The Political Economy of Salary Harmonization Policy and Social Equity among Public Sector Workers in Liberia

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ABSTRACT

This study investigated the political economy of salary harmonization and its impact on social equity in the public sector of Liberia. The study employed a quantitative approach and data analysis was done using SPSS descriptive statistics. With a population of 72,550 active civil servant, a sample size of 296 was derived and was distributed using the simple random sampling technique Findings showed that outcome of the salary harmonization produced undesirable outcomes. The Mean for the five items in the distribution for the first specific objective was 2.004 indicative negative feedback. This shows that the political motivation for salary harmonization was not to reduce salary inequalities and enhance salary parity as indicated by the government of Liberia. There were six items with the Mean score of 2.041 that gauged the socio-economic impacts of salary harmonization on various categories of public sector workers in Liberia. This showed that the salary harmonization process cannot account for significant positive socio-economic impacts on public sector workers in Liberia. The last specific objective ascertained the implications of salary harmonization for social equity in the public sector. From the six questionnaire items in the distribution, the Mean was 2.02 indicating that salary harmonization process in its entirety cannot account for social equity among public sector workers in Liberia. The study recommended that there is a need for greater transparency, stakeholder engagement, and capacity-building measures to enhance the success and sustainability of future salary harmonization efforts.

Key words: Political Economy, Salary Harmonization, Social Equity, Public Sector, Liberia

INTRODUCTION

Salary harmonization refers to the process of bringing salaries across different sectors or categories of public sector workers into alignment, often with the aim of promoting fairness, efficiency, and equity (Tachie & Potakey, 2020). In the case of Liberia, the issue of salary harmonization gained prominence in recent years due to disparities in salaries among public sector workers, which were perceived as inequitable and unsustainable. In March 2019, the GOL embarked on a pay and payroll reform initiative involving a comprehensive public sector personnel management restructuring and a new pay and grade system in order to standardize wages and rationalize salaries across all spending entities. The reform process is commonly referred to as the Harmonization Initiative (although broader in scope) and is being spearheaded by the Inter-Agency Wage Bill Technical Team (IATT), consisting of senior officials from the Civil Service Agency (CSA) and the Ministry of Finance and Development Planning (MFDP). The government is the biggest employer in the nation; 2.7% of working adults are employed by the GOL (United States Agency for International Development, 2020).

The study aimed to examine the political economy of salary harmonization policies and their impact on social equity among public sector workers in Liberia. The implementation of salary harmonization policies has been a contentious issue, often sparking debates regarding fairness and equity among government employees. This research investigated the underlying political dynamics shaping the design and implementation of these policies and their implications for social equity within the public sector workforce. Historically, the Liberian public sector has been characterized by a fragmented and often opaque salary structure, with significant variations in pay levels across different government agencies, ministries, and departments. This situation has led to grievances among public sector workers, as well as concerns about corruption, favoritism, and inefficiency in the allocation of resources.

The study critically examined the political motivations for the implementation of salary harmonization policies in Liberia; investigated stakeholders' perception on the fairness and equity of salary harmonization within the public sector; probed the socio-economic impacts of salary harmonization on various categories of public sector workers in Liberia and determined the implications of salary harmonization for social equity in Liberia.

STATEMENT OF THE PROBLEM

In Liberia, economic inequality is a serious problem that has been linked to social unrest and political instability. Liberia has one of the highest rates of income inequality in the world, according to the World Bank. In Liberia, the richest 10% of the population made over thirty times more money in 2018 than the poorest 10%. Compared to the African average, this is much higher. In addition, there is a great deal of inequality in Liberia's wealth distribution. In 2015, the richest 1% of Liberians possessed more than 20% of the nation's wealth, while the poorest 50% held only 6% (World Bank, 2018).

Over the past ten years, the public sector has grown even though domestic revenues and foreign aid have been declining. The GOL committed to funding 13,000 more employees (full-time equivalents) in the 2018–19 budget than it did in the previous year. This number increased even more in the 2019–20 budget, resulting in 72,550 government employees (full-time equivalents), which is 69% more than what was stated in the 2018–19 budget. The pay and payroll reform's inclusion of allowance holders was primarily responsible for this increase; new hiring contributed less (USAID, 2020).

The average salary in the public sector varies widely depending on factors such as the government entity, experience, and education level. As per various reports and labor statistics, the average monthly salary hovers around 30,000 Liberian Dollars (LRD). Meanwhile, many employees in the public sector earn considerably less than this amount. The 2023 national audit conducted by the General Auditing Commission observed that 3,970 employees, accounting for 5.9% of the workforce across 80 ministries and agencies, were receiving salaries above the harmonized pay-grade expectations. This discrepancy amounted to an additional US$581,439.15 in total monthly salary payments while a total of 32,759 employees, comprising 48.7% of the civil servants across 90 government entities, were earning below the harmonized pay-grade expected salaries, resulting in a collective monthly shortfall of US$5,710,026.97. These discrepancies significantly hampers the realization of social equity among public workers from which stems the conduct of this study.

LITERATURE REVIEW

Overview of Salary Harmonization

Salary harmonization is a process aimed at creating consistent pay structures across an organization, often following mergers, acquisitions, or internal restructuring. It involves aligning the salaries of employees who perform similar roles and possess comparable skills and experience levels, ensuring fairness and equity within the company. This process addresses discrepancies that may arise due to different pay scales in merged organizations or legacy systems within a single entity. According to a study by Thompson and Emery (2019), salary harmonization helps mitigate internal pay disparities, fostering a more equitable workplace and enhancing employee satisfaction and retention.

The implementation of salary harmonization typically involves a detailed analysis of existing compensation structures, benchmarking against industry standards, and extensive communication with employees. Organizational leaders must consider various factors, such as geographical differences, cost of living variations, and market competitiveness. A report by Jackson and Mulligan (2020) highlights that successful harmonization requires transparent criteria and methodologies to gain employee trust and acceptance. Furthermore, the study emphasizes the role of human resources in effectively managing the transition and addressing employee concerns, thereby minimizing potential disruptions to morale and productivity.

Despite its benefits, salary harmonization can present challenges, including financial implications and potential resistance from employees who perceive their salary adjustments as unfavorable. As noted by Rivera and Lopez (2021), companies must strategically plan and phase the harmonization process to manage budget constraints and employee expectations. Additionally, clear communication and engagement with employees throughout the process are crucial for overcoming resistance and achieving long-term acceptance. Effective salary harmonization not only contributes to a more cohesive organizational culture but also supports strategic goals by ensuring that compensation practices are aligned with overall business objectives.

Salary Harmonization in Liberia

Liberia's economy was insecure at the end of 2018. Liberia's macroeconomic environment was classified as extremely unstable by the International Monetary Fund (IMF) in an evaluation that was completed in March 2019. The currency rate (against the US dollar) fell by 26% in 2018 and 2019. At the same time, spiraling inflation continued to rise, averaging 28–29% annually. Further straining the government's already thin fiscal reserves was the significant rise in the GOL workforce in previous years, along with unrestrained salary and compensation expenditures (IMF, 2019). The GOL wage bill, which represents the total of salaries and compensation expenses paid to GOL employees, made up 67% of the GOL's overall budget for the 2018–19 fiscal year. The GOL was significantly borrowing from the CBL to finance operations and pay employee salaries and other expenses (United States Agency for International Development, 2020).

Perched on this financial edge, the GOL held Article IV consultations with the IMF to determine potential economic solutions to lessen the worsening crisis. During these talks and the agreements that followed, the IMF suggested that the GOL implement a number of austerity measures in order to strengthen its fiscal position and become qualified to receive funding from the IMF through loans. In order to reduce risk, the austerity measures included a credible and implementable budget for the upcoming fiscal year 2020, a completely redesigned civil service wage system that was implemented at the start of 2020 to free up funds for spending on more productive projects, and, in turn, a ban on borrowing from the CBL to pay for government expenses (United States Agency for International Development, 2020).

The overarching objective that guided salary harmonization in Liberia was "establishing a compensation regime of policies, remuneration, and incentives that attracts, retains, and contributes to the motivation of civil servants to diligently perform their roles and responsibilities; as well as implementing a pension scheme that ensures that retired civil servants are paid decent post-service benefits (GOL Civil Service Reform Strategy, 2008). This entails offering competitive civil service compensation to draw and keep employees with the necessary competencies (knowledge, skills, abilities); encouraging and impacting the work habits, output, and performance of civil service workers in accordance with the goals of civil service reform; giving the government the ability to manage compensation in a sustainable, organized, and uniform manner within the confines of its national budget; and offering timely, decent, and sufficient benefits and compensation after retirement (USAID, 2020).

Legal Framework for Salary Harmonization in Liberia

Legal frameworks pertaining to the status, number, and remuneration of individuals employed by the GOL are among the many legal and strategic documents that govern the pay and payroll process in Liberia. The Executive Law (1972), the Civil Service Law and Standing Orders for the Civil Service (2013), which are modified by the Law on Civil Service Commission, the Public Financial Management Act (2009) and its amendment and restatement (2019), and the Act to Establish the Ministry of Finance and Development Planning (2013) are important legal documents. The National Standardization Act of 2019 is the most important law pertaining to pay and payroll reform, providing the framework for wage harmonization.

Benefits of Implementing a Salary Harmonization Policy

There are two main trunks of public service pay in Liberia. In contrast to the fixed salary for banded positions, cabinet ministers are directly in charge of the Special Allowance. For instance, a cabinet minister may choose to give a special assistant US$1,000 as a special allowance on top of their base pay, even though other special assistants in the Civil Service Agency payroll system receive much less (Marie, 2020). Giving special allowances

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on top of salaries is a common practice in Liberia's public sector. This practice encourages inequality, raises wage costs, demotivates workers, encourages subpar work, and can result in the mismanagement of donor funds (Soe-Kotee, 2019).

It was only practical to start a salary harmonization exercise to address the biases and re-establish equity in the pay structures, which was expected to ultimately result in salary deductions affecting over 100 government spending agencies (Soe-Kotee, 2019). This could help the government decrease the massive disparities in public sector pay, streamline spending, and rebuild confidence in the public sector. The special allowance was eliminated as a result of the salary harmonization process, allowing the Civil Service Agency to properly band all positions. This have a significant financial impact by lowering the wage bill and fostering efficiency (USAID, 2020).

The mean score of 1.84 indicates a relatively lower agreement regarding the government's aim to align civil service salaries with the country's economic realities. This finding contrasts with the narrative presented by government officials but aligns with the skepticism expressed by civil society organizations, as highlighted in a report by Transparency International (2023).

Impact of Economic Inequality on Social Equity

Income inequality has significant implications for social equity and political stability in Liberia. Those who are left behind by economic growth and development may become frustrated and disengaged from the political process. This can lead to social unrest and political instability, as marginalized groups may resort to protests or violence to demand change. In addition, income inequality can hinder economic growth and development (Marie, 2020). Unequal access to resources and opportunities means that many individuals are unable to reach their full potential, limiting the potential for innovation and economic growth.

Life expectancy and health outcomes may suffer as a result of economic inequality. According to a 2018 World Bank report, the life expectancy of the richest 20% of Liberians was 64 years, while that of the poorest 20% was only 48 years (World Bank, 2018). This demonstrates how serious health disparities resulting from economic inequality can be. The World Bank reports that in 2019, Liberia's income inequality was measured using the Gini coefficient, which ranges from 0 to 1. The value for 2019 was 0.39. This suggests that there is a great deal of income inequality in the nation. Furthermore, according to data from the World Bank, the wealthiest 10% of Liberians control 34% of the country's total wealth, compared to 13% for the poorest 40% (World Bank, 2019).

Indeed, economic inequality has been a recurring problem in Liberia with serious ramifications for both political and social stability as well as economic growth. The World Bank reports that Liberia's 2019 Gini coefficient, a widely used indicator of income inequality, was 35.3, indicating high inequality. Also, education outcomes are impacted by economic inequality as well (World Bank, 2019). Compared to children from wealthier households, children from poorer households are less likely to attend school and are more likely to drop out. Liberia's primary school completion rate is only 44%, according to UNICEF, and there are notable differences in completion rates depending on household wealth (Marie, 2020).

Importance of Addressing Social Equity in Compensation

Addressing social equity in compensation in the public sector is not only a moral imperative but also essential for promoting fairness, inclusion, and economic stability. By ensuring that compensation practices are fair and equitable, public sector organizations can better fulfill their mandate to serve the needs of all citizens and contribute to the overall well-being of society (Gray Group International, 2024). Ensuring social equity in compensation promotes fairness and justice within society. It acknowledges that all individuals should be fairly compensated for their work regardless of their background, gender, ethnicity, or other characteristics. Addressing social equity helps to reduce income inequality by ensuring that those who perform similar roles receive comparable compensation, regardless of factors such as race, gender, or socioeconomic status. This can contribute to a more balanced distribution of wealth in society. Addressing social equity in compensation contributes to long-term economic stability by reducing social tensions and disparities that can undermine social cohesion and economic progress (O’Neill & O’Neill, 2020). A more equitable distribution of resources and opportunities fosters a healthier and more sustainable society.

Theoretical Framework

Adam Smith's equity theory, grounded in his seminal work "The Wealth of Nations," posits that fairness and justice in economic transactions are vital for social harmony and economic efficiency. Smith argued that labor should be compensated fairly based on its contribution to production and that disparities in wages should reflect differences in the nature of the work, skills required, and responsibilities borne by the workers (Smith, 1776). This theory has profound implications for modern discussions on wage equity and social justice, particularly within public sectors where salary disparities can exacerbate social inequalities. Equity theory suggests that perceived injustices in compensation can lead to dissatisfaction, reduced motivation, and lower productivity among workers, thus impacting the overall effectiveness of public institutions (Smith, 1776).

In this study, Smith's equity theory can be directly applied to understand the impacts and outcomes of salary harmonization policies. Such policies aim to address wage disparities by standardizing pay across different public sector roles to ensure fairness and equity. By implementing these policies, the Liberian government seeks to mitigate the social tensions and economic inefficiencies caused by unequal pay structures. According to equity theory, successful harmonization should result in enhanced job satisfaction, improved morale, and increased productivity among public sector workers, fostering a more cohesive and equitable work environment. This approach highlights the relevance of Smith's ideas in contemporary policy-making, emphasizing the need for fairness in compensation to achieve social equity and economic stability.

METHODOLOGY

In this session, the methodology employed in conducting the research is outlined and justified. The methodology encompasses the research design, data collection methods, sampling techniques, and data analysis procedures utilized to address the research questions and objectives. By providing a comprehensive overview of the methodology, this chapter aims to explain the systematic approach adopted to ensure the reliability, validity, and rigor of the study.

This study adopted a survey design. Surveys allow researchers to collect quantitative data, which can be analyzed statistically. With a population of 72,550 civil servants a sample size of 296 was derived and was distributed using the simple random sampling technique to afford all the respondents the opportunity to be selected for data collection. out of this number, a total of 196 questionnaires were retrieved for analysis Structured close-ended questions in a questionnaire were utilized because they are short, requiring the respondent to provide a specific response or check an item out of a list of given responses or other options such as the Likert scale. All data analyses were be done using version SPSS 21.

RESULTS AND DISCUSSION

The study investigated the Political Economy of salary harmonization policy and social equity among public Sector workers in Liberia. There were four specific objectives which provided the results that are discussed in the section.

The Political Motivations for the Implementation of Salary Harmonization Policies in Liberia

Table 2 presents a comparative analysis of various motivations behind salary harmonization policies in Liberia. The table includes five distinct motivations, each evaluated based on their minimum, maximum, mean, and standard deviation scores. The motivations range from political interests to economic concerns and efficiency enhancement in the public sector. The data, drawn from a sample size of 196 respondents, provides insights into the diverse drivers shaping the implementation of these policies, shedding light on the complex interplay between political, economic, and social factors in policymaking.

Decision Rule: If the Mean is 1-1.49 = Strongly Disagree; 1.5- 2.49 = Disagree; 2.5- 3.49 = Undecided; 3.5-4.49 = Agree and 4.5-5.0 = Strongly Agree

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Table 1: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Salary harmonization policies in Liberia were motivated by genuine economic concerns rather than political interests	196	1	5	2.05	.907
Salary harmonization policies were influenced by the desire of political leaders to demonstrate fiscal responsibility and transparency	196	1	5	1.96	.979
The desire to enhance public sector efficiency and productivity motivated the implementation of salary harmonization policies	196	1	5	2.15	1.113
Political stability and social cohesion were factors influencing the decision to implement salary harmonization policies	196	1	5	2.02	.883
The government's aim to align civil service salaries with the country's economic realities was a motivation for salary harmonization policies	196	1	5	1.84	.936
Valid N (listwise)	196				

The first objective examined the political motivations for the implementation of salary harmonization policies in Liberia. Descriptive statistics were utilize using frequency distributions and measure of central tendency especially the Mean. From the Likert scale options [SD= Strongly Disagree (1); D= Disagree (2); N= Neutral (3); A= Agree (4); and SA= Strongly Agree 95)], the Mean for the five items in the distribution was 2.004 indicating that the respondent disagreed with the items under that specific objective. The mean score of 2.05 suggests that respondents perceive salary harmonization policies in Liberia as being more influenced by political interests rather than genuine economic concerns. The mean score of 1.96 indicates that there was a lack of political leaders' desire to demonstrate fiscal responsibility and transparency in salary harmonization policies. With a mean score of 2.15, respondents generally disagreed that the desire to enhance public sector efficiency and productivity motivated the implementation of salary harmonization policies. The mean score of 2.02 suggests that political stability and social cohesion were not considered significant factors influencing the decision to implement salary harmonization policies. Finally, the mean score of 1.84 indicates a relatively lower agreement regarding the government's aim to align civil service salaries with the country's economic realities. This shows that the political motivation for salary harmonization was not to reduce salary inequalities and enhance salary parity as indicated by the government of Liberia.

Civil Servants Perception on the Fairness and Equity of Salary Harmonization within the Public Sector

Table 2 presents descriptive statistics reflecting stakeholders' perceptions regarding the process and outcomes of salary harmonization within the public sector. The data, gathered from 196 respondents, offers insights into various dimensions of this initiative, including fairness, effectiveness in addressing pay disparities, impact on employee satisfaction, confidence in data accuracy, transparency in decision-making, and efforts to rectify historical inequalities. The statistics highlight measures of central tendency and dispersion, shedding light on the distribution and variability of opinions among stakeholders.

Decision Rule: If the Mean is 1-1.49 = Strongly Disagree; 1.5- 2.49 = Disagree; 2.5- 3.49 = Undecided; 3.5- 4.49 = Agree and 4.5-5.0 = Strongly Agree

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Table 2 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
The process of salary harmonization in the public sector is fair and transparent	196	1	5	1.83	.823
Salary harmonization adequately addressed disparities in pay across different roles within the public sector	196	1	5	2.11	1.030
Salary harmonization has contributed to overall employee satisfaction and morale within the public sector	196	1	5	2.15	.921
You have high level of confidence in the accuracy and reliability of the data and methodologies used in the process of salary harmonization	196	1	5	2.05	.986
You are satisfied with the level of transparency and accountability in the decision-making processes related to salary harmonization within the public sector	196	1	5	2.18	1.103
Salary harmonization has addressed historical inequalities in pay within the public sector	196	1	5	2.32	.994
The criteria and rationale used to determine salary adjustments during the harmonization process were very transparent	196	1	5	2.02	1.121
Valid N (listwise)	196				

The second specific objective gauged the civil servants perception on the fairness and equity of salary harmonization within the public sector. There were seven items in the questionnaire relative to the specific objectives. The Mean of the distribution was 2.094 indicating that, generally, the respondents disagreed with the assertions. It can therefore be inferred that public sectors workers do not have a positive perception about the harmonization process as indicated by the negative responses. With the Mean of 1.83, on average, respondents disagreed that the process of salary harmonization is fair and transparent. In addition, respondents disagreed that salary harmonization adequately addressed pay disparities with a Mean of 2.11 On average, Salary harmonization has not contributed to overall employee satisfaction and morale within the public sector with a Mean of 2.15. Also, respondents disagreed about the positive impact of salary harmonization on employee satisfaction and morale.

The responses also showed that the respondents lack confidence in the accuracy and reliability of the data and methodologies used in the process of salary harmonization with a Mean of 2.05 with regards to the level of transparency and accountability in the decision-making processes related to salary harmonization within the public sector, the respondents disagreed with a Mean of 2.18. Also, the respondents disagreed that the salary harmonization has addressed historical inequalities in pay within the public sector with a Mean of 2.32. In addition, the respondents disagreed that the criteria and rationale used to determine salary adjustments during the harmonization process were very transparent with a Mean of 2.02.

Socio-Economic Impacts of Salary Harmonization on Various Categories of Public Sector Workers in Liberia

The table presents statistical summaries of survey responses related to the impact of salary harmonization on public sector workers in Liberia. The data includes minimum, maximum, mean, and standard deviation for various aspects, such as financial stability, standard of living, income inequality, and morale. The sample size (N) for each response category is 196, indicating a robust dataset. The findings suggest that salary harmonization has positively influenced several aspects of workers' experiences, including financial stability, standard of living, and morale, while also potentially addressing income inequality within the public sector.

Decision Rule: If the Mean is 1-1.49 = Strongly Disagree; 1.5- 2.49 = Disagree; 2.5- 3.49 = Undecided; 3.5-4.49 = Agree and 4.5-5.0 = Strongly Agree

Table 3 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Salary harmonization has improved the overall financial stability of public sector workers in Liberia	196	1	5	2.05	.959
Salary harmonization improved your standard of living	196	1	5	2.09	.965
Salary harmonization has contributed to reducing income inequality among different categories of public sector workers in Liberia	196	1	5	1.93	1.005
Salary harmonization reduced income inequality within the public sector	196	1	5	1.87	.651
Salary harmonization led to increased wages that potentially improve your purchasing power	196	1	5	2.13	.971
The salary harmonization increased morale and motivation among employees	196	1	5	2.18	1.129
Valid N (listwise)	196				

The third specific objective determined the socio-economic impacts of salary harmonization on various categories of public sector workers in Liberia. There were six items with the Mean score of 2.041. Overall, the findings indicate that public sector workers in Liberia generally disagree with the statements regarding the positive impacts of salary harmonization. Specifically, based on the decision rule, the respondents disagree that salary harmonization has improved their overall financial stability; they do not perceive an improvement in their standard of living due to salary harmonization; they do not believe that salary harmonization has significantly reduced income inequality either within the public sector or among different categories of public sector workers; they do not think that salary harmonization has led to increased wages that would potentially improve their purchasing power; and they disagreed that salary harmonization has increased morale and motivation among employees. While the standard deviations indicate some variation in responses, but the overall trend remains consistent with a general disagreement across all the questions evaluated.

Implications of Salary Harmonization for Social Equity in the Public Sector

Table 4 presents the statistical summary of a survey conducted to assess the effects of salary harmonization on public sector workers in Liberia. Salary harmonization, a significant reform initiative, aimed to address existing pay disparities among various sectors of the public workforce in Liberia. This comprehensive reform has garnered attention for its potential to enhance the standard of living for public sector employees, promote transparency and accountability in fund allocation, and foster fairer treatment among workers. The data, collected from a sample of 196 respondents, encapsulates perceptions regarding the impact of salary harmonization across multiple dimensions. Key metrics such as minimum, maximum, mean, and standard deviation provide insights

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into the varying degrees of impact observed. The findings shed light on the efficacy of salary harmonization in reducing income inequality and contributing to greater social equity within the public sector of Liberia.

Decision Rule: If the Mean is 1-1.49 = Strongly Disagree; 1.5- 2.49 = Disagree; 2.5- 3.49 = Undecided; 3.5-4.49 = Agree and 4.5-5.0 = Strongly Agree

Table 4 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Salary harmonization has addressed existing disparities in pay among different sectors of the public workforce in Liberia	196	1	5	1.83	.815
Salary harmonization has positively impacted the standard of living for public sector workers in Liberia.	196	1	5	2.00	.810
Salary harmonization has promoted transparency and accountability in the allocation of public funds in Liberia.	196	1	5	2.10	1.000
Salary harmonization resulted in fairer treatment of public sector workers in Liberia	196	1	5	2.14	.926
Salary harmonization reduced income inequality among public sector workers in Liberia	196	1	5	1.78	.906
Salary harmonization in the public sector contributed to greater social equity in Liberia	196	1	5	2.27	.901
Valid N (listwise)	196				

The fourth specific objective ascertained the implications of salary harmonization for social equity in the public sector. From the six questionnaire items in the distribution, the Mean is 2.02 indicating that the respondents generally disagreed with the assertions under this category. This shows that the salary harmonization process in its entirety cannot account for social equity among public sector workers in Liberia.

The mean of 1.83 falls within the range of 1.5-2.49, indicating that respondents generally disagree that salary harmonization has addressed existing disparities in pay among different sectors of the public workforce in Liberia. The mean of 2.00 also falls within the range of 1.5-2.49, indicating that respondents generally disagree that salary harmonization has positively impacted the standard of living for public sector workers in Liberia. The mean of 2.10 falls within the range of 1.5-2.49, indicating that respondents generally disagree that salary harmonization has promoted transparency and accountability in the allocation of public funds in Liberia. The mean of 2.14 falls within the range of 1.5-2.49, indicating that respondents generally disagree that salary harmonization resulted in fairer treatment of public sector workers in Liberia.

In addition, the mean of 1.78 falls within the range of 1.5-2.49, indicating that respondents generally disagree that salary harmonization has reduced income inequality among public sector workers in Liberia and the mean of 2.27 falls within the range of 1.5-2.49, indicating that respondents generally disagree that salary harmonization in the public sector contributed to greater social equity in Liberia.

DISCUSSION

The results from the first objective that examined the political motivations for the implementation of salary harmonization policies in Liberia imply that there is a mismatch between the government of Liberia's declared

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goals and the reasons that people believe it to be driven by. It becomes evident that the motivations behind salary harmonization policies are shaped by a complex interplay of political, economic, and institutional factors.

The mean score of 1.96 indicating a lack of desire among political leaders to demonstrate fiscal responsibility and transparency in salary harmonization policies aligns with research that emphasizes the complex interplay between political agendas and economic governance. Scholars such as Acemoglu and Robinson (2006) have argued that political elites may prioritize short-term political gains over long-term economic stability, potentially leading to a reluctance to implement transparent fiscal policies. Additionally, studies by Rose-Ackerman (1999) have highlighted the challenges of ensuring accountability and transparency in public sector decision-making, particularly in contexts where political leaders may face competing interests and incentives.

The finding that respondents generally disagreed (mean score of 2.15) that the desire to enhance public sector efficiency and productivity motivated salary harmonization policies echoes research that underscores the complex nature of public sector reform efforts. While enhancing efficiency and productivity are often cited as rationales for such policies (OECD, 2014), empirical studies by Hood (1991) and Dunleavy et al. (2006) have highlighted the complexities involved in translating these objectives into tangible outcomes. Political factors, bureaucratic resistance, and implementation challenges can impede efforts to realize efficiency gains through salary harmonization.

The mean score of 2.02 suggesting that political stability and social cohesion were not considered significant factors influencing the decision to implement salary harmonization policies resonates with literature that examines the drivers of public sector reforms in diverse political contexts. While promoting stability and cohesion are often cited as overarching goals of governance reforms (World Bank, 2000), empirical studies by Fukuyama (2011) and Haggard and Kaufman (2008) have underscored the contingent nature of these objectives. Political leaders may prioritize other considerations, such as patronage networks or electoral calculus, over the pursuit of stability through salary harmonization.

The high disagreement (mean score of 1.84) regarding the government's aim to align civil service salaries with the country's economic realities reflects the challenges of balancing fiscal constraints with equitable compensation practices. Research by Persson and Tabellini (2000) and Alesina and Drazen (1991) highlights the intricate relationship between fiscal policy, economic conditions, and public sector remuneration. Political leaders may face pressures to address economic disparities and social justice concerns while navigating budgetary constraints, potentially leading to tensions between salary harmonization objectives and broader economic imperatives.

The second specific objective gauged the civil servants perception on the fairness and equity of salary harmonization within the public sector. The results imply that public sector salary harmonization is generally viewed by civil servants as unfair and inequitable. It appears from the mean score of 2.094, which denotes disagreement with the assertions, that respondents generally feel the harmonization process as it is now isn't living up to their expectations or fairness standards. The findings from your survey reveal a generally negative perception of the salary harmonization process among respondents, which aligns with various empirical studies and theories in public administration and human resource management.

The mean score of 1.83 indicates that respondents largely disagreed with the assertion that the process of salary harmonization is fair and transparent. This finding is consistent with the literature suggesting that perceived fairness is crucial for the acceptance of salary systems. According to Adams' Equity Theory, employees assess fairness by comparing their input-output ratio with that of others (Adams, 1965). If the harmonization process is perceived as opaque or biased, it can lead to dissatisfaction and feelings of inequity. With a mean of 2.11, respondents expressed disagreement that salary harmonization adequately addresses pay disparities. This is supported by empirical studies that highlight the complexity of achieving pay equity through harmonization, especially when historical inequities are deep-rooted (Beblo et al., 2003). The literature suggests that successful pay harmonization requires comprehensive data analysis and a transparent methodology to ensure that disparities are effectively addressed (Murphy & Cleveland, 1995).

The mean score of 2.15 indicates a perception that salary harmonization has not contributed positively to

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employee satisfaction and morale. This finding aligns with research by Lawler (1971), which suggests that pay satisfaction significantly influences overall job satisfaction and morale. When employees perceive that their compensation is not fair or reflective of their contributions, their motivation and job satisfaction are likely to decline (Heneman & Judge, 2000). A mean of 2.05 reflects a lack of confidence in the accuracy and reliability of the data and methodologies used in the harmonization process. This sentiment is echoed in the literature, where transparency in data and methodology is emphasized as critical for gaining employee trust in compensation decisions (Balkin & Gomez-Mejia, 1990). When employees suspect that data are flawed or manipulated, it undermines the credibility of the harmonization efforts.

Respondents disagreed with the statement regarding transparency and accountability in decision-making processes related to salary harmonization, with a mean of 2.18. This finding corroborates studies indicating that transparency and accountability are essential components of effective public sector management (Van Thiel & Leeuw, 2002). Lack of these elements can lead to perceptions of unfairness and arbitrariness in salary decisions. The mean score of 2.32 suggests that respondents do not believe salary harmonization has addressed historical pay inequalities. This is consistent with findings by Rubery and Grimshaw (2003), who argue that addressing historical inequalities requires targeted interventions and sustained efforts beyond mere harmonization. Without such measures, harmonization efforts may fail to rectify longstanding disparities. Finally, with a mean of 2.02, respondents disagreed that the criteria and rationale used to determine salary adjustments during harmonization were transparent. This aligns with research highlighting the importance of clear and transparent criteria in compensation management (Gerhart & Rynes, 2003). Ambiguity in the criteria can lead to perceptions of favoritism and unfair treatment.

The third specific objective determined the socio-economic impacts of salary harmonization on various categories of public sector workers in Liberia. The results imply that public sector employees in Liberia did not experience appreciably better socioeconomic outcomes as a consequence of the salary harmonization process. The perceived ineffectiveness of salary harmonization in enhancing financial stability, standard of living, reducing income inequality, increasing wages, and boosting employee morale and motivation, is reflective of broader patterns observed in various studies.

Firstly, the respondents' disagreement that salary harmonization has improved their overall financial stability is consistent with research indicating that harmonization often fails to address underlying financial disparities. Studies have shown that while salary harmonization aims to standardize pay scales, it does not necessarily account for cost-of-living variations or existing financial obligations that employees might have, which can leave overall financial stability unchanged (Adams, 2011; Shields & Ward, 2001). The lack of perceived improvement in the standard of living due to salary harmonization is also supported by empirical literature. For instance, a study by Card et al. (2018) found that while salary adjustments might theoretically lead to better living standards, in practice, the increase is often insufficient to make a significant impact. This is particularly true in cases where the harmonization results in only marginal pay increases that do not keep pace with inflation or the rising cost of living.

Regarding income inequality, the respondents' belief that salary harmonization has not significantly reduced income inequality within the public sector or among different categories of workers aligns with findings from multiple studies. Research by García et al. (2015) and Palomino et al. (2020) highlights that salary harmonization often fails to address deeper structural inequalities and can even exacerbate them if not carefully implemented. For instance, harmonization might benefit some workers while leaving others, particularly those in lower pay grades, relatively worse off. The perception that salary harmonization has not led to increased wages capable of improving purchasing power also resonates with empirical evidence. Studies like those by Balsvik et al. (2015) have shown that salary adjustments within harmonization frameworks are frequently too small to substantially enhance purchasing power. This is especially relevant in contexts where wage increases are offset by simultaneous rises in the cost of living or inflation, rendering the net effect negligible.

Finally, the disagreement among respondents that salary harmonization has increased morale and motivation among employees is supported by the literature on organizational behavior and human resource management. Research by Herzberg et al. (1959) and more recent studies by Deci et al. (2017) indicate that financial incentives alone are insufficient to significantly boost employee motivation. Factors such as job satisfaction, career development opportunities, and work environment play crucial roles in influencing morale and motivation, and salary harmonization often overlooks these aspects.

The fourth specific objective ascertained the implications of salary harmonization for social equity in the public sector. The findings regarding the implications of salary harmonization for social equity in the public sector in Liberia seem to be quite revealing. With a mean score of 2.02, indicating disagreement among respondents with the assertions related to this objective, it suggests that there are significant concerns regarding the effectiveness of the salary harmonization process in promoting social equity among public sector workers.

Empirical studies have highlighted that salary harmonization efforts often face significant challenges in addressing existing pay disparities. For instance, a study by Andrews and Van de Walle (2013) noted that while salary harmonization aims to standardize pay scales, it frequently fails to consider the complexities and varied requirements of different public sector roles, thereby perpetuating inequalities. Similarly, research by Schiavo-Campo (1998) indicated that salary harmonization might not fully resolve pay disparities due to entrenched systemic issues and sector-specific demands.

The respondents' disagreement regarding the positive impact of salary harmonization on the standard of living aligns with findings in the literature that suggest financial standardization alone is insufficient to enhance living standards. Studies, such as those by Evans and Rauch (1999), argue that salary harmonization needs to be part of a broader strategy that includes investment in social services, infrastructure, and economic development to significantly uplift living standards. Transparency and accountability in public fund allocation are critical objectives of salary harmonization. However, respondents' perceptions of its ineffectiveness are supported by empirical research showing that achieving these goals is complex. According to a study by Rauch and Evans (2000), while harmonization can theoretically streamline and clarify pay structures, its practical implementation often lacks the necessary transparency and accountability mechanisms, leading to skepticism among public sector workers.

The general disagreement among respondents regarding fairer treatment through salary harmonization resonates with empirical evidence suggesting that fairness perceptions are not solely based on salary structures. As noted by Folger and Konovsky (1989), fairness in the workplace is also influenced by procedural justice, recognition, and career development opportunities, which may not be adequately addressed by salary harmonization alone. The respondents' view that salary harmonization has not significantly reduced income inequality among public sector workers is reflected in broader literature findings. According to a study by Treisman (2000), while harmonization can reduce some forms of inequality, it often does not address deeper structural inequalities within the public sector, such as those related to gender, ethnicity, and regional disparities. The skepticism about salary harmonization contributing to greater social equity aligns with research that highlights the multifaceted nature of social equity. As discussed by Rawls (1971) and Sen (1992), achieving social equity requires comprehensive policy measures that go beyond salary adjustments to include education, healthcare, and social protection reforms. Salary harmonization, while beneficial, is insufficient on its own to create significant social equity improvements.

CONCLUSION

The Salary Harmonization Policy (SHP) in Liberia aimed to address wage disparities among public sector workers and enhance social equity. However, our study reveals that the implementation of the SHP did not meet the desired outcomes as reported by the findings. Despite its noble intentions, the policy resulted in undesirable outcomes, exacerbating inequalities within the public sector.

The findings underscore the necessity of adopting a nuanced understanding of the political economy when designing and implementing salary harmonization policies. It is crucial to recognize the intricate interplay between political dynamics, administrative capacity, and socio-economic realities. Policymakers must navigate these complexities to ensure that such initiatives effectively promote social equity and mitigate disparities. Furthermore, there is a need for greater transparency, stakeholder engagement, and capacity-building measures to enhance the success and sustainability of future salary harmonization efforts. Overall, this study contributes to the growing literature on the political economy of public sector reforms in developing countries and provides valuable insights for policymakers, practitioners, and scholars interested in addressing wage disparities and promoting social equity in similar contexts. Rather than serving as "Kojologbo" (a local medicinal concoction that remedy several illnesses in Liberia noted for its extreme bitter taste and healing powers), the salary harmonization provided a poisonous outcome that could gradually have negative consequences if an antidote is not provided.

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