International Journal of Economics, Commerce and Management United Kingdom Vol. III, Issue 5, May 2015 http://ijecm.co.uk/ ISSN 2348 0386

PUBLIC MANAGEMENT OF THE GHANA'S METRO MASS TRANSIT LIMITED

Eric Yobo

Department of Political Science, University of Ghana, Legon-Accra, Ghana

Mark Edem Kunawotor

Department of Finance and Accounting, Zenith University College, Accra, Ghana markedemk@yahoo.com

Ernest Victor Apau

University of Ghana Business School, Legon - Accra, Ghana

Bismark Osei

Department of Finance and Accounting, Zenith University College, Accra, Ghana

Abstract

Ownership and management of state bus public transport has been a source of intense debate, the world over. Using the New Public Management (NPM) framework, we examine Ghana's flag post urban public transit – the Metro Mass Transit – to ascertain its prospects to thrive despite prior evidence of several state mass transits failures. The focus here is primarily on the shortterm practical issues of management, operations, and funding state bus transit in Ghana. The paper employed exploratory case study research design as a methodological approach. Findings show that owing to NPM-inspired reforms, inter alia; ICT based innovations and other internal controls, the Metro Mass Transit exhibits high resiliency in the Ghanaian urban transit industry.

Keywords: Ghana, Metro Mass Transit, Public Management, Transport, Administration, Urban Transit



INTRODUCTION

The development of modern transportation in Ghana began with the colonial government's investments in transport systems for purposes of evacuating mineral endowments and people as slaves to Europe for industrial and agricultural use. This dates back to 1898 when the first rail line was built from Takoradi to Tarkwa for the commercial exploitation of gold, and the first road constructed between then Accra Harbour and Dodowa in 1905 for the export of palm fruits. Shortly thereafter, the Urban and Local Councils began to establish public passenger transport system for economic purposes. For instance, the Accra Town Council operated bus services in Accra, Kumasi, Sekondi–Takoradi and Obuasi (Wilson, 2006). The Omnibus Services Authority Decree of 1969, however, nationalised all the Urban and Local Councils bus undertakings under one unitary body responsible both for the planning and the provision of public transport services (IBIS, 2005).

In attempt to augment mass transportation in post-independent Ghana, the state pursued socialist oriented policies and this path for development saw the growth of many stateowned transport enterprises such as the State Transport Corporation (STC), Omnibus Service Authority (OSA), City Express Service (CES) and lately Metro Mass Transit (MMT). Unfortunately, most of these transport lines [STC, OSA, and CES] collapsed in the 1990s due to mismanagement and inadequate public investment in rolling stock and other assets (IBIS, 2005). Financial impropriety, lack of gualified staff, political interference, and unregulated competition from private operators were also identified as reasons for their collapse (Wilson, 2006; Afful, 2011).

The failure of the various state transit systems in the late 1990s and the ascendency of private transport systems left the Ghanaian urban transport subsector at the peril of private investors. Thus, urban public transport services were primarily replaced with private sector provision of paratransit, known locally as trotro. Many of which are unroadworthy and in poor mechanical state for carrying passengers. This industry was, however, consolidated by the Ghana Private Road Transport Union and the Progressive Transport Owners Association (Fouracre et al., 1994; IBIS, 2005). These transporters operate with minimal regulation and increase transport fares arbitrarily in pursuit of profit maximisation whilst neglecting efficient service delivery (Wilson, 2006). According to Trans Africa (2010), the dominance of these unregulated and sub-standard operational system impedes economic growth and reduce the quality of life for citizens as the large number of minibuses employed to meet demand causes congestion and parking issues and, in the main, citizens suffer high levels of vehicular pollution and unsafe voyages.



Thus, the Ghanaian government re-introduced the Mass Transit Programme in 2002 to develop and maintain publicly organised stage-bus services. The goal of public mass transportation, therefore, shifted from the previous administration of public procurement of fleet for leasing to private operators to being state interventionism aimed at mitigating transit deficit through state ownership (IBIS, 2005). The MMT Limited was, thus, created in March 2003 as a quasi-state operator of large buses. A unique feature of MMT's operation is the mixed offer of urban and intercity transport; filling gaps in informal transit provision. Unlike the informal private operators, MMT has administrative structure, workshops and maintenance facilities, plus better trained staff guided by public-private rules. Its services are guite scheduled for definite routes and fares (Poku-Boansi and Adarkwa, 2011; Yobo, 2013).

Concerted effort to employ MMT to provide a viable alternative to the trotros of Ghana is, however, not without constraints. Strikingly, traffic congestion, dearth of intra-city transit connectivity, rising cost of fuel and removal of subsidies which plunged previous state-owned transits into ditch prevail in the system (Agyemang, 2009). Nevertheless, this publicly-owned mass transit system [MMT] consistently charges [lower] recovery fares without recourse to prevailing market price. It also runs routes generally considered to be unattractive and unprofitable by private operators, in terms of the state of road and patronage. The objective of this study, therefore, is to investigate how MMT Limited is being managed to circumvent the situation that led to the failures of prior state transit undertakings. Hence, this paper critically evaluates management practices of the MMT with the view to suggest policy recommendations to augment mass transportation of the citizenry in an economically sustainable manner. The significance of this paper is located in its theoretical and empirical contributions. This work, theoretically, complements available literature on public management of contemporary transport. Empirically, the paper highlights the major characteristics of state mass transit system and government interventions to mitigate mass poverty through transit delivery. The next section of this paper discusses the theoretical framework within which this study is situated. This is followed by a brief methodology; a detailed presentation of key research findings and; a concluding remark that also touches upon some policy recommendations.

LITERATURE

Gap in the Extant Literature

Throughout the literature, mass transit (also called public transit or public transport) generally refers to a shared commuter transportation service. This includes various transport services available to the commuting public; carpools, trams, ferries, passenger rail, bus services, and their variations (Pucher et al., 2004; TCRP, 2009; Trans Africa, 2010; Buehler and Pucher,



2012; Litman, 2012). Hence, mass transit is seen as a mode where the 'vehicle' in guestion is not necessarily owned by the user or used privately. Ubbels et al., (2001: 73) defined mass transit as 'a collective transport system which is made available, usually against payment, for any person who wishes to use it'. This definition reveals that mass transit is deployed to mean the communal use of transport, usually for commercial purposes. It is, sometimes, erroneously used interchangeably with 'commercial transport'. This interchange is flawed because not all commercial transports carry commuters. There are commercial vehicles for haulage as well. Underpinning Ubbels' et al., (2001) conceptualiation of mass transit focuses on access and sharing. These two concepts – access and sharing – seem to capture the most essential feature of what we mean by 'mass transit'. This is noteworthy because it counters the implicit misconception that public transport must only be owned and operated by government. This popular view that *public transport* denotes modes owned and or operated by government is unsatisfactory since all modes - train, bus, ferries, trams - have many examples of both private and public ownership. The emphasis, therefore, hinges on serving 'public good' rather 'private good'. However, in most cases 'transit' is prefixed with the term 'state', as in state transit, to denote government ownership or control (Aworemi, Abdul-Azeez, & Olaogun, 2009; WSLJTC, 2011; Malachy & Nwobi, 2014)). In this study, state mass transit is employed to mean publicly managed transport system which is available to the commuting public.

Recent studies on Ghana's urban mass transportation have paid tribute to the MMT (IBIS, 2005; Agyeman, 2009; Trans Africa, 2010; Yobo, 2013). In their study of urban public transport in Accra, IBIS (2005) described MMT as a state-backed transit charged with urban mass transportation in Ghana. The study argued that, though MMT largely resolved manifesto commitment, its creation was an attempt to address transit deficiencies. IBIS (2005) further alludes to the public-private nature of MMT but casts doubt on the credibility of its private investors. The study alleged, the participation of the private investors in MMT is 'based on their wish to divest from expensive staff transport commitments' (IBIS, 2005: 11). Hence, the business case for taking up shares in the state enterprise [MMT] is certainly not compelling. However, IBIS's (2005) report was superficial and could not substantiate many of its claims.

Trans Africa (2010) also asserts that the formation of MMT was to alleviate the impact of high fuel price on Ghanaian households. The study further posits that the use of high occupancy buses by MMT operators facilitates the economisation of Ghana's imported fuel. Conservationism objectives of the government were the basic underpinning rationale for the creation of MMT as the operator of larger buses, and any other consideration runs second (*ibid*). In the view of Trans Africa (2010), government's objective to improve energy security was more compelling than just resolving a party manifesto as vehemently argued by IBIS (2005). Both



IBIS (2005) and Trans Africa (2010), however, corroborate that MMT enjoys considerable state patronage which is unavailable to private public transit operators.

Agyemang (2009) examined the extent to which traffic congestion conspired with other factors to collapse the Bus Rapid Transit (BRT) system initiated by MMT. The study argued that while poor traffic management and congestion caused the collapse of the pilot BRT, other factors such as lack of a supporting Legislative Instrument are equally liable. The study thereby recommended appropriate legislation to offer Right of Way for successful implementation of a BRT in Ghana.

Though MMT has fairly received some scholarly attention, only few studies have focused on the politics, administration and interests that characterise the Mass Transit Programme (Trans Africa, 2010; Yobo, 2013). Yobo (2013), for instance, investigated the extent of state's involvement in MMT and how the Ghanaian government employs the public bus transit to achieve its social and political goals. These works notwithstanding, there is still shortage of empirical studies which specifically investigate the management and financing strategies of the public bus transit. This paper, therefore, aims at bridging the knowledge gap as it investigates the nature and dynamics of managing this publicly-owned urban mass transit.

Theoretical Framework

This paper adopts New Public Management (NPM) theory as its framework of analysis. NPM broadly denotes public policies, since the 1980's, that strive to modernize and inject efficiency in the public sector. It emanated from the view that public bureaucracy was shipwrecked and need fixing, and that private sector solutions were significant (Savoie, n.d; Osborne and Gaebler, 1993; Boston, Martin, and Walsh, 1996). The rhetoric of NPM denoted it as the 'arts of private sector management' extended into the public sector (Gray and Jenkins 1995: 80). The basic hypothesis holds that market-oriented management of the public sector will lead to greater cost efficiency for governments, without negative side effects on other objectives and considerations. This means that public organisations should be managed as it is the private sphere. NPM theorists perceive private sector management to be superior to public administration. The solution, therefore, is to transfer government activities to private sector through privatisation and partnership(s) (Gray and Jenkins 1995; Savoie, n.d).

Unlike the traditional public administration, which focuses on bureaucracy (Nigro and Nigro, 1980), NPM is a shift from administration and professional bureaucracy to a more managerial, customer-driven and market-based system (Haynes, 2003). Managerialism under NPM model involves the application of physical, financial and human resources to realize government objectives. Thus, NPM sees managers as entrepreneurs who should be allowed to



take risk. Managers perceive beneficiaries of public services as customers and offer them choices (Pollitt and Bouckaert, 2000). As a result of the proximal relationship which exists between managers and customers, solutions to customers' problem are easily identified to increase customer satisfaction and profit margin. NPM attempts to implement best management practices from entrepreneurship and private sector into the public services. Advocates of NPM movement assert that, the paradigm represents a gradual and incremental improvement to public administration and service delivery (*ibid*).

Although NPM bashes hard on bureaucracy, it seems to borrow and even revives some concepts that characterise bureaucracies (see Tolofari, 2005). An important feature of NPM is devolution of responsibility. This, Hood (1995) succinctly puts it 'the active control of public organisations by visible top managers wielding discretionary power'. Underpinning NPM philosophy is 'let managers manage' slogan (Savoie, n.d). This is achieved by loosening up the fetters on the use of discretion by mangers (Ocampo, n.d.). Public managers are allowed to manage public services with little or no political interference. The theory calls for greater flexibility in organisational structures, a better flow of information and higher standards of service quality (Kavanagh, 2000; Eran and Sagie, 2008). Thus, NPM contributes to a radical change in the business orientation of public organisations.

The NPM theory is akin to Public Entrepreneur Theory (PET). PET postulates to transform governments into entrepreneurs with the express aim of making profit through series of calculated risks as the state ultimately seek to provide public goods and services such as transportation, telecommunication, education, sanitation and healthcare (Schneider and Teske, 1992; Bellone and Goerl, 1992; Klein et al., 2009; Asare and Frimpong, 2013). That is, the public entrepreneur pursues a wide spectrum of public outcomes, ranging from abating poverty to providing public transport. Though the state is usually seen as antithesis of entrepreneurship, Osborne and Gaebler (1993) in their "Reinventing Government, How the Entrepreneurial Spirit is transforming the Public Sector" avowed that government is laden with entrepreneurial ideas. Government officials, both elected and appointed, ardently seek to make government work for the growth of the economy and thus have evolve entrepreneurial practices within government organisations (See Markley & Macke, 2002). The dominant themes of PET include innovation, creativity and risk taking.

Despite the positive impacts of NPM reforms on the public sector worldwide, some criticisms have been leveled against this model. Chang (2008) argues that increased NPMinspired reforms have often increased, rather than reduced, corruption. Another criticism made of the negative effect of NPM is the dwindling role of the state in delivering public services. That is, NPM leads to overreliance on non-state actors (the private sector) to deliver public services.



Some radical critics even argue that NPM paradigm has peaked and is now dead (Hughes, 2003; Dunleavy, Margetts, Bastow, and Tinkler, 2005). In spite of all these criticisms, the NPM theory is relevant to this paper as it underscores private capital and management practices in the efficient delivery of public services. The nub of NPM theory is to reduce the size of government through devolution of responsibilities to the private sector by making greater use of markets, collaborative advantage, and manageralism. Hence, the institutional character of the state and of the public sector is reforming to be more market-oriented (Kavanagh, 2000; Hodge and Greve, 2007; Khanom, 2009.) The tenets of NPM uphold MMT as a new management tool to deliver essential public transportation services. This theory, thus, enables the paper to investigate the nature and dynamics of funding and managing Ghana's mass transit programme.

RESEARCH METHODOLOGY

This paper employs exploratory case study research design. Therefore, data used in this paper were primarily obtained from the operational records of MMT Limited. The study also relied on secondary sources including official reports, press releases, and newspaper publications. The data gathered was qualitatively analysed and discussed in context of the theoretical framework employed for the implementation of this study. The analysis of the main findings is presented herewith below:

RESEARCH FINDINGS

MMT Limited: Ownership and Services Provided

The MMT is the single dominant urban mass transit organisation in Ghana. Incorporated in March 2003, MMT's equity is subscribed by the Government of Ghana [45%] and six private investors. The Government's 45% equity subscription was through the transfer of the physical assets of the defunct state-owned OSA Transport Limited (IBIS, 2005). The remaining 55% equity stake is shared by Agriculture Development Bank [16.67%], Social Security National Insurance Trust [11.50%], National Investment Bank [9.33%], Ghana Oil Company Limited [7.5%], State Insurance Company [5.83%] and Prudential Bank [1.67%], with 2.5% equity in treasury (held in trust by National Investment Bank). Thus, MMT is a public-private initiative that aims to operate an efficient and affordable bus transit in an economically sustainable way. Nevertheless, Government's 45% shares would be considered as a controlling interest in most jurisdictions in any case. The bus transit company is governed by a nine member board of directors. Two of whom are nominated directly by the Government of Ghana, the rest of the



shareholders are represented by a director each. The MMT board as presently constituted is to expose the company to private sector disciplines, in harmony with NPM framework.

MMT's operation is basically a multi-modal network where routes are built around the regional capitals with interlinking services to urban centres. The MMT currently operates on 423 routes nationwide with 16 depots across the ten regions of Ghana. Its fleet spans over 1,600 buses [out of which 800 are operational daily] and employs about 4,780 workers throughout the country. The transit company provides bus services in all its aspects, including busing on contract basis, university campus shuttles and school busing services. Nevertheless, three main services form the crux of MMT's operations; intra-city, urban-rural and intercity bus services. The intra-city bus operation is an urban service which operates in any greater urban areas with high frequency but many stopping points. It connects the Central Business Districts with city outskirts on routes not exceeding 40 kilometres. This is the core business of MMT, covering about 50% of its operational activities.

Capitalisation of MMT Limited

The financing mechanism adopted for the capitalisation of MMT has been Government grants; external sources in the form of concessionary financing by development partners; and also through Buyer/Suppliers' credit facilities with Government guarantees. The Government of Ghana's support to MMT includes exemptions on import duties and regular fleet supplies. The MMT, therefore, enjoys privileged access to considerable government grants which are unavailable to private transport operators. The total accumulated deferred import taxes of MMT as of June, 2014 amounted to GHC 58 million. This implies that MMT is exempted from the payment of some GHC 58 million as import taxes due the state. These were taxes accrued on the importation of MMT buses and spare parts since the year 2005.

In furtherance to Government's policy on mass transportation, national budgets have progressively supported MMT's fleet renewal policy. For instance, the 2004 national budget allocated GHC 18.77 billion for 250 buses whereas the 2005 budget disbursed GHC 62 billion for the importation of additional 200 buses for MMT. The MMT, per the 2006 national budget, also benefited from an allocation of GHC 112 billion to augment their fleet. Again, the 2007 national budget catered for the acquisition of 63 Jonckheere VDL buses, 90 Tata buses and 150 VDL DAF bus chassis (for bus construction) to support MMT operations (MoFEP, 2004; MoFEP, 2005; MoFEP, 2006, MoFEP, 2007). A credit facility of USD\$ 42 million has recently (the year 2014) been approved by Parliament for the purchase of 200 buses to strength the operations of MMT. This demonstrates that the Ghanaian Government is committed to renewing MMT's fleet at the expense of public purse. Apparently, the MMT is constituted as Ghana's flagship bus



transit to enjoy substantial state patronage in the urban transport industry. These concessions are significant subventions for MMT and constitute competitive advantage over the private transport operators.

MMT maintains valuable international cooperation in the field of supplies, financing and transfer of expertise. It enjoys concessionary financing agreement with the Netherlands and Belgium. In March 2006, for instance, Belgium's VDL Jonckheere Company signed an agreement with Ghana's Ministry of Finance to produce and ship 63 new VDL commuter buses to augment MMT fleet. Likewise, the ORET grant is an agreement between the Dutch government (represented by FMO, a Dutch development bank) and Government of Ghana (represented by the Ministry of Transport) to ensure fleet supply to MMT. There have been several of such bilateral financing agreements, with the maiden agreement signed on March 5, 2002. Buses supplied under the ORET grant contract has 35% discount and 65% credit facility respectively from the Dutch government, and accompanied by technical expertise. A significant precondition of this concessionary fleet financing agreement with the Dutch Government is to permit MMT to operate as though a private entity. Thus, MMT is required to implement best management practices from entrepreneurship and private sector into the public (transport) service delivery to maximise state's profit. The Ghanaian Government is, thus, restrained by the concessionary financing agreements to acquire absolute majority (50% plus) equity in MMT Limited. The purpose is to expose MMT to private sector values, as part of efforts, to evade the usual pitfalls of absolute state ownership and control. This, in part, has restrained the Government to translate the fleet procured to support MMT's operations into shareholding. Supposedly Government converts new fleet acquisition into shares, its equity stake in MMT would eventually exceed the entire private investors' shareholdings; making Government the absolute majority shareholder with vast control.

Through these arrangements, and also based on the concept of cost recovery, MMT generates enough revenues from its operations to fund its recurrent and capital expenditures. Since 31 December 2009, MMT is able to pay its monthly operational costs. According to MMT's Book Balance, much of its indebtedness to Ghana Oil Company has been settled. The cost of fuel alone constitutes over 60% of its recurrent expenditure.

The financial plan of MMT is to ensure that it does not depend on Government's Consolidated Fund to fund its operations. Through internally generated funds, MMT has been self-financing capital projects worth GHC 3,059,396 as at 2009. Total Creditors' Balance, Cash and Bank Balance as well as Bus Acquisition Sinking Fund portray good image and credibility. For instance in 2012, MMT was able to procure 150 new buses, for the first time, at the cost of USD\$ 11 million out of internally generated fund to augment its fleet. In spite of its indebtedness



to the state, owing to deferred import duties, MMT has a revenue target of GHC 154 million from its operations for the year 2014 as it launches its five-year strategic plan and ICT based fuel and bus tracking system. In the year 2013, for instance, the MMT's revenue reached GHC 123 million, culminating in net profit of GHC 9.2 million. According to the company's financial projections outlined in the strategic plan, it expects an 8.6% boost in net profit after tax margin for 2014 over the figure recorded in 2013.

Operational Bottlenecks

MMT has service schedules, although in practice are rarely complied owing to the paucity of buses, declining fleet utilisation rates, keen competition from private operators, and congestion especially during peak travel periods. Poor traffic management in the cities of Ghana is a bane on MMT's operations. The consequence of congestions is the wasteful consumption of expensive fuel for little revenue. Hence, prospect for MMT to function at optimum efficiency to render reliable service to the urban commuter is fairly challenged under the prevailing conditions. Likewise, MMT's buses suffer high risk of frequent vehicle breakdown due to poor road network on which it plies. The insanitary condition of some MMT buses too does not befit modern transit lines; hence, customer unfriendly.

Other issues with organizing state mass transits in Ghana include political interference. Thanks to huge state investments in MMT, the state bus transit is required to provide wide range of transport services to support government's poverty reduction strategies viz: free bus for uniformed schoolchildren, running unattractive routes, and charging relatively cheaper fares. The company's commercial objective, therefore, tends to be foiled by the Government's social and welfare goals. Again, owing to underhand dealings, MMT has revenue leakages to contend with. All these somewhat threatens the sustainability of Ghana's only remaining publicly managed urban transit.

Innovations in Fleet Management

The MMT generally seeks to setup a public transport system with an integrated network of schedule buses. Thus, the company aims to co-operate closely with the Government of Ghana to reintroduce the piloted BRT. A BRT system is the solution for the heavily congested areas in the capitals of Ghana and it could be the forerunner in Africa that effectively combines transit infrastructure with a reliable bus service delivery. The Ghanaian Parliament, by September 2014, had approved a loan facility of USD\$ 110 million to procure 290 Scania buses to support the intended BRT project. The Ministry of Road and Highways is urged to provide dedicated



lanes to MMT buses while plans are made to improve and expand the road network so that a fast bus service can be offered to commuters.

As part of efforts to enhance operational efficiency, MMT has adopted an Information Communication Technology (ICT) based Vehicle Tracking Systems (VTS) aimed at reducing malpractices in the bus transit company. The device detects electrical faults on a bus, tracks bus locations, the speed at which the bus is running, and helps to check the fuel consumption of individual vehicles. The VTS records the fuel consumption of a bus on a particular route and notifies Traffic Managers if fuel is being siphoned from a bus. The installation of VTS facilitates better analysis of MMT's operations as it informs Traffic Managers the movements of every MMT bus at any point in time. The MMT has recorded a considerable consumption decrease in fuel to revenue percentage since the introduction of the fuel tracking system in October 2007. Prior to the introduction of the fuel tracking system, fuel consumption was between 47% - 48%of revenue. The pattern has, however, reduced to 35% since October 2007. A careful look at the figures shows that the programme has brought a considerable change in the pattern of fuel consumption. For instance, at the Ho depot, before the scheme was introduced, 24,761 liters of fuel was used to run a distance of 63,910 kilometres. However, after the introduction of the programme, about 21,414 liters of fuel is used to run an estimated distance of every 63,678 kilometres (source: MMT).

Moreover, the management of MMT is to roll out an electronic ticketing system to eliminate the human involvement in cash handling in a bid to curb ticketing fraud. According to the MMT's Deputy Managing Director, a tap-to-pay mechanism for ticketing will allow passengers to acquire electronic cards from the company which would be loaded with the amount a passenger can afford for a stipulated period determined by the bus company.

There are also a number of internal controls, inter alia, routine inspection of all depots and employee audit leading to payroll cleansing. It is observed that there are guite a few redundant driving crews at some MMT depots. This trend has necessitated some measures to be put in place in order to ensure optimum and efficient utilisation of the company's human resources. An instance of this trend was cited of the Tamale depot where there was an excess of five (5) drivers and fifteen (15) conductors (Personal Communication, 2013).

The transit company has setup a special monitoring unit, under the Traffic Operation Department, tasked with checking and apprehending conductors and drivers who indulge in fraudulent practices to undermine revenue generation. There has been significant gradual reduction in malpractices owing to routine inspection of routes and depots with emphasis on Passenger Education and Customer Care. The focus of attention is on passenger education where the passenger has it as a duty to insist on MMT ticket upon payment of approved fares. It



is, therefore, illegal for a commuter to board MMT buses without approved ticket. Passengers who flout this requirement are compelled to pay 15 times the amount or risk being prosecuted for default.

To augment fleet renewal, MMT has an approved bus replacement programme which ensures that non-operational buses are promptly discarded. Grounded buses are subjected to inspection so that irreparable ones are scrapped to make room for new fleet. MMT buses that have been scrapped are mainly the Yaxing and Fiat-Iveco type which were acquired in 2003 when MMT commenced operation. Each of the buses offloaded had completely served its economic life-span; recording over 100,000 kilometres mileage averagely.

Workers' Progression and Commuters' Safety

Workers' welfare continues to see significant improvements culminating into high employee motivation. During the 2013 Driving Improving Training Programme of MMT, a 50% salary increase for its operational staff was approved to enhance employee satisfaction as well as curbing counterproductive workplace behaviours which emanates from employee demotivation. Nonetheless, stiffer punitive measures including prosecution to curtail employee deviancy is being championed by MMT's new management.

Towards commuters' welfare, MMT organises periodic skill trainings to equip the expertise of its technical and operational staff. Comparatively, MMT remains the safest means of public transit in Ghana, given the good quality of drivers on its payroll. MMT's insistence on the engagement of drivers with license F and above coupled with its internal (re)trainings is aimed at reducing needless road accidents to the barest minimum. The focus of attention currently is on engaging and training more female drivers to exude confidence. MMT remains the only public bus transit company in Ghana that employs the services of female drivers as one of the mitigating interventions to reduce the spate of motor accidents. Female drivers have been found to perhaps have global temperament for averting road rage and accidents in which male counterpart dare to be involved. MMT's female drivers are extremely cautious and exercise great deal of diligence.

To augment decent service condition, quite a few depots are furnished with airconditioned sleeper rooms for the relaxation of drivers and conductors of the company before embarking on journeys. Lounges are, likewise, made available at most MMT terminals to serves commuters waiting to board MMT buses. These provisions reinforce customer [passenger] responsiveness as favoured by the NPM paradigm (Pollitt and Bouckaert, 2000; Osborne & Gaebler, 1993).



The MMT is collaborating with Tata African Holdings (Ghana) Limited for the establishment of a training institute to cater for the upgrade of the skill of the company's drivers and other private transit operators. Funded by the Tata Holdings Limited, the centre is to be equipped with facilities that make it possible for technicians, mechanics and other operational staff to upgrade their knowledge locally. This is to forestall the conventional trend of sending MMT's operational staff to abroad including the Netherlands, Belgium and India for same training in order to effectively manage its fleet. The centre is also earmarked to generate additional revenue for MMT Limited through the training of other commercial truck and bus drivers throughout country at a fee. This paper, therefore, validates Osborne and Gaebler (1993) earlier studies that government is laden with entrepreneurial idea with the express aim of maximising state's profit. It also corroborates Savoie's (n.d) claim that to enhance efficiency in public services, the solution is to divest some public tasks to the private sector; hence, the partnership between the MMT (a public company) and Tata African Holdings Limited (private sector organisation).

CONCLUSION

The MMT has been found to conform to most of the institutional tenets of the NPM theory. The innovatively managed and financed public transit system provides efficient mass transport in an economically sustainable manner. The sustainability of this state mass transit is, therefore, crucial for the socio-economic development of the country. Thanks to stringent bus maintaining disciplines, MMT shows high prospects of survival in the Ghanaian transit industry. To increase profitability and attain financial sustainability, it is argued that internal mechanisms to seal revenue leakages be intensified. It is a shared responsibility of the Ghanaian commuter and the MMT Limited to keep the buses in a roadworthy condition to avert possible collapse of the publicly managed transit. In conclusion, state interventionism rather than excessive political interference is suggested to be apt for MMT's growth and fortitude.

Although thorough investigation has been conducted for this case study, there are other related areas of the study that were touched on briefly in this paper. Hence, it is suggested that future research focus on the degree of political interference in MMT limited and its implications. Other researchers are also encouraged to replicate this research using different case study or analytical framework to validate the findings of this current study.

REFERENCES

Afful, D. (2011). The Challenges Confronting Private Bus Operators In Ghana. MBA Dissertation. Maastricht School of Management.

Agyemang, E. (2009). Traffic Congestion: The Bane of a Bus Rapid Transit System in Accra, Ghana? . M.Phil Thesis. Norwegian University of Science and Technology.



Asare, B. E., & Frimpong, M. K. (2013). Public-Private Partnerships and Urban Sanitation: Do Expectations Meet Realities in Madina-Ghana? Journal of African Studies and Development, 5 (5), 113-124.

Aworemi, J. R., Abdul-Azeez, I. A., & Olaogun, O. B. (2009). A Study of the Performance of Public Transport Company in Niger State, Nigeria. International Journal of Business Managment, 4 (11), 73-80.

Bellone, C. J., & Goerl, F. (1992). Reconciling Public Entrepreneurship and Democracy. Public Administration Review, 130-134.

Boston, J., Martin, J., Pallot, J., & Walsh, P. (1996). Public Management: the New Zealand Model. Auckland: Oxford University Press.

Buehler, R., & Pucher, J. (2012). Demand for Public Transport in Germany and the USA: An Analysis of Rider Characteristics. Transport Reviews, 32(5), 541-567

Dunleavy, P., Margetts, H., Bastow, S., & Tinkler, J. (2005). New Public Management Is Dead-Long Live Digital-Era Governance. Journal of Public Administration Research and Theory, 16, 467-494.

Eran, V.-G., & Sagie, M. (2008). New Public Management Values and Person-Organisation Fit: A Socio-Psychological Approach and Empirical Examination Among Public Sector Personnel. Public Administration . 86 (1), 111-131.

Fouracre, P. R., Kwakye, E. A., Okyere, J. N., & Silcock, D. T. (1994). Public Transport In Ghanaian Cities - A Case of Union Power. Transport Reviews, 14 (1), 45-61.

Gray, A., & Jenkins, B. (1995). From Public Administration to Public Management: Reassessing a Revolution. Public Administration, 73 (1), 75 – 99.

Haynes, P. (2003). Managing Complexity in the Public Services. London: Bell & Brain Ltd.

Hodge, G. A., & Greve, C. (2007). Public - Private Partnerships: An International Performance Review. Public Administration Review, May/June 2007, 545-558.

Hood, C. (1995). Contemporary Public Management: A New Global Paradigm? Public Policy and Administration, 10 (2), 104-117.

Hughes, O. (2003). Public Management and Administration: An Introduction. Palgrave: Macmillan.

IBIS. (2005). Study of Urban Public Transport Condition in Accra, Ghana. Accra: IBIS Transport Consultants Ltd.

Kavanagh, D. (2000). British Politics Continuities and Change. New York: Oxford University Press.

Khanom, N. A. (2009). Conceptual Issues in Defining Public Private Partnerships. Paper for Asian Business Research Conference.

Klein, P. G., Mahoney, J. T., McGahan, A. M., & Pitelis, C. N. (2009). Toward a Theory of Public Entrepreneurship.

Litman, T. (2012). Evaluating Public Transit Benefits and Costs. Best Practices Guidebook. Victoria Transport Policy Institute.

Malachy, C. E., & Nwobi, O. F. (2014). The Political Economy of Mass Transit Programme in Nigeria: An Evaluation of Government Post- Petroleum Subsidy Intervention. Global Journal of Human-Social SCience, 14(1), 10-20.

Markley, D., & Macke, D. (2002). Public Entrepreneurship. Monograph 10. Center for Rural Entrepreneurship.

Nigro, F. A., & Nigro, L. G. (1980). Modern Public Administration (5th ed.). New York: Harper & Row.

Ocampo, R. B. (n.d.). Models of Public Administration Reform:"New Public Management (NPM)". Asian Review Of Public Administration, 248-255.

Osborne, D., & Gaebler, T. (1993). Reinventing Government, How the Entrepreneurial Spirit is Transforming the Public Sector. New York: Penguin Books.



Poku-Boansi, M., & Adarkwa, K. K. (2011). An Analysis of the Supply of Urban Public Transport Services. Journal of Sustainable Development in Africa, 13 (2), 28-40.

Pollitt, C., & Bouckaert, G. (2000). Public Management Reform. Oxford: Oxford University Press.

Savoie, D. J. (n.d.). What is Wrong with the New Public Management? Canadian Public Administration , 38 (1), 112-121.

Pucher, J., Korattyswaroopam, N., & Ittyerah, N. (2004). The Crisis of Public Transport in India: Overwhelming Needs but Limited Resources. Journal of Public Transportation, 7(4), 1-20.

Schneider, M., & Teske, P. (1992). Toward a Theory of the Political Entrepreneur: Evidence from Local Government. The American Political Science Review, , 86 (3), 737-747.

TCRP. (2009). Local and Regional Funding Mechanism for Public Transport. Washington DC: Transport Research Board.

Tolofari, S. (2005). New Public Management and Education. Policy Futures in Education, 3 (1), 75-89.

Trans-Africa (2010). Public Transport in Sub-Saharan Africa: Major Trends and Case Studies. Brussel: Trans-Africa Consortium.

Ubbels, B., Nijkamp, P., Verhoef, E., Potter, S., & Enoch, M. (2001). Alternative Ways of Funding Public Transport: A Case Study Assessment. EJTIR, 1(1), 73-89.

WSLJTC (Washington State Legislature Joint Transportation Committee). (2011). Identifying the State Role in Public Transportation. Washington, DC: Parson Brinckerhoff.

Wilson, T. (2006). Public Transport Operations in Ghana. Retrieved November 18, 2012, from modernghana: http://www.modernghana.com/news/102058/1/public-transport-operations-in-ghana.html

Yobo, E. (2013). The Politics of Public Transportation in Ghana: The Case of Metro Mass Transit Limited. MPhil Thesis . University of Ghana.

