	<u>44.8</u>
	100%* (n = 640, nonresponse = 8)

Professional-Reference Productivity (all levels)

high	8.6
medium	34.6
low	<u>56.9</u>
	100% (n = 796, nonresponse = 0)

Job-Satisfaction Productivity (all levels)

high	30.1
low	<u>69.9</u>
	100% (n = 796, nonresponse = 14)

*Totals may vary from 100% owing to rounding error.

between individuals who placed greater and lesser emphasis upon job comfort and job security.⁷ Individuals primarily concerned with the comfort and security of their positions were judged to be less productive than individuals willing to expend greater effort for the sake of money or prestige. This indicator of productivity is applicable only to the lower and middle levels of the bureaucracy.

The final and most important measure of productivity was based upon open-ended questionnaire items requesting respondents at all levels to indicate the things they liked most about their jobs. The responses were then grouped into productive and nonproductive categories, the text and percentage distributions for which appear in Table 3.4. The assumption of this particular measure of productivity was that individuals who were upset by low salaries or transportation problems or who found social relations to be the most pleasing aspect of their job would be less productive than individuals listing work-

related concerns such as the ability to use their specialization or the appreciation of their supervisor.

The job satisfaction/dissatisfaction measure of productivity was based directly upon the work of Frederick Herzberg. Herzberg's theory of productivity was based upon a detailed analysis of the sources of job satisfaction and job dissatisfaction in twelve diverse studies with a combined sample of 1,685. The respondents "included lower-level supervisors, professional women, agricultural administrators, men about to retire from management positions, hospital maintenance personnel, manufacturing supervisors, nurses, food handlers, military officers, engineers, scientists, housekeepers, teachers, technicians, female assemblers, accountants, Finnish foremen and Hungarian engineers."⁸

As a result of his analysis of this extensive and varied data set, Herzberg concluded that employees responded to two diverse stimuli: hygienic stimuli and motivational stimuli. Hygienic stimuli include salary structure, work conditions, and security. Motivational stimuli, by contrast, focused upon opportunities for achievement, recognition, and growth. Hygienic stimuli were negative stimuli and were the basis of job dissatisfaction. As such, they were the source of complaints and tended to depress performance if they fell below reasonable levels. Their role as motivators was basically a negative one of pain avoidance. Once satisfactory hygienic conditions were reached, their motivational role decreased.

Herzberg's "motivators," by contrast, were positive stimuli. As they caused little direct pain or personal inconvenience, they were infrequently cited as the primary source of job dissatisfaction. By building upon the need for recognition and growth, however, they provided positive stimuli for increasing production.

Within the context of assessing the productivity of the Egyptian bureaucracy, Herzberg's theory suggests that job satisfaction should emerge as a better indicator of productivity than job dissatisfaction. This hypothesis, if sustained, is critical to future bureaucratic reform efforts, for it suggests that merely improving salaries or other "hygienic" structural and environmental conditions will be of minimal utility in increasing bureaucratic productivity. This theme will be examined at various points within the present chapter. It will also form a central theme in the multivariate analyses presented in chapter 7.

Turning to the first measure of productivity, the sample of

senior bureaucrats was requested to indicate the approximate percentage of their subordinates who "put in a hard day's work." The results, presented in Table 3.1, indicate that the overwhelming majority of the senior bureaucrats surveyed felt that most of their subordinates were not putting in a hard day's work. Ten percent of the respondents suggested that almost none of their subordinates were particularly productive. The assessments of the senior bureaucrats, then, support President Mubarak's contention that low worker productivity is one of the major ills besetting the Egyptian economy.

In striking contrast to the senior evaluations, the peer evaluations, presented in the context of the group dynamics scale (Table 3.2), indicate that apathy is the least of the problems that beset the Egyptian bureaucracy. The composite scores for each item listed in Table 3.2 range from 0 to 100, with scores over 50 indicating at least adequate work performance and scores of 30 or less indicating problems of extreme severity.⁹

The composite scores presented in Table 3.2 indicate that middle- and lower-level bureaucrats do not perceive worker apathy to be a major detriment to bureaucratic performance. Moreover, it is difficult to dismiss their apathy evaluations merely as an artifact of their reluctance to criticize their peers, for their response patterns clearly distinguished between the six dimensions of bureaucratic behavior measured by the group dynamics scale. Particularly noteworthy is the score of 25 for *wasta* or the granting of favors to friends and relatives, an issue of extreme sensitivity in Egypt and one that respondents would clearly avoid if they were making a concerted effort to shape their answers.

How, then, does one explain the conflicting evaluations of the senior bureaucrats on one hand, and those of the middle- and lower-level bureaucrats on the other? The answer, in the view of the research team, lies in the fact that most Egyptians perceive themselves as being willing to work if work is available. Work, however, may seldom be available in accessible form. Overstaffing, random appointment, poorly defined responsibilities, multiple clearances, and overcentralization, to mention but a few problems besetting the Egyptian bureaucracy, often mean that officials may spend long periods of time waiting for work to appear. The low wages provided by the Egyptian government provide little incentive for seeking work. Moreover, as the low peer scores on the "conflict," "risk taking," and the "flexible execution of orders" items on Table 3.2 indicate, little group pressure

exists to generate work by sticking one's neck out and minding other people's business.

A particularly dramatic illustration distinguishing between the willingness to do work and the lesser willingness to seek work is provided by responses to two related questionnaire items which addressed the *need* for organizational change and the *desire* for organizational change. When asked if organizational changes were essential to improve the performance of their units, 87 percent of the respondents answered in the affirmative. When asked at an earlier point if they had ever become so upset by existing rules and regulations that they really wanted to change them, 86 percent of the respondents indicated either little (44 percent) or no (43 percent) desire for change.

Finally, one must note that apathy, hard work, and laziness are relative terms. One is either productive or nonproductive in comparison to the behavior or norms of a group. What the peer evaluations suggest in the final analysis is that middle- and lower-level bureaucrats are willing to work within the organizational context in which they find themselves. They will do the work that is placed before them. They are reluctant, however, to alter or to go beyond that organizational context. Inasmuch as the organizational procedures, environmental circumstances, and cultural norms of the bureaucracy are all stacked against greater productivity, there is little in the milieu of the Egyptian bureaucrats to motivate them to become a productive force in Egypt's development.

The assessments of the senior officials and the peer evaluations were reinforced by both the professional-reference and the work-value indicators of productivity. In regard to the work-value measure, 44.8 percent of the middle- and lower-level respondents stressed job comfort and job ease as important work values. Forty-one percent of the respondents listed either job comfort or job ease as an important value, and only 13 percent did not mention job ease or job comfort as a work value. The work-value percentages are summarized in Table 3.3. The broader results from which these percentages have been drawn are provided in Table 3.7.

The professional-reference indicator of productivity produced similar percentage distributions, indicating that 56 percent of the respondents were not inclined to consult professional materials in the execution of the responsibilities. Approximately 34 percent of the respondents consulted professional materials on an occasional basis, with approximately 9 percent of the respondents indicating that

professional materials provided an important source of job-related information. The results of the professional-reference indicator of productivity are also presented in Table 3.3.

Turning to the final indicator of productivity, the respondent's listing of the things they liked least and most about their positions is presented in Table 3.4. The responses have been grouped to correspond to Herzberg's categories. As such they provide a basis for testing Herzberg's theory and for comparing the Egyptian data with a parallel cross-national data. The cross-national comparisons are particularly important inasmuch as the job-satisfaction/dissatisfaction data represent the only area of the Al Ahram data for which cross-national norms are available.

By far and away the most important source of job dissatisfaction among the respondents was low salary, a hygienic rather than a motivational concern. The picture is similar in regard to the "like most" item. In this case "social relations" topped the list of preferred items, more than doubling the score of the most preferred production-related item, that being the match between skill and position.

In order to place the Egyptian data in perspective, it is necessary to examine the hypothesis that productivity is lower in Egypt than it is in the bureaucracies of the West. It is also necessary to test the hypothesis that job satisfaction is a better indicator of productivity than job dissatisfaction.

Comparative data relating to the cross-national sources of job satisfaction and job dissatisfaction are provided by Herzberg. Parallel data for Britain are provided by Livingstone and Wilkie's test of Herzberg's theory among a sample of 464 British civil servants.¹⁰ In terms of the sources of job dissatisfaction, one finds little difference between the Egyptian responses and the responses reported by Herzberg. The British responses, while more productivity oriented than the Egyptian responses, were biased by the fact that the British civil servants had received a substantial raise in salary just prior to the study. All in all, then, the sources and levels of job dissatisfaction among Egyptian bureaucrats were not divergent from Western norms.

When the sources and levels of job satisfaction among Egyptian bureaucrats are compared with their Western counterparts, by contrast, the differences are staggering. Only 30 percent of the Egyptian respondents emphasized productivity-related sources or job satisfaction as opposed to 81 percent of the Herzberg samples and 88 percent

of the British sample. In terms of the job-satisfaction indicator of productivity, then, Egyptian civil servants are drastically below the productivity norms of England and the various Western states included in Herzberg's analysis.

This brings us to the critical test of Herzberg's hypothesis. Is job satisfaction a better indicator of productivity than job dissatisfaction within the Egyptian context? This question is critical to bureaucratic reform in Egypt, for if sources of dissatisfaction are unrelated to productivity, it is unlikely that systemic improvements such as across-the-board raises will produce the increases in productivity so ardently sought by President Mubarak.

If job satisfaction is to be judged a better indicator of productivity among Egyptian officials than job dissatisfaction, two conditions should be met. First, the job-satisfaction indicator should correlate positively with professional-reference and work-value indicators of productivity. Second the job-dissatisfaction indicator should not be correlated with the professional-reference and work-value indicators of productivity (or should correlate negatively therewith.) The peer and supervisor evaluations were indirect measures of productivity and could not be used to test the hypothesis.

The gamma coefficient for the cross tabulations between the job-satisfaction indicator of productivity and the professional-reference indicator of productivity was ($g = .231$).¹¹ The coefficient strengthened when controlled for job level, being stronger among middle- ($g = .262$) and upper- ($g = .276$) level respondents, but insignificant among lower-level respondents.¹² This variation by job level reflects the anticipated probability that many lower-level officials may not find professional references appropriate for the positions. The coefficients for the middle and upper-level officials were ($g = .262$) and ($g = .276$), respectively. Job dissatisfaction was unrelated to the professional-reference indicator of productivity at any level. Indeed, there was some suggestion that it was negatively related to productivity.

Cross tabulations between the job-satisfaction and the work-value indicator of productivity indicated that the two variables were positively correlated but only minimally so ($g = .158$). The picture changes, however, when the correlations are controlled for job level. The work-value indicator of productivity correlates with job satisfaction among the middle-level bureaucrats ($g = .236$) and is unrelated to productivity among lower level bureaucrats. The job-dissatisfac-

tion indicator, again, was unrelated to the work-valued measure of productivity at any level.

In light of the data's support for the Herzberg hypothesis, one may conclude that job satisfaction is a valid indicator of productivity among Egyptian officials, particularly officials at the middle and upper levels. Equally important, the data make it quite clear that job dissatisfaction is not related to productivity. This point will have a direct influence on the subsequent discussions of incentives. Finally, one is also forced to accept the conclusion that the production levels of Egyptian bureaucrats are woefully below international norms.

Explanations of Apathy

In an effort to come to grips with the causes of low productivity among Egyptian bureaucrats as well as to obtain a more complete picture of Egypt's bureaucratic problems in general, our sample of senior officials was requested to evaluate the importance of various reasons generally offered to explain the low productivity of Egyptian bureaucrats. The most prominent reasons offered in explanation of the low productivity of Egyptian bureaucrats are provided in Table 3.5, as are weighted summary scores indicating the relative importance of each item. As in the case of the summary scores presented in earlier stages of the analysis, the scores range between 0 and 100. Items receiving scores of 50 or above should be considered important contributors to the low productivity of Egyptian bureaucrats.

The data presented in Table 3.5 indicate that the problem of low productivity, in addition to the inadequacy of incentives, is a multifaceted one involving a variety of organizational, cultural, group dynamic, and supervisor-related dimensions. A quick fix, accordingly, may be difficult to come by.

In addition to the variables outlined in Table 3.5, explanations of the low productivity of Egyptian bureaucrats are also to be found in both the recruitment practices of the Egyptian bureaucracy and in the dire economic circumstance of the average bureaucrat. In regard to recruitment, it was noted earlier that bureaucratic recruitment in Egypt gives preference to full employment over the building of an efficient bureaucratic organization. Most Egyptian officials attained their position through one of three ways: routine appointment of

Table 3.5

*Some Explanations of Low Productivity among Egyptian Bureaucrats
by Senior Officials
(n = 156)*

<u>Explanations of Low Productivity</u>	<u>Weighted Scores</u>	<u>Very Important Scores Only</u>
1. <u>Systemic</u>		
Inadequate skills	55	43.3
Low incentives	79	59.5
Responsibility not clear	46	27.0
Inadequate penalties	64	41.8
2. <u>Cultural/Personal</u>		
Low concern for responsibilities	42	19.7
Social responsibilities	55	36.4
3. <u>Group Dynamics</u>		
No one else works hard	52	30.5
4. <u>Supervisor Dynamics</u>		
Lack of reinforcement	51	25.0

Key: High scores reflect problem areas.

*Each of the senior respondents was requested to evaluate each of the items summarized above as being "very important," "important," "minimally important," or "unimportant" as an explanation of apathy in their respective units. Scale scores range from 0 to 100 with "very important" responses receiving twice the weight of "important" responses. Responses of minimal or no importance were not included in the calculations. Scores in excess of 50 should be considered major problems.

university graduates, competitive examination, or *wasta* (favoritism). In the case of routine appointments of graduates, applicants may have waited up to three or four years following their graduation from college for their appointment to materialize. Of the middle- and lower-level respondents in our sample, 41 percent received their appointments via graduation, 45 percent by competitive examina-

tion, and 11 percent by *wasta*. The remaining 3 percent did not respond to the question. Given this breakdown, we hypothesized that those who entered the bureaucracy via competitive examinations or merit might possibly be more productive than officials who entered the bureaucracy through noncompetitive channels. This, however, did not prove to be the case.

Perhaps more detrimental to individual productivity than the avenue of recruitment were the perceptions of the Egyptian civil servants upon entering government service. For instance, when respondents were asked what their friends and relatives felt to be the major advantages of government service, the list was headed by "permanent," 25 percent; "firm income," 25 percent; "low hours," 17 percent; "no obligations," 12 percent; "easy," 8 percent; and "low responsibility," 5 percent. Quite clearly, then, the primary lure of government service is security, hardly a quality to be associated with dynamic productivity.

Turning to the impact of the dire economic circumstances of the average Egyptian bureaucrat upon bureaucratic productivity, it must be recalled that during the Nasser era Egypt was transformed into a socialist state with salaries and promotion procedures being tightly regulated by the government. Salaries were remarkably low by world standards, but the range between high and low salaries was narrow and most government employees played by more or less the same financial rules. During the Sadat era, the *infatih* or open door policy revitalized Egypt's private sector, contributing to spiraling inflation and a widening gap between the wages of the private sector and those of the public sector. Government salaries, if minimally adequate under Nasser, became wholly inadequate under Sadat. Government employees, while legally prohibited from holding second jobs, found extra employment an economic necessity. Eighty-nine percent of our respondents, for example, acknowledged holding second jobs with 84 percent of those respondents holding second jobs working between three and five hours per day in their supplemental positions.

While holding a second job does not automatically preclude high productivity, it does suggest that the individual's energies are being spread very thin. The fact that government jobs are prized for security rather than income also suggests that whatever productive energies the individual may possess are likely to be saved for their private sector positions—positions in which such energies are more likely to be rewarded. The high percentage of respondents holding

second jobs also may explain why bureaucrats do not perceive themselves as lazy.

The economic strain on Egyptian bureaucrats is also evidenced by the thousands of civil servants who leave the bureaucracy annually to work in either the public sector or in the oil-producing states. Thirty-five percent of our respondents, for example, were seriously contemplating a move to either the Gulf or to the private sector. An additional 32 percent of the respondents acknowledged giving considerable thought to such a move. Under such circumstances, commitment to their present positions can hardly be strong. Indeed, senior officials often complain of the difficulty of retaining their best people. Our data reflected this trend with those individuals ranking high in terms of productivity being somewhat more likely to consider moving to the private sector or to the Gulf than their less-productive colleagues ($G = .244$).

The role of low salaries in depressing productivity, then, goes far beyond the lowering of employee morale or the creation of an atmosphere in which employees feel that the lowness of their wages does not warrant extra effort. Low wages add to the physical and psychological stress of the employee by necessitating external employment. They also result in high levels of turnover in skilled positions.

Finally, it must again be stressed that low productivity in the Egyptian bureaucracy involves a variety of organizational problems in addition to the behavioral or motivational problems surveyed above. This fact is manifest in responses by senior bureaucrats to a questionnaire item requesting them to indicate what they believed to be the major obstacles to the efficient operation of the Egyptian bureaucracy. The scores provided in Table 3.6 indicate that the single major problem facing the Egyptian bureaucracy according to the senior bureaucrats sampled, far in advance of the motivational problems relating to salaries and incentives, is red tape.

In summary, then, the multidimensionality of the productivity problem suggests that major increases in worker productivity are unlikely to be achieved overnight, and that dramatic increases in productivity will ultimately be dependent upon a major revitalization of all phases of the bureaucratic process. Be this as it may, the magnitude of Egypt's economic ills demands that worker productivity be increased. A start has to be made somewhere. Both President

Table 3.6

Senior-Level Perceptions of the Main Problems Reducing the Administrative Effectiveness of the Egyptian Bureaucracy

(n = 156; nonresponse = 0)

In your view, what are the main problems that reduce the efficiency of the Egyptian bureaucracy?

Key: High scores indicate problem areas.

<u>Structural Problems</u>	<u>First Choice Only</u>
Red tape	46.2
Rigid laws	12.5
Low funding	4.5
Recruitment/appointment policies	2.6
Low technical skills	3.8
<u>Behavior-Directed Problems</u>	
Favoritism	13.5
Poor incentives	3.2
Low salaries	12.8
Supervisor unresponsive	<u>1.3</u>
	100%*

*Totals may vary from 100% owing to rounding error.

Mubarak and his senior bureaucrats have pinned their hopes on the improvement of Egypt's system of monetary incentives.

Results: Values and Incentives

Given the emphasis that both President Mubarak and our sample of senior administrators have placed upon monetary incentives as the most feasible means of achieving increased productivity, the analysis moved to an examination of the main motivational values of

Egyptian bureaucrats. The purpose of the analysis was to ascertain (1) if monetary values are the most important motivational values of Egyptian bureaucrats, and (2) whether, given the difficulties of implementing a far-reaching monetary incentive program, alternative non-monetary incentives might be equally if not more effective in increasing productivity. In this regard, both the literature on bureaucracy in the developing areas and our informal interviews with Egyptian bureaucrats suggested that six motivational values were of particular importance to Egyptian bureaucrats: money, prestige, an urban location, proximity to relatives, security, and comfort.¹³ To ascertain the relative importance of each value vis-à-vis the others, respondents were presented with a scale of fifteen items, each of which contained a choice between two value statements. They were then requested to choose that statement in each pair that they felt was most important to them personally. The results, presented in Table 3.7, indicate the importance of each value vis-à-vis every other value. The summary scale appearing at the bottom of Table 3.7 indicates the overall ranking of each value on a scale ranging from 0 to 100.

The data presented in Table 3.7 indicate quite dramatically that prestige is the predominant motivational value of Egyptian bureaucrats. Money was second in the overall ordering of motivational values but was positioned a clear 38 points below prestige on the weighted preference index and less than 5 points above its nearest competitors, location and security. Moreover, an analysis of the extent to which the six values varied on the basis of job level, ministry, age, sex, place of birth, and education indicates that prestige, in spite of some variation, maintained its dominant position across all of the control categories examined. Money, on the other hand, was of far greater importance to some groups than others. Particularly striking in this regard was the finding that male workers were overwhelmingly more concerned with money than were their female counterparts ($g = .552$). Females, in turn, were more concerned with a suitable urban location ($g = .330$). Middle-level and more highly educated officials were also somewhat more concerned about money than lower-level workers, the latter placing slightly greater emphasis on security and comfort. Also noticeable was the reluctance of Cairines to work in the rural areas regardless of the monetary incentives.

Explanations of the above variations are not difficult to come by.

The lower emphasis of female respondents on money is, in all probability, explained by the greater social or cultural flexibility that accrues to females holding bureaucratic positions vis-à-vis nonworking females. In what continues to be a male-dominated society in which the roles of women are severely restricted by social norms, greater personal freedom is an important female value. Similarly, the clear preference of female respondents for an urban location can also find at least partial explanation in the greater social flexibility of the urban areas. An additional factor, of course, is the general reluctance of Cairines in general, male or female, to work in what many consider to be the culturally stifling environment of rural Egypt. Respondents from the Aluminum Corporation, an enterprise located in rural Egypt, by contrast, were minimally concerned about the value of an urban environment. Respondents born in the rural areas were also less concerned about locational values than their thoroughly urban counterparts.

The results of this phase of the analysis, then, suggest that monetary incentives and higher salaries may not be the panacea for increasing worker productivity that the Egyptian government hoped that they might be. This is particularly the case in terms of inducing Egyptians to work in the rural areas, a goal that the Egyptian government finds increasingly important as the population of Cairo approaches 14,000,000 and the city's transportation and service infrastructure nears collapse.

Resolving Contradictions, Comparative Data, and Theoretical Perspectives

In comparing the job dissatisfaction data provided in Table 3.4 with the motivational data presented in Table 3.7, one is confronted by an apparent contradiction of some magnitude. Low salaries emerged as the primary source of job dissatisfaction among Egyptian bureaucrats while prestige surpassed money as the incentive value most likely to stimulate improved bureaucratic performance. If salaries are the primary source of bureaucratic dissatisfaction, is it not logical to assume that monetary incentives should also be the preferred incentive value? This apparent contradiction is reinforced by

Table 3.7

Main Incentive Values of Egyptian Bureaucrats
(Low and Medium Level Only)
(n = 640)

Listed below are several pairs of statements. In each pair, please indicate the statement that most agrees with your preference.

a. A high-paying job with low prestige	6.7%
b. A moderately paying job with high prestige	93.3%
a. A high-paying job away from friends and relatives	49.1
b. A moderately paying job near friends and relatives	50.9
a. A high-paying job in the rural areas	52.3
b. A moderately paying job in a city of your choice	47.7
a. A high-paying job that was very difficult and time consuming	74.6
b. A moderately paying job that was not too difficult or demanding	25.4
a. A high-paying job that involved a great deal of responsibility and risk	60.1
b. A moderately paying job that was very secure	39.9
a. A very prestigious job away from family and friends	85.9
b. A respectable job near family and friends	14.1
a. A very prestigious job that involved a great deal of risk and responsibility	82.6
b. A respectable job that was very secure	17.4
a. A very prestigious job that was very difficult and time consuming	89.7
b. A respectable job that was not too difficult or demanding	10.3
a. A very prestigious job in a rural area	75.7
b. A respectable job in the city of your choice	24.3
a. A very secure position in the rural areas	45.2
b. A position with risks and complex responsibilities in a city of your choice	54.8
a. A very secure position away from friends and relatives	50.2
b. A position with risks and complex responsibilities near friends and relatives	49.8

Table 3.7
(continued)

a. A very secure position that was difficult and time consuming	74.0
b. A position of risk and responsibility that was not very difficult	26.0
a. A position of little difficulty away from relatives and friends	72.9
b. A difficult and time-consuming position near friends and relatives	27.1
a. A position of little difficulty in the rural areas	41.8
b. A difficult and time-consuming position in the city	58.2
a. A position near friends and relatives in the rural areas	48.6
b. A position away from friends and relatives in a city of your choice	51.4

Weighted Preference Ordering

(Range 0-100)*

Prestige	88
Money	50
Location	46
Security	45
Relatives	39
Comfort	35

*Preference orderings reflect the mean score of total choices for each value over each competing value, doubled. The scale scores range between 0 and 100.

the mass exodus of Egyptian bureaucrats to the Gulf in search of higher salaries as well as by the frank acknowledgment of 89 percent of our respondents that they augmented their bureaucratic salaries with supplemental positions.

This apparent contradiction between salary as a primary source of dissatisfaction and prestige (or other psychological variables) as a dominant motivational force is not unique to Egypt. The work of Herzberg, it will be recalled from the earlier analysis, concluded that employees responded to two diverse types of stimuli: hygienic stimuli

and motivational stimuli. Hygienic stimuli include salary structure, work conditions, and security. Motivational stimuli, by contrast, focused upon opportunities for achievement, recognition, and growth. Hygienic stimuli were negative stimuli and were the basis of job dissatisfaction. As such, they were the most visible source of complaints and tended to depress performance if they fell below reasonable levels. Their role as motivators was basically a negative one of pain avoidance. Once satisfactory hygienic conditions were reached, their motivational role decreased. It is far from certain, according to Herzberg's theory, that increasing monetary incentives will automatically result in increased productivity.

Herzberg's "motivators," by contrast, were positive stimuli. They caused little direct pain or personal inconvenience, and, accordingly, they were infrequently cited as the primary source of job dissatisfaction. By building upon the need for recognition and growth, however, they provided a positive stimuli for increasing production.

A wide variety of cross-cultural data also support the differential role of monetary and psychological variables in the motivation of employees. E. C. Nevis, for example, reports that a survey of 5,000 managers selected from the "Fortune 100" companies in the United States ranked wages third in importance in a hierarchy of managerial values based upon the question: "What's important to you?" Values parallel to Herzberg's positive psychological motivators ranked first, second, and fourth. Comparative data for Chinese graduate students at the Shanghai Institute of Mechanical Engineering ($n = 28$) ranked money fifth, with psychological values ranking first, second and third.¹⁴ A limited study of civil servants in Nigeria similarly found money to be the main source of bureaucratic job dissatisfaction while simultaneously suggesting on the basis of limited data that prestige was the key motivational factor among Nigerian bureaucrats.¹⁵

Also, a major study of managerial values in private industry involving a sample of 3,641 managers in fourteen countries found a variety of psychological variables, including prestige, to be major concerns of managers in all of the fourteen countries studied. Moreover, the study found that the desire for recognition values was particularly unfulfilled in India, Argentina, Chili, and Italy, the four states in the study most closely approximating conditions in Egypt. It is interesting to note that the authors of the study assumed money to

be of secondary motivational value once monetary requirements had reached minimally satisfactory levels.¹⁶

Two additional studies, one of senior civil servants in the United States ($n = 20,000+$) and the other of senior civil servants in Great Britain ($n = 464$) also stressed the distinction between monetary and psychological factors as motivators. The U.S. study, however, stressed the importance of both monetary and psychological factors as motivators, suggesting that the latter should not be stressed at the expense of the former.¹⁷ The British study by Livingstone and Wilkie represented an explicit attempt to replicate Herzberg's work among British civil servants and found involvement in the job to be of greater importance as a motivational factor than Herzberg's achievement of growth variables. The British study, accordingly, both supports and provides an extension of the Herzberg theory.¹⁸

Finally, a study of job satisfaction among Saudi bureaucrats found money to be the major source of job dissatisfaction but group norms to be the main factor determining productivity.¹⁹

Placed in comparative and theoretical focus, then, the apparent contradiction between the emergence of low salaries as the primary source of job dissatisfaction among Egyptian bureaucrats and prestige as the preferred motivational value finds its explanation in the proposition that the stimuli to complain may differ substantially from the stimuli to produce. They involve different psychological processes that may or may not be related. The high incidence of supplemental jobs among Egyptian bureaucrats is also explained by established theories of motivation as well as by the grim reality of bureaucratic salary structures in Egypt. The stimulus for supplemental income is essentially the stimulus for survival. It is difficult to maintain a minimally acceptable lifestyle on government salaries. The fact that bureaucrats seek supplemental positions out of necessity does not contradict the dominant position of prestige as a motivational value once tolerable salary and related hygienic considerations have been achieved. Moreover, it is important to recall that the motivation scale presented in Table 3.7 assumes at least a minimally adequate salary level. The choice is not between prestige and a low salary, but between prestige and a moderate salary. As a general rule, human needs involving physical deprivation are more immediate and take preference over psychological needs for prestige, growth, and self-actualization. As such, they tend to block realization of needs for

recognition and growth. Similarly, the mass migration of Egyptian bureaucrats to lucrative positions in the Gulf is not motivated by the promise of two or three salary increments. The stimulus for migration is the hope of attaining a radical transformation in lifestyles. Mass migration to the Gulf does not contradict the importance of prestige incentives in a bureaucratic setting. Moreover, our experience indicates that most migrants to the Gulf take leaves from their official positions and often return to their bureaucratic positions. A tour of duty in the Gulf tends to make a bureaucratic position affordable.

Based upon the above discussion, it is possible to offer the following observations concerning the utility of monetary incentives in the Egyptian bureaucracy.

1. The inordinately low salary structure of the Egyptian bureaucracy undermines productivity by forcing bureaucrats to divide their energies and talents between several positions. A substantial increase in government salaries would reduce the need for supplemental incomes and would make it easier for supervisors to demand higher levels of performance. Clearing the path to higher performance, however, does not guarantee that individuals will follow that path without further inducement.

2. Studies of motivation in the United States have long maintained that monetary incentives are difficult to implement in complex public bureaucracies. In particular, governments seldom possess sufficient resources to provide major incentives for more than a small portion of the bureaucracy. Given the reality of Egypt's financial position, it is highly unlikely that government monetary incentives can compete with the salaries of the private sector or the far larger rewards of the Gulf. Individuals essentially motivated by money are unlikely to remain in the bureaucracy, be it in Egypt or in the West.

3. Prestige and recognition incentives have been found to be effective in a variety of settings. The emergence of prestige as the dominant motivational value among our respondents suggests that prestige-based incentives may also be effective in Egypt. Indeed, the strength of prestige as a motivational value provides the opportunity for the Egyptian government to experiment with an incentive system that is both salient to its employees and feasible in the context of limited government resources.

4. Current salary structures in Egypt are so low that they

would, in all likelihood, reduce the effectiveness of prestige incentives. It is difficult to feed a family on prestige alone. Accordingly, prestige based incentives would probably be more effective if accompanied by a general increase in bureaucratic salaries. Alternatively, it might prove feasible to reinforce prestige-based incentives with a monetary component.