



NATIONAL PRODUCTIVITY AND PERFORMANCE CONFERENCE - 2026

17-19 JUNE 2026

KENYA SCHOOL
OF GOVERNMENT
- NAIROBI

**Theme: Productivity for Fiscal Sustainability
and Efficient Service Delivery**

**Topic: Implementation Practices on
Building Trust, Equity, Accountability for
Productivity and Performance in Labour
Relations: The Case of Ghana**

Presented By:

Dr. George Smith-Graham

Chief Executive Officer
Fair Wages and Salaries Commission (FWSC), Ghana



<https://productivityconference.src.go.ke>

OUTLINE

- Introduction and Context
- Conceptual Understanding the Topic
- Ghana's Labour Relations Architecture and Tripartite Model
- Building Trust, Equity and Accountability: Ghana's Experience
- Productivity, Performance and Fiscal Sustainability
- Challenges and Emerging Issues in Ghana's Labour Relations
- Lessons and Policy Recommendations for Kenya and Africa
- Conclusion

INTRODUCTION AND CONTEXT

Africa's Productivity Challenge

- Low labour productivity growth in many African economies
- Rising public expectations for service delivery
- Growing compensation pressures
- Fiscal constraints
- Digital transformation
- Unclear productivity measuring indicators

How can labour relations become a driver of productivity rather than merely a mechanism for negotiating wages?"

CONCEPTUAL UNDERSTANDING OF THE ISSUES

- Productivity drivers:
 - Capital, infrastructure, technology;
 - trust, equity, accountability (ILO, 2024, OECD, 2022)
- Productivity improvement must address all factors;
- Trust, equity and accountability in labour relations are often neglected

CONCEPTUAL FRAMEWORK

Conceptual Framework for Labour Productivity



GHANA'S LABOUR RELATIONS MODEL

Ghana Labour Relations Architecture



- The model creates institutional dialogue;
- And institutionalized dialogue reduces industrial conflict.

Why Ghana's Experience Matters?

- Major reforms:
 - Labour Act 651
 - FWSC Act 737
 - Single Spine Salary Structure
 - National Labour Commission
 - Performance Management Reforms
- Shift from fragmented labour management toward structured social dialogue.
- Intentionality at building trust, equity and accountability in labour relations

BUILDING **TRUST**, EQUITY AND ACCOUNTABILITY: GHANA'S EXPERIENCE

Trust as a Productivity Asset

Trust Reduces:

-  Conflict
-  Monitoring Costs
-  Resistance to Change



Trust is an Economic Asset

- Conflict
- Monitoring Costs
- Resistance to Change

Trust Increases:

-  Cooperation
-  Engagement
-  Reform Acceptance

- Cooperation
- Engagement
- Reform Acceptance

- Trust exists when workers, employers, and governments believe that each party will act in good faith and pursue mutually beneficial outcomes.

Building Trust – Ghana's Approaches

- Transparency in wage negotiations
 - Government shares Fiscal data, revenue projections, inflation trends, affordability assessments;
- Social dialogue structures
 - National Tripartite Committee, Joint technical committees, Continuous stakeholder engagement
- Special dialogue forum
 - Presidential encounter with Labour Unions

BUILDING TRUST, **EQUITY** AND ACCOUNTABILITY: GHANA'S EXPERIENCE

Equity as a Productivity Asset



- Equitable compensation systems, transparent job evaluation mechanisms, and inclusive decision-making processes foster employee satisfaction and productivity*

Building Equity in Labour Relations in Ghana

Why Equity Matters

Employees are more productive when they perceive fairness.

Ghana's Equity Measures

- Single Spine Salary Structure
- Job Evaluation Systems
- Standardized Pay Administration
- Collective Bargaining Mechanisms
- Equal Pay for Work of Equal Value

Impact

- Reduced salary distortions
- Greater transparency
- Enhanced employee confidence
- Improved workplace harmony

80% of Ghana's Public Service Workers
are on the
Single Spine Salary Structure (SSSS)



BUILDING TRUST, EQUITY AND ACCOUNTABILITY: GHANA'S EXPERIENCE

Accountability as a Productivity Asset



- Productivity improves significantly when institutions move from input-based systems to outcome-oriented frameworks (OECD, 2024)

Building Accountability for Performance

Accountability Drives Productivity

Ghana has strengthened accountability through:

- Performance Contracts
- Performance Agreements
- Key Performance Indicators (KPIs)
- Monitoring & Evaluation Systems
- Results-Based Management

Trust without accountability breeds complacency.
Accountability without trust breeds resistance.

From **Activity-Based** to Results-Orientation in Ghana



PRODUCTIVITY AND FISCAL SUSTAINABILITY

The New Labour Relations Paradigm

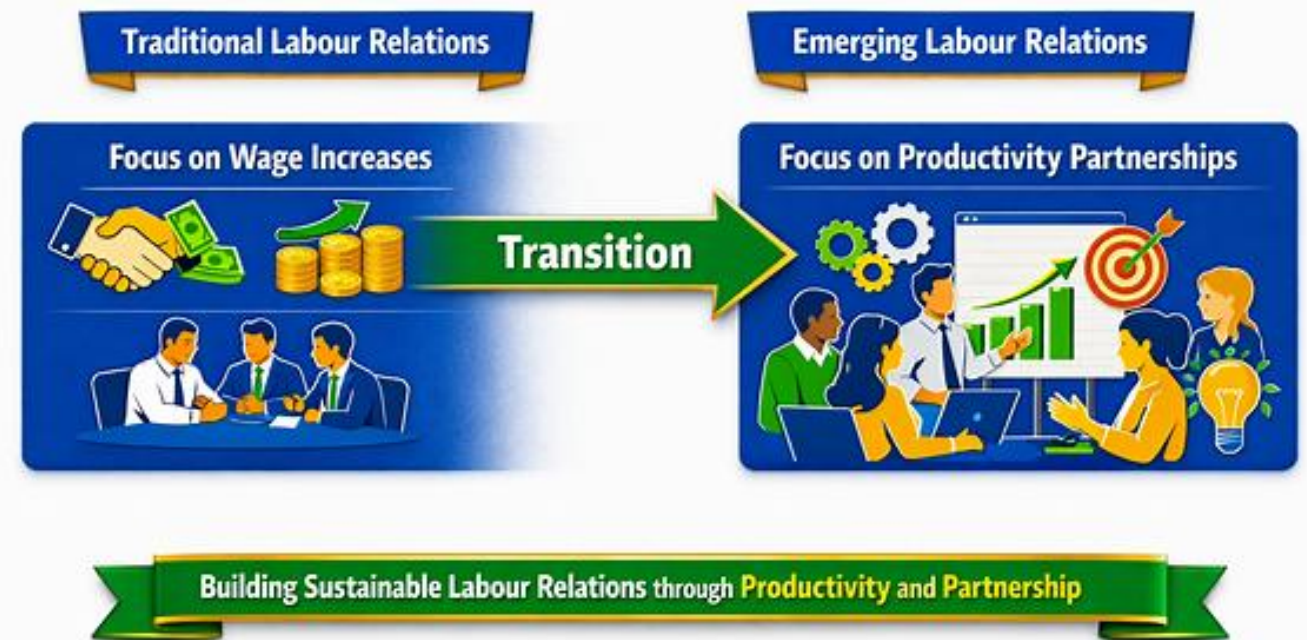
- Traditional Question:
"How much can wages increase?"
- New Question:
"How can productivity growth support sustainable wage growth?"

Key Lesson

Sustainable compensation growth requires:

- Productivity growth
- Revenue growth
- Productive partnerships

Moving Beyond Wage Bargaining



The Productivity Equation

Labour Relations and Productivity

Productivity improves when:

- Workers trust leadership
- Compensation systems are fair
- Performance expectations are clear
- Accountability mechanisms exist
- Industrial peace is maintained

Ghana's Experience

- **Trust + Equity + Accountability** = Higher Productivity + Better Service Delivery

Integrated Productivity Model

- The **Trust-Equity-Accountability-Productivity** model can be summarized as follows:
 - Trust fosters cooperation and reduces transaction costs.
 - Equity enhances motivation and commitment.
 - Accountability defines and measures performance expectations.
 - These jointly influence workforce behaviour and institutional effectiveness.
 - Improved behaviour leads to higher productivity and service delivery.
 - Enhanced productivity supports fiscal sustainability and wage stability.

CHALLENGES FACING LABOUR RELATIONS

Key Challenges

- Trust vulnerability during economic shocks
- Accountability implementation gaps
- Concerns of pay disparity between public/civil service and SoEs and Politicians
- Weak productivity measurement
- Fiscal constraints
- Labour fragmentation
 - Health sector alone has about 11 unions/associations.

Emerging Issues

- Productivity governance
- Digitalization
- Future of work
- Productivity measurement
- Expanding expectations of social partners

LESSONS FROM GHANA FOR AFRICA / KENYA

Lesson	Policy Direction
Build strong institutions	Strengthen tripartite and labour relations institutions
Institutionalize social dialogue	Promote continuous stakeholder engagement
Promote transparency	Use evidence-based negotiations
Treat equity as a productivity strategy	Strengthen job evaluation and compensation systems
Strengthen accountability	Improve performance management and M&E systems
Build productivity partnerships	Integrate productivity into collective bargaining
Measure productivity	Develop productivity indicators and frameworks
Prepare for the future of work	Modernize labour policies and skills development

FUTURE DIRECTION – Transition from FWSC to the Independent Public Emoluments Commission (IPEC)

GHANA'S FUTURE DIRECTION: FROM FAIR WAGES TO STRATEGIC PRODUCTIVITY GOVERNANCE

Why the Transition?

- Address persistent disparities and fragmentation in public sector compensation.
- Strengthen transparency, fairness, and public confidence in remuneration management.
- Align compensation with productivity, performance, and fiscal sustainability.
- Establish an independent, evidence-based remuneration governance framework.

Building Accountability for Performance

Current FWSC Focus

- Wage administration
- Salary structures
- Conditions of service
- Collective bargaining support

Future IPEC Focus

- National Emoluments Policy
- Total Rewards Governance
- Productivity-Linked Pay Systems
- Public Sector Performance Management
- Evidence-Based Remuneration Decisions
- Harmonization of Public Sector Compensation
- Fiscal Sustainability and Value-for-Money Oversight

Strategic shift

FROM

- Annual wage negotiations
- Compensation-centred discussions
- Fragmented remuneration systems
- Input-based reward systems

TO

- Multi-year social compacts
- Productivity-centred labour relations
- Integrated national emoluments framework
- Performance and results-based rewards

Expected outcomes

- Improved trust among social partners.
- Greater equity across public institutions.
- Enhanced accountability and performance. Culture.
- Sustainable public sector wage management.
- Improved service delivery and national productivity.

"The transition from the Fair Wages and Salaries Commission to the Independent Public Emoluments Commission represents more than an institutional change. It signifies a paradigm shift from wage administration to strategic productivity governance where trust, equity, accountability, performance, and fiscal sustainability become the foundation of public sector remuneration and national development."

Building Accountability for Performance

- Trust, Equity, Accountability, Productivity and Performance are not competing objectives.
- They are mutually reinforcing pillars of sustainable development.

Let us build labour relations systems that:

- Strengthen trust
- Promote fairness
- Enhance accountability
- Improve productivity
- Deliver sustainable economic growth

Building Accountability for Performance

"The future of labour relations in Africa will not be determined by the strength of governments, employers or labour unions acting independently. It will be determined by the strength of collaboration among them."

Thank You



Salaries & Remuneration
Commission
Rewarding productivity

