# Public sector in Tanzania and the legacy of new public management: a focus on human resource management

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AJoGPL ISSN: 2789-2298

Vol 1. Issue 4. pp. 34 - 49, Nov 2022 https://ajogpl.kab.ac.ug

#### Abstract

Tanzania is one of the African countries that have been reforming their public service over the last three decades within the framework of New Public Management (NPM). While previous studies have well documented the history of public sector reforms in Tanzania, the adoption and application of NPM, its scope, and limitations, none of them provides insights into recent developments that suggest reversals from NPM and what those reversals mean for human resource management (HRM) practices in the public sector. This article identifies those developments in HRM practices that point to reversals from NPM and examines their implications for the management of public sector employees. In doing so, the article analyses the extent to which NPM has shaped the management of human resources in the public sector. Data collection was based on a systematic review of secondary sources particularly from government reports, journal articles, textbooks, and online resources. A thorough content review of these sources helped to inform this study's analysis of practices and developments notable in the public service that are counter to the NPM ideals. Findings indicate that although the NPM movement has left a legacy in Tanzania, it has not been able to sustainably transform HRM practices in the public sector to meaningfully reflect the HRM thinking. The HRM practices are rather characterized by reversals and inconsistencies oscillating between the ideals of NPM and those of traditional public administration. The article concludes by highlighting some implications for HRM in the public sector in Tanzania.

**Key words**: Human Resource Management, New Public Management, Personnel Management, Public Service Reforms - Tanzania

#### Introduction

Human resource management (HRM) is a profession as well as a discipline that deals with the management of people in organizations in a way that produces organizational effectiveness and efficiency. HRM has been a subject of contentious debate both in theoretical and practical terms. Although the practice of managing people in organizations is not a new phenomenon, the application of the term HRM to the public sector in many African countries, including Tanzania, has been accelerated by the adoption of the neo-liberal reforms under the auspices of New Public Management (NPM). NPM represents a new orientation towards the management of the public sector. It emphasizes the reduction of the size of bureaucracy, the decentralization of authority to managers, and the use of private sector techniques in the public sector (Basheka & Uwizeyimana, 2021).

Such techniques include delivering services through contracting out, outsourcing, public-private partnership, competition among service providers, emphasis on results than process in measuring performance and the use of information and communication technology (ICT) to facilitate the effective management of employees, financial resources and service delivery (Hood, 1991; Hughes, 2003; Bach & Kessler, 2007).

The adoption of NPM reforms in Tanzania marked a shift away from a state-led economy to a free market-oriented economy. The shift was an outcome of prescriptions from western countries and the international financial institutions (IFIs) such as the World Bank and the International Monetary Fund (IMF) in an effort to improve performance in the public sector and service delivery at a minimum cost. Western donors and scholars had the view that the problems of poverty, poor service delivery, and inadequate accountability resulted from the inherent weaknesses of the traditional Weberian-based public administration. Such weaknesses included excessive bureaucracy, unreasonable expansion of the public sector leading to redundant workforce, political patronage, corruption and nepotism, among others (World Bank, 1981; Gore, 2000). In the same vein, inefficiency, ineffectiveness, corruption, inadequate motivation with no sense of accountability were common descriptions accorded to the Tanzanian civil service prior to the NPM reforms (Mukandala, 1993; Mutahaba & Kiragu, 2002; URT, 2013). Therefore the NPM reforms were expected to provide the remedy for these problems. However, after three decades of NPM reform implementation in Tanzania these problems still persist. The various reports of the Controller and Auditor General (CAG) have consistently indicated that staff shortages, lack of planned training programmes for some government entities, delays in promotions, payment of staff claims in a form of salary arrears, leave allowances, acting allowance are persistent features of public administration in Tanzania (URT, 2019, 2021). This serves as evidence to the fact that NPM has not adequately eliminated the problems of inefficiency in the public service.

Yet there is an emerging trend in HRM practices that signifies reversals from NPM orientation. While previous studies have documented the history, scope, and limitations of the NPM-reforms the public sector in Tanzania (Mukandala, 1993; Mutahaba, Bana & Mallya, 2017; Kihamba, 2018; Bwaki & Tefurukwa, 2022), they do not provide insights into recent developments that point to reversals from NPM and their implications for HRM practices in the public sector. This article intends to address this gap. It is argued that notwithstanding the influence of NPM, HRM in the public sector in Tanzania reflects features of NPM and Weberian models. Such heterogeneity is sustained by the socio-economic and political ecology within which the public service operates.

The article is organized into eight sections. The first section introduces the subject matter. Section two presents the objectives and research questions followed by the methodology in section three. The conceptual and theoretical underpinnings of HRM and NPM are presented in section four. It is followed by a brief description of Tanzania's experience with NPM reforms in section five. Sections six and seven focus on the NPM legacy and reversals from NPM respectively. The last section presents concluding remarks with implications for future directions.

#### **Objectives and Research Questions**

This article is guided by three objectives: (i) to explore the extent to which NPM reforms have significantly shaped HRM in the public sector in Tanzania, (ii) to examine some trends in HRM practices indicative

of reversals from the NPM reform ideals, and (iii) to examine the implications of such reversals for future directions in HRM in the public sector in Tanzania. This article seeks to answer the following three questions: (i) To what extent have the NPM reforms shaped HRM practices in the public sector in Tanzania? (ii) To what extent are the HRM practices in the public sector consistent with the NPM ideals? (iii) What are the implications of such consistency or inconsistency for future HRM directions?

## Methodology

This article used a qualitative approach to examine NPM attributes in the management of people in the public sector in Tanzania. Tanzania was chosen as a case study for two reasons. First, Tanzania has been reforming its public service in the last three decades within the framework of NPM prescriptions. Secondly, as a public servant for over 20 years, the author has sufficient experience in and is widely knowledgeable about the selected case. The article takes a public administration orientation, which explains its limited scope, i.e. the public sector. The public sector still employs a significant portion of the workforce. According to the Tanzania National Bureau of Statistics (NBS), the public sector in Tanzania (Mainland) offers 871,926 jobs, which accounts for 32.5 percent of all formal employment in the country (NBS, 2019). Data collection was based on a systematic review of secondary sources particularly from government reports, journal articles, textbooks, and online resources. A thorough content review of these sources helped to inform this study's analysis in two significant ways. First, an examination of these secondary sources made it possible to grasp the history, philosophy, and theoretical underpinnings of HRM and NPM and how they have shaped the organization of the public service. Secondly, they have helped the study to identify HRM practices and developments notable in the public service that are counter to the NPM ideals.

# HRM and NPM: Conceptual and Theoretical Considerations

#### **Human Resource Management**

A good starting point perhaps would be: what does HRM mean? HRM is not an easy thing to define. This is particularly so because of disagreements among scholars about the nature and purpose of HRM. Some believe it is not different from personnel management except the label (Keenoy, 1990; Legge, 1995; Argyris, 1998). These scholars argue that the functions of HRM are the same as those performed in personnel management except that the name has been changed to 'mask the consequences of deregulation and downsizing of the 1980s' (Legge, 2005). To these critics, the change from personnel management to HRM simply reflects the rise to prominence of a new political ideology and imperialist competition under the aegis of globalization and public choice theory from which NPM emerged (Bratton & Gold, 1999). This is why such phrases as 'a wolf in sheep's clothing' (Keenoy, 1990), 'an emperor's new clothes' (Argyris, 1998), 'a rhetoric than reality' (Legge, 1995) became common descriptions of HRM by its critics.

Yet others consider HRM as a fundamentally unique approach to the management of people in work organizations. The enthusiastic apologists for HRM argue that its holistic, people-centred, and strategic approach to the management of people working in organizations makes HRM distinctive from personnel management (Fombrun, Tichy & Devanna, 1984; Beer, Spector, Lawrence, Quinn Mills & Walton, 1984; Guest, 1987: Henry & Pettigrew, 1986; Storey, 1992). Notwithstanding these differences, HRM is understood to mean both a field of study as well as the actual management of employees in organizations

in a way that seeks to integrate the human resource policies and practices with the business strategy so as to sustain the organization's competitive advantage through a highly committed and capable workforce (Guest, 2005; Armstrong, 2009).

Theoretically, some antecedents to HRM may be traceable to a body of organization theory ranging from Scientific Management School, the Human Relations School, behavioural studies and others such as the resource-based view of the firm, and the human capital theory. However, much of the HRM reform agenda as embedded in the NPM reform movement resonates the works of Fombrun, et al. (1984) and Beer, et al. (1984). These two groups of American scholars emphasized the strategic orientation of HRM that have continued to shape the field and profession to its present look. On the one hand, Fombrun and associates came up with the Michigan model of HRM, Beer and his associates, on the other hand, proposed the Harvard model. While both models emphasize the tight fit between the organization's business strategy and the HRM policies as well as high commitment to organizational goals, the Harvard model recognizes the need for employee involvement and the existence of multiple stakeholders (shareholders, groups of employees, government, and the community) whose interests must be recognized by and integrated into the HRM strategies and the business strategy.

### The Public Service in Tanzania during the Pre-NPM Era

Since independence in 1961, Tanzania's public administration like other administrative systems in the world has been organized around the Weberian organizational form. As such, the management of people in the public sector has been largely based on permanent and pensionable terms of employment. Under this system, promotion from one position to the other in the service is strictly based on seniority and length of service. The reward system is universal and conforms not to one's performance but to the position of the office holder. Although trade unions were legally allowed to influence employment relations in the single party era, their ability to exert such influence was largely exercised at the pleasure of the state-cumruling party. This was particularly so because between 1965 and 1992 trade unions were affiliated to the ruling party.

Given its rigidity coupled with financial constraints, by mid 1980s the public service was inevitably caught in a crisis. The literature describes the Tanzanian civil service of the 1990s as inefficient and ineffective (Mukandala, 1993; Mutahaba & Kiragu, 2002; URT, 2013). In order to address limitations of the public service, the government of Tanzania adopted NPM initiatives in an attempt to reform the management of its workforce and ensure effective and efficient delivery of quality services. It is to the NPM initiatives that we now turn our attention.

#### NPM and its Effect on HRM

This section examines the nature of NPM reforms and its influence on HRM. It is argued that the Tanzanian experience with NPM reforms has been characterized by oscillation between centralization, decentralization and recentralization exhibiting inconsistencies and reversals. The section starts with a brief account of the evolution of the field of human resource management. It then looks at the way NPM has shaped HRM in the public sector in Tanzania.

The emergence of HRM is attributed to multiple forces. Some of these include the humanistic influence of pioneers such as Robert Owen and Lord Shaftesbury, among others, who criticized the hardships at

workplace created by the free enterprise. These paternalistic sympathizers advocated for better treatment of workers and improvement of their working conditions (Ling, 1965; Tyson & York, 1996). Robert Owen, for example, wondered if machines were looked after, cared for, and maintained in order to be more efficient, reliable and long lasting how much more could people be if they were well treated (Koontz, O'Donnell & Weihrich, 1983). It is recognized that such influence led to the creation of special positions in firms to take care of the welfare of workers. This movement gave rise to the establishment of welfare departments at work places, which later evolved into personnel departments handling employment relations.

Yet other influences came from organization theory, particularly the scientific management group of scholars led by Fredrick Taylor and Henri Fayol. These were concerned with how work processes and organization structures could be designed and staffed to produce maximum efficiency and productivity. Elton Mayo and his associates in the Human Relations School and other behavioural scholars such as McGregor are credited for emphasizing the human side of the enterprise and the need to consider non-mechanistic approaches to enhancing employee morale (Cole, 2004; Fry & Raadschelders, 2008). At the core of these theoretical strands is the question of how to manage employees in a way that improves organizational performance.

The literature on how NPM has shaped HRM in the public sector worldwide is burgeoning (Hood, 1991; Brown, 2004; Pollitt & Bouckaert, 2004; Kirkpatrick, Ackroyd & Walker, 2005; Bach & Kessler, 2007; Brunetto & Beattie, 2020). NPM emerged in the 1970s in Britain, New Zealand, Australia, and the United States and spread to other western countries and later on spread to other parts of the world (Hood, 1991; Osborne & Gaebler, 1992). The focus of NPM was to achieve efficiency, effectiveness, accountability and quality services. NPM emphasized, among others, the introduction of strategic planning, user fees, devolving authority to manager, transferring activities away from a single administrative centre to lower units, use of market-based service delivery models of contracting out, competitive tendering, performance-based pay, flexible employment as opposed to lifelong employment contracts (Hughes, 2003; Brown, 2004). It is no surprise that from the 1980s onwards 're-inventing government', 'doing more with less,' 'results-oriented,' 'operating at arms-length,' 'customer-focused,' 'hands-on professional management,' 'contracting out,' 'outsourcing,' and the like became dominant phrases in the NPM literature (Hood, 1991; Osborne & Gaebler, 1992).

Hood (1991:4-5) summarizes the thrust of the NPM into the following seven doctrinal components: (i) hands-on professional management, (ii) unambiguous criteria of performance, (iii) emphasis on output controls, (iv) disaggregation of units, (v) competition in public service, (vi) use of private sector management techniques, and (vii) restraint or prudence in the use of resources.

### Tanzania's Experience with NPM and HRM Reforms

In this part we invoke five of Hood's (1991) NPM components, which are directly related to HRM, to examine the influence of NPM on HRM in the public sector in Tanzania, the antidotes to NPM and their implications for future HRM practices in the public sector in Tanzania.

First, hands-on professional management emphasizes the need to have managers who do not simply 'theorize' but can actually get the job done.

By extension, this is based on the assumption that managers would be more accountable and responsible when power and authority to make decisions and actions are decentralized. This embraces empowerment of HR managers at 'site points' so as to get results. Conversely, any orientation towards decreasing the role of HR Managers in decision making is tantamount to centralization (Galabawa, 2001:24). The experience of the public sector in Tanzania suggests that the influence of NPM in this doctrinal area has been insignificant because centralization tendencies remain prominent as indicated in a section discussing reversals from NPM.

Between 1991 and 2011 a number of NPM-based HRM initiatives were implemented in Tanzania under two related reform programmes namely, the Civil Service Reform Programme (CSRP) and the Public Service Reform Programme (PSRP). The CSRP sought to achieve a smaller, affordable, well-compensated, responsive, accountable efficient and effective public service (Mutahaba, et al., 2017). The implementation of the CSPR skidded into goal displacement. Rather than striving to improve the quantity and quality of services delivered to the people, the reform implementers became so obsessed with the reform for its own sake as if that were an end in itself. This narrow focus of the CSRP constrained its level of success leading to the adoption of the PSRP in 2000. It is argued that while the CSRP managed to some extent to contain the cost of running the government, it failed to improve the quality of services delivered by the public service (URT, 2013). The PSRP was a more comprehensive reform programme with three implementation phases: (i) establishing performance management systems between 2000 and 2004, (ii) promoting a performance management culture between 2005 and 2008, and (iii) initiating quality improvement cycle between 2009 and 2011 (URT, 2013; Mutahaba, et al., 2017). The privatization of public enterprises (PEs) beginning in the early 1990s was motivated by, among others, the need to improve operational efficiency of the PEs and their contribution to the national economy, reducing the financial burden of financing loss-making PEs, and expanding the role of the private sector in the economy relieving the state to focus on its 'core functions' (Mutahaba, et al., 2017). These measures had implications on human resources, as the public sector in many countries became the subject of downsizing (also called rightsizing) to enable governments become more parsimonious in order to cope with budgetary constraints. Governments had to make hard choices by adjusting to the public choice and neo-liberal preference for a lesser public workforce as 'knights' with the ability and commitment to 'do more with less' resources (Hood, 1991). On the one hand, calls were made to ensure that the "knavish" bureaucratic budget maximization behaviour is kept on check (Niskanen, 1971; Bach & Kessler, 2007). In reality, the idea of doing 'more with less' in the public sector in Tanzania has remained thorny than reformers expected.

Performance enhancement is another important feature of the NPM reform process (Bach & Kessler, 2007). The argument runs that in order to improve performance in the public sector, private sector techniques could be adopted by and applied to the public sector to inject a sense of competition and accountability for results (Brunetto & Beattie, 2020). As such, performance-related pay (PRP) based on clear performance standards was seen as an antidote to mediocrity and underperformance. In the same vein, the use of fixed-term contracts began to be adopted for certain cadres in some public institutions marking an attempt to move away from a predominantly life career (Bach & Kessler, 2007). Given this orientation, there was an attempt to shift away from "protection of employees and guarantees of security to an emphasis on performance" (Ingraham, 2003:50).

In the early 2000, the University of Dar es Salaam, a state owned university, for example, introduced a two-year fixed term employment contract (FTEC) approach for administrative staff. The idea was that renewal of their employment contracts would only depend on a symbiotic relationship between the employer and employee. A symbiotic relationship is premised on the notion that the employer and the employee are likely to hold on to their employment relationship as long as they both realize mutual benefits from the relationship (Lepak & Snell, 1999). Satisfaction by the employer on the employee's performance and the willingness of the employee to maintain his/her employment would be the compelling factor. The choice of this employment mode for this cadre was based on two assumptions. First, it was believed that administrative staff were readily available on the labour market. Although valuable, this form of human capital was perceived not to be, in Lepak and Snell's (1999:38) terminology, 'unique or firm specific.' Hence, it could easily be acquired from the labour market whenever needed. Secondly, the FTEC was perceived to create a sense of competition for continuity among job holders, which would in turn enhance performance.

However, after about eight years of implementation, it became apparent that the initial assumptions, which guided the adoption of the FTEC, were not only wrong but they also contradicted with the public service employment policy (UDSM, 2008). During its 179th meeting held in June 2008 the University of Dar es Salaam Council abolished the FTEC system except for the following 'special' circumstances: (i) posts requiring specialized skills for a limited period; (ii) posts in a one-off project or in a project that lasts for a limited term and/or is limited by funding; (iii) the contract is for continuation of employment relations even upon reaching the statutory retirement age; (iv) the post is included in the approved establishment but the selected person to fill the vacant job position is 45 years or above such that he/she cannot be employed on permanent basis; and (v) a person who at the time was holding the FTEC and opted to remain in that employment arrangement (UDSM, 2008). The UDSM cited, among others, the following reasons for abolishing the FTEC: (i) the FTEC was an ineffective tool for improving performance, (ii) there was no readily available pool of qualified personnel on the labour market as initially thought, (iii) it was in response to staff concerns whereas 61.3 per cent expressed dissatisfaction with the FTEC, (iv) the adoption of the FTEC was a deviation from the Public Service Management and Employment Policy, (v) it was not cost effective as the burden of paying gratuity to staff after every two years became unbearable to the institution. Therefore, the UDSM Council's decision marked a 'pendulum swing' away from the NPM inspired HR reform practices back to the Weberian permanent and pensionable mode of employment.

A similar decision to abolish the FTEC was made by the Dar es Salaam University College of Education (DUCE) in 2009. DUCE is a semi autonomous institution established in 2005 as a Constituent College of the University of Dar es Salaam. In its analysis, DUCE learnt that FTEC was not cost effective. Estimates indicated, for example, that between 2010 and 2012 DUCE would be required to pay 618.7 million Tanzanian shillings to its 142 employees on FTEC who would be due for gratuity. But this amount would be cut to only 309.3 million Tanzanian shillings if arrangements were made to move employees from FTEC to permanent and pensionable contracts (DUCE, 2009).

Related to performance is the adoption of Open Performance Review and Appraisal System (OPRAS) in 2004 replacing the Annual Confidential Performance Review system. OPRAS is a product of NPM, which has been the main tool for performance assessment in the public service in Tanzania.

The idea behind the OPRAS is to ensure that the staff review process is not only transparent and participatory but it also carries measurable objectives and targets for individual employees whose progress can be tracked after six months of the performance cycle. Ideally, the OPRAS system is a form of a performance contract that is intended to enhance accountability of individual staff in the public service. The intension of this process is to provide a close fit between individual staff performance and the strategic goals of the organization (the external or vertical fit). The first decade of implementing OPRAS saw many challenges. A number of studies have cited some of the challenges that befell the implementation of OPRAS during its early years. Bana and Shitindi (2009:13), for example, cite some of these challenges including the slow pace of institutionalization in public institutions. These authors indicate that by 2009 almost half of the public institutions had not yet fully adopted OPRAS. In addition, the OPRAS forms were initially perceived to be unnecessarily overcomplicated in their design and not suiting to contextspecific needs of some employees in the public service. All that said, the biggest challenge facing OPRAS is to move away from rhetoric to reality. The rhetoric continues in part because OPRAS remains unable to link one's performance and pay. Although the government has not yet made a formal communication up to the time of writing this article, some sources suggest that the OPRAS system will soon be replaced by an alternative system.

The other issue is what Hood (1990) describes as automation. By automation Hood refers to the use of information and communication technology (ICT) for delivery of public services. As part of the reform process, e-management processes and systems in facilitating the management of people, financial management including online billing and payments, as well as managing records were simultaneously adopted in the public sector (ECA, 2004). An equally important NPM-reform aspect was the introduction of customer service charter. The essence of customer service charter is to establish a contract between the service provider (public servants) and the customer (citizen) that facilitates accountability and responsiveness on the part of the former while empowering the latter to be able to know what and when service expectations will be met (Pirie, 1992).

Impressed by some aspects of the NPM reforms, some scholars have argued that HRM practices in the public sector in Africa are changing in a way that grants more autonomy to managers. They argue, "... human resource management in the public sector in Africa has been undergoing a transformation process. ... Weber's hierarchical control has given way to new human resource management developments such as devolution of authority and more flexible human resource management" (Ramsigh & Nzewi, 2015:89). The foregoing appears to be an overstatement of the reality on the ground. Much as this may be true in some countries, it is not universal across Africa. While a number of NPM aspects have shaped the way public servants are managed in Tanzania as well as in other African countries, the Weberian model remains predominantly guiding the management of people in the public sector.

Some commentators have argued that the African public services have undergone a shift from personnel management to HRM (Bana, 2008). Similarly, others have argued that the adoption of NPM in Tanzania was "a major shift from traditional public administration based on classic bureaucracy and permanent employment of staff to private sector preferred best practices…" (see Kihamba, 2018:156). At face value, these arguments hold a lot of water. But when subjected to critical examination, they carry some exaggerations. There is no doubt that HRM has been in vogue in administrative systems including those of African public service since the 1980s but to suggest that the Weberian model has been replaced by

the NPM model is misleading. In Tanzania, for example, employment in the public sector, by and large, remains organized on the basis of permanent and pensionable terms. In addition, the concept of HRM itself began to feature prominently in government documents in the late 1990s. But its hype relates more to a label used in describing the offices and officials responsible for managing the people management function than the practice itself. The literature shows that there is generally a change of titles of officers and offices responsible for the management of people in organizations from "manpower administrators" or "personnel officers" to Human Resource Offices or Managers (Bana, 2008).

A change of title does not necessarily mean a complete shift from personnel management to HRM. To understand this point, three elements are closely examined. First, it is important to look at the unitaristic view of HRM. HRM is seen as unitaristic in that it prefers individualism over collectivism (Bratton & Gold, 1999). As such, the management of employment relations is seen as a prerogative of managers rather than a collective duty of managers and workers through their trade unions (Rose, 2001). That being said, employment contracts under the HRM model are theoretically understood to be the outcome of individual employee's negotiation with his/her employer as opposed to a collective bargaining process that shapes employment contracts in a way that reflects the interests of both the employer and employee.

The Tanzanian experience, just like elsewhere in Africa, indicates that the government is, to use Beaumont's (1992) terminology, the 'sovereign employer' who unilaterally determines the terms and conditions of employment relations in the public sector. This is so not because the HRM model (that opposes collective agreements – which of course are currently ineffectual), has been institutionalized. It is rather because of what Kiragu and Mukandala (2005:217) call the paternalistic model of discretionary powers that the government enjoys in determining pay awards. It must be noted that the usage of the term the 'sovereign employer' is not meant to provide a dichotomy between the 'sovereign employer' and the 'model employer' as applied by Beaumont (1992) because descriptors of both approaches are observed in the Tanzanian employment context but it is rather used to denote the locus of power in determining the terms and conditions of employment in the public sector. As such, the contracts of employment are very rigid, just reflecting the schemes of service, with little or no room for negotiating the terms of employment. Hence the idea that "the high fliers" are likely to win better pay packages has little application, if any, in the public service. The reason for this may be two-fold. First, it is because pay is hardly linked to performance in the public sector (Bana, 2008; Kiragu & Mukandala, 2005). By 2006 it became clear that even the government's objective of achieving the minimum living wage (MLW) contained in its Medium Term Pay Policy and Strategy (MTPPS) adopted in 1999 was not attainable (Mukandala, 2008; Mutahaba, 2005).

Even some of the staunch advocates of NPM have admitted the difficulty of linking pay and performance in the public sector. Owen Hughes is one of the faithful apologists of NPM. He observes: "Even if performance pay is a good idea in the abstract, it has been hard to implement in a fair and reasonable way.... It still remains difficult to measure the performance of personnel in the public sector so that problems of unfairness are not likely to be solved" (Hughes, 2003:161). Secondly, but related to the first one, is the quest for balancing transparency, accountability and fairness. The fact that any pay decisions in the public sector must be subjected to public scrutiny and political considerations, fairness becomes of paramount importance. This often leads to standardized forms of HR practices across the public sector (Bach & Kessler, 2007).

The implication of universal HR practices is that there is hardly any room or flexibility for public sector HR Managers and prospective employees to individually negotiate the pay package and other terms of employment.

Unlike HRM, which is more strategic and people-centred and takes into account an integrated approach to all components of the organization, personnel administration was essentially concerned with internal processes of recruitment, compensation, discipline and the application of rules and procedures of the civil service system (Berman, Bowman, West & Van Wart, 2010:5). Basing on this distinction, I think much of what is called HRM in public service in many African countries including Tanzania is more of personnel administration/manpower administration than actually HRM. This is partly because of the rigid nature of the organizational environment that overly emphasizes on the universal application of rules and procedures over discretion and flexibility.

Patricia Ingraham succinctly captures this when describing the distinction between administration and management. She argues: "Administration describes the neutral civil servant applying the right rule at the right time, but not questioning, at least overtly, the rule and certainly not exercising discretion in which it should be applied. Management, on the other hand, connotes considerable authority, discretion in its use, and accountability for outcomes and product rather than to rules and regulations. Civil service systems generally create administrators not managers" (Ingraham, 1995:11 emphasis is mine). If the principal is to delegate a considerable authority and discretion to the agent, the latter must also demonstrate a high degree of probity.

The challenge with most public service systems in Africa and elsewhere is how to break out of the vicious cycle of falsity. Public service systems in many developing countries often lack fair and realistic pay incentives. This, in turn, breeds tendencies that compromise such virtues as integrity and honesty as some officials resort to quick fixes to meet their life expectations. The aggregate result is a combination of questionable services, endless out-of-office trips, piles of allowances, corrupt practices in many forms including ghost workers in the payroll, and finally a bloated wage bill all of which leads to distrust and inefficiency. In a situation where the principal is not satisfied with the integrity of the agent, it is likely to attract hesitation on the principal's side to decentralize authority over HRM issues. Some scholars rightly argue that sometimes "decentralization of certain functions generates the need for greater centralization of other functions or for stronger central supervision" (Schiavo-Campo & Sundaram, 2000:4). The government of Tanzania implicitly admits that HRM decentralization has been slow but attributes such reluctance to concerns over integrity among officials. It states: "Accountability remains one of the challenges to be addressed before adopting comprehensive HRM decentralization particularly in payroll management. The recent HR and payroll audits show that the integrity of payroll in MDAs and LGAs is still a challenge" (URT, 2010:12).

#### NPM and HRM: Legacy and Achievements

A significant progress has been recorded since the implementation of public service reforms started. For instance, between 1991 and 1999 there was a reduction of public employees from 355,000 in 1992 to 264,000 by 1998 including 20,000 ghost workers saving about 7.2 billion shillings per year (Mutahaba, et al., 2017:206). A more transparent and consolidated pay structure was instituted reducing salary grades from 196 to 45 and from 36 to 7 allowances (Kiragu & Mukandala, 2005).

The period between 2016 and 2019 saw a number of positive developments particularly in the area of curbing fraud and unnecessary expenditure by public servants-cum-politicians. Expenditure on salaries has been reduced from about TZS 700 billion in 2015 to TZS 237 billion (equivalent to U\$103.5 million) by 2018. This was made possible after measures by the government to remove from the government payroll 19,708 ghost workers costing the government monthly salaries worth TZS 19.8 billion. In addition, 14,404 workers who had forged qualification certificates costing the government TZS 15.5 billion per month through salaries were also removed from the government payroll (Karuri, 2018; URT, 2018). These measures, though primarily driven by the Magufuli's pragmatic resolve to fight corruption, very much echo the NPM doctrine that emphasizes greater discipline and parsimony in resource use.

Another area of development is the modernization and rationalization of the public service which went hand in hand with the development of policies and laws to guide the acquisition, development and deployment of HRs in the public sector. In addition, the use of ICT for managing HR matters has been enhanced. Systems such as the Human Capital Management Information System (HCMIS) designed by Lawson, OPRAS Online, and e-government generally are now common in ministries, agencies, and public institutions and have significantly reduced waste in terms of time and resources (Mutahaba, et al., 2017; Kihamba, 2018; Bwaki & Tefurukwa, 2022). Challenges, however, still exist. Kihamba's study, for example, reveals that ICT systems for managing the HR function in the public service have not been fully institutionalized as the continuity with the 'traditional administrative' approaches (files, and offline communications) still exists. The use of paper files is still dominant among officials responsible for managing the HR function in the country's public service along side the newly installed systems due to limited access to the latter and unreliability of the internet (Kihamba, 2018:7). In addition, the problem of ghost workers in the public service still defies reform efforts. There are still a few instances of ghost workers mainly due to delays in updating employee information in the HCMIS. Bwaki and Tefurukwa (2022) reveal that delays in providing updates on voluntary early retirement, deaths, and dismissal cases create room for losses in taxpayers' money in a form of salaries for workers who are actually no longer in the public service. It may be argued, therefore, that practices in the public sector in Tanzania reflect both success of and reversals from NPM.

## Reversals from NPM and their Implications on HRM

Despite the achievements highlighted in the preceding paragraphs, there are reversals in the way the HRM reforms are implemented. One of the thrusts of NPM is the state rolling back in favour of the private sector as an engine of growth. The state, especially in recent years, appears to have a strong trust in state-led institutions. The explanation for a statist orientation could be twofold. First, there is a zeal for exerting national pride typically within a nationalist sentiment. This sentiment is based on the belief that the state can and is able to do better than the private sector. Secondly, the private sector in Tanzania has not been able to deliver to expectations. Fraudulent practices became almost a norm involving some public servants colluding with some members of the private sector during implementation of public projects leading to shoddy works with no value for money. The logical consequence was a distrust of the private sector by the government. As such, there has been a void in terms of services that the government feels obliged to fill lest it risk its legitimacy. This finds its expression in the derigist orientation of the state towards a closer involvement in the economy beyond the state's regulatory mandate in the market economy. It is not surprising to see more construction projects being either implemented through a 'Force Account' (implying a procuring entity using its own personnel and equipment or hired labour to execute

a construction project) or awarded to quasi-state owned companies such as the military-owned SUMA JKT, the National Building Agency –the latter, unfortunately because of capacity issues, has been in some instances unable to deliver to expectations leading to embarrassment.

Some of the developments alluded to above suggest a trend towards a reversal of what NPM envisaged. In human resource terms, there is a move away from decentralization of the HR function to line organizations (meant to give more managerial autonomy to managers/agencies to have flexibility and discretion over HR matters) toward more centralization tendencies whereas most HR decisions are made at the centre - Utumishi (a Swahili name referring to the Ministry responsible for the management of the public service). All key HR decisions must first be approved centrally before implementation. Before the past decade, public institutions had powers to manage contracts of their staff, to promote and re-categorize their staff. Current practice shows that unless Utumishi centrally approves any of these HR issues on the Lawson system, no acquisition, promotions, or re-categorization can be effected. Staff members who meet qualifications for promotion after all procedures and processes are observed and decisions have been made to that effect in respective institutions will have to wait until Utumishi approves those decisions. While it is a good practice to ensure the HR processes and practices in the public service are managed according to procedures, Utumishi approvals have two implications. First, the approvals often take time causing delays that affect not only staff morale and effectiveness but also seniority in the respective organizations. Secondly, they emphasize a centralized approach to the management of people in the public service, which runs counter to a decentralized approach envisaged by NPM, i.e. empowering managers with the autonomy to manage.

Even the size of the public service, which initially became the target of the reforms, has defied the initial neo-liberal prescriptions. By the 1998 the Public Service had been reduced to 264,000 employees from 355,000 in 1992. The reduced workforce included 20,000 ghost workers (Mutahaba, et al., 2017). Of course, the National Employment Policy of 1997 suggests a different figure. It indicates that by 1997 employment in the public sector stood at 500,322 (URT, 1997). Most recently, statistics show that employment in the public sector has risen. According to NBS, employment in the public sector by 2017 stood at 850,616 (NBS, 2019). Of course, this is an inevitable reversal. The urgent need to expand access to services in line with the Sustainable Development Goals (SDGs) and Millennium Development Goals (MDGs) does not only point to the indispensability of the government but it also calls for a rethinking about the appropriate size of the government proportionate to its basic responsibilities.

Another area that has experienced a reversal is related to the pay reform reflected in the MTPP and MTPRS. Reform efforts focused on, among others, consolidating allowances into the basic salary of workers in the public service and ensuring fairness through "equal pay for equal value of work across the public service" (URT, 2010:9). It is noted that the objective of ensuring a competitive pay structure has remained illusive despite salary increases in the years of reform. A comparative salary survey done in 2006 indicated that "none of the salary groups in the public service received more than 49 per cent of the average pay in the labour market for their comparators" (URT, 2010:8). To make things worse, salary increases for public servants have been on halt for seven consecutive years since 2016. In May 2022 when the government announced that it would raise the minimum wage by 23.3 per cent effective July 2022, workers in the public sector became excited. However, when implementation started in July 2022, some workers got shocked and dismayed by the low level of salary increase (The Citizen, 2022a).

The President of the Trade Union Congress of Tanzania (TUCTA), Tumaini Nyamhokya, described the increase as a surprise. He stated: "It is surprising to increase someone's salary by a net of TZS 8,000 and this happens to be a person who has not had an increase for seven years" (The Citizen, 2022b). These sentiments underscore the need to look at the level of motivation among public servants and the importance of a predictable incentive system in the public service. In addition, employment allowances have grown by nearly 373 per cent, contradicting the spirit of the reforms, which sought to control this surge of allowances.

As previously indicated in this article, there has been a preference, in recent years, for the use of what is called the 'force account' in implementing public projects. The fact that this approach produces more results with fewer resources it is likely to be the dominant model. On the one hand, the approach is likely to strengthen not only the skills and competences of public human resources but also their role in responding to citizen needs through public projects. It also encourages participation in and ownership of projects by beneficiaries reflecting the governance model of public administration. This in turn provides the potential for project sustainability. On the other hand, the use of force account is an antidote to NPM reform ideals of private-public partnership, contracting out and competitive tendering.

The Public Service Management and Employment Policy (1999) introduced competitive promotions. People from within and outside the public service could apply for vacant positions and be subjected to competition. This practice reflected the NPM emphasis on performance and demonstrated potential rather than longevity of one's service as the basis of recognition. In 2008 the policy was amended to reverse this arrangement. More preference was given to those in the service who met required qualifications. This shift was dictated by the need to motivate those already in service. The new policy expressed a new thinking that believed consideration for promotion on competitive basis without regard to experience and seniority tends to "demoralize staff who are already in the public service" (URT, 2008:29).

## **Conclusions and Implications**

The NPM movement has left a legacy in Tanzania. This legacy continues to shape the management of employment relations in the public sector. The NPM legacy manifests in terms of modernization and rationalization of the public service through an increased use of ICT for managing HR matters, the use of OPRAS, though not in its envisaged outcome, among others. However, the NPM movement has not been able to transform the management practices in the public sector in Tanzania to meaningfully reflect the HRM thinking. Decision-making regarding the management of public sector employees is centrally done. Performance-related pay has largely remained an empty rhetoric. Attempts towards competitive promotions and recruitment by fixed contracts have not been sustainable. In addition, there have been reversals from the NPM orientation towards central bureaucratic controls erasing even the little autonomy that public institutions previously enjoyed over HRM matters.

These reversals have implications for future workforce profiles of public institutions as well as the motivation of staff. It has been noted that, on the one hand, some of the measures undertaken by the government are meant to enhance accountability in the public sector. On the other hand, re-centralization of HRM may lead to reduced morale and efficiency. Past experience teaches that many public institutions suffered a great deal of staff shortages due to employment freezes in the late 1990s to early 2000.

This is likely to manifest in terms of scarcity of seniority and institutional memory between now and in the next decade due to a temporary halt on promotions and acquisitions between 2016 and 2020.

All that being said, it is important to emphasize that the curbing of ghost workers and forgery is an imperative HR practice that should be carried out regularly. The practice enhances integrity and accountability in the way human resources are managed in the public service. The biggest challenge is how to sustain these practices in a way that does not affect the rights of employees in the public sector which may in turn affect employment relations. These issues will continue to attract future discussions about HRM in the public sector in Tanzania and elsewhere.

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