

## **Understanding New Public Management within the Context of Zimbabwe**

**Zungura Mervis**

Department of Political and Administrative Studies  
University of Zimbabwe, Harare, Zimbabwe  
+263 Bsox MP 167, Mount Pleasant Harare  
E-mail: zunguramervis@gmail.com

(Received: 19-8-13 / Accepted: 27-9-13)

### **Abstract**

Weber's classical bureaucracy was replaced by economic values and norms commonly known as new public management (NPM). The dominant theme of new public management is the use of market techniques to improve the performance of the public sector. The main features of NPM include performance management, e-governance, contracting out and outsourcing, decentralisation and accountability among others. Research has revealed that Africa, Zimbabwe inclusive, was strapped into NPM due to economic and fiscal problems hence its success is questionable. The major questions to be answered by this research are: Is there a relationship between politics of the day and the implementation of NPM reforms? Has Zimbabwe consistently committed itself to the execution of NPM reforms? Have these reforms cushioned the country from its fiscal and economic turmoil? What are the challenges faced by Africa and Zimbabwe in particular with regards to the implementation of NPM reform? Patchy implementation of NPM reforms without political as well as administrative will does not yield results. Commitment in terms of funding, complemented by increased accountability are prerequisites of NPM success.

**Keywords:** New public management, performance management, competition, accountability, privatisation.

### **1.0 Introduction**

The wave of public sector reforms has been generally referred to as New Public Management (NPM). NPM is defined as a vision and ideology or a bundle of particular management approaches and techniques many of them borrowed from the private sector for profit, (Pollit (1994, 1). This vision or ideology has been viewed differently by diverse scholars. It is regarded as entrepreneurial government; in France and Europe it was called the Anglo Saxon ideas and in the Anglo-phones it was regarded as re-inventing government (Osborne and Gaebler (1992, 325). Africa was forced into this wave of adapting private sector ethos into the management of public institutions to decipher its economic problems. This was administered in the form of Structural Adjustment Programmes supervised by Breton Woods Institutions hence the argument that NPM was imposed by these institutions on Africa. African countries (Zimbabwe inclusive) partially implemented NPM principles. NPM in Zimbabwe was implemented in the 1990s, where economic liberalisation and downsizing were witnessed.

The country has dropped NPM principles especially with the advent of the Government of National Unity. Zimbabwe just like the whole of Africa has failed to yield results from the implementation of NPM as the country continues to experience economic problems despite the partial adoption of the paradigm. Evidence has demonstrated that political instability, multiple accountability, corruption, poor remuneration and administrative incapacity are amongst factors hindering the success of NPM in Zimbabwe.

## 2.0 Conceptual Framework

NPM has variously been defined as a vision, an ideology or (more prosaically) a bundle of particular management approaches and techniques (many of them borrowed from the private for-profit sector) according to Pollit (1994:1). Definitional disputes surround the wave of administration of the 1980s and 1990s. Hood coined the word new public management (Hood and Jackson 1991, 12). NPM is viewed as a convenient, if somewhat loose, shorthand to denote the set of quite analogous administrative doctrines which came into ascendancy in the late 1970s and the early 1980s. It dominated the agenda of public administration in many countries, including New Zealand, Canada, Australia (particularly under the Cain government in Victoria and the Greiner government in New South Wales), and the United Kingdom” (Hood 1989, 349). These changes to the management of public sector are also viewed as the post bureaucratic paradigm, which reflect the public sector reforms carried out in the late 20<sup>th</sup> century (Flynn 2007, 35). Although Max Weber’s bureaucracy has been central to production during the industrial revolution, it was no longer germane to the new prevailing environment hence had to dropped. The product of Max Weber’s bureaucracy was a government with distinct ethos, impersonal but slow and inefficient (Osborne and Gaebler 1993), hence had to be replaced by what O’Flynn calls the post bureaucratic paradigm. Other authorities call this phase, market based public service management. The traditional model of organization and delivery of public services based on the principles of bureaucratic hierarchy, planning, centralization, direct control and self-sufficiency, was supplanted by a *market-based public service management* (Walsh, 1995; Flynn, 1993), or enterprise culture.) It is also referred to as entrepreneurial government (Osborne and Gaebler 1992, 325). In the United Kingdom it was termed a global movement, in France and the European Commission it was referred to as Anglo Saxon ideas. NPM represents an Anglo Saxon reform agenda that does not resonate in other contexts (Kickert (1997). It was commonly associated with the structural adjustment programmes which were initiated in the mid-1980s with the support of the Bretton woods institutions. These reforms introduced a new public administration paradigm and micro economic policy framework (*unpa1.un.org*). Their main aim was reducing the role of the state in both production and the delivery of services as well as the deregulation of public enterprises.

NPM is sometimes confused with the New Public Administration movement in the United States of the late 1960s and early 1970s (*christopherhood.net*). The thrust of New Public Administration was to bring academic public administration into line with the radical egalitarian agenda that was influenced in United States University Campuses at that time (Osborne and Gaebler 1992). By contrast the emphasis of NPM a decade later was firmly managerial, it stressed the different techniques managers could and should make to qualify and enhance efficiency of public services. NPM and New Public Administration have diverging themes hence are different.

Christopher Hood developed the term NPM as a set of administrative doctrine denoting specific ideas about what should be done in administration (Hood and Jackson 1991, 12). Despite the differing names, these various scholars essentially describe the same phenomenon (Hughes 2003). NPM first appeared in the academic literature in the early 1990s and scholars agree on its existence (Barzelay (2009, xi). Controversy subsists on the meaning of the

phrase. Hood states that the basis of NPM lay in reversing the two cardinal doctrines of the progressive public administration (Hood, 1991, 1995).

### **3.0 Theoretical Framework**

NPM has been inspired by theoretical underpinnings such as public choice theory, management theory, classical public management theory, neo-classical public administration policy analysis, principal agent theory, property rights theory, transaction cost economics and New Public Administration (Grueng 2000, 1-25).

#### **3.1 Public Choice Theory**

Public choice theory is a branch of economics that developed from the study of taxation and public spending and it emerged in the fifties and received widespread public attention in 1986 (Shaw in the Concise Encyclopedia of Economics). Public choice takes the same principles that economists use to analyse people's actions in the marketplace and applies them to people's actions in collective decision making. As highlighted by Shaw, public choice economists make the same assumption—that although people acting in the political marketplace have some concern for others, their main motive, whether they are voters, politicians, lobbyists, or bureaucrats, is self-interest. Public choice theorists have an inclusive view of rationality. Incentives attract behaviour and punishment discourages behaviour. Bureaucrats are motivated by self-interests not public interest. They maximise for themselves than for the agency (Hughes 2003:12). The agency at times finds it difficult to ensure that principals perform hence poor performance. The theory gives some backing to those arguing for contracting-out as much of the public sector as possible (Hughes 2003; *ibid*). Public choice theory explains the civil servant (principal)'s behaviour in Zimbabwe, thus it quite suits public management in Zimbabwe. Civil servants are on record of rampant corruption due to the inability by the agency to pay them satisfactorily. Inability to be adequately remunerated has resulted in increased absenteeism, late arrival at the workplace, forged sick leaves and ultimately early retirement. In Zimbabwe rent seeking behaviour was manifested by some of the members of Parliament (the likes of Lazarus Dokora, Peter Chanetsa, Abraham Sithole) when they were allegedly reported to have embezzled funds that were meant for capital development in their respective constituents (that is, from the Constituency Development Fund) for personal advantage and self-aggrandizement at the expense of the intended beneficiaries. Of late public managers have been earning exorbitantly at the expense of public service delivery. The Premier Medical Aid Society boss, Harare City fathers as well as the Zimbabwe Revenue Authority managers are examples.

### **4.0 Values of New Public Management**

#### **4.1 Introduction**

The new paradigm had eight characteristics: strengthening steering functions at the centre; devolving authority-providing flexibility; ensuring performance' control accountability; improving the management of human resources: optimizing information and technology; developing competition and choice; improving the quality of regulation; and providing responsive services (Kickert 1997; 733)

#### **4.2.0 Performance Management**

New public management denotes the failures and inadequacies of public sector performance over time, which is attributed to the nature and processes of public sector activity and public administration (Rauskala and Promberger, 2003). The product of Weber's bureaucracies was

a government with a distinct ethos, impersonal but slow and inefficient. Performance evaluation of these bureaucracies was problematic (Hood and Schuppert, 1988: 5). Subjecting public managers to performance evaluation introduces disciplinary mechanisms which compel public sector bodies to focus on their specific responsibilities and carry out those tasks efficiently and effectively (Hood 1996). Performance measures replaced tight control from the top which was implemented through rules and regulation. New public management argued for management flexibility in their judgements so that they become accountable for their performance. A department's set targets should be used to measure its staff too. This helps in achieving accountability. Performance management in the United States resulted in focusing training on the most job-ready applicants (Van Reeth 2002). Zimbabwe introduced performance management in the 1990s with the country's adoption of NPM. The first phase of performance management was implemented in 1992/3 in selected ministries. Within the first phase of Public Service Reforms, at least three top levels of government officials were sensitized to performance management and related systems (*Zigora and Chigwamba* 2000). Staff resistance to change, lack of effective communication between politicians and administrators and lack of training are amongst the reasons which lead to the grounding of the first face. The second phase of performance management was inaugurated in 1997/8. Ministries developed their visions, mission statements, organizational goals, corporate plans and client charters but the second phase also flopped due to limited resources and lack of skilled manpower. Lack of skills also affects the public sector managers, who also have problems in differentiating between appraisal and performance management. Zimbabwe has therefore failed to gain from the benefits of implementing performance management which include improved service delivery, improved supervision and increased job satisfaction on the part of employees among others. Performance management has been dropped due to the introduction of the multi-currency regime which has seen all of the Zimbabwean civil servants earning one hundred dollars a month. Performance management is greatly resisted by workers as it has been used as a weapon of control by management as opposed to a platform to improve performance hence its results have been disappointing in many African countries for example Ghana, where performance incentives were too weak to produce tangible impacts (Christiansen 1982, 286). Performance management has therefore failed to yield results in Africa mainly because governments' budgets do not support management decisions on performance management the likes of training needs (which need to be supported by budgetary allocations).

### **4.2.1 Competition**

Globalisation unleashes an enormous competitive pressure (Steane and Carroll, 2000). Access to information is fast as for both workers and their superiors. This has resulted in the demand for autonomy by workers. The mass markets disappear and are substituted by niche markets, with customers who want high quality and an extensive choice between products. NPM gave rise to the practise of outsourcing and tendering for the right to provide services as the government sought to build a framework for efficiency through competitiveness in public services provision. Not all services respond well to being outsourced as other services struggle to be efficient through it. According to Hughes (2003,149-164), in some instances the tender process can cost more than the saving achieved through competition and in other cases the outsourcing of certain jobs can leave the workers compromised, having fewer benefits in the private sector than they did as employees of the bureaucracy. The cleaning service at the Dairy Marketing Board is a prime example of this. Contracting out has resulted in improved service provision in state universities' catering departments (University of Zimbabwe inclusive) though prices for the food increased. Although the quality of the services improved, privatisation has resulted in food price hikes. Catering at the University of Zimbabwe has been contracted to the (Department of Accommodation and Catering Services) DAACS which is a stand-alone department of the university. Though competition was evidenced in some companies Zimbabwe's economy did not benefit much from it as the

country continued with its economic turmoil which is believed to be have doubled due to corruption and the issue of sanctions.

### **4.2.2 Accountability**

Accountability of results should replace the traditional process accountability. Managers should be allowed more discretionary powers in determining how the political goals should be reached. In return, accountability is made clearer through more explicit, measurable standards and greater emphasis is put on output controls. Techniques here include performance audit (Pollitt et al, 1999), evaluation, introduction of a managerial culture, internal and external control reforms, empowerment and the introduction of quality systems (Pollitt and Bouckaert, 2000; Pollitt, 2003; Gruening, 2001). NPM distrusts public servants whose activities need to be more closely costed and evaluated by accounting techniques (Hood, 1995). The traditional model of public administration was mainly concerned with the accountability of the implementers' of public policy to the governing constitutional rulers. New public management aims to achieve accountability through the measurement of results rather than accounting for inputs.

Accountability for resources is less important than the accomplishment of goals at a given cost. Creative managers should be given the widest flexibility to use the resources at their disposal to accomplish programmatic missions. Their success will be measured by their performance in accomplishing goals rather than in their careful accounting for the resources (inputs) used. According to [unpal.unj.org](http://unpal.unj.org) accountability involves both the political justification of decisions and actions, and managerial answerability for implementation of agreed tasks according to agreed criteria of performance (Day and Klein, 1987). Political accountability is about those with authority being answerable for their actions to the citizens either directly or indirectly. Parliamentarians are supposed to be accountable to the electorate in their respective constituencies through the decisions or results seen in their constituencies. Most politicians in Zimbabwe are only seen in their constituencies during campaigning time, after winning elections they will never be head of until next campaigns. Politicians do not respond to the needs of the electorate, only to bring bags of maize and mealie-meal during campaigning periods. Accountability is now becoming a catchy phrase as politicians are becoming more of voter buyers than winners of political seats through past records of actions in their respective constituencies. Managerial accountability is about making those with delegated authority answerable for carrying out agreed tasks according to agreed criteria of performance. Managers are also answerable to the shareholders on how they run the organisation in respect of the shareholders equity and profits

### **4.2.3 Privatisation**

Privatisation is one of the common elements of new public management adopted by developing countries. In Zimbabwe it was part of the structural adjustment programme introduced by the Bretton woods institutions. The prime theme of new public management is the application of market mechanisms to benefit the performance of the public sector. This includes privatization, in which functions formerly performed by government are given over to private sector or business organization. In the celebrated case of New Zealand, the government privatized state enterprises in telephone service, oil production, insurance, post office, and air transport. In economies where the governmental sector is smaller and most sectors of the economy are already in private hands, such as the United States, privatization has taken the form of private sector delivery of goods and services that are paid for by the government, referred to as "contracting out" Kettl (2000, 26). It is argued that businesses operate more efficiently than governments because of diverse incentives and greater plasticity or flexibility, and so contracting will save the taxpayers money. According to [unpal.unj.org](http://unpal.unj.org) privatization entails the component of downsizing which refers to the transfer of control and

responsibilities for government functions and services to the private sector – private voluntary organizations or private enterprises. Privatization in Africa has taken several forms. It has included:

- (a) Commercializing of government services which are contracted out to an outside agency;
- (b) Joint ventures between government agencies/ministries and private entities;
- (c) Sale of some government services or functions, such as water supply or telecommunications, to the private sector;
- (d) Management contracts for the private sector to manage specific government functions or services such as postal services.

In Zimbabwe privatization was also successfully done which saw government ceding its control to the private sector in 1996 when the milk processing government firm Dairy Marketing Board (DMB) as well as the public institution dealing with the processing of cotton the Cotton Marketing Board were both privatised leading to the adoption of new names which are Dairibord Zimbabwe Limited and Cotton Company of Zimbabwe (Cottco) respectively. Though some companies were privatised, their impact was too little to influence changes in the economy. Partial implementation of privatisation was due to lack of political will. For Mac Court this partial implementation is attributed to administrative incapacity and lack of political commitment (Mac Court 1998)

#### **4.2.4 Delegation**

Delegation is a way of offering public goods and services through a more business like organisation structure that makes use of managerial accounting techniques normally associated with private enterprise (Rondinelli et al 1983). NPM's concept of delegation would alleviate the problems caused by tight, hierarchical control by delegating greater flexibility and discretion to lower levels in the production of goods and services. Implementing discretion is delegated to those closest to service delivery. They would have greater control of hiring and firing personnel as well as discretion about how to spend money in the accomplishment of policy goals. If program implementation is contracted out, management decisions are at the discretion of private sector managers; and their decisions are acceptable as long as they legally produce the goods or services under contract. Parastatal or state owned enterprises (SOEs) such as the Grain Marketing Board (GMB), Air Zimbabwe, and the National Railways of Zimbabwe among others in Zimbabwe are statutorily empowered to deliver services to the nation. As they deliver these services they will be working on delegated authority. Delegation is advantageous in that, speed and efficiency in service delivery is enhanced as workloads (which oftentimes lead to a clogged service delivery system and red tapism) would have been reduced from the central government. However it has been noted that despite the strides made towards delegation, it appears that these SOEs are still struggling to efficiently deliver services to the nation and in some instances they have grown to become liabilities to the state as they continue to be supported by funds from the national purse which must be directed towards other productive sectors.

#### **4.2.5 Contracting Out**

NPM calls for contracting out when the market fails to produce goods and services due to insufficient customers, so that enough is produced to accomplish the goals of the state. Contracting out" refers to the out-sourcing or buying in of goods and services from external sources instead of providing such services in-house (Walsh, 1995). It is a method of privatization that is increasing in popularity due to its emphasis on efficiency and service delivery. Contracting may be between a public organization and a private-sector firm or between one public organization and another. The responsibility of the public organization is

to specify what is wanted and let the private or voluntary sector provide it. Private businesses are allowed to carry out the duties of the state. Contracting out is favoured by scholars as it is argued that private businesses can be managed efficiently because they are not hindered with the rules and regulations of the merit systems (e.g. merit competition, classification, appeals of adverse actions, etc.) and they can hire the workers as need arises in an efficient labour market. Contracting out results in the accomplishment of goals of the government, though this is done at a cost to the public. Poor quality service delivery, delays and lack of reliability can lead to the punishment of the private provider. It (contracting out) leads to contract-imposed constraints. Contracting out though new to Africa's public sector; has its application extended to a wider range of public organizations and activities than before. Hope (2002) reports how in Botswana, parastatals have contracted out a number of services, including those related to maintenance and security. Similarly, in Zimbabwe, non-clinical health services such as cleaning, laundry, catering, security, maintenance and billing are contracted out, while clinical services happen to be retained. For instance, upon privatizing Dairy Marketing Board contracted out the laundry services to the Central Dry Cleaners.

## 5.0 Conclusion and Recommendations

Developing nations (Zimbabwe inclusive) have not committed themselves to new public management reforms; hence the reforms did not impact positively on their economies. Developing countries were pushed into these reforms by developed countries in a bid to cushion them from their economic hardships. Despite the Bretton Woods attempts to introduce new public management in Africa, the continent could hardly enjoy any benefits from NPM style reforms. The mere fact that NPM was imposed on Africa is adequate to justify its failure. Africa lacked political will to implement NPM principles; hence emphasis was given to some principles of NPM as compared to others depending on the implementing country. Attempts to improve performance have failed to yield results due to lack of funding, administrative incapacity and corruption among other reasons. Performance appraisal has failed to be linked to rewards. In Zimbabwe although bonuses are awarded after procedural appraisals, no civil servant has failed to be awarded a bonus, implying that performance management is not linked to the payment of civil servants' bonuses. Underfunding of government departments has also contributed to the departments' inability to implement NPM principles. Developing countries also lack technology as well as the administrative capacity to use the technology for monitoring of civil servants' performance.

## References

- [1] M. Barzelay, *Breaking through Bureaucracy: A New Vision for Managing in Government*, (1997), Berkeley and Los Angeles: University of California.
- [2] G.E. Caiden, Administrative reform in G.R. Curnow and R.L. Wetten Hall (ed), *Understanding Public Administration*, (1981), Sydney: Allen and Unwin.
- [3] J. Flynn, From new public management to public value: Paradigmatic change and managerial implications, *Australian Journal of Public Administration*, 66(3) (2007), 353-66.
- [4] N. Flynn, *Public Sector Management (Third Edition)*, (1997), Prentice Hall, Harvester Wheatsheaf.
- [5] G. Grueng, Origin and theoretical basis of new public management, *International Public Management Journal*, 4(1) (2000), 1-25.
- [6] O.E. Hughes, *Australian Politics (Third Edition)*, (1998), Melbourne: Macmillan.
- [7] C. Hood, The new public management: Variations on a theme, *Organization, Accounting and Society*, 20(2/3) (1995), 93-105.
- [8] K.R. Hope, The new public management: Context and practice in Africa, *International Public Management Journal*, 4(2) (2001), 119-134.

- [9] W. Kickert and T. Beck, Introduction: Managerial reform in Western Europe, *International Review of Administrative Sciences*, 61(December) (1995), 499-510.
- [10] D.F. Kettle, *The Global Public Management Revolution*, (2000), Washington DC: Brookings Institution Press.
- [11] C. Pollitt and G. Bouckaert, *Public Management Reform: A Comparative Analysis*, (2000), Oxford University Press: New York.
- [12] K. Walsh, *Public Services and Market Mechanisms*, (1995), London Macmillian.
- [13] C. Pollit, J. Birchall and K. Putman, *Decentralizing Public Sector Management*, (1998), Macmillan: London.