

The Influence of Strategic Management Practices towards Public Sector's Performance in Zanzibar.

¹Salim M. Hamza, ²Wang Guohua,

¹College of Public Administration, Huazhong University of Science and Technology,
1037Louyu Road, Hongshan District, Wuhan 430074, P.R. China

¹binhamza@gmail.com

²mpawin@hust.edu.cn

Abstract: *Effective public administration in the age of results-oriented management requires public agencies to develop a capacity for strategic management that integrates all major activities and functions and directs them toward advancing an organization's strategic agenda. Strategic management is concerned with strengthening the long-term viability and effectiveness of public sector organizations in terms of both substantive policy and management capacity. It integrates all other management processes to provide a systematic, coherent, and effective approach to establishing, attaining, monitoring and updating departments strategic objectives.*

In Zanzibar, the Strategic management context is now a government wide reform initiative. After a significant era of socio-economic reforms in 1980s, The Zanzibar Government commenced an expansive public sector reform in 2000s that including the introduction of strategic management initiatives that requires all public institutions to adopt strategic planning in their managing system. In line with this initiative, novel policy requires all public institutions to develop long term mission and vision, strategic goals and establish the intensity of resources required to accomplish the identified performance goals/objectives. The fundamental idea behind this reform was, first and leading, to support public service provision with the connected financial implications and result oriented. To that outcome public institutions are required to specify what they are doing, how they are undertaking it and with what fiscal implications. The methodology used by this work was 'Internet Search' and article review. The study conferred with different sources on the Internet to produce evidence, reality and tutorials that the author hoped to be learned with respect to the study. Where likely the websites of the specific source were visited, for instance website of some academic journal which only put resources in html format apart from documents or Pdf. The reviewed literatures are mostly available on the Internet. This paper focuses on analysing the use of strategic management in government sector in Zanzibar. And it will raise awareness of the central importance of strategic management in government, as well as define the critical elements in a holistic model of strategic planning. Also it will discuss the strategic management process, and clarify the relationship between strategic management and other management processes.

Keywords; strategic management, strategic planning, Public Sector, Performance

1. INTRODUCTION

Effective public administration in the age of results-oriented management requires public agencies to develop a capacity for strategic management that integrates all major activities and functions and directs them toward advancing an organization's strategic agenda. Strategic management is concerned with strengthening the long-term viability and effectiveness of public sector organizations in terms of both substantive policy and management capacity. It integrates all other management processes to provide a systematic, coherent, and effective approach to setting up, achieving, updating and monitoring, an institution's strategic objectives. Strategic management is an integrative by characteristics in term of (a) focusing attention crosswise functional divisions and all over various organizational levels on common objectives, issues and themes; (b) fastening internal management processes and program inventiveness to desired outcomes in the exterior environment; and (c) connecting tactical, operational and day-to-day decisions to longer run strategic objectives (Poister & Streib, 1999).

Strategic management has been addressed in the public administration literature (Koteen, 1989);(Nutt & Backoff, 1992); (Rabin, Miller, & Hildreth, 1989); (Steiss, 1985)but by no means as extensively as has its most critical component, strategic planning, or other management

approaches such as total quality management. It has become an attractive management tool to reformers, and (Bovaird & Tizard, 2009) argues that, for an organization to be without a strategy is to be seen as has no direction and incompetent. It is not an exaggeration to say that, the use of strategic management particularly in this era, when public organizations in Zanzibar are considered under- performing and uneconomical in their use of public resources, could, among other things, help to enhance public organization's image and legitimacy. The general frame of mind from the public is that, public managers must do more and better outcome with less, the situation that requires strategic thinking in order to reduce wastes. Expressing from the US perspective Berry (2001) noted that, extensive recession of the early 1990s impetuous the need to hold down the dimension of the government thereby forcing political leaders to instigate public sector's reform process that takes strategic management to its empathy (Berry, 2001).

While strategic management is now widely accepted and recognized, there are still sceptical minded people who see that strategic management is unfit for the public sector's management (Berry, 2001). This scepticism came up from the fact that traditionally, planning in the public sector have often ended unimplemented (the most critical problem in developing World include Zanzibar), meaning that planning

manuscripts often end up on the 'office shelves' while their contents are rarely implemented. (Berry, 2001) however, argues that the old traditional planning' and the current strategic planning efforts are different in four ways:

- ❖ The recent movement of strategic management place more prominence and consideration on external environmental factors, while the conventional model of planning tends to ignore this significant aspect of planning.
- ❖ While the current strategic planning recognizes its stakeholder and collects information from them for the purpose of integrating in the organizational decision making, this was not the custom in traditional planning model.
- ❖ While traditional planning was on short-term root the current strategic planning have a tendency to be on long term vision, e.g. a 5-year plans.
- ❖ While tradition plans may develop objectives, but often without plans of action while the current strategic thinking tends to be integrative, incorporation not only plans of action (implementation process) but also budgeting and quality management systems.

There seems to be a new determined enthusiasm in the public sector towards the use of strategic management approach. Although much has been written about the rise of strategic management approach, less has been documented on the issues raised by the introduction of strategic management in the public sector (Nutt & Backoff, 1993),(Green, 1998).In Tanzania Particularly Zanzibar from the given dynamic of political and institutional environment within which many public Organization operate, an effective strategic management capability is essential for maintaining and strengthening the fit between the organization and its public societies, by managing for results within a clearly defined perspective of mission, mandates, values, and vision. This study seeks to contribute to the ongoing research of the application of strategic management in public organization by exploring three enquiries relating to the introduction of strategic management in public institutions in Zanzibar-Tanzania. These questions are:

- a. To what extent Government institution in Zanzibar do use strategic management?
- b. To what extent is Government institution's strategic planning linked with the central government strategic plans?
- c. How the development of strategic management in the government sectors has given the impact on day to day activities?

1. AREA OF THE STUDY AND METHODOLOGY

This study was conducted in selected departments from Ministry of Trade and Industry in Zanzibar Tanzania and employed descriptive approach so as to explore appropriate fact-findings as it yields a great deal of accurate information. It is also a better approach which allows gathering required information at a particular point in a particular time hence used to describe the nature of the existing conditions. Specifically, the study focused on Strategic Management practices in the Department of Industry and BPR agency which is within the ministry. The Selection of these institutions were made on the basis that they have core activities that dealing with Strategic Management Practical functions in Zanzibar. The methodology used by this work was 'Internet Search' and article review. The study conferred with different sources on the Internet to produce evidence, reality and tutorials that the author hoped to be learned with respect to the study. Where likely the websites of the specific source were visited, for instance website of some academic journal which only put resources in html format apart from documents or Pdf. The reviewed literatures are mostly available on the Internet.

2. Strategic Planning and Strategic Management

Although strategic management often is examined as an expansion of strategic planning, and the two terms often are mystified and used interchangeably, they are by no means synonymous. The Strategic planning has been expressed as a tools that endeavour to produce necessary resolutions and activities that shape and organise what an association is, what it does, and why it does it (Bryson & Roering, 1988). It merges innovative thinking, objective analysis, and subjective assessment of goals and priorities to chart future courses of action that will ensure the long-run strength and effectiveness of the organization. In contrast to the more closed-system orientation of traditional long-range planning and conventional program planning, strategic planning is a "big picture" approaches that:

- ❖ Is concerned with classifying and responding to the most fundamental matters facing an organization;
- ❖ Addresses the subjective issue of purpose and the often competing values that manipulate mission and strategies;
- ❖ Emphasizes the magnitude of external trends and forces as they are likely to affect the agency and its mission;
- ❖ Attempts to be politically pragmatic by taking into account the anxieties and preferences within and especially external stakeholders;
- ❖ Relies deeply on the lively involvement of senior-level managers and sometimes elected officials, assisted by supporting staff where needed;
- ❖ Requires the sincere confrontation of significant issues by key participants to build commitment to plans; and

- ❖ Is action oriented and anxieties the significance of developing plans for implementing strategies;

Strategic management shares these same features, but it is a much more surrounding process that is concerned with managing an organization in a strategic manner on a continuing basis. Strategic planning is a key element but not the essence of strategic management, which also involves resource management, implementation, and control and evaluation (Halachmi, Hardy, & Rhoades, 1993); (Steiss, 1985).

Vinzant and Vinzant, (1996), characterizes strategic planning as the basis of strategic management, but they go on to say that "successful implementation of strategic management requires an assessment of organization competences in such areas as professional capability, authority, leadership, culture, structure, and managerial composition" (Vinzant & Vinzant, 1996).

Strategic management must provide a process for developing strategic plans and updating them periodically, which may involve a "strategic planning systems" approach layered down through functional divisions and operating units, but it also must provide the means for ensuring that strategic plans are implemented and monitored effectively.

Koteen, (1989), defines strategic management as a broad concept that "embraces the entire set of managerial decisions and actions that determine the long-run performance of an organization" (Koteen, 1989), whereas Toft, (1989) portrays it as "an advanced and coherent form of strategic thinking, attempting to extend strategic vision throughout all units of the organization, encompassing every administrative system" (Toft, 1989).

Strategic management does not occur when top executives micromanage operations to ensure uniformity; rather, it occurs when decisions and actions at all levels are driven by a few fundamental strategies or policies that are strongly endorsed as being critical for improving an agency's performance over the long run. A strategically managed public agency is one in which budgeting, performance measurement, human resource development, program management, and other management processes are guided by a strategic agenda that has been developed with a buy-in from key actors and communicated widely within the organization and among external constituencies. Strategic management is concerned with implementing strategies and measuring performance as well as monitoring trends and identifying emerging issues that might require strategic responses.

Strategic planning has gained widespread currency in government. Organizational managers nowadays view it as a precious tool for registering future directions in altering and sometimes chaotic environments. What was an exciting new tool for public managers three decades ago has become orthodox public management. A survey conducted by (Berry

& Wechsler, 1995) of state agencies found that 60% of them report using some form of strategic planning.

3. Managing Strategically in Government

In the fragmentary rush of activities, rival demands for attention, and the compress of daily decisions, focusing on a feasible and receptive strategic agenda as the core source of priorities, initiatives and direction, is of primary importance. A strong strategic management capability is essential because it provides both a short-term and a long-term sense of direction for a governmental agency relative to its internal and external environments, which could be shifting continually (Berry, 2001). Changes in societal needs, political trends, intergovernmental relations, fiscal conditions, and citizen expectations are likely to alter the mix of programmatic responsibilities and resource requirements facing both central and local governments (Berry, 2001). Anticipating these possibly substantial changes and adapting to them productively requires the type of forward-looking, flexible, and effective responses that a strong strategic management capacity can help to provide.

A common approach to developing organizational strategic planning has followed what is commonly referred to as SWOT (strength, weaknesses, Opportunities and threats) analysis (Bovaird & Tizard, 2009). This is the analysis of internal and external organizational environment so as to identify factors favourable and hostile to the success of organizational mission and vision. According to Vinzant & Vinzant, (1996), strategic management exist when an organizational go beyond normal planning and implement those planning in strategic way (Vinzant & Vinzant, 1996). They maintain that strategic management comprises on three interrelated element of processes:

- ❖ Strategic planning to find out; implementation, organizational objectives and goals strategies.
- ❖ Managing Resources to allocate and configure among units within an organization to implement the sated plans
- ❖ Evaluation and Control to ensure the implementation of the strategies

4. THE ROLE OF STRATEGIC MANAGEMENT

Strategic management is not a linear process of planning, implementation, and evaluation. Rather, it entails managing a public agency from a strategic perspective on an ongoing basis to ensure that strategic plans are kept current and that they are effectively driving other management processes. Strategic management requires the following: a). continual monitoring of the "fit" between the organization and its environment and tracking external trends and forces that are likely to affect the governmental jurisdiction or agency; b). shaping and communicating to both internal and external audiences a clear vision of the type of organization the governmental unit is striving to become; c). creating strategic agendas at various levels, and in all parts of the

organization, and ensuring that they become the driving force in all other decision making; and d). guiding all other management processes in an integrated manner to support and enhance these strategic agendas (Quinn & Rohrbaugh, 1981).

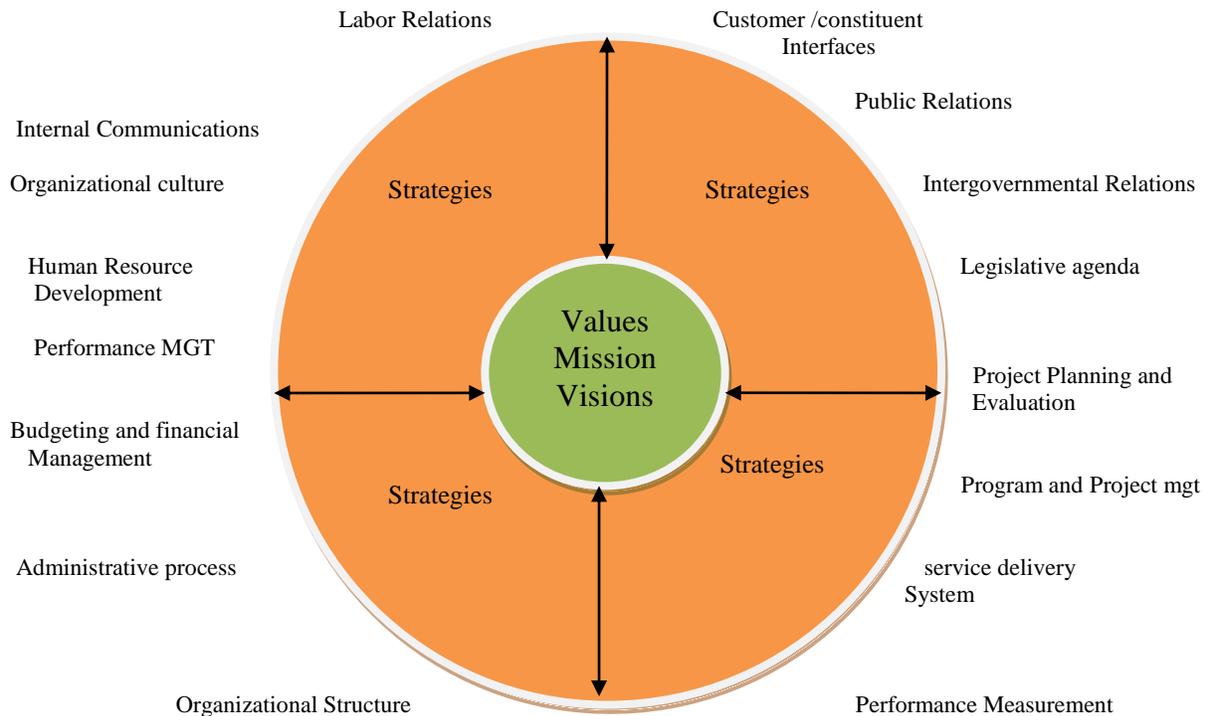
The overall rationale of strategic management is to develop a progressing commitment to the vision and mission of the association internally and in the authorizing surroundings, nurture and culture that identifies with and supports the mission and vision, and maintain a clear focus

on the organization's strategic agenda throughout all its decision processes and activities.

5. A Strategic Management Model

Figure 1 presents a model of strategic management that might be useful for many public managers. At its core are the underlying values that are most important to the agency, its mission within the governmental system and the communities or constituencies it serves, and a vision of what the organization should look like in the future.

Figure1. Strategic Management Model



For strategic management to be flourishing there should be a shared commitment to the Mission, Vision and values within both the governmental institution and agency role players as well as among the appropriate external stakeholders. Thus, an important part of strategic management entails developing and refining a clear sense of values, mission, and vision and working to build and maintain widespread ownership of them.

Around the outer ring of the model are a number of management responsibilities that must be coordinated in terms of their strategic implications to develop a strategic management capacity. These functions, which are meant to be illustrative rather than exhaustive, are organized roughly in accordance with the competing values model of organizational performance (Quinn & Rohrbaugh, 1981)). The elements shown in the upper right quadrant of the model all concern external relations including customer/ constituent

interfaces, public relations, intergovernmental relations, and a legislative agenda. In the lower right quadrant the management responsibilities concerning the programs and services provided by the agency or governmental unit including program planning and evaluation, service delivery systems, program and project management, and performance measurement. The lower left quadrant of the model concerns internal management functions including performance management, budgeting and financial management, administrative processes, and organizational structure. The upper left quadrant contains human relations elements concerning human resources development, organization culture, internal communications, and labour relations.

As indicated in Figure 1, there is a two-directional relationship between all these elements and the values, mission, and vision that are at the core of the strategic

management process. This model is best thought of as a constellation of key management functions revolving around the core values, mission, and vision of any public sector organization. The force that keeps them in orbit consists of the strategies that are being formulated, assessed, implemented, and evaluated on an ongoing basis. For example, strategic managers must be concerned with the relationships between external stakeholders and the organization's values, mission, vision, and strategies. External relations must be conducted with an eye to soliciting input for strategic planning or updating as well as building cooperative relationships for implementing and evaluating strategies. The strategic management team must ensure that its vision and strategies are communicated effectively to external constituencies to build and maintain public support for the department or agency and its strategic agenda. Also, there must be mechanisms and processes in place for soliciting and assessing feedback from these external stakeholders, including customers and constituents, the media and public at large, other governmental units and jurisdictions, and the relevant legislative bodies, to monitor trends and forces and to anticipate changes in the agency's environment that might affect its policies or the ability to serve its mission.

Regarding the lower right quadrant of the model, programs, projects, and service delivery systems often are the vehicles used for implementing strategic plans. On the other hand, the current status of programs, projects, and services on any number of dimensions such as priorities, targeting, quality, and efficiency and effectiveness often is a critical consideration in the identification of strategic issues and the development of strategies. Thus, the strategic management process must ensure that systems for program planning and evaluation, service delivery, program and project management, and performance measurement are driven by the agency's values, mission, and vision and that strategizing at various levels is informed by the feedback provided by these systems.

Similarly, those who are responsible for strategic management must ensure that budgeting and financial management systems, performance management, and other administrative processes are designed to facilitate the strategic plan's implementation and reinforce strategy that have focus development throughout the governmental unit which have designed and used appropriately. These systems also can provide information that is indispensable for further strategic planning, assessment, and evaluation. Strategic managers also need to be aware of the linkages between strategy and structure. They must recognize that purposeful structuring can facilitate strategy implementation and that the reporting relationships inherent in structure could facilitate or impede the feedback of information that could be vital for further strategic planning and evaluation.

Finally, in the upper left quadrant of the model, the strategic management team must be critically concerned with the human resources and the internal relational aspects of the agency or jurisdiction. A primary challenge for strategic managers is to monitor the organizational climate continually and to nurture a culture that is responsive to purposeful change and attuned to the values, mission, and vision that are at the core of the process. Strategic managers also need to establish performance management systems and human resource development programs that are conducive to implementing new strategies in terms of both motivation and capabilities. Moreover, successful strategic management requires the development and dissemination of innovations and encourages the flow of useful feedback from managers and employees regarding the viability and effectiveness of strategies. These communication channels also can be used to "sell" new initiatives and develop a strong shared commitment to strategies and their underlying premises throughout the organization.

6. TOWARDS PUBLIC SECTORS STRATEGIC MANAGEMENT IN ZANZIBAR

The past three decades or so has been a period of extensive reforms in Tanzania notable Zanzibar. It is quite rare to see what is not being reformed. The triggers and enthusiasms for reforms are understandable for Zanzibar, which has now fully embraced liberal economic policies, after abandoning its socialist policies in the later 1980s. As Zanzibar continue to reorient itself from socialist institutional set up to liberal social-economic setup, there certainly were and are so many types of reforms that are being undertaking, the situation that encouraged one scholar to characterize Tanzania as painful from '*projectitis*' where more than 2000 donor-funded reform projects/programmes appeared in the state development budget (Therkildsen, 2000). For the purpose of this paper the focus will be on one of the component of this *projectitis* on the public sector's reforms, of which strategic management is its core element.

The decision of promoting Strategic management in Zanzibar was made by the government, with the help of partnership with other stakeholders during the implementation of development activities (Revolutionary Government of Zanzibar, 2007). For example, from 2000, the Revolutionary Government of Zanzibar with the assistance of or in association with various partners undertook a number of studies (diagnostic study) as preparations for joint strategic initiatives in fighting poverty. These studies were intended to complement the Poverty Reduction Plan which was launched in May 2002. Those studies included; Zanzibar Financial Accountability, Zanzibar Public Expenditure Review, Zanzibar Procurement Assessment Report and Good Governance Strategic Plan.

Although each study had concentrated in specific policy area, almost all studies identified some issues and challenges that associated with strategic plans indicators which were eventually used as tools to formulate the future Plans and

improve Strategic management practices in Zanzibar. Numbers of important documents were developed with the aim of showing proper action plans. These include Zanzibar Growth Strategy (ZGS), Medium Term Expenditure Framework (MTEF), Zanzibar Poverty Reduction Strategy (which commonly known as MKUZA I and II), just to mention the few (Revolutionary Government of Zanzibar, 2010).

6.1. The origins of Strategic Management in Zanzibar-Tanzania

Essentially, strategic management is a medium for providing forward-looking leadership regarding the most primary issues of concern to an organization and its environment in a very determined, systematic, and effective manner. At the compass of the process is "the collective of strategic management agenda that changes as an organization's problems and opportunities. Effective strategic management requires intensive, incessant, and collective involvement of senior management"(Eadie & Steinbacher, 1985).

The introduction of strategic management in Zanzibar in the early 2000s was preceded by a number of important policy decisions. First, after a reasonable period of social economic, the government decided to review its national development goals, a decision prompted by the fact that while, it was realized that reforms that have been taken enabled the country to move into the right path of liberal economic policies that resulted the economic growth being recorded steadily, at least 6% annually (Mongula, 2006) , the government also realized that there were another puzzles that needs to be addressed that is :

“The rising levels of poverty in the expression of a rapidly growing economy. There were emerging agreement among politicians in Tanzania that the poverty reduction issue needed a special and deliberate government attention and a policy direction” (Rugumyamheto, 2004).

Externally, this was also a time in which donors were facing ferocious criticisms for not doing enough to address poverty in their development aid programmes and policies. In response to those criticisms donors started to directly link their economic assistance to the government’s efforts to address poverty reductions issues (Grindle, 2004). Following these realizations the government supported by donors, embarked on developing a variety of policies to address poverty issues and to align both efforts and national

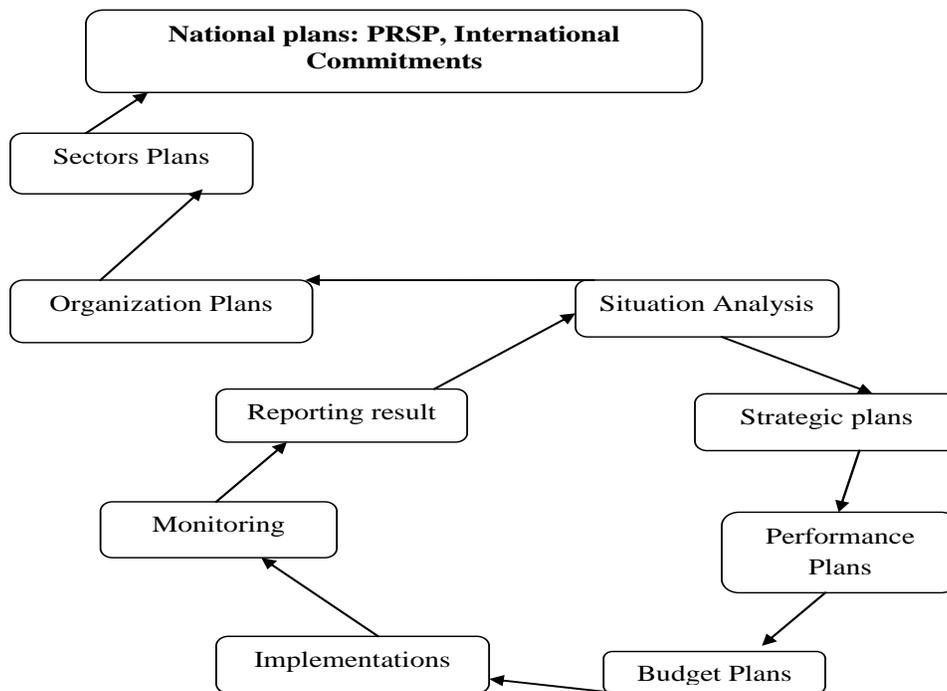
resources to that effect. The National Poverty Eradication Strategy (NPES) and The Tanzania Development Vision 2025 were both developed in 1997, setting out both economic and social objectives to be attained in the long run. The Poverty Reduction Strategy Paper (PRSP) that followed in 2000, have detailed more concrete medium-term and short-term strategies and goals. The Tanzania National development Vision 2025 looked forward to imbue with five main aspects:

- ❖ The standard quality livelihood for its citizens
- ❖ Unity , stability and Peace,
- ❖ Good governance
- ❖ A well knowledgeable and educated society; and
- ❖ A competitive economy which are capable in developing sustainable growth and equally shared benefits to all.

These two strategic policy issues became or are the central building blocks of Tanzanian strategic plans and every institution is required to reflect the aims of these policies in their strategic planning. Donors were concern that possessions were not efficiently and economically used to address poverty reduction. Budgetary reforms and strategic planning became essential component for other reforms such as poverty reduction efforts to succeed (RGoZ, 2015).

In this consideration the Tanzanian government introduced the results oriented budgetary system in attempts to funding ‘outputs’ instead of process and inputs. These efforts were later merged in a budgetary reform called Medium Term Expenditure Framework (MTEF) commenced by donors and the Treasury. The aim was not only to control public expenditure but to link public resource allocation(Budget) to public service outcomes (Rugumyamheto, 2004);(Ronsholt & Andrews, 2005) . As (Ronsholt & Andrews, 2005) argued the aim of this reform was ‘...to ensure that the poverty reduction strategies developed through the Vision 2025, NPES and PRSP actually translate into operational reality through the budget process. The MTEF has been the major financial reform in Tanzania recently. It involves the adoption of objectives into the budget, the development of sector spending limits and bottom line projections of expenditures and revenues (with improved activity-based costing devices introduced), and annual expenditure estimations.

Figure 2: Strategic Planning cycles in Tanzanian public sector



Sources: adapted from PO-PSM, State of the Public service Report 2014.

The most important feature of the MTEF initiative is the incorporation of budgeting and planning system as well as public policy making process within a medium term standpoint. Together with this reform scheme it requires that, all public organizations (Ministries, core departments and Agencies (MDAs)) to develop their strategic plan that shows how their projects are integrative to national poverty reduction strategy. Furthermore, they are required to point out actual action plans for implementing their prescribed strategies and linking those strategies to expected outputs as well as fiscal requirements.

7. RESULTS

7.1. The implementation of strategic Management in Zanzibar

To a large extent, strategic management is concerned with managing various functions in the organisation to a coordinated fashion at the highest levels so that they will complement and reinforce each other in moving the public organization in a particular direction (ZIFA, 2014). In this section we first present findings on whether or not strategic management has been introduced in the two departments and in their parent ministry. In relation to that, we will also describe the process of strategic management development in the departments studied as well as in their parent ministry

7.1.1. Ministry of Trade and Industry (MTI)

This is one of the several ministries in Zanzibar. Its mission is to facilitate the development of sustainable industry and trade sectors through creation of enabling environment and provision of improved services. The ministry began developing strategic plans by the basis of three years strategic plans, the last three year strategic planning, covering the period from 2014-2017, was prepared through an extensive consultative process. This process involved various experienced employees of the ministry, exterior consultants (from internal and external country and the private sectors) as well as other important stakeholders.

As noted above the new public sector management approach is that all public organizations must develop strategic plans, indicate their performance goals, establish expenditure estimates to accomplish those objectives and finally to link their budgetary requirement to the government-wide Medium Term Expenditure Framework (MTEF), managed by the treasury.

The ministry is now operating on the 2017- 2020 strategic plan. The recent strategic plan has an extremely similar content and structure, even though its performance objectives are more detailed. Its outlines analysis shows the following input features:

- ❖ A review of ministries consent
- ❖ A review of key functions of the ministry
- ❖ Situational analysis work out (the SWOT of the ministry)

- ❖ Establishment of ministry’s vision, mission and core values
- ❖ Development of performance goals, objectives and performance targets
- ❖ The implementation of the selected performance objectives in line with the annual budgets, and
- ❖ Monitoring and evaluation of the stated plans of action..

The ministry insists that their strategic plan is based on the requirement set by the government in line with the broader national development plans (the Vision 2020 and Poverty reduction policy) (MTI, 2017). This suggests that strategic management is not a choice for ministries and agencies but a compulsory exercise imposed on them by the government and ruling party’s manifesto.

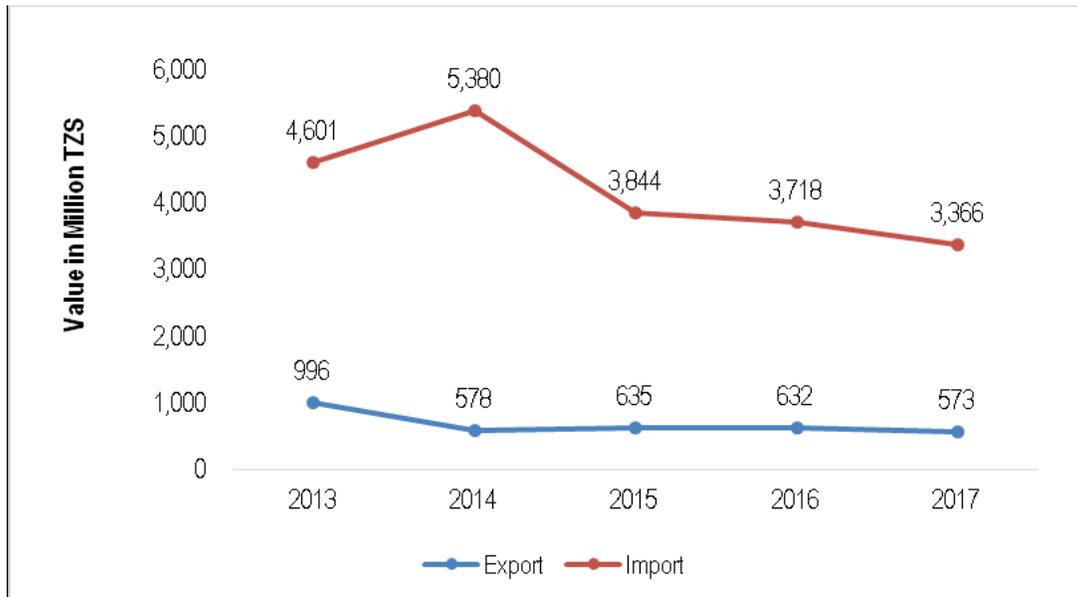
For example in order to contribute and support the expanded national development goals, the ministry’s aim is to improve industrial production, improve marketing systems as well as increasing conducive business atmosphere and exports. The performances objectives of the ministry have been categorised in to five aspects are developed around those aims. These objectives are:

- a) Production of quality products and services by large industries,

- b) Enhancing trade and business opportunities for goods and services,
- c) Technological development and innovation that will support and develop large industries,
- d) To improve the employee health care by reducing the rate of HIV/AIDS infection to the staffs,
- e) To improve effective service delivery by the ministry. (MTI, 2017)

All in all, the ministry of Trade and Industry has progressed in developing a fully blown strategic planning, although as we shall see later that, the extent to which all elements of strategic planning shown in their document for implementations is different story. For instance, One of its mandate, the ministry is to encourage and promote the balance of trade within the country, historically Zanzibar was the hub of business transaction within the East south African counties but this situation now has been tremendously deteriorated the deficit balance of trade is very huge see figure 3 below which is not good for a small country like Zanzibar, strategically this situation has to be addressed and solved.

Figure 3: Business conduct between Zanzibar and SADC Community countries 2013-2017



Source: adopted from OCGS 2018

However, as it has been explained earlier own that, the strategic planning process in most of the public organisation is just as shelves decorations documents, this process might take long time to be overcome. For example the ministry admits that it has not been able to fully implement elements of its strategic plans, particularly issues related to monitoring and evaluating the effective implementation of organizational plans and objectives.

7.1.2. Strategic Management in Industrial Department

This is one of the key departments of the ministry of Trade and Industry. The main goals of establishing this department was to build industrial economies that can stimulate economic transformation and bring development to the people. The industrial economy, helps to formalize the

informal sector reduce imports, increase imports, building value Chains that are essential for stimulating raw materials processing , stimulating new products and new markets, increasing employment, increasing the tax base and ultimately increasing Government revenue collections.

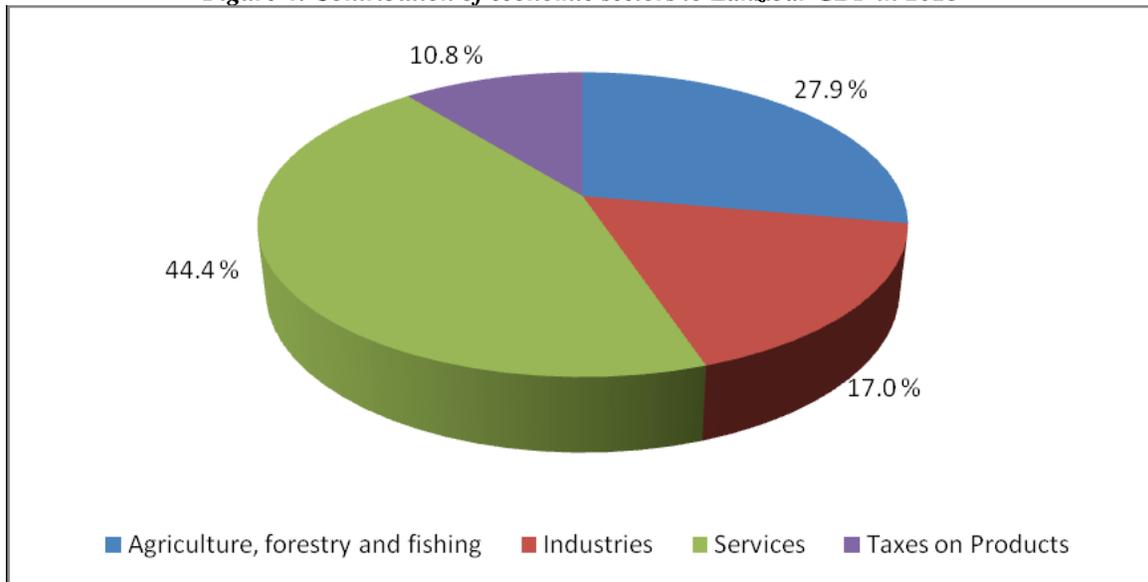
The department developed its strategic plan in three years bases and put it in to operation. This is a three year strategic plans and the content analysis shows that its process of creation followed a model similar to that of its parent ministry.

Following that model, the department has to review its mandates, core functions, undertook SWOTS, developed specific performance objectives and annual achievement indicators. For instance in the 2014-2017 strategic plan, the agency had 3 key performance objectives or what it called the Key Result Areas (KRAs). For each KRA operational implementation measures are also shown, that is, how each objective is to be implemented, the targets for implementation, time frame and the actual expected output

indicators alongside with the successive implementations of those goals are to assessed .

What is however missing, in the department strategic plan is the monitoring and evaluation of its strategic plans. There is no mentioning of who and how the implementation of those strategic plans is going to be monitored. This may not be considered as an oversight or a naivety of the department, for after all, it is the responsibility of the parent ministry to monitor and evaluate department performance, something that is lacking in Zanzibar. There is also concern in the agency that despite its effort to develop strategic plans with clear performance goals and annual target, there were no enough resources to accomplish these goals as a result the country economic contribution from the industry is still low (17%) of the total GDP of the country see figure 4 below . The department is really facing financial constraints (it quite under-funded) and that the danger is to return to the ‘old days’ where plans are developed and put on ‘the cabins/shelves’ due to the lack of required assets to implement.

Figure 4: Contribution of economic sectors to Zanzibar GDP in 2018



Source: Adopted from MTI Budget report 2018

7.1.3. Business and Property Registrations Agency (BPRA)

The Business and Property Registrations Agency (BPRA) is yet another executive agency under the Ministry of Trade and Industry (MTI) in Zanzibar. BPRA was established under the act No 13 of 2012 in order to replace the function of the Registrar General’s office (RGO). The aim of the Agency is to ensure that businesses operate in accordance with the laid down regulations and sound commercial principles (Revolutionary Government of Zanzibar, 2015)

Its key mandates are registration of both foreign and local companies; business names registrations; Trade and

service marks registrations; patent right granting; and industrial licensing. The process of developing strategic planning in this agency followed the same pattern described in the case of its parent ministry (MTI, 2017). Perhaps a point to be noted here is that this agency also depends on its parent ministry for its operational budget. Thought it generates internal revenues but it is sufficient to meet its annual budgetary requirement for operational issues. For assets expenditure and long run strategic investment, to a large extent is dependent of government financial support.

7.2. The influence of Strategic Management in the studied Public Agencies

Strategic management is a functional exercise that has to go beyond the process of producing strategic ideas and official documents. These ideas and plans indicated in the strategic planning documents have to be put to practice (RGoZ 2011). One of the condemnations of the government traditional plans was the lack of implementation of strategic plans. The current initiatives to strategic planning seek to go beyond the older traditions. In this section we will report on the implementation and the use of strategic plans in Zanzibar.

We used documentary situation analysis to grasp the extent of implementation and the use of this strategic management. The documentary analysis indicates that all the two executive agencies and the ministry of Industry and Trade have tried to implement many aspects of their strategic plans. We noted that at least these organizations have taken concrete steps in trying to develop new management techniques such as the development of performance goals, some forms of performance indicators against which the agency’ annual performance results can be assessed. There is also an emerging culture in the agencies, in the sense that agencies are free to discuss their strategic plans openly and these documents are publicly available to researchers and other users. These strategic planning files consist of all required elements of a significant strategic planning document. It is also interesting to reminder that all agencies have allied their strategic plans with their fiscal management system.

This means that at least institutions annual budgets are tied (linked) to their expecting performance goals. Aligning plans to budgetary requirement is however different from getting (receiving) the actual budget for accomplishing the planned activities. In Zanzibar the gap between what public organizations plans to do, their financial requirement to accomplishment and the actual funds released by the government to the implementing agencies is huge.

One of the most notable weaknesses of strategic management in the organizations surveyed and probably in the entire public sector in Zanzibar is the lack of monitoring and evaluation of what has been planned to be accomplished. Although monitoring and evaluation is often mentioned and put as important component in the content of organizational strategic plans, in actual practice monitoring and evaluation is rather weak in all agencies.

7.3. The Constraints of Strategic Planning in Zanzibar

The introduction of strategic management in Zanzibar is faced with several problems and some of these have been noted by agencies themselves.

Firstly is in adequate fund; for instance in one of its annual report, the Industrial Department in Zanzibar mentioned the financial problems as seriously hampering its effort to realize its strategic plans. Inadequate funding is one of the serious problems for the development of strategic plans of the Department (MTI, 2019). For example when addressing the

Ministry’s financial Revenue and expenditure during the financial budgeting years at the House of Representatives in Zanzibar from 2016/2017 to 2018/2019 see table 1 below. The Industrial department shows the funding problems it faces on developing its strategic plans. It shows the deficit budget in every financial year that the amount they requested from central Government treasury is below 50% on average yearly.

Table 1: Financial Expenditure of Industrial Department in Zanzibar

Financial Year	Amount requested in Tsh (Millions)	Amount Received in Tsh (millions)	Percentage Received
2016/2017	354.43	214.67	61%
2017/2018	912.58	305.97	33.53%
2018/2019	3,831.14	1,240.00	32%

Source: Adopted from MTI Budgeting report from 2016/2017 -2018/2019

Problems related to funding are almost in every public sector organization in Zanzibar. In our study of almost all executive agencies in Zanzibar, none could say with certainty that they have sufficient funds to undertake their mandated functions and the fact is always that the gap between what the agency’s request from the government as their annual budget and what their actually receive is quite big. It is also important to highlight that all public organizations in Zanzibar operate on cash budget, meaning that the government disburse funds to implementing agencies on the basis of monthly tax collection, and the level of disbursement is determined by the level of tax collected by the treasury in a months. This situation creates budgetary unpredictability for many organizations

Second pitfall of strategic planning in Zanzibar is the issue of coordination and control of government- wide plans. In this case, it seems that government institutions are short of coordination capacity, but also institutions see it as not necessary to link their strategic plan directly with those of other ministries. As noted above in our analysis of the content of strategic planning in the Ministry of Industry and Trade that, the institutions strategic plans were not directly integrated into other ministry’s strategic plans. While the ministry has developed an expressive and well structured strategic plan, indicating responsibility of each of its department in accomplishing performance objectives set up the ministry’s strategic plans, there was no revealing of the agencies’ role to that effect. This can be described as the decoupling of strategic management in which the government-wide strategic plans are not centrally coordinated (Sulle, 2009).

Also the problem that we noted with regard to the implementation strategic plans is that of resistance to reform.

There are several ways of explaining resistance to reform, but as noted earlier, public service culture is at the centre of that resistance. At the outset one could say that the very bureaucratic culture is incompatible with the principles of strategic management. Much is known of Weberian bureaucratic characteristics such as hierarchical structures, task divisions, formalized rules, procedures and probity all of which have resulted in what could be called as unique bureaucratic culture such as the culture of conformity or the culture of processes (Claver, Llopis, Gascó, Molina, & Conca, 1999).

These cultural elements are change averse and that why traditionally public sector changes have been incremental and slow (Christensen & Læg Reid, 1999). Other constituents of culture are organizations or country specific environment. One of the most noticeable cultural elements in the public administration in Zanzibar is the lack performance accountability and control. This is entrenched (embedded) in the public sector management behaviour. This behaviour is hindering several reform initiatives such as the introduction of performance monitoring, strategic planning and most recent an initiation called Open Performance Review and Appraisal System (OPRAS) introduced in 2004 (Bana & Shitindi, 2009).

The aims of OPRAS were link individual employees' performance objectives to that of its Unit. In other words, it cascade organizational performance objectives down to the individual staff's performance objectives so that the two are harmonized. It also help the process of annual performance appraisal because staff will be assessed purely on the basis of performance objectives agreed and signed at the beginning of the year between him and his/her supervisor.

8. CONCLUSION & RECOMMENDATIONS

In this paper we have explored the application of strategic management in Zanzibar public sectors. We noted that the development of strategic plan was not the choice of these organisations but was an order from the central government. In response to growing demands for public accountability, fiscal conservatism, and increased legislative oversight as well as professional imperatives for proactive leadership, improved performance, and a public service orientation, public management scholars and practitioners have been coalescing for quite some time around the theme of managing for results. This article argues that in public organization of any size and complexity, it is impossible to direct for results in the long or short run without a glowing-developed integrations for strategic management. Indeed, on a macro level, strategic management, with its emphasis on developing and implementing a strategic agenda is synonymous with managing for results. Whereas treatments of more specific tools such as strategic planning, performance measurement, quality improvement, work process reengineering, and results-based budgeting have been more prevalent in the public administration literature, strategic management is the innermost integrative process

that gives the institution a sense of direction and ensures a concerted effort to achieve strategic goals and objectives. A strategically managed public agency is one in which budgeting, performance management, human resource development, program management, and other management processes are guided by a strategic agenda that has been developed with a buy-in from key stakeholders and communicated widely within the organization and among external constituencies

Public managers have a number of levers at their disposal for influencing people and programs and bringing about organizational change, but they cannot be used effectively without a clear sense of mission, values, vision, and overall strategy. The model presented in Figure 1 conveys the essence of strategic management as the integrative force that guides and disciplines a wide array of management processes to move in a unified direction in a number of different arenas. The two directional flows of influence and sensitivity between an agency's strategic agenda and the constellation of processes and associated stakeholders surrounding it reflect the dynamic nature of strategic management.

More than any other single approach in the public manager's tool kit, strategic management is the most fundamental, and the most critical, process for producing results in the challenging and increasingly competitive environment in which most public managers work. Many governmental units and agencies have some of the pieces in place, but relatively few actually have developed full-fledged strategic management systems that truly integrate all major functions and management processes and direct them toward defining and advancing an organization's strategic agenda. Thus, public managers who are committed to results-oriented management will have to get serious about developing an effective capacity for strategic management in their agencies.

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