Volume 13 Issue 24
Originally issued as A8

Global Journal of Management and Business Research
Administration and Management
Volume 13 Issue 8 Version 1.0 Year 2013
Type: Double Blind Peer Reviewed International Research Journal
Publisher: Global Journals Inc. (USA)
Online ISSN: 2249-4588 & Print ISSN: 0975-5853

Ghana Airport Company Limited's Decoupling Experience: Achievements, Challenges and Policy Lessons

By E. K. Sakyi & Richardson Azunu
University of Ghana Business School, Ghana

Abstract - The objective of this study was to examine conditions or factors that necessitated the decision to decouple and/or create the Ghana Airport Company Limited. It examined the aims, achievements, effects, challenges and implications of decoupling for airport services management.

Semi-structured interviews and focus group discussion was used to obtain information from purposively selected key informants. Interviewees were grouped into senior, middle and lower management levels actively involved in the decoupling exercise; these were purposively selected and interviewed.

The study findings showed that the decoupling reform was introduced as a response to the internal problems confronting the air transport sector at the time. The reform is in accordance with ICAO standards aimed to create a commercial wing for air transport management and recoup revenue from air travel services. Under ICAO standards and concomitant reform, GCAA retained its oversight responsibility as the regulatory body and provider of air navigation services whereas GACL takes charge of air transport service delivery. Key changes introduced included the creation and amal-gamation of departments with new functions.

GJMBR-A Classification : JEL Code: D73

GHANAAIRPORTCOMPANYLIMITEDSDECOUPLINGEXPERIENCEACHIEVEMENTSCHALLENGESANDPOLICYLESSONS

Strictly as per the compliance and regulations of:

© 2013. E. K. Sakyi & Richardson Azunu. This is a research/review paper, distributed under the terms of the Creative Commons Attribution-Noncommercial 3.0 Unported License http://creativecommons.org/licenses/by-nc/3.0/), permitting all non-commercial use, distribution, and reproduction inany medium, provided the original work is properly cited.

Ghana Airport Company Limited's Decoupling Experience: Achievements, Challenges and Policy Lessons

E. K. Sakyi [α] & Richardson Azunu [σ]

Abstract - The objective of this study was to examine conditions or factors that necessitated the decision to decouple and/or create the Ghana Airport Company Limited. It examined the aims, achievements, effects, challenges and implications of decoupling for airport services management.

Semi-structured interviews and focus group discussion was used to obtain information from purposively selected key informants. Interviewees were grouped into senior, middle and lower management levels actively involved in the decoupling exercise; these were purposively selected and interviewed.

The study findings showed that the decoupling reform was introduced as a response to the internal problems confronting the air transport sector at the time. The reform is in accordance with ICAO standards aimed to create a commercial wing for air transport management and recoup revenue from air travel services. Under ICAO standards and concomitant reform, GCAA retained its oversight responsibility as the regulatory body and provider of air navigation services whereas GACL takes charge of air transport service delivery. Key changes introduced included the creation and amalgamation of departments with new functions. The organizational structure was also modified in the process, and infrastructural modernization, leading huge profits/revenue, administrative efficiency. There was also increased number of airline operators and proper management of human resource functions are among the achievements identified by the interviewees. Interviewees described the decoupling reform as unfinished they believed that another decoupling reform will have to follow the current one and will offer the GCAA the responsibility for oversight and regulation of the air transport sector after the necessary legislations and procedures have been satisfied. Key problems identified by interviewees before and during the decoupling were asset sharing, human resource issues; especially issues of job security, danger of redundancy and unattractive salaries and recruitment.

Significant progress has been made following the decoupling reform in Ghana's airport sector about five years ago. But the issue of asset sharing remained a major challenge to full and successful decoupling reform implementation.

I. Introduction

Public service organizations the world over are now either being forced or expected to change or reform their method of management and delivery of services. This is both an internal and international requirement clearly linked to the range of new public management reforms which have swept across the world during the past two decades (Politt and Bouckaert, 2000). In the case of Ghana and the Air transport service sector in particular, the current restructuring exercise epitomizes a rapid response to the problems that have confronted the sector in the post-structural adjustment reform period. Particularly, bad management practices, mismanagement of finances, poor service management and difficulties of attracting and maintaining competent staff among others have led to the urgent need for innovative reform claims by both government and the airport sector management. The move to restructure the air transport service sector through strategic innovative programmes especially through the instrument of decoupling became indispensable.

In organizational theory and particularly, new institutional theory, the term "decoupling" refers to the creation and maintenance of gaps between formal policies and actual organizational management and implementation processes. Decoupling or 'delinking', of an organization is about the separation of functions based on expertise, knowledge or strategic vision of the organization to ensure that competitiveness is promoted. The theory of decoupling illicit ideas of independence, maturity, fully fledged sectors within an organization that can run on their own.

Within the context of the new public management, decoupling as a reform instrument questions the roe of the sate in running commercial enterprises and called for the appropriate demarcation between states and markets and policymaking and policy execution within an organization. It has been argued that, decoupling does occur automatically as the structure of economies change and efficiency improvement arise and this is often by innovation and technological process.

Many organizations have been exposed to decoupling and creation of executive agencies including schools, corporations, government agencies, and non-government organizations. Scholars have proposed a number of explanations why organizations engage in decoupling. Some have argued that decoupling enable organizations to gain legitimacy with their external constituents while simultaneously internal flexibility to address practical management problems. Aside that, it

Authors α σ : University of Ghana Business School, Legon Accra.
E-mail : eksakyi@ug.edu.gh

© 2013 Global Journals Inc. (US)

has been noted that decoupling may occur because it serves the interests of powerful organizational leaders, or because it allows organizational decision-makers to avoid implementing policies that conflict with their ideological beliefs. Decoupling has been looked at in terms of cost reduction in activities to increasing organizational competiveness as a whole.

There are three types of decoupling, they are limited decoupling, partial decoupling and full decoupling, ad full decoupling, and the type that an agency adopts is dependent upon the particular situation and reasons for resorting to decoupling. In fact, it is suggested that the three types are more or less stages or continuum in the decoupling cycle; and an organization can therefore moves along the line depending on the extent of gap it intends to create between shows the extent to which the separation is done, and each type is aimed at reducing cost and improving productivity.

In the Ghanaian case, decoupling of the air transport sector became the most practicable option largely because of poor service management, poor performance and corruption for decades. Prior to reforming the air transport sector, the Civil Aviation Authorities regulated, managed and also provided air navigation services at the same time. But this overarching role changed as a result of the reform through decoupling or delinking leading to the creation of a gap between the then Ghana Civil Aviation Authority (GCAA) into the GCAA and the Ghana Airports Company Ltd (GACL). As a result of decoupling, the GCAA assumes the role of a regulator and provider of air navigation services while the GACL is responsible for the development, management and maintenance of the airport infrastructure and systems. Indications are further decoupling is possible where the current GCAA would have the air navigation brought about some modest gains notably, improvement in airport infrastructure and general management of airport services among others.

Even though Ghana's State Owned Enterprises (SOEs) reforms especially privatization, commercialization and corporatization has been studied much less is known about decoupling as a reform and its effects and implications for public enterprises. In other words, despite the fact that decoupling is being used to restructure the operations of many a public organization in Ghana, relatively little is known about what leads up to decouple and what happens in an organization after that decision. This is a significant omission because a deeper understanding of an organizational restructuring phenomenon requires examining not only the causes, but also the underlying process by which it unfolds. As Pettigrew noted, process studies are essential for gaining an appreciation of organizational dynamics, and therefore, "theoretically sound and practically useful research … should explore the contexts, content, and process of change together with their interconnectedness through time" (1990 : 268). Accordingly, this research sets out to investigate two broad research questions. First, how did the process that led up to decoupling unfolded inside the organization? Second, what has happened within the organization (i.e. Ghana Civil Aviation Authorities (CAAs) which doubled as a service and a regulatory body and Ghana Airport Company) overtime after decoupling occurred? Specifically, the study will attempt to investigate the following questions: What factors are responsible for the decoupling exercise? What were the main goals of decoupling reform? What is the effect of decoupling on the delivery of airport services? What factors are impeding the process air transport decoupling? What lessons can be learnt from the air transport decoupling experience?

a) Research Objectives

The main objective of this study was to investigate the decoupling process and experience of Ghana Airport Company Limited. Specifically, other objectives were to:

- Find out the motivation for the decoupling exercise
- Challenges of the decoupling
- Effect of the process on airport services delivery

II. Literature Review

Decoupling is a concept that has been variously defined and its meaning has varied applications depending on the context and discipline of the user (Gomes, 1997, Meyer and Rowan, 1998, Oliver, 1991, Westphal and Zajac, 1994, 1998 and 2001). From organizational studies standpoint, the term decoupling refers to the detachment, separation or breaking-up of a 'mother-entity' or organization to create a separate unit(s) based on specific function (Oliver, 1991). Organizational decoupling also entails the creation and maintenance of gap between formal policies and organizational practices (Meyer & Rowan, 1977). In institutional theory, decoupling refers to creating and maintaining gaps between symbolically adopted formal policies and actual organizational practices (Meyer & Rowan, 1977). Decoupling occurs in a variety of organizations and both public and private organizations frequently decouple. Corporate businesses adopt executive incentive programmes that they often do not use or use only limitedly in practice. Governments and public agencies create policies but often fail to enforce them (Schofer & Hironaka, 2005). Universities embrace formal standards symbolically but decouple them from the actual routines of teaching. Even religious organizations and other radical social movements adopt socially acceptable procedures and use them to disguise their actual, controversial activities.

Various reasons have been given in the literature to explain why organizations engage in decoupling. A common theme in this empirical research

© 2013 Global Journals Inc. (US)

literature is that decoupling is a response to institutional pressure – that is, pressures to comply with regulations and norms about how organizations should be structured and operated (Tilcsik, 2010). Neo-institutionalists argue that when facing pressure from institutional ecology, organizations adopt certain formal structures or programme to gain legitimacy, to protect the organization from being questioned (see Edelman, 1990, 1992), to strengthen its support, and to secure its survival (Meyer and Rowan, 1997). Meyer and Rowan (p. 349) argued that incorporating externally legitimated formal structures increase the commitment of internal participants and external constituents. Thus, organizations that do not meet institutionalized expectations for how they look; operate and act in response to challenges are considered as illegitimate and such deviation can bring upon itself unnecessary costs.

Essentially, organizations purposely decouple its formal structure from day-to-day work in order to avoid regular inspection and evaluation, or neglecting implementation. Decoupling manifest in many ways; it involves separating one part of organization from other parts or units of the organization, separating a symbolic formal structure from operational practices, and the adoption of a progamme that may or may not be implemented. Decoupling enables organizations to maintain legitimating, formal structures while adjusting their actions in response to practical considerations (Meyer and Rowan, 1997). Oliver (1991) went further and developed a framework outlining the conditions under which different responses might be selected or considered by organizations in coping with complex, conflicting and difficult environments. To these strategic responses include acquiescence, compromise, avoidance, defiance and manipulation (Oliver, 1991) organizations may also use decoupling to respond to institutional requirements in order to disguise the fact that it has no intention to implement a plan or policy. Most importantly, organizations use decoupling to save them from the fate of sanction and to appear as complaint, for them to get legitimacy. Furthermore, other scholars added that decoupling may help organizational representative plausible excuses and justification in case the violation of an institutional mandate is revealed (Elsbach and Sutton, 1992).

Westphal and Zajac (1994, 1998 and 2001) have conducted series of research on the determinants of organizational decoupling. Key among the findings of their long-term study of CEO incentive plans of corporation was that, many of such plans were never adopted or implanted within a two-year period (Westphal and Zajac, 1994). It is in this connection that they further concluded that decoupling occurs because it is functionally expedient for an organization but it serves the interest of organizations leaders. Institutional and neo-institutional theorist consider organizational as beneficial or at least benign to organizations because they assume that the appearance rather than the fact of conformity is sufficient for the attainment of legitimacy (Yang, and Zheng, 2011). This suggests that, decoupling is an effective coping strategy for modern organizations to deal with increasingly elaborated environment. As organization innovation strategy, institutional theorist accord a pride place to idea of 'separation' in organization decoupling of organizational functions based on expertise, knowledge, and/or strategic vision. Also, decoupling seeks to create units which operate based on market-oriented principles of competitiveness, efficiency, effectiveness and economy. That aside, decoupling incorporate structural an functional transformation within organizations, which ranges from separation of already existing organizational units and creation of new units tasked to achieve specific strategic and instrumental objectives. Structural and functional transformation is central to the theoretical and empirical arguments underpinning the various perspective of decoupling.

In Ghana, decoupling is not new, but it visible and popular in the mid-1980s following the proliferation of public management reforms aimed at organizational reengineering in the public sector. Significantly among these reforms were privatization and the attendant decoupling of the structures and functions of State Owned Enterprises (SOEs) including the Ghana Civil Aviation Authorities (CAAs) which at the time doubled as a service and regulatory body. The CAA before the decoupling reform was responsible for managing airports providing air navigation services and performing regulatory functions. The airport service sector organization was confronted with many problems which necessitated leading to governments' decision to revamp it through commercialization.

III. Methodology

The qualitative approach was adopted in this study and focused on the descriptive accounts of situations using texts and contextual observations. This study adopted the case study approach and facilitated data collection using multiple sources.

The key informant interviews were conducted with purposively selected individuals who played major roles in the decoupling exercise. The interviewees were drawn from GCAA, GACL, Airlines operating in the industry and support services providers. The interviews involved three categories of workforces from the senior, middle and lower level management. Because of their role and involvement in the decoupling exercise, senior managers were selected using the snowball sampling process. It was quite difficult identifying key individuals within the directorate and senior management ranks to participate in the interview because researchers did not know which senior management was involved in the process. Thus, researchers interviewed senior managers

© 2013 Global Journals Inc. (US)

who had been referred to by management. Middle and lower management staffs comprising heads of departments in both organizations were selected to be interviewed.

IV. Data Collection Procedure

Preliminary contacts were made at the data sources before the start of data collection. Introductory letters were submitted to formally seek permission to undertake the study. Though these formalities were followed data acquisition did not come that easy. It was extremely difficult seeking clearance before booking appointments to interview respondents. Like public institutions in Ghana, information including the most obvious ones, is largely classified. Besides, the air transport industries in the world and Ghana in particular also have their peculiar issues. The 'September Eleven' bombings in the United States have further made the industry a high security zone requiring lots of clearance. In some instances the entire research proposal was requested for study by the authorities and further questions were posed to the researchers. The persistence of the researchers perhaps cleared doubts of the perceived intentions of the study by the authorities thus paving way for the interviews to be conducted. Even after clearance has been given some officials still requested officially written permission before accepting to be interviewed.

Two senior managers, the human resource director at GACL and Director of Corporate Planning at GCAA were recommended by management to be interviewed. Key respondents were involved in the decoupling exercise and could provide adequate information needed for the study. To management, not all senior officials could provide relevant information and so it would be a waste of time interviewing all senior officials.

On the other hand, four middle line managers from GACL were interviewed. They included the Human Resource Director, Electrical Manager, Air Safety Manager and the Aviation Security Training Manager. These respondents were used for the study upon recommendations by management of the GACL or through snowballing. They were deemed to be officials who could provide detailed information concerning the decoupling exercise.

Six frontline respondents from GACL participated in the focus group discussion. These frontline personnel were not necessarily low level personnel although by the nature of their work they come into direct contact with clients and the public. These included two administrative assistants, terminal officer, staff officer, shift leader and training instructor.

With respect to the airline operators, initial contacts with selected airlines pointed to the Board of Airline Representatives (BAR) which is the association of airlines operating in Ghana. Its chairperson who is the country manager for one of the airlines was mandated to speak on behalf of the airlines. She was known to be on top of the issues concerning the airline operators in Ghana and represented their collective views. This selection was based on the fact that as one of the major stakeholders in the air transport services, they were better oriented to shed insights into the effect of the decoupling on their airline operations and services.

Selection of respondents in all cases was difficult given the nature of services and security issues in the air transport sector. Some key respondents who had been referred to were reluctant to participate in the study because according to them, government had not issued a 'white paper' concerning the decoupling. Thus, they would not like to make comments that would later implicate them. The bureaucratic procedures required seeking clearance in order to conduct the interviews and the focus group discussions was cumbersome. In many instances, researchers had to make more than four follow-ups in order to speak to a respondent.

Three different questions were designed for key respondents. Participants responses were recorded and transcribed. In other instances, the GACL director and personnel manager declined to have their responses recorded for security reasons. Therefore, responses were handwritten. The duration for the interviews also varied. For instance, interviews with the electrical and personnel manager lasted about twenty minutes whereas the director of GATA spanned for an hour and thirty minutes. Responses were transcribed and thematic analysis was to reveal the areas. Data collection lasted a period of sixteen weeks. Table 1 shows the demographic characteristics of respondents.

Table 1 : Demographic characteristics of respondents

Institution	Category	Position/Rank	Years in service
GACL	Senior level	Human Resource Director	10
GCAA	Senior level	Director of Corporate Planning	15
GCAA	Middle level	Personnel Manager	9
GACL	√	Electrical Manager	9
GACL	√	Safety Manager	12
GACL	√	Aviation Security Manager	11
GACL	Lower level	Administrative Assistant	26
GACL	√	Administrative Assistant	5

© 2013 Global Journals Inc. (US)

√	√	Terminal Officer	15
√	√	Staff Officer	7
√	√	Shift Leader	8
√	√	Training Instructor	14
Airline industry (Board of Airline Representatives)	Senior level	Chairman	4

Source : Field Data, 2011

V. Key Findings and Policy Issues

This section presents results of the study in a three subdivisions: that is findings based on opinions from key informants of the GCAA and GACL, employees and Airline operators.

a) Findings from GCAA and GACL

i. *Antecedents to the Decoupling*

The Ghana Civil Aviation Authority (GCAA) was established by PNDC Law 151 of May 16, 1986 as the regulatory agency of Government on air transportation in Ghana. Its development dates back to 1918 when the idea of aerial transportation for the then Gold Coast was conceived.

Starting as a unit within the Public Works Department status in 1953 under the Ministry of Transport and Communications and remained a department until May 16, 1986 when it assumed the status of a corporate body under the Ministry.

In November 2004, a new Civil Aviation law, the Civil Aviation Act, 2004 (Act 678) was enacted. Pursuant to the Act, which stipulated that regulatory and air traffic services be separated from the commercial airport operations, an in-house Decoupling Implementation Committee (DIC) was set up to plan and implement the restructuring of the current GCAA into: A new GCAA consisting of Safety Regulations and Air Navigation Services and Ghana Airports Company Limited (GACL), which is to plan, develop, manage and maintain all ports and aerodrome in the country[2]. The Corporate Affairs Director explains the antecedents to the decoupling as follows:

> *"It was on the drawing board. And it was like oh we will get there. The anxiety was always a small market; would you be able to stand on your own? But the government came out with a white paper. And it was like do it or... The executive's head was on the line. So they had to quickly hurry up. Hurriedly they put together a cross-functional team for us to do that but it was later fine tuned by an external consultant from the World Bank. After the physical aspect has been done, the external consultant came in to see what the issues are. Are they being done? They refine the report. The challenge was asset sharing which was worked at slowly. It is still ongoing".*

In line with the Civil Aviation Act, GACL came into being on 1st January, 2007. Five-year business plans were prepared for GCAA and GACL as part of the proposals for decoupling. Further, it formed the basis for the preparation of a profit plan for GCAA for the year 2007.

ii. *Objectives/Purpose of Decoupling*

The main objective of the decoupling was to enable GCAA focus on its core regulatory role. Under the law the GCAA was mandated to provide air navigation services. Other objectives include the creation of a separate Commercial wing to handle air services delivery and Air Navigation Service provider. The Personnel Manager reports that the decoupling was 'to meet international standards and worldwide phenomenon.'

The Corporate Affairs Director explained;

> *"The main objectives of the decoupling were to improve efficiency and to be in line with industry best practices which suppose that the regulator must be separated from service providers so that it can effectively have an oversight view of the others. We have been able to partially hive out one service provider but the challenge is the other service provider which is the air navigation service provider which we are working on. But we want to do it in a way that, we want to take a customized approach in such a way that it does not impact negatively on the decoupling in terms of the viability of the entities if they stand alone. Because per the ICAO convention the aviation industry is not supposed to pay taxes. They are supposed to plough back money into the industry. That is the general norm particularly as a regulator. Because the regulator was with the service providers that was the default position of the former GCAA. The government said no. There is the need for us to have a commercial wing, pay taxes and all that… GCAA is not permitted to pay taxes per the ICAO convention. We operate on the cost recovery model. Whatever you have, plough it back to improve the industry. So there was implicitly also government's requirement to pay taxes informing the decoupling because the former GCAA was not paying taxes because of the ICAO convention. So to be able to take taxes the commercial wing had to be hived out".*

[2]Sourced from GCAA 25th Anniversary Magazine.

© 2013 Global Journals Inc. (US)

iii. *Nature and Functions of Operations after Decoupling*

GCAA assumed new structural and administrative functions after the decoupling exercise. The role of the GCAA as stipulated in Section 3 of the enabling statute is to provide safe and secure air transport services through the following functions inter alia[3] :

- The provision of air navigation services within the Accra Flight Information Region.
- The regulation, promotion, development and enforcement of safe air transport operations and services.
- The licensing of air transport and all personnel engaged in air transport services.
- The licensing of the provision of accommodation in aircraft and licensing and certification of aerodromes and navigational sites.
- The co-ordination of search and rescue services within the Accra FIR and taking security measures to safeguard air transport, life and property.

Following the reform, all commercial activities of GCAA were hived out to GACL. For example, the new economic regulation department created at GCAA is in charge of supervising activities of ground handlers.

The commercial orientation of GACL made it functions more specific and profit focus. However, some departments were still maintained. Newly created departments were now accompanied with new functions and comprised of Commercial Services and Safety departments. Functions were in the area of development, management and maintenance of airports and airstrips in Ghana; infrastructural developments in line with ICAO standards; human resource functions. In essence hiving out the commercial services wing resulted in redefining and addition of new functions and creation of new departments in the two entities.

The HR Director at GACL explained:

> *"GACL is an income generating entity. It has now assumed a new department, Commercial Ser-vices with a commercial focus…… Estates, and properties was formerly under HR but now under Airport services; RFFS was formerly under safety but now under Airport operations; pro-curement was previously under finance but with decoupling, it is now under technical services because of the nature of procurement and finance now has corporate planning and support services".*

The Director of Corporate Affairs corroborates the views of the GACL HR director;

> *"Different functions in the sense that the commercial functions are no more with GCAA. We now have different functions, different definitions of the roles of even the original functions which actually have now been merged. Now you will even see that the added aspect of surveillance of the baby (GACL) an entity that was with you. We now have to be hard on him unlike when he was under you. You were going to be soft on him. Now the international community will come and assess you alone as a regulator. When they go to the service provider (the airport company) and things are not right, they will accuse you as a regulator for not putting in plans. So definitely you have to up your game. Unlike when they were under GCAA, there was that kind of liturgy. Approach to some of these things has heightened a lot of awareness for process efficiency and all that. The economic regulatory department (the new one created) is going to look further to see that the ground handlers. The services they provide. We give them the metrics so they can meet the standards. In all we want to ensure an excellent airport experience".*

However the personnel manager sees it differently as he puts it:

> *"No functions have been changed. Organi-zational structure hasn't changed but depart-ments have been re-configured with the assi-stance of hired consultant. A conglomerate of small sections has been created".*

iv. *Decoupling and Structural Changes*

The Decoupling resulted in structural change at the organizational and departmental levels in GCAA and GACL. Once functions were redefined and a new function added to the original functions, it became imperative that the organizational structure be modified. After phase one of the GCAA H-R consultancy, structural changes were approved by the GCAA Board and was effected on 21st March, 2011: The GCAA now has two divisions under the Director–General namely Finance and Administration and Technical headed by Deputy Directors-General[4]. The new departments include Finance, Human Resource Department, General Services Department, Economic Regulation and Business Development Department, Air Traffic Safety Engineering Department, Air Traffic Services, Safety Regulation Department, Legal, International Relations and Corporate Communications, Corporate Planning Department, Audit Department, Audit Department and Ghana Aviation Training Academy (GATA)[5].

The Director, Corporate Affairs reiterates that:

> *"Definitely there was a change in organizational structure. The underpinning assumption/factor was to restructure in line with international best practices… So when this first decoupling was done*

[3] GCAA 25th Anniversary magazine and Report from Director-General to departments and staff.

[4] See Appendix for new GCAA Organizational structure.

[5] GCAA Profit Plan Document, 2007.

© 2013 Global Journals Inc. (US)

definitely the two that was together though not a perfect model there was a change of organizational structure. We need to bring in new regulatory department which was a new economic regulatory department. There was that kind merging of some department and that was a challenge. The after effect of it and the wisdom of the Board of Directors earlier on resulted in another restructuring. So there was a change in organizational structure. The challenge was that they wanted the organizational structure to be slimmer. So they fused the corporate planning/ Strategic planning section with the finance section. There was a whole debate at the Board over that. Another debate was no you need the strategic planning department to stand alone and another said oh they can still be together. Originally it was left that way but has now been taken back again and you'll see there are still weaknesses in it. They've separated the two departments. Now projects was a standalone department, we've made it technical with various sections such as general services, estate, ICT so the person who is heading this will now be looking at technical operations. The engineering aspect of it will be skewed towards air traffic safety. Let's leave general engineering works, projects and all that, let's put it together under a different section, and put ICT under it. We even experimented with putting corporate commu-nication under corporate planning but it's now being taken all over again and put under legal and its now legal, international relations and communication. We have a separate corporate strategic planning department standing alone now reporting to the Director General with the essence that he is now the chief strategist with audit under it with the director of legal and international relations reporting to the DG and the technical aspect will just look at the service provider, the regulations then the Finance and Administration aspect looking at the support services : human

GACL witnessed slight structural changes after the decoupling to meet international requirements. New human resource functions i.e. estates and properties which were formerly under HR are now under Airport services; RFFS was formerly under safety but now under Airport operations; Procurement was previously under finance but with decoupling, it is now under technical services because of the nature of procurement; a new section, safety department was created but formerly there was no section. Finance now has Corporate Planning and support services. The various individual departments have also been restructured. The HR Director explains,

"The organizational structure is slightly modified now after decoupling. Airport operations under GCAA were hived off to GACL. GACL now has a Commercial services department which was formerly not so. Structural changes were effected in line with international airport standards and to suit operations of GACL. All other departments still remain the same"

An Aviation Safety Manager opined that;

'Before decoupling the departmental structures were slim so everything was centralized. AVSEC had to cut its coat according to its size. Supervision was not effective. Since decoupling the entire department has been restructured leading to a positive impact on our activities. For example before decoupling there was director and manager but now the department has been restructured. Under the director there are four sections and each section has its own manager. AVSEC has a manager for training and quality control to ensure training and checking of quality. Since AVSEC is conducting its own training it is believed to be the best to check on quality. Operations manager also takes charge of operations on the field with supervisors running shifts. This has increased supervision. Inte-lligence manager is responsible for checking security breaches, pilfering etc. and security at regional airports. This structure has brought about positive impact on operations. Today there is somebody to ensure effective training.' Before decoupling the structure of staff and promotions were absent. After decoupling clear lines of structure and promotions have been resolved".

v. *Achievements after Decoupling*

Generally, GACL has chalked major achievements in its administrative, finances, infrastructure, and human resource areas. With regards to human resource development issues, the HR Director stated that staff could now receive direct certification, "training of pilots and staff has been tailor- made to bring instructors down and allow direct certification". He continues that net incomes of GH27, 000 and GH18million have been generated within 2007 and 2010. Other achievements reported related to enhanced efficiency in air transport services, emergence of other business subsidiaries and improved cooperative relationship with airlines. He commented that "some airlines pre-financed the provision of boarding gates".

Specific infrastructural developments according to the safety manager include;

"improved passenger trolley availability from 432 trolleys to 3,000 trolleys; increased passenger throughput from approximately 500,000 in the 1990's with 13 scheduled airlines to 1,430,431 with about 30 scheduled airlines operating into Kotoka International Airport in 2010; efficient car park automation system; construction of an ultra modern/state of the art fire station (completed); construction of additional parking bays capable of handling 8 wide-bodied aircraft (in progress); construction of 3 additional passenger boarding gates to increase the number from 2 to 5 boarding gates (completed); 7 new

© 2013 Global Journals Inc. (US)

carriers introduced (United Airlines, Virgin Atlantic, Brussels, Turkish Airlines, Asky Airlines, Air Mali, Tap Portugal being the most recent to operate in July 2011; the introduction of Common User Terminal Equipment (CUTE) system to facilitate passenger check-in; and provision of Common Use Self Service Kiosks to enable passenger to do self check-in to help reduce the long queues".

In Department-specific terms the Aviation Security training Manager for instance mentions the achievement of AVSEC after decoupling in the following statement:

"Previously aviation security was like a watchman job. Today everything is documented for verification. After decoupling aviation security has been all about training. Aviation security is supposed to have six documents which we have been able to draft all. As a training manager ICAO makes use of AVSEC training manager's services for training in Sierra Leone, Liberia. The training manager has also helped other countries to develop their security documents. AVSEC now has all documents under ICAO's Universal Security Audit Programme. The Transportation Security Administration of the U.S. was even amazed at AVSEC's training regime and filing system. The whole airport is about security. The security enjoyed at the airport comes from this training. For instance if one does not go through security awareness training , there is no way they can bear GACL's ID card to work at the airport. Because workers adhere to do's and don'ts there is security".

Achievements were also evidenced through a number of awards received such as Best Airport in Africa – Routes Africa Marketing Award, Regional Winner – World Routes Marketing Award, Safety and Security Conscious Airport – 8th Security Watch Awards and visit by two sitting United States Presidents.

vi. *Partial or Full Decoupling*

Generally, senior and middle management reported that the decoupling is a partial process targeted at creating a new commercial wing. With time the Air Navigation Service Provider would also be separated from the regulator after all the necessary regulations have been satisfied. Although partial, the HR director stated that the "separation process was fraught with resistance". The Corporate Affairs Director explains;

"Per the international standards we haven't fully decoupled. It's a tripod. The module being operated now is the regulator and air navigation service joined together and the operator standing alone. Now we have to do another decoupling again so now you know what decoupling means particularly human resource issues. Technically, that's the way but the fact is that the viability of the company must be looked at critically before you take that step. It is because of the viability of the institution that will stand alone that informed management to do this first. Take a gradualist approach. With this two you can survive on your own. Now let's work at the other one also. So we are working at it. Even this strategic review we are looking at putting together a cross functional team to continue to look at different models and see what are the risk mitigating strategies that can be taken in the event that this decoupling is going on. Because certain proposal have been sent to government .They are looking at it. We are also looking at the impact of money and all that sort of thing".

vii. *Challenges after Decoupling*

Human resource issues and asset sharing are the main challenges facing GCAA and GACL. Increased external influence and co-management of flight information region characterize other problems at GCAA whilst GACL continues to face organizational behavior issues. Middle managers however reported that the main challenges brought about as result of the decoupling was funding air transport services, human resource issues, additional responsibilities or assign-ments and logistics. Head of safety department averred that

"It's more challenging with airport activities as I have mentioned we deal with the stakeholders. Challenges are from a broad spectrum. There have been financial challenges, logistic challe-nges. There have been even challenges that have to deal with human resource, personnel, are they adequate in number, levels of competence and expertise. It is broad. The challenges are broad. All these issues narrow down to my department. I have an aging staff and before I even came it was school of aviation. We have an aging staff, the type of technology. We have some challenges. You have a lot more to do. Now you are responsible for almost everything our scope has broadened. Now we don't only focus on electrical things we go through procurement, we do a lot of project management. In my area the challenges too are quite broad. Let's take a typical example. We have a project that is going on, a refurbishment of the whole tarmac. New designs and all you have to ……because the whole airport is expanding. You have main-tenance facilities on the runway".

The personnel manager also explains;

"Co-management of Flight Information Region (FIR) was a challenge because it will lead to a reduction in revenue base for Ghana. The Airspace is controlled by Ghana with more funds accruing to Ghana. But over flight takes 52% of revenue and Ghana will share revenue between Togo and Benin…Cordiality between depart-ments is not there any longer. Staff were worried because they had been short changed

© 2013 Global Journals Inc. (US)

but with time, they have accepted the change. There is still tug of wars between top management".'

The HR GACL director stated;

"Perceptions (agitations) of job insecurity was tough as the change/move was from authority oriented focus to limited liability entity. Board agreed for no redundancy but voluntary retire-ments was tabled. About 13 employees opted for voluntary retirements". Employee expectation of higher salaries, difficulty in direct certification, enthusiasm amongst GACL staff and organi-zational behavior change (submitting to com-pany's new code)".

viii. *Effects of Decoupling*

The decoupling has had a positive effect on GACL operations. Senior management asserted that there has been "appreciable improvement now as compared to pre-decoupling". Middle managers explained that separation has enhanced air transport services and an increased growth in public private partnership. The nature of operations within departments has become more proactive. The Safety Manager explained that

"The impact has been positive; traditionally, the air transport sector—airlines, airports, and air navigation services—has been managed by the State. The separation has made room for Private sector participation in the airports subsector. Private sector participation in airports, through ownership, management, or new investment programs, can take many forms, including outright sale of shares or assets, concessions, and long-term leases. Historically, the private sector has managed most of the landside concessions, but governments are now increasingly seeking to involve the private sector in the provision of airside services as well. The goal is to improve efficiency, increase fiscal revenue by selling profitable concessions, and improve infrastructure through privately financed investments". There has been a change. Before decoupling the maximum training days was one month. . Induction training lasts 50 working days and this is in line with ICAO recommended practices for security training. After decoupling AVSEC has also acquired two equipments. AVSEC now has its own class rooms, things have been computerized i.e. the training and has made things easier".

Respondents reported that a cordial relationship between GCAA and GACL has improved as compared to the initial rivalry atmosphere immediately before and during the decoupling. The rift was attributed to competitiveness, distribution of assets and performance.

ix. *Strategic Issues after Decoupling*

Strategies implemented at GACL pertain to infrastructural developments to attract more airlines. Strategic plans for infrastructural developments were aimed at improving air service delivery and financial base of the company. Similarly, middle managers reported that strategic plans involved improving infrastructure, air service delivery and human resource requirements. Planned infrastructural developments reported was related but not limited to terminal expansion, provision of Maintenance Repair and Overhaul (MRO) Services, Fixed Base Operations (FBO) and other specialized terminal operations. With regards to air service delivery, the safety manager explained,

"The GACL has in place an aggressive strategic plan to expand both the level of domestic air service and pursue new regional and international service. The airport strategic planning process is a dynamic and continuous one and involves broader participation of parties affected either directly or indirectly by planned outcomes and gathering a broad spectrum of data from a large and diverse range of sources. In the GACL case, the strategic planning process typically incur-porates elements of a "bottom-up" approach, in which stakeholder needs and wishes are considered and consensus among different interest groups is considered in the strategy development".

The electrical manager opined that

"When it comes to projects, we are trying to adopt and complete a number of projects to improve the infrastructure that will minimize the maintenance requirements and that will put us in the state of art grade when it comes to airport operations. HR we are using personnel and technology to cope with the challenges".

The Human Resource Director explains

"Most of the strategies implemented are targeted at attracting more airlines through the provision of infrastructure. For instance GACL has improved the ambience and decongest domestic arrival. RFFS building/terminal has being constructed to ensure safe and secure operations during emergency situations, optimal documentations to ensure prompt billings- GACL is more com-mercial focused so systems and documentation is more scrutinized.

b) Findings from Employees

i. *Knowledge about Decoupling*

GACL employees have some level of understanding about the decoupling experience. Respondents admitted that they were not adequately educated about the reform and therefore did not have factual information about the process. However, their knowledge about the concept was derived from multiple sources through staff durbars, peers, reports, documentary evidence and changes taking place in the company. In their view, GCAA is a regulatory body akin to the role of a police officer, monitoring and overseeing the activities of GACL. The goal of the decoupling in their view was in response to international standards,

© 2013 Global Journals Inc. (US)

ensure proper management of staff, ensure efficient delivery of air transport services, and allow GCAA focus on its core mandate as regulators in air transport. An anonymous male respondent explained;

> *"GCAA regulates the airport whiles the Airport Company operates the airport. The airport company does the aviation of all airports in Ghana whiles the GCAA gives the regulations, they regulate and see to the air travel services and safety regulations, regulations binding the air worthiness of aircraft movement especially the cargo planes. When they go for maintenance checks, the safety department goes to oversee the maintenance of aircraft that operate into Ghana and they are registered on the Ghana civil aviation registration. They have civil aviation registration, they have pilot log books. The GCAA oversee the regulation and we operate the airport".*

A female respondent added:

> *"Well for the way I understand we don't have much facts but with the little that I understand with most international airports, we have a governing body. We have ACI and we have ICAO. ICAO is the governing body for all airports in the entire world and the ACI (Airport Council international) those are for continents. They all have ACI's and it is a requirement by ICAO that in every international airport the civil aviation duties must be different from those that run the airport. So most airports have civil aviation and we have airport authority. But because we are a little smaller, we were together as one so Ghana airports initially was a department in civil aviation which was known as Airport Management Department but because we have attained international status, we have to separate ourselves and then be an airport authority on our own and then civil aviation will also concentrate on their core duties. So I will say decoupling is a term that was given to describe our (GACL) separation from civil aviation".*

ii. *Effects of Decoupling*

Generally, employees reported that the effect of the decoupling was in the soft human resource functions specifically compensation, human resource development and succession planning, and redundancy. Other effects of the separation were increased government influence in the GACL operations as compared to GCAA, lack of staff knowledge and problems of asset sharing.

iii. *Compensation Package*

Employees entitled to receive bonuses based on organizational performance were cut short. The main reason for non-payment of bonuses were attributed to inadequate documentation to the State Enterprises Commission, lack of staff performance appraisal, and external government and management decision not to pay staff bonuses. Based on the separation exercise and management directives, staffs were given the option to quit with compensation incentive or remain in employment. A female respondent explained;

> *"By virtue of where I am, I know that documents have been sent to State Enterprises Commission. They have declared GACL in a condition to pay bonuses. They have assessed that and they know that we have performed even beyond the targets that they had given to us. So we have performed. There are documents indicating that, so for whatever reason that they still insist that they don't have money and so cannot pay bonuses and feel that we are only entitled to one month basic salary compensation, that one too is up to them. I don't know for whatever reason they decide. We've gone past our targets, three consecutive years. It was in the initial year that we separated that we were not able to meet our targets and that is understandable. But afterwards we've met our targets and beyond. But when it comes to payments of salaries and other things you realize that they will struggle with us to give us every reason not to pay and that's why staff will get offended because even those who haven't seen the documents, they know we are doing well. We are doing well. Flights have increased. The car park alone you cannot imagine the money that we make. If I quote the money that we make in a month you will be amazed. The car park proceeds alone can pay the entire staff for a month".*

Another respondent (training instructor) explained

> *"State Enterprises Commission will request for documents to assess our performance. As to whether they deliberately don't send it or whether we don't meet. I think initially they said we did not have some documentation and that thing was cleared. Then eventually the documents were sent. Now I hear last year or two, the documents they sent, cash flow was not presented. Because it is the cash flow that they will use to determine whether you are performing or not. And as we speak as to whether they will be able to furnish State Enterprise Commission with that information we don't know. Because they are not able to meet the total requirement for them to be able to meet the total requirement for them to be able to assess our performance they don't declare whether we have made profit or not. But averagely when you study the whole thing we know that we have performed. And when it happens like that because its government owned company and profit is not declared, management has no right to give any bonuses and that breaks our heart".*

iv. *Human Resource Development Issues*

The separation led to creation of avenues and opportunities for staff to pursue training courses.

© 2013 Global Journals Inc. (US)

However, in their view these training courses were limited to some departments and favoured some particular groups of people (managers). Personal capacity building in their view was an individual matter. A staff officer explained;

"Also because of the separation and structural changes opportunities were also given to a lot of people to travel on courses because there were other challenges that were confronted and people were to be exposed to international norms in order to function as was the requirement".

Similarly, a terminal officer commented that;

"Advantages were that opportunities were opened for the young ones to get positions. Because when the GCAA went away, managerial positions were created in GACL for the young ones to apply".

v. *Improved Air Transport Delivery*

On the whole, employees affirmed that GACL had performed significantly within the past five years. These areas were basically related to huge revenue generation, infrastructural developments, administrative efficiency, and proper management of staff, pressure to correct deficiencies and meet deadlines. In terms of efficiency, the decoupling allowed for structural changes within the department that ensured smooth budgetary allocation and technical operations.

A female respondent commented,

"We know the sources of money and it comes from landing and parking. And we know that flights have gone up both local and international airlines. So if we don't know anything about flights, what we know is that the more aircrafts we receive, the more money we receive".

vi. *Lack of Education on Decoupling*

The decoupling heightened employee fears and agitations because they did not have ample knowledge of the process. All staffs expected management to educate them through staff durbars on the whole decoupling experience. But management didn't do so unless there was agitation. In their view, staffs did not understand the meaning of the decoupling experience, the benefits, consequences or effects of the exercise. In order to solicit information about the exercise, they resorted to hearsay from peers, documents, new management directives and observations on new infrastructural change. A staff officer explained that;

"There was a presentation conducted by management to staff but it was in a harsh way. We heard the thing 'decoupling, decoupling'. People were frightened. Because people didn't know what was coming especially those who were aged in the system. They thought they were going to be sacked. People were actually terrified. However, when they had gone through their processes some presentation were done to staff but in a very harsh manner. The content was so voluminous that we could not have a fair knowledge to actually ask the important questions to actually check the system. Education was poor, it did not adequately inform us so people did not understand the meaning of decoupling though it had its good and bad sides".

vii. *External Government Influence*

The GCAA separation saw an increased governmental influence and pressure in the operations of the company. Respondents affirmed that with the revenue generated from GCAA activities only 40% was recovered whiles government took 60%. In their view, government had not given the company the seed money it promised after the decoupling. Thus, this accounted for the myriad problems being faced by the company to pay staff bonuses, pay taxes, sponsor training courses for staff and implement projects. A staff officer explained;

"On the negative side, I realize (we were told) that after the separation government gave the company money to run the company but we don't see that money because if we want to measure performance you must know where you started from so that u will be able to measure or know whether you are building on or reducing. Also we are told that revenue generated from our resource, only 40% came to us and 60% goes to government. So you realize that from mana-gement point of view our hands are tied making it difficult for management to implement undertake certain projects that they intend to".

A female respondent also asserted

"And another thing I got to learn is that from the separation government has so much influence on GACL and they can so easily influence us. They have so much say in the company compared to GCAA because their core duties are different. if you mess up with them and they decide not to offer air traffic services the airport will collapse. but ours is not so directly that they can talk so much and take decisions that can affect us so much but not the same with GACL. Now the overall head of the GACL is an appointed position. It's not applied for, it is government who appoints. So if I bring you to this position it means I can tell you what you will do. Because you wouldn't want to lose your position and all that. I also know that on paper at least our management have tried several times to ask government to give back to us what we give to government. That one efforts have been made several times over and over but as to why government has failed to release it back to us no one knows".

viii. *Challenges*

The main challenges staff reported were poor planning for employee needs, payment of taxes,

© 2013 Global Journals Inc. (US)

management insensitive attitude, lack of staff involvement in implementing decisions and asset sharing. According to employees, the challenges were due to increased government influence on activities of the company. A staff officer commented that

"When it comes to responsibilities at the airport, GACL takes the larger portion and so the same way when it comes to sharing of the revenue, we also have to take a larger portion. But you see, currently, because we are a limited liability company, we pay taxes and when we import anything we pay clearance duties and other things. But GCAA is exempted from such duties. We imported these fire tenders. They came to the port. We went through so many frustrations to clear governments own vehicles because GACL is 100% owned by the government, yet we had to pay taxes to government again. That means we are paying taxes to ourselves. We are made to go through the normal hassles that individuals have to go through in clearing things at the port. And you see if the processes were done in a better way, some exemptions could have been given to us, as a SOE. But it's not like that. The ratio was 60:40. Government takes 60 and the 40 that is left, GACL takes 60 and GCAA takes 40. So it makes what we get woefully inadequate and we pay taxes on it. Whatever business we do the taxes that are required by normal company operations we pay. We don't enjoy any tax exemptions".

Another respondent stated

"I also attribute our difficulties to the government because when the company came into being, the seed money which should have been given to the GACL is on paper but actual money did not come. And as a limited liability company we pay tax and you know we pay tax and you didn't give us seed money. So how do we generate money to pay all those taxes and staff?" This has brought about all these problems we are facing. In future if such companies are going to come government should honour its promise".

c) Findings from Board of Airline Representatives (BAR)

The Board of Airline Representatives (BAR) is a coalition of airline operators in the air transport sector. The BAR is just like any association with a defined head and members. It consists of Sky team airlines such as Alitalia, KLM, Delta Airline, British Airways and other airlines that operate via trans-African routes. The BAR collaborates and mediates with GCAA and GACL on airline operations in the industry. The position of BAR on decoupling is that airport services has enhanced activities of airline operators in the aviation sector. The BAR representative remarked;

"There is no question that the decoupling was for the better. It was necessary but its five years and a few operators have a clue as to how things have changed".

i. *Nature of air transport service before decoupling*

The BAR believes that the decoupling has reduced difficulties with paperwork, yet the process is still longer. In their view GCAA lacked focus and independence to work before the decoupling. A BAR representative commented that,

"It was more bureaucratic and longer. Things had to go through many channels. A lot of things had to wait for government approval because it's got to do with government. They didn't have the exact focus and autonomy to work"

ii. *Effect of Decoupling on Airline Operations*

The decoupling exercise has increased performance and improved airline operations specifically in infrastructural developments, HR and administrative efficiency and airport security services. Billing system and processes, reporting lines have all improved as well as customer service issues and passenger airport facilitation. However, there is an unclear jurisdiction in matters relating to some aspects of provision of airport services. They reported that "yeah, but GCAA's hand are still tied. They are still a government concern". It was explained that,

"The separation has affected our operations in a better way. When we need things done at the airport terminal building. e.g. the billing, baggage belt or the air condition is not working, permission to work at the tarmark, etc, they do their best to promptly rectify them, though there are some things that we find the GACL not having autonomy over and such things we have to get to civil aviation. It took a while to know some of these issues as to whose jurisdiction some of the problems lay. A lot of things too we cannot go to civil aviation direct and we have to go through GACL and they have to go to GCAA. These sometimes take time".

The decoupling exercise has made GACL more effective and efficient with the collection of airport taxes. With the billing system, it was reported that GCAA and GACL embarked on infrastructural developments even when airlines had not yet settled their airport bills. It was explained that,

"No, they are pretty good with the billing system, in other words they wait. There is an agreed amount of time and it goes through the systems. Let's put it this way: in order to solve our problems, they don't check whether we have paid our bills.hey just solve the problems. It's got really nothing to do with whether you have paid your bills or anything like that. At the end of the day there are bills we pay to civil aviation direct and bills we pay to Ghana airport direct so if anything have changed, there is more paper work. Because there are some things you can only pay to GACL and others you pay to civil aviation like the

© 2013 Global Journals Inc. (US)

overflying. You don't pay that to GACL you pay to civil aviation, the right to land, the; lease and then the Ghana airport is the fees and the other things. They are the ones that collect the airport tax. And so that too is looked at and they do well when we changed the airport tax. They are definitely more proactive when it comes to that possibly because they have autonomy. So airlines- airport authorities relationship is good".

Although the BAR representative reported that the airport has seen numerous improvements with the decoupling exercise, they admitted that these problems already existed before the separation. Concerns were also raised with the 60/40 percentage of revenue for GCAA and GACL.

"They do their best but you know that that is the major issue there. The 60/40 and there is currently a bill being drafted to change it to 40/60. So their hands are tight in a lot of things. There is very little they can do. Out of the 100 dollars they only get 40 dollars which they should do everything with it. For passenger comfort they do their best and you know they are adjudged the best airport of the year. They need more water at the airport, they need to improve on their toilet, there is a whole lot of things we've talked about. The ceiling is leaking the air conditioner was faulty and when it was repaired its now too cold, the baggage belt is not working so it has to be done manually, the airport directional signs can sometimes be confusing, no water etc. The problems have nothing to do with decoupling. They have existed long time before decoupling".

Regarding airport security issues, it was emphatically noted that:

"Airport security is a government affair. You can't get involved in that. They have airport security system in place. They know it well, they do their best. There are a lot of outside parties that are part of the airport security system. They themselves are working on it and sometimes a lot is not in their hands so there is not much you can say about that. I know for sure that there are too many external private organizations because every airline wants to bring their own private security to watch the airline, to watch the baggage. There are different aspects of airport security more than twenty different parts of airport security that some of us don't even know about. When it comes to the intelligence, the terrorism, the drugs, the narcotics etc., it's all part of airport security and then using the x ray machines, the metal detectors, as well as the passport control are all part of airport security, the crowd control flow and then guiding the aircraft ensuring that nothing happens at the tarmark. But they do their best. They try and get their training sorted, they are always researching. Whenever we have audits their auditors don't have much problem with us".

VI. Discussion

Many organizations at some point have experienced change in work activities in response to legal and authoritative demands and agents. The GCAA decoupling was a product of such legal backings. The processes that resulted in the GCAA decoupling was in line with international standards in the air transport sector and effective mechanisms of managing the air transport delivery in Ghana. Per ICAO standards the regulatory body should assume autonomous function with the air transport delivery body also in-charge of handling air operations. Findings reveal that air operations under management of GCAA was beset with financial viability problems, technical and effective supervision, control and change management issues. Process actors in the GCAA decoupling involved the World Bank and external consultants. Prior to the decoupling, management and staff experienced heightened feelings of fear, attitude of employees towards the change, issues on organizational commitment, and asset sharing. Employees had little knowledge and understanding about the decoupling process which created heightened apprehension within the organization. Barr (1998) has cited that an important development in organizational strategic change is increasingly seen as not only a shift in structures and processes but also as a cognitive organizational reorientation involving a redefining of the organization's mission and purpose or a substantial shift in overall priorities and goals (Gioia, Thomas, Clark & Chittipeddi, 1994).

The main factors that led to the decoupling were to enable the GCAA focus on its core regulatory role; improve efficiency and management of air service delivery and as a requirement of industry practice. In employees' view, the decoupling was also to ensure proper management of staff. Findings relate well with Tilcsik (2010) that decoupling is a response to institutional pressure to comply with regulations and norms about how organizations should be structured and operated. There is no discounting that since GCAA started operations in the mid 90's has experienced a lot of inefficiencies in air services delivery, management issues and corruption. Thus the passage of the aviation act was to ameliorate these problems for maximum benefits. Decoupling in this sense was in response to the institutional environment.

Although decoupling has resulted in significant achievements for both the regulator and the commercial wing, there still remain challenges which have to be addressed. Organizational change is usually associated with some level of hesitance especially among the core working human resource base. Findings show that the overriding challenge experienced after decoupling is the soft human resource aspect and asset sharing. Employees at GACL are still threatened with job security

© 2013 Global Journals Inc. (US)

issues and expectations of higher compensation whilst GCAA struggles to deal with governmental influence and co-management of flight information region. Possible explanation of this finding suggests that response to organizational change is a slow process and may be met with defiance or compliance considering participation of workers in the change process. Inadequate knowledge about the reform could trigger multiple responses when it deviates from workers expectations. Managerial cognitions and sense making processes affect the likelihood and content of strategic change (Barr, 1998, Nutt, 1998). This implies that the success of the GACL and GCAA will depend on management's ability to convey its new mission and priorities to its stakeholders. Since an organization's survival over time often depends on its conforming to normative expectations rather than simply operating with greater efficiency the importance of ensuring both understanding and acceptance of new strategies among key constituents is a central element of the legitimacy imperative for organizations (DiMaggio & Powell, 1983; Meyer & Rowan, 1977; Oliver, 1991). Further, despite the adoption of policies that created the commercial wing, the limited experience with airport privatization especially in developing countries makes it hard to draw firm lessons. There is no doubt however, that GACL for that matter government is unable to fund all the necessary investment in airport and navigational infrastructure. The private sector will therefore play an increasing role in meeting the sector's needs. The challenge for developing economies like Ghana is to find creative mechanisms to foster private sector participation.

Impact analysis after the reform shows significant positive improvements in GCAA and GACL across infrastructural and financial aspects, structural and functional change in the nature of operations. Compared to pre-decoupling, both entities have witnessed enhanced delivery of air transport services, increased performance, focused orientation and increased growth in public private partnership. All former commercial activities of GCAA after decoupling have been ceded to GACL. Functionally the decoupling has intensified the mandatory regulatory role of GCAA in line with the Section 3 of the enabling statute. That means, to provide safe and secure air transport services through the provision of air navigation services within the Accra Flight Information Region; regulate, promote, develop and enforce safe air transport operations and services; license air transport and all personnel engaged in air transport services; license the provision of accommodation in aircraft and licensing and certification of aerodromes and navigational sites and co-ordinate search and rescue services within the Accra FIR. Primarily, GCAA is now more oriented to safety and security measures of air transport, life and property.

Structurally, GCAA now has two divisions under the Director–General namely Finance and Administration and Technical headed by Deputy Directors-General. The new departments include Finance, Human Resource Department, General Services Department, Economic Regulation and Business Development Department, Air Traffic Safety Engineering Department, Air Traffic Services, Safety Regulation Department, Legal, International Relations and Corporate Communications, Corporate Planning Department, Audit Department, Audit Department and Ghana Aviation Training Academy (GATA). The newly added economic regulation function was to oversee the workings and service delivery of the ground handlers to meet international standards.

Since the decoupling, structural change in GACL have pertained to new human resource functions and permeated individual departments. Administrative processes and efficiency has significantly improved with the integration of ICT in every facet of operations. Cost containment strategies have narrowed down to more critical issues whilst quality assurance has been implemented and strengthened to oversee security and services in air traffic regulations. Key performance indicators and quick span of control have categorized the workings of the regulators now. For instance, new approach and strategies to monitor the gamut of schedules, support services are now timelier because of the merger of different two-core organizational departments. In a nutshell, change has been trans-cended to all departments allowing for decentralizing of some functions. Generally, the decoupling has allowed private sector participation in the airports subsector. Private sector participation in airports, through owner-ship, management, or new investment programs, can take many forms, including outright sale of shares or assets, concessions, and long-term leases. The goal is to improve efficiency, increase fiscal revenue by selling profitable concessions and improve infrastructure through privately financed investments.

The impact of the decoupling on human resource function is mixed. The separation has affected organizational strategic human resource activities such as efficiency, career advancement opportunities and improvement in grievance procedures. GACL employee enjoyment of incentives was abrogated and wages has not seen upward adjustment after decoupling. Although the reform brought about vacancies in some managerial positions, succession plans and human resource development planning have been an individual concern. Similar to expressed views of key informants, employees report that government influence in operations of the commercial wing entity leaves much to be desired. As such, the challenges been faced by GACL and inability to exercise discretionary powers has remained limited and indirectly affects them. One key task of organization is to provide explanations, rationalization and legiti-

© 2013 Global Journals Inc. (US)

mizations for the activities undertaken in the organization (Pfeffer, 1981). Its aim is to ensure protection of negative events such as employee agitation; extinguish disaffections and ensure compliance from all stakeholders. Findings however showed that employees did not have full knowledge about the decoupling process and therefore resorted to different ways of uncovering the objectives of the exercise. By far, management's inability to perform this cognitive role may foment employee agitations. They may also serve as predictors to internal blame game and unfriendly rapport between management and union relations when misinterpreted. Decoupling brings about a paradigm shift in the nature of operations and strategic focus and would require different approaches to conveying the institutional requirements to its stakeholders.

Decoupling is one of the many administrative reforms implemented by developing countries and public corporations to improve efficiency and effectiveness in service delivery. One key policy lesson that can be drawn from the GACL decoupling experience is the adoption of public and private partnership model, accountability and performance issues and benefits of new public management principles. The aviation industry has witnessed periods of underperformance and poor management issues with the start of air delivery services in Ghana. The Civil Aviation Act and ICAO guidelines have strengthened the move towards commercializing air services. GACL, functioning as a commercial wing appears to adopt the tenets of private sector and has successfully reduced the social deficit in air services delivery. The significant improvements in financial, infrastructural and administrative issues cannot be understated. The World Bank argues that governments should focus on what they do best which is providing public goods and services and a regulatory framework that ensures minimum standards of quality and prevents fraud. State owned enterprises should form collaborative initiatives with the private sector in order to enhance public service delivery and encourage competition in service provision arrangements.

Public interest in accountability is premised on the management of public corporations and ensuring good public service performance. More recently, the notion of 'performance accountability' has embraced effectiveness and the achievement of goals. Financial accountability is no longer simply a matter of probity but also encompasses evaluation of whether goals were achieve and quality of a service was delivered. Findings suggest that the main goal for establishing a commercial wing for air service delivery is a step in the direction. Achievement of the decoupling objectives has prevailed and GCAA has continuously served to monitor the operations of its newly created entity.

VII. Conclusion

This exploratory study set out to investigate the processes that led to GACL's decoupling experience, factors and goals responsible for the decoupling exercise, the effect and factors impeding the decoupling reform. Data was obtained from multiple sources with interviews and documentary evidence. Key informants involved in the decoupling reform were interviewed. Data from stakeholders comprising employees and airlines were also obtained using focus group discussions. Findings showed that main antecedents to the reform were to properly define the core mandatory regulatory role of GCAA, and improve financial viability of the air transport services in line with ICAO standards. The decoupling resulted in the creation and amalgamation of new departments with new functions. The organizational structure was slightly modified in the process. The impact of the reform was evidenced in significant infrastructural developments, huge profits/revenue, and administrative efficiency, increased number of airline operators and proper management of human resource function. Currently, the decoupling process is partial but there are indications of another decoupling that will see the GCAA as solely responsible for regulatory body for air transport sector after the necessary legislations and procedures have been satisfied. Human resource planning and asset sharing override continue to serve as main bottlenecks even before and after the reform. The continuous interference of the government has been a major concern in allowing GACL to exercise its discretionary powers in issues that affect it operations. Governments will always employ a variety of administrative reforms at any one time to achieve some desired purpose. It would be expedient that such problems are correctly identified in order for these agenda to fit between the organization and environment. Even as state owned enterprises are been forced into market competition they still remain in government hands and retain bureaucratic-type structures. Findings imply that announcement of decoupling is not a binary choice. It should involve multiple ways of presenting and justifying organizational actions with some justifications more likely than others to be decoupled from real changes.

References Références Referencias

1. Aye, J.R.A. (1998), 'Divestiture Programme in Ghana: Experiences and Lessons', Ghana Economic Outlook, 3, 1.
2. Ectelman, L. B. (1992), Legal ambiguity and symbolic Structures: Organizational mediation of Civil rights law, American Journal of Sociology, 97, 1531-1576.
3. Edelman, L.B. (1990), Legal environments and organizational governance: the expansion of due process in the American workplace, American Journal of Sociology, 95, 1401-1440.
4. Elsbach, K.D. & Sutton, R.I. (1992), Acquiring Organizational Legitimacy through illegitimate actions: A marriage of Institutional and Impression Management theories, Academy of Management Journal, 35, 699-738.

© 2013 Global Journals Inc. (US)

Management theories, Academy of Management Journal, 35, 699-738.
5. Gyimah-Boadi, E. (1991), 'State Enterprises Divestiture: Recent Ghanaian Experiences': in Rothschild, D. (1991) (ed), Ghana: The Political Economy of Recovery, Boulder, Co: Lynne Reiner.
6. Meyer, J.W. & Rowan, B. (1977), Institutional Organizations: formal Structure as myth and ceremony, American Journal of Sociology, 83, 340-363.
7. Nankani, H. (1998), Techniques of Privatization of SOEs World Bank Technical Paper, No. 89, Vol. 3.
8. Oliver, G. (1991), Strategic responses to institutional processes, Academy of Management Review, 16, 145-179.
9. Oxford, Oxford University Press.
10. Pettigrew, A.M. (1990), Longitudinal Field Research on Change: Theory and Practice, Organisation Science, 1, 267-292.
11. Pollitt, C. and Bouckaert, G. (2000) Public management reform: a comparative analysis,
12. Robson, C. (2002), Real World Research: A Resource for Social Scientists and Practitioner-Researchers, second edition, Oxford: Blackwell.
13. Schofer, E. & Hironaka, A. (2005), The Effects of World Society on environmental protection Outcomes, Social Forces, 84, 254-47.
14. Westphal, J.D. & Zajac, E.J. (1994), Substance and symbolism in CEOs long term incentive plans, Administrative Science Quarterly, 39, 367-390.
15. Westphal, J.D. & Zajac, E.J. (1998), The Symbolic Management of Stockholders: Corporate governance reforms and stakeholder reactions, Administrative Science Quarterly, 43, 127-153.
16. Westphal, J.D. & Zajac, E.J. (2001), Decoupling policy from practice: the cases of stock repurchase programs, Administrative Science Quarterly, 46, 202-228.

© 2013 Global Journals Inc. (US)