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Performance Contracts and Service Delivery in Rural Local Authorities: A Myth or a Reality

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Abstract:

Rural local authorities in Zimbabwe have been facing serious service delivery challenges which prompted the government to introduce performance contracts for management across the 92 local authorities throughout the country. In essence performance contracts can be used as a management tool to create accountability to the public for harnessing targeted results. The study sought to determine the reality of the contracts as a measure to harness service delivery challenges. The study adopted a case study approach of Umguza rural local authority. A sample of 50 participants was used, with data having been collected through the use of questionnaires and interviews. From these 50 respondents 30 were on performance contracts while 20 were non-managerial employees who were internal customers that knowledge of service delivery challenges. Results obtained indicated a stride towards enhanced service delivery through performance contracts albeit serious challenges threatening their effectiveness.

Keywords: *Performance contracts, Service, Delivery, Local Authority, Umguza*

1. Introduction

The current economic dispensation in Zimbabwe has been seized by an array of economic problems that has subsequently threatened the ability of local authorities to offer an enhanced service delivery (Gauya, 2015). This has adversely resulted in a massive outcry from the rate payers who in most local authorities endure months without clean running water, garbage flying across the streets, busting sewer pipes, poor road network, among an array of other related problems (Mambo, 2014). At the centre of this menace has been poor performance by local authorities' management to come up with long lasting solutions. In response to this the government of Zimbabwe in 2013 opted to transform and reform local authorities into vibrant entities through introducing performance contracts, (Hlabati, 2012). This was in line with ZIMASSET (Zimbabwe Agenda for Sustainable Socio-Economic Transformation), document that was launched in 2013 by the government as an economic blue print to guide the transformation of the country.

In general performance contracts form an effective part of contemporary tools used by organisations to manage employees. Performance contracts relate to employment relationship based on the achievement of tasks. In essence performance contracting constitutes a range of management instruments used to define responsibilities and expectations between parties to achieve mutually agreed results (Kogei, Magugui, Yano, Chepkemei, & Chebet, 2013). It is a useful tool for articulating clearer definitions of objectives and supporting innovative management, monitor and control methods and at the same time imparting managerial and operational autonomy to public service managers (Kogei, 2013). Service delivery is critical to rural local authorities as they are expected to pioneer development in their areas of jurisdiction in a transparent, accountable and responsive manner (Kurebwa, 2015). There are basic services that rural local authorities are mandated to provide and they include roads, clean water, healthcare services, sanitary related services, schools and productive management of natural resources (Kurebwa, 2015). Thus, performance contracts therefore act as a buffer to compel employees to meet their service delivery obligations.

(Kobia & Mohammed, 2006) suggest that performance based contracts are agreements made by two parties in a contract of employment/employment arrangement, in which the parties specify the mutually agreed performance obligations. (Mbua & Sarisar, 2013) propounds that a performance contract is a memorandum of understanding (MOU) rooted in an evaluation system, which not only looks at performance comprehensively but also ensures forces improvement of performance managements and industries by making the autonomy and accountability aspect clearer and more transparent. According to (Masuku, 2013) the government of Zimbabwe introduced Performance-based contracts (PBC) to senior government, parastatals and quasi-government institutions' executive officers in the year 2013. This was meant to support the government developed economic blue-print popularly known as ZIMASSET (Zimbabwe Agenda for Sustainable Socio-Economic Transformation) Kurebwa (2015). It was aimed at turning around the economy after the realisation that the Zimbabwean economy was only anchored by these government entities following the

collapse of the private sector. Thus, performance Contracts (PCs) were introduced in order to stimulate economic activity and increase performance of non-performing state enterprises and as a tool to bring innovation into the public sector (Masuku 2013). The call to speed up performance based contracts was further enunciated by the Public Policy Research Institute of Zimbabwe (PPRIZ 2013) which edged government to adopt performance based contracts as a way to ensure that services are provided to the public by both urban and rural councils. Amid these deafening calls the government implemented performance based contracts on rural local authority with the need to manage their performance through the introduction of the IRBM (Integrated Result Based Management) system (Masuku, 2013).

In introducing performance contracts in the rural local authorities, the Minister used the powers provided for and enshrined in the Rural District Councils Act [CAP. 29:13] in section 155 under the heading “Minister may direct certain actions”, in crafting a directive enforcing the introduction of performance contracts in local authorities. (Farawo, 2013) quoted the then Minister of Local Government, Public Works and National Housing as saying “*to this end I hereby direct, in terms of Section 155 of the Rural District Councils Act and Section 313 of the Urban Councils Act that all town clerks, secretaries, chief executive officers and heads of department will draw up and sign a performance contract according to Zim Asset’s (Zimbabwe Agenda for Sustainable Socio-Economic Transformation) key result areas for the managers and a copy of performance contracts should be lodged with ministry by December 31*”. This outlined the pieces of legislation from which the Minister derived the powers to introduce the new conditions of service for the local authorities’ managers.

1.1. Research Objectives

The study sought to assess whether the adoption of performance contracts in local authorities by the Zimbabwean government had a bearing on service delivery.

1.2. Theoretical Review

The research is theoretically guided by (Bandura, 1977)’s social cognitive theory. Social cognitive theory refers to a psychological model of behaviour which emphasize that learning occurs in a social context and that much of what is learned is gained through observation. (Bandura, 1977) contends that, personal, behavioural, and environmental factors influence one another in a bidirectional, reciprocal fashion. He further explains that, a person’s on-going functioning is a product of a continuous interaction between cognitive, behavioural, and contextual factors. The theory further suggests that people have an agency or ability to influence their own behaviour and the environment in a purposeful, goal-directed fashion (Bandura, 2001). Thus, according to the theory, learning can occur without an immediate change in behaviour or more broadly that learning and the demonstration of what has been learned are distinct processes. One reason for this separation is that SCT also assumes that learning involves not just the acquisition of new behaviours, but also of knowledge, cognitive skills, concepts, abstract rules, values, and other cognitive constructs. The theory fits well with the introduction of performance contracts as it depicts individual performance.

1.3. Empirical Review

(Lu, 2013) suggest that performance contracts are contemporary organisational management tools/policies that are adopted in order to ensure that organisations attain optimum benefits from the use of their human resources. The schemes are introduced or adopted in order to increase productivity, motivation, staff retention levels and as well as to attract talent, (Kurebwa, 2015). Performance contracts make use of performance management systems in order to relate employee performance to actual contract conditions (Madhekeni, 2012). (Qureshi, Shahjehan, Zia-ur-Rehman, & Afsar, 2010) defines Performance Management System (PMS) as ‘a strategic and integrated approach of conveying continued success to institutions by developing the people in a way that improves group and personal performance’. PMS provides an integrated and continuous approach for rewarding and managing performance through performance measurement.

(Kurebwa, 2015) is of the view that Performance contracts enhance service delivery in rural local authorities, as the contracts entail the use of various tools of assessing employee performance. (Makay, 2008) adds that “*no public sector can afford to overlook the importance of clearly defining its objectives and priorities, assessing performance against well-defined benchmarks, and changing the bureaucratic culture into one that stresses client service and achievement of results . . .*” Service delivery therefore suffers if performance is not managed hence the introduction of performance contracts and implementation or use of performance measurement systems lead to improved service delivery (Farawo, 2013). (Zvavahera, 2013) states that “performance management has to be the core of all organisations since it gives strategic direction and how resources are going to be distributed towards the achievement of set goals and objectives”. It is through performance management which is a key component of performance contracts that service delivery can be improved in rural local authorities (Farawo, 2013).

Performance contracts in the Zimbabwean context are anchored by the Integrated Results Based Management concept (Integrated Result Based Management) and basically intended to improve both employee and organisational performance. (Madhekeni, 2012) established that the need for RBM in Zimbabwe has been triggered by the problem of resource constraints, the quest for better quality and more responsive service delivery by members of the public, calls for politicians to be more people-sensitive and service-oriented, arguments for more effective resource allocation by financial controllers. (Madhekeni, 2012) also pointed out that demands by the private sector for improved services and infrastructure for development and growth, claims by donors for efficient and effective use of limited funds and the growing challenges of the globalised and competitive world. In as much as contemporary practices are of importance, introduction of performance contracts in rural local authorities was driven by the need for quality service delivery and accountability (Zvavahera, 2013).

1.4. Research Methodology

The research adopted a case study approach of Umguza rural district council, which introduced performance contracts for its management in the year 2013. The local authority employs over 95 employees and out of these, performance contracts directly affected 30 respondents. The researcher used the purposive sampling technique to achieve representativeness/ comparability. The method enabled the researcher to select the targeted group of employees who are employed under performance contracts. Convenience sampling was also used on 20 respondents who were not directly affected by performance contract but as internal customers could tell the improvements and challenges on service provision since their inception in 2013. Data was collected through the use of questionnaire and interviews. The first part of the questionnaire for all employees had a Likert scale. A total of 50 respondents participated in the study, constituting 53% of the total population. The respondents expressed freely their views on how the performance contracts operate and how it affected service delivery.

1.5. Findings and Discussions

The study established from the 30 (60%) respondents that all employees ranging from supervisors to managers were being given 1 year performance contracts. These employees were working in 5 key departments involved directly with service delivery. The departments represented were, social services department, engineering department, environment department, finance department and human resource department.

1.6. Procedure Followed in Setting Performance Targets

Through questionnaires distributed to 30 respondents who were on performance contracts the participants identified the following procedure that the council use in determining performance targets.

The respondents indicated that the first step the council take is to establish Council Goals. The respondents explained that each financial year the council sets a meeting with stakeholders. The major stakeholder being the government represented by the ministry of local government, business community, and different committee members representing citizens and the traditional leaders of Umguza. From this meeting council targets are officially agreed upon and adopted. The respondents went on to highlight that the council targets form the Chief Executive Officers' targets (CEO). In-order to achieve these targets the CEO would then sit with the Heads of Departments (HODs) setting their targets as well. The HODs further break the targets down to supervisors. In summary, the CEO sets together the targets of HODs, who in turn sets the targets of supervisors. The respondents also pointed out that the government circulated a template of a performance contract, that each individual would use to set targets, evaluate the targets to find if they were achieved and if not determine the reasons. To evaluate the performance the government introduced in all the 92 local authorities the Integrated Result Based Management performance management system. This was implemented through the human resource department. To facilitate this, government ensured that all relevant stakeholders were trained on both performance contracts and Result Based Management, through the relevant ministry.

1.7. The Legality of Performance Contracts in Rural Authorities

Participants to the study were of the view that performance contracts are deemed binding as they constitute an agreement mutually created by two parties with an objective of achieving a predetermined goal, hence making the contract legally binding and enforceable at law. Kogei, *et al* (2013:15) states that "a fundamental prerequisite for performance contracts is the introduction of sound policy, legal and regulatory reforms must be in place before performance contracts can take place". Based on this view, 40% of the participants mentioned the RDC Act [CAP 29:13] as the major legal framework in support of performance contracts in rural local authorities.

The Labour Act [CAP 28:01] and the results based management system (RBM) have provisions that impliedly push institutions to adopt such reforms in order to achieve their objectives. The Labour Act does not clearly refer to performance contracts but emphasizes the importance of performance on both parties to the contract of employment. From its provisions, performance of tasks is obligatory which therefore insinuate the need to develop strategies to ensure that indeed there is performance. Section 13 (1c) indicates that performance is an essential element of the contract of employment and one's failure to perform renders the contract irrelevant. The RBM system is not part of statute but just a management tool to achieve the organisation's objectives or goals; it however provides the rural local authorities with a tool to measure performance.

1.8. Rationale for Adopting Performance Contracts

The underlying reason raised by the most participants is that of improving service delivery through sustained performance improvement. Key to sustenance of performance improvement is accountability and elimination of corruption among key officers. According to (Wild, Chambers, King, & Harris, 2012), there are political and governance constraints/factors that affect service delivery in the public sector and one of the governance factors is accountability and transparency. Corruption among public sector/local authority officials has made accountability and transparency difficult or a thing of the past, as these officers usually make efforts to hide their under-dealings. Kogei, *et al* (2013) advances that anti-corruption reform strategies need to be enhanced at the same time creating reforms aimed at increasing bureaucratic quality and improving stability in order to eliminate corruption which affects capital inflows and lowers capital productivity.

Umguza management highlighted that one of the major reasons for adopting performance contracts for managers was the need to harness accountability. In general accountability is critical in the achievement of goals and reaching the operating standards in any business. With Performance Contracts, meaningful goals are set by the individual which help the team reach the collective goals for

the local authority. Responsibility starts with everyone's individual commitment toward achieving overall success. This is supported by, Hill and Gillespie (1996) who argue that performance contracts increase accountability because clear and explicit managerial targets, combined with managerial autonomy and incentives to perform, make it easier to establish the basis for managerial accountability and to achieve outputs.

Delivering quality service was pointed out by 90% of the respondents. They indicated that Umguza just like other rural authorities was facing serious performance challenges, with managers complaining of high levels of political interference which thwarted their operations, a situation posing serious service challenges. The main purpose of the performance contracts according to (Armstrong & Baron, 2004) is to ensure delivery of quality service to the public in a transparent manner for the survival of the organization. This explains why after facing viability challenges the government opted to introduce Performance Contracts. The idea of signing such contracts was tailor made to ensure that individual employees in their areas pay attention to detail in providing enhanced service delivery.

One key significance of performance contracts that was identified by respondents was the idea of mutuality between the council and managers. Supported by 80% of the respondents' key arguments centered on the joint setting of targets between the council and individual workers. These respondents pointed out that Performance Contracts were agreed upon before signing them. In-line with their views Hope (2001) points out that performance contracts specify the mutual performance obligations, intentions and the responsibilities, which a government requires public officials or management of public agencies or ministries to meet over a stated period of time. Through these Performance Contracts Umguza managers are paying attention to detail in pursuit of council targets. This has seen projects and targets achieved within the anticipated time frames.

Senior managers at Umguza pointed that the introduction of performance based contracts helped tremendously through enhancing customer service. This is in line with international trends in countries where performance contracts are equally in use. Gore (1996) recognizes the importance of performance contracts by admitting that in the United States federal government, performance contracts are in one way or the other changing the way many bosses do their jobs. (Gauya, 2015) believes that many managers have changed their attitude towards workers, which in turn has encouraged innovation and good customer service. For Umguza this was identified as massive improvements have been witnessed in different departments.

The local authorities are set to improve in their operations, since there has been a change of focus brought about performance contracts. There has been the positive identification of performance targets as per the mandate outlined in both the Constitution of Zimbabwe and the Rural District Councils Act [CAP 29:13]. Further, there has been the adoption of performance management tool in the form of the integrated results based management (IRBM). According to (Zvavahera, 2013), the RBM system integrates the human resource aspect with the financial aspect, linking them to the outcomes in order to improve the lives of communities through provision of quality service. RBM becomes a superior system solely because it covers the critical areas which include planning, which usually is done collectively by the parties concerned, Results Based Budgeting (RBB) which looks at the financial aspect of planning, Personnel Performance System (PPS) which basically is used to evaluate the actual performance of employees against set targets and Monitoring and Evaluation which is a continuous process done to ensure that all the aspects covered are effective and performing to desired standards.

2. Performance Contracts and Service Delivery

The study requested respondents through a Likert scale ranging from 1= strongly agree, 2=agree, 3=neutral, 4= disagree and 5=strongly disagree to indicate their views on how whether performance contracts enhance service delivery. Fig 1.1 below show the summary:

	Frequency	Percentage
Strongly Agree	12	40
Agree	8	27
Neutral	2	7
Disagree	3	10
Strongly Disagree	5	17
Total	30	100

Figure 1: Performance contracts and service delivery

Table 1 above suggest that 20 (67%) of the respondents on performance contracts were clear on the fact that performance contracts added value on service delivery. Through interviews they reiterated that Performance Contracts were forcing managers to fight hard to realise their intended targets. Key to this was the issue of utilising limited resources available for results. Given that these contracts are done on yearly basis their renewal was based on results obtained and the level of deviation from the expected targets. Thus, the respondents indicated that Performance Contracts resulted in managers in all departments fighting hard to impress the customers through providing clean water, roads, housing (servicing and allocating stands, refuse collection, health services and education. Only 2 (7%) remained neutral for unexplained reasons. Those that were of the view that Performance Contracts do not add value to service delivery as indicated on the Likert scale above were 8 (27%). Their views will be explained in detail below.

Fig 1.2 below shows the views by non-managerial employees who were selected as internal customers who after work enjoy the service delivery as part of the citizens. Of these 14(70%) of the respondents highlighted that service delivery changed for the better between 2014 to 2015 as evidenced by clean drinking water, graded roads in most areas, allocation of residential stands, fully serviced

by the council. Through interviews also the respondent further pointed out that the council constructed 9 additional blocks in 5 schools. Some respondents also identified an additional ward that was added at the clinic. The respondents indicated that the council was trying despite facing challenges. 1 (5%) respondents was neutral and only 23% of the respondents were of the opinion that change occurred but not as they expected.

	Frequency	Percentage
Strongly Agree	11	55
Agree	3	15
Neutral	1	5
Disagree	2	10
Strongly Disagree	4	13
Total	20	100

Figure 2: Employee (internal customers) views on service delivery

Performance contracts and service delivery in rural local authorities are of great importance in the attainment of strategic goals. (Mwandia, 2012) argued that “*the management of the Public Service has been a challenge and has been undergoing changes and evolving over time towards improved service delivery to the citizens and none has born better results than performance contracting*”. In light of the above, the view by most participants that there was correlation between performance contracts and service delivery proves to be true. However, suggestions are that for this relationship to be sustainable there should be effective performance measurement, adequate resources and targets sets should be attainable.

The reality of performance contracts is that they were adopted by rural local authorities earlier before any performance management or measurement system was put in place to effectively measure employee performance against set performance targets. However, the integrated results based management (IRBM) system has since been adopted. A Results-Based Management (RBM) system is a powerful tool that can be used to help policy-makers and decision makers track progress and demonstrate the impact of a given policy, programme or project (Madhekeni, 2012). The Result Based Management system ensures that local authorities are in a position to effectively manage performance of its managers in driving service delivery. Ultimately, the effective performance management will result in improved service delivery both in terms of efficiency and quality.

In order to ensure effective and sustained improvement in performance and service delivery, rural local authorities need to align its reward policies to business strategy. This entails rewarding efforts and behaviours leading to the attainment of the bottom line, which in a way represents the process of motivation. The process outlines how individual motivation occurs, wherein an individual creates or identifies a need and establish goals which will satisfy the needs and select behaviour trail which facilitates the achievement of the goal. Achievement of the goal results in the need being satisfied and the behaviour being repeated the next time a similar need emerges (Mwita, 2002). In this regard, alignment of rewards acts as a motivating factor in the performance of tasks hence the achievement of set goals.

The principle of performance contracting provides an original combination of increased operational autonomy in the field of service delivery and a better strategic control by the organization (Mulei & Orodho, 2014). It is the process of target setting which ensures operational autonomy where an individual is allowed to devise own strategies towards attainment of set goals in the process harnessing innovativeness and strategic alignment of activities and processes. The participating managers proffered differing views on the usefulness of Performance Contracts in enhancing service delivery but it was noted that most of these managers believed that Performance Contracts avail a very robust management tool, useful in ensuring the attainment of organisational goals. Local authorities are set to improve service delivery if Performance Contracts are well managed. They went on to identify basic characteristics of Performance Contracts as the most critical factors in ensuring service delivery such as joint setting of performance targets, which helps in clearly outlining expectations by both parties thereby reducing confusion caused by multiple objectives.

Mulei, *et al.* (2014) added that in order for one to check on the effectiveness of performance contracts in enhancing service delivery, one needs to check the four fronts namely the Human Resource Management, Financial Management and Cost Consciousness, Internal Organization and External Relations. Insofar as HRM is concerned the issues to do with disputes are minimised through Performance Contracts as these eliminate job ambiguity issues as they ensure that specific job targets are set for individuals. In terms of financial management and cost consciousness, the realisation is that in setting performance targets, resources required for the performance of tasks are budgeted for and allocated, making planning for resources more effective. Internal organisation basically look it structural aspects as well as processes while external relations mostly relate to relationships with suppliers and customers. Insofar as rural local authorities are concerned, the external relations with the politicians, stakeholders and clients are improved due to availability and provision of quality services.

Performance Contracts are a management tool for measuring performance against negotiated performance targets and specifies the mutual performance obligations, intentions and responsibilities of the two parties. Performance Contracts emphasize outputs instead of inputs, rules and aim at improved target-setting and follow-up (Mauya, 2015). Over 85% of the participating managers acknowledged that performance contracts provided rural local authorities with a powerful performance management tool, which if used appropriately may produce pleasant results capable of taking the rural local authorities to another level. Through agreed performance standards and measures, the employees' performance is solely aimed at achieving a predetermined objective.

2.1. Service Delivery Challenges Faced by Rural Local Authorities

The research established five (5) basic challenges believed to be hindering success in rural local authorities; these include ineffective revenue collection structures, lack of resources, corruption, performance monitoring and lack of equipment.

An ineffective revenue collection structure was identified by 56% of the managerial respondents. Ineffective revenue collection structures are stemming from the fact that rural local authorities operate in areas with the most vulnerable people in the country. It was also noted that in line with the above point, political influence is the biggest challenge affecting revenue collection, causing non-payment of rates, performance problems and ultimately very low service delivery. Respondents pointed out that in 2013, the Ministry sent out a circular number CX/58 (dated 23 July 2013), ordering LAs to cancel all debt by ratepayers. The move was political but it deterred all ratepayers from paying in anticipation of the same action in 2018, hence making the PCs more of a myth than a reality since LAs are operating with a lean budget. Even with the introduction of PCs nothing much was accomplished as most contracts were and are still affected by limited resources to sustain them hence defeating them.

It was also observed that LAs face the challenge of limited resources in the form of human, financial and material resources. Resources present a big challenge, as without them nothing can be done. Lack of capacity of local government (Local authorities as the third tier of government) to fulfil the aspirations of their communities are caused by lack of adequate resources, including inappropriate fiscal base, the usurpation of its power to raise internal revenue (Adeyemi, 2013). Performance Contracts require resources for them to enable organisations to attain set goals; if Rural District Councils fail to mobilise resources then Performance Contracts are doomed to fail. It is noted by the participants that material resources in some Rural District Councils are available but there is lack of human resources in terms of knowledge and skills. It therefore is of necessity for Rural District Councils to have competent employees in order to utilise the resources available to the benefit of the organisation and the communities hence making Performance Contracts more a myth than a reality.

Respondents also identified that lack of equipment especially plant equipment is a challenge to most rural Local Authorities, leading to failure by these entities to provide basic services like roads, water, schools and health facilities. Local authorities as agents of development are to use the funds available to them to improve on the lives of the people at the grassroots within the council's area of operation by initiating and attracting developmental projects such as provision of access roads, water, and rural electricity; communal services such as the construction of roads, bridges, and personal welfare in such area as education, housing, and health care service delivery system (Adeyemi, 2013). To avail most of these services, there is need to have the equipment and financial resources which enable Local Authorities to provide quality services to the communities.

Another challenge affecting Performance Contracts was the issue of corruption that was identified by respondents. Supervisors felt that some council members in their respective portfolios connived with business people and councillors to allocate themselves land, others pointed out that financial mismanagement was a serious challenge where the little revenue collected could be channelled towards personal use. This was viewed as a major draw back towards service delivery hence equally compromising the Performance Contracts, whose presents meant nothing but simply a myth.

Rural Local Authorities face challenges when it comes to performance monitoring. Performance monitoring ensures that employee performance is aligned to organisational strategic goals. This ensures attainment of set goals. There is also poor coordination of processes and activities. Rural District Councils achieve some of their goals through use of various agents, like government departments, Non-governmental organisations (NGOs) and other stakeholders. In that regard, therefore, there is need to effectively coordinate their activities and processes to ensure strategic alignment of activities and outcomes.

Performance management is the most critical characteristic or factor of Performance contracts, as it ensures the measurability of outcomes in order to ascertain the effectiveness of performance with regards to organisational goals. About 80% of the participating managers admitted that performance contracts are the best way of achieving effective performance management in rural local authorities. Their argument was based on that the tenets of performance contracts border around performance management. Much as the performance contract strives at attaining the bottom-line but the means to achieving that is through measurable performance of strategic tasks. (Gatero, Kerero, & Gakure, 2013) assert that "the relationship between Performance Contracts and Performance Management is that the former focuses on outcome and results while the latter is the integrating force that is concerned with what people do, how they do it and what they achieve". Performance management is traditionally viewed as an event used to assess past activities but performance contracts require that performance management and measurement become a process, so as to ensure effective attainment of goals. Through use of tools like performance monitoring and evaluation, employee performance is aligned to the strategic goals of the organisation.

2.2. Conclusion

Performance contracts present the best solution to the problem of inadequate service delivery in rural local authorities. The research has indicated that managers in rural local authorities acknowledge the significance of this tool in enhancing service delivery. Of note, is the fact that the government has opted for the introduction of performance contracts whose performance would be managed and measured through the results based management (RBM) system. The use of performance contracts is set to avail opportunities beyond the targeted outcomes as set by government, as this will inculcate a culture of performance in the public sector which is set to last more than the performance contracts themselves. The challenges identified focus on the administration side of performance contract which suggests that if therefore properly monitored positive results can be yielded.

2.3. Recommendations

Based on the discussion above the research proposes the following as recommendations, deliberate employment of qualified and skilled personnel through use of strategic recruitment and selection procedures, development of workplace performance management and measurement systems, effective management of performance contracts, improved coordination of activities and processes through alignment of the Acts and improved goal alignment between Rural District Councils and agencies and consultation and involvement of rural citizens in decision making on issues affecting their livelihoods, through budget consultations and community based planning, consultation. Performance contracts require adequate resources and therefore, rural local authorities needed financial resources to enable them to provide the required tools and equipment for employees to perform.

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