

Motivation

Honduras had registered steady improvement in many key educational indicators over the last three decades. With public education spending running at 4.6 percent of GDP in 1996, Honduras compared relatively well with other Central American and Latin American countries. But in spite of Honduras' relatively strong funding effort and high coverage, its outcomes in primary education were not notably superior to those of its neighbors, and its coverage of secondary education compared unfavorably with other countries.

Objectives

The goal was to identify moral hazards to frontline health staff. This PETS quantified the discrepancies between the budgetary and actual assignments of staff and analyzed the degree of attendance at work. Unlike other PETS, the unit of analysis was the sector staff (both operational and administrative staff from all levels) instead of the facility.

Main findings

While some of the other PETS established that leakage of funds is a less critical factor in salary expenditures, the Honduras study demonstrated that there are other issues related to staff behavior and incentives that can have similar negative effects on service delivery, such as 'ghost' employees, absenteeism and capture of jobs by employees.

There is also compelling evidence of inequitable resource distributions within the primary sector. This phenomenon occurs as much within local areas as between "rich" and "poor" departments, so it is not necessarily picked up by aggregated analysis at schools in departmental level. Often, it reflects an urban-rural division.

Ghost workers

Ghost workers accounted for 3% of the staff members while 5% of the primary school teachers were unknown in their work place.

Absenteeism

The average attendance rate is 86% across all categories. Strikes accounted for 12 percent of absences, and unpaid leave, for 15 percent. The proportion of unaccounted-for absences is 15 percent of the total.

Other findings

A considerable proportion of rural schools do not cover six grades, making it virtually impossible for the children to graduate from primary level.

Sample

660 employees in 40 schools.

Sample design

The first step was to select 44 workplaces, stratified as follows: the ministry, 3 departmental offices, 20 primary schools and 20 secondary schools. The workplaces were ordered geographically. In the second step the following numbers of staff were selected in each type of workplace: 140 non-teaching staff (including 80 in the central ministry, 20 in Departments, 20 head teachers in primary schools and 20 in secondary schools); 200 primary teachers, and 320 secondary teachers. The latter were further subdivided into four sub-groups with a sample of 80 teachers in each group (*Ciclo Comuin, Comercio, Polivalente y Bachillerato*). These sample sizes were chosen bearing in mind the expected variance within the different sub-strata.

Resources monitored

Recurrent expenditures from public and private sources

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Main report

World Bank (2001) "Honduras: Public Expenditure Management for Poverty Reduction and Fiscal Sustainability," Report No. 22070, June 28.