

### MAINSTREAMING MANAGING FOR DEVELOPMENT RESULTS

#### Where Do We Start? Lessons from Tanzania

*From the African Community of Practice on Management for Development Results at the African Capacity Building Foundation*



Case Study  
N°77

#### SYNOPSIS

Managing for Development Results (MfDR) is one of the key development approaches expected to assist African countries in achieving the Sustainable Development Goals. MfDR has been used mostly in the international development organizations and by some African countries. This case study features the challenges and lessons that the Tanzanian government faced while trying to mainstream MfDR principles in delivering public services. The objective is to share knowledge so that other African countries with similar goals of mainstreaming MfDR can avoid policy pitfalls. It describes approaches and techniques mainly in areas where Tanzania has done well: leadership, planning, and institutional capacity.

**Key findings.** The government prioritized in its Big Results Now strategy only six sectors. This allowed the effective use of limited available resources and provided space for experimenting and learning.

**Key lessons.** Strong support from both the top and lower leadership levels is necessary to ensure that MfDR implementation is steady and sustainable. MfDR reforms must be prioritized by the state and must complement existing initiatives, strategies, and national development plans, as in Tanzania.

**Key recommendations.** Building the capacity of institutions and human resources for MfDR is critical and African capacity building institutions should help in providing training and access to operational capacity and business systems, empowering leaders to test new approaches that can enhance MfDR in their organizations.

#### Introduction

This case study describes in detail the achievements of the Tanzanian government in mainstreaming MfDR principles and practices. Following the 2005 Paris Declaration on Aid Effectiveness, Managing for Development Results (MfDR) emerged as a central methodological tool for reinforcing development results, leading, for the last years, to an increased adoption of results oriented policies and strategies by the African countries. As described by the information sheet, MfDr is not purely technical: it is a way of thinking and acting that evolves with practice and from lessons learned. It is therefore

expected that Tanzania's experience will inform that of other African countries.

The implementation of MfDR in Africa and elsewhere is well documented. This case study relied primarily on published materials and reports by the government, development partners, and international and regional bodies. Qualitative and quantitative techniques were applied in data analysis.

**What is Managing for Development Results?**

MfDR focuses on using performance information to improve decision making and gears an organization toward achieving development outcomes. It involves using integrated results-oriented tools and methodologies for better: Leadership, Monitoring and Evaluation, Accountability and Partnerships, Planning and Budgeting, and Statistics.

MfDR is not purely technical: it is a way of thinking and acting that evolves with practice and from lessons learned (AfrK4R 2014).

**Background**

All over the world, governments have found it essential to provide evidence-based information on public sector performance to meet the public's needs to know, create political transparency, and learn ways to improve their performance. Development partners are also working to support governments to achieve these goals. The provision of meaningful and timely information on performance also encourages emphasis on planning and offers good indications of what is working in government—and what is not. This trend has been driven by growing public demand for information, combined with increasing spending constraints. In the global community, action on MfDR has been in three broad areas: strengthening country capacity to manage for results; improving the relevance and effectiveness of aid; and fostering a global partnership.

**What is the importance of managing for development results?**

The MfDR approach has emerged as a centerpiece of global efforts to improve the effectiveness of public management and is widely perceived to represent best practice in this field. It is increasingly applied in developing countries and parallels a movement in many Organisation for Economic Co-operation and Development countries known as results-based management.

MfDR centers on gearing all human, financial, technological, and natural resources—domestic and external—to development results. It shifts the focus from inputs to measurable results at all phases of the development process. It focuses on providing sound information to improve decision making. This entails tracking progress and managing business on the basis of solid evidence and in a way that will maximize the achievement of results.

MfDR implies that goals are clear, measurable, limited in number, and concrete, with time-bound targets. They must be expressed in human terms, as development outcomes.

The “MfDR cycle” involves five core components or stages:

- Setting goals and agreeing on targets and strategies.
- Allocating the available resources to activities that will contribute to the achievement of the desired results.
- Monitoring and evaluating whether the resources allocated are making the intended difference.
- Reporting on performance to the public.
- Feeding back information into decision making.

**The case study**

The literature indicates that the development of a performance culture and the full implementation of MfDR is not easy. A lot of effort is required to create the internal preconditions for results management through targeted organizational and human resource development. However, capacity development is not enough. Firm leadership and political will over a long period of time are also essential if these capacities are to be developed and used in MfDR. Leadership in setting the course and constantly clarifying the core functions and objectives of an organization is fundamental. Leadership is vital in providing the model for the

behavior and attitudes needed to support a results orientation. The Tanzanian case focuses on three of the six main areas of MfDR performance.

### Leadership for results

Managing for development results requires leadership to set and achieve goals. More specifically, a serious MfDR process requires committed individuals willing to spend political capital to reform entrenched systems, shape a shared vision of the future, and improve government performance. These are not “flashy” causes, and they take time to accomplish. They require leaders with the integrity to persist in the face of challenges. Experience suggests that there are at least six important MfDR leadership functions:

- Generating solid commitment to enhance the ability of government agencies to manage for results.
- Building broad support for national plans that include results and articulate outcomes and targets.
- Demonstrating by deed as well as by declaration that evidence about results informs policy and budget priorities, and is used for learning to improve performance.
- Mobilizing the human and financial resources needed to get the job done.
- Motivating and empowering people to work together to achieve key results.
- Creating an organizational culture in which having information about performance and results is a priority and performance information is reported candidly and used for improvement, not punishment.

#### ***Tanzania's experience***

For years Tanzania has been the most stable and peaceful country in the region, with democratic

elections conducted every five years. Multiparty democracy was reintroduced in 1992 and the ways in which the political leadership is elected is open and transparent.<sup>1</sup>

At the regional level, there is plenty of scope in Tanzania to address issues affecting citizens' welfare. The private sector and civil society have had ample opportunity to discuss regional policies through the establishment of the East African Community. The national authorities for implementation of regional programs are clearly defined. Tanzania has a dedicated ministry of foreign affairs and regional cooperation that is responsible for coordinating regional integration, and each ministry implements the regional integration policies and programs that fall within its mandate.

Tanzania languishes in the bottom third of Transparency International's corruption index. Despite abundant natural resources and being the second-largest aid recipient in Sub-Saharan Africa, poverty remains endemic, with 70 percent of the population living on less than \$2 a day. This is one of the reasons the new president—elected in October 2015—is keen to establish the rule of law and good governance. The message President Magufuli is sending is that public funds should be used well. He is trying to change the perception that Africa is the leader in corruption and is saying that Africa can stop corruption.

In February 2016, the president made an impromptu visit to the maternity ward at Muhimbili National Hospital in Dar es Salaam, a few days after assuming power. He saw newly delivered mothers sleeping on the floor for lack of beds and space. In less than one week, in response to this challenge, the national Medical Stores Department handed over health equipment and supplies to the Muhimbili National Hospital worth TSh 88.7 million.

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<sup>1</sup> AfriK4R 2015 assessment report on state of MfDR in the COMESA and associate countries.

## Planning for results

MfDR experts emphasize that planning for results is essential for a country to achieve development priorities. According to African Community of Practice on Managing for Development Results—MfDR (MfDR-AfCoP) 2014, good national plans:

1. Have to be strategic—identifying a small set of high-priority objectives for social change to be achieved over a limited period of time.
2. Must be operative—identifying in detail the programs and outputs, goods, and services to be produced. Institutional units and persons should be responsible for achieving results and ensuring consistency between the central government’s objectives and those of the implementing sectors.
3. Should be participatory, ensuring formal consultation processes with stakeholders, including the legislature and civil society, on the objectives of the government plans and expected outcomes.

### ***Tanzania’s experience***

The planning commission is responsible for long- and medium-term planning. Short-term operational planning is the responsibility of each ministry, department, or agency (MDA) involving public and non-public state stakeholders that track government expenditure, report implementation challenges to MDAs, and indicate budgetary restrictions that impede implementation of planned activities. Involving the public and non-public state actors in tracking government expenditure and budget restrictions is particularly challenging.

Regionally, Tanzania has strong performance on government strategic planning as a result of the long tradition of national planning dating from the socialist era. There are good agreements on paper to facilitate the participation of the private sector and civil society in decision making. However, in practice, very few people take this role seriously due to lack of education, time, or inclination.

## Institutional capacity for development results

Aligning planning and budgeting with the delivery of goods and services is one of the fundamentals of development results. Achieving this pillar of MfDR requires the country to have the ability to plan at sector and departmental levels, measuring and ensuring that each of them has a road map with programs and projects. It also requires that projects have objectives and performance indicators aligned with the national development plan. Institutional capacity also entails availability of skilled human resources to enable program implementation to achieve the targeted results. Institutional capacity is a critical element in attainment of development results as it cuts across all developmental sectors such as education, health, social development, and infrastructure.

### ***Another Tanzania’s experience***

A public service management office oversees staffing issues in the public sector. All ministries have public relations units with regularly updated websites. Effective performance management in the public service requires specific tools and deliberate measures. Tanzania has made significant achievements in recognizing the need to ensure that performance in the public service institutions is monitored and evaluated by using a number of management tools and installing them in all MDAs. The main challenges in this pillar include building human resource capacity for effective public procurement and transforming performance review into more effective tools for improving service delivery.

At regional level, ministerial objectives are broken down into annual targets and implemented by the four key departments of respective ministries. However regional policies, programs, and projects are not as clear and logically planned as they should be.

## Introduction and implementation of the Rapid Results Approach

The Rapid Results Approach developed by Schaffer Consulting, a firm in the United States, has been used to transform service delivery and decentralize development initiatives in several countries of Africa including Ethiopia, Ghana, Namibia, Tanzania, Uganda, and Zimbabwe. It seeks to improve capacity for service delivery without using conventional methods. It emphasizes behavior change among actors and uses it for service delivery. In some countries, it is given other designations such as “Big Results Now!” as in Tanzania.

The development aspirations of the people of Tanzania are articulated in the Tanzania Development Vision 2025. The Vision, adopted in 2000 following broad consultations, aims at having a society with quality livelihoods; peace, stability, and harmony; good governance and the rule of law; an educated and learning society; and a vibrant and competitive economy by 2025.

In recent years, the government has faced serious difficulties in implementing its budgets due to aid unpredictability and donors’ failure to honor their pledges in time. In the effort to improve this situation, the government of Tanzania developed plans and strategies to increase domestic resource mobilization. The 2015/16 national budget of TSh 22.5 trillion (\$10.9 billion), will be financed from local sources and commercial loans as the government attempts to reduce dependence on foreign aid; donor aid will account for only 10 percent of 2015/16’s financing. New measures will reduce donor funding of the budget to 6.5 percent<sup>2</sup>. These measures include signing performance contracts with senior managers of the Tanzania Revenue Authority and local government authorities to promote effective revenue collection; and modernizing tax payment systems to ensure that the electronic system is used to issue receipts for

charges, fines, fees, and all other payments made to the central government, local governments, and government agencies. The government has also stopped doing business with contractors, suppliers, and service providers that do not use electronic fiscal devices.

The government’s fiscal policies and targets for 2015/16 included increasing domestic revenue collections to 14.8 percent of GDP, and tax revenues to 13.1 percent of the national output.

## The Big Results Now! initiative

Big Results Now! (BRN) is a delivery methodology focused on delivering specific goals within a stipulated timeline. It enables the country to more effectively implement catalytic interventions drawn from consecutive five-year development plans. It is a tool through which leaders commit to deliver on that trust and ensure that Tanzania’s vision is realized. BRN was adopted by the government in 2012 to accelerate the implementation of national priority projects and facilitate the realization of the Tanzania Development Vision 2025.

The methodology is based on transforming the way the government works by implementing some catalytic initiatives at critical points in a system. The BRN foundations comprise prioritization with clear performance targets; rigorous implementation supported by detailed monitoring of performance data by dedicated delivery staff; and transparent performance management.

The methodology has a highly adaptable set of tools for proactive tracking, monitoring, and problem solving across the implementation structure. BRN implementation started in July 2013 with six National Key Result Areas (NKRAs): agriculture, education, energy, resource mobilization, transport, and water. The last Annual Report published in 2015 covers the results from implementing the BRN program during

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<sup>2</sup> <http://www.internationalbudget.org/wp-content/uploads/tanzania-citizens-budget-2014-2015.pdf>

the financial year that started on July 1, 2013 and ended on June 30, 2014.

### **BRN delivery structure**

Implementation of BRN priority projects is aided by a delivery structure consisting of strong institutions at the NKRA Ministry and central government levels. The structure has the following five main elements.

The “BRN Lab” comprises a team of experts and stakeholders that are jointly required to find solutions to a complex problem based on clear and rigorous analysis and prioritization to develop detailed implementation plans with measurable key performance indicators (KPIs). Labs are a prerequisite for every NKRA initiated.

The Transformation and Delivery Council (TDC) provides strategic direction to the BRN program, and ensures the contribution of all relevant institutions and individuals for achieving the developmental objectives of the BRN initiatives. Chaired by the president, the TDC approves NKRA implementation plans, KPIs and budgets, and is the ultimate source of problem solving action for the program as a whole.

The President’s Delivery Bureau (PDB) is an independent unit within the Office of the President mandated to support the president in overseeing the implementation of BRN projects and initiatives. The PDB’s primary functions are: assisting the government in identifying NKRA and developing implementation programs for quick and impactful results; supporting ministries in finding solutions to NKRA implementation challenges; and monitoring implementation of approved programs and reporting on the results.

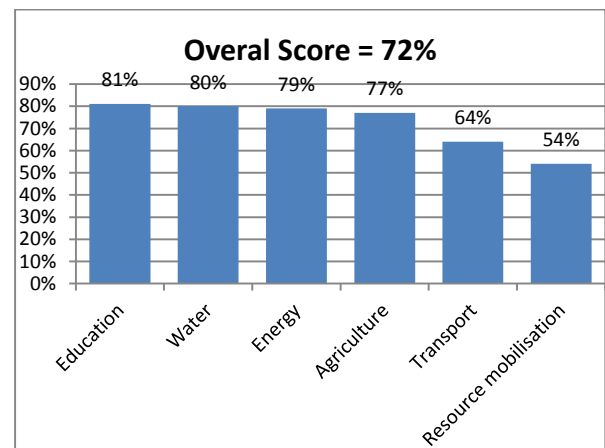
Each NKRA has a steering committee comprising key stakeholders for delivering the NKRA’s KPIs and is chaired by the minister. The main role of these steering committees is to facilitate problem solving within the NKRA. Any issues that cannot be resolved at the committee’s once-a-month meetings are escalated to the TDC.

Finally, Ministerial Delivery Units (MDUs) are established in each NKRA ministry responsible for delivering the KPIs. They report directly to the minister. They support the NKRA ministry by overseeing implementation, proactively seeking resolution of potential bottlenecks and preparing implementation reports for the PDB weekly. The MDUs work closely with the project owners in implementing agencies and with the PDB in problem solving and reporting progress.

### **BRN achievements, overall and by sector**

According to the BRN 2013/14 annual report, during the fiscal year 2013/14, all six NKRA delivered demonstrable progress toward the 2015/16 goals using the BRN delivery methodology adopted by the government. The overall KPI achievement recorded in the first year stands at an average of 72 percent (figure 1).

**Figure 1: NKRA final scores in year one of implementing BRN in Tanzania.**



Source: Tanzania BRN Annual Report 2013-2014 published in 2015.

In agriculture, 83,601 hectares of previously underused land was converted into commercial farmland. Operations of maize warehouses were improved through rehabilitation work and professional management. The regions implementing BRN initiatives saw maize and rice production increase by 500,000 MT and 166,000 MT, respectively.

The Ministry of Education and Vocational Training published a nationwide social school ranking for the first time based on the 2013 Primary School Leaving Examination and Certificate of Secondary Education Examination results. Based on the school ranking, 3,044 of the best performing and most improved schools in Tanzania were recognized and rewarded via Tanzania's Education Week in May 2014. Direct access to education statistics and results has given a wider ethos to transparency among parents, teachers, and communities, enabling greater accountability and ensuring corrective action is taken promptly.

Energy consumption per capita in 2013/14 reached 105.8 kWh, surpassing the 2012/13 energy consumption per capita of 97 kWh. This was complemented by a reduced loss of energy during the transmission and distribution process to 19 percent from 21 percent the previous year. Tanzania also provided access to electricity to an additional 193,420 households.

The government reduced the annual budget deficit to TSh 6.7 trillion from TSh 6.9 trillion, reversing the trend of increasing deficits. The expenditure growth rate was reduced to 18.4 percent from 23.9 percent. On revenues, the government collected incremental revenues of TSh 455 billion through tax initiatives and TSh 31.69 billion from non-tax initiatives.

In transport, capacity at Dar es Salaam Port recorded 14.26 million tons in 2013/14, surpassing its target of 13 million tons in the first year. A significant milestone was achieved under the rail component with the remanufacturing of three locomotives, leading to an increase in freight capacity in the fourth quarter of 2013/14. Additionally, one of the road initiatives saw a total of 127 km of missing links upgraded to bituminous standard in 2013/14, surpassing the 42 km target set for the remaining months of the year.

The Ministry of Water's strategic and prioritized approach to water infrastructure projects provided more people with access to water in one year than ever before. The provision of 9,452 additional water

points resulted in 2.36 million people in over 240 villages gaining access. This performance is significant compared with the previous achievement through which an additional 300,000 to 500,000 people on average were reached each year.

### Assessment of Tanzania's experience

The government's efforts to mainstream MfDR approaches to development has brought many benefits. Against other regional countries, Tanzania belongs to the group with high MfDR development. It is also leading on regional integration efforts due to good leadership for results, planning for results skills, institutional capacity, and accountability for results.

### Conclusions and lessons learned

In Tanzania, as in most African countries, only in recent years has MfDR been accorded attention in national development programs and processes. To achieve full mainstreaming of MfDR principles in governance and development in Tanzania and the rest of Africa, donors and recipient governments and non-state actors need to continue to increase their emphasis on performance, capacity building, and development of results-oriented frameworks. In recent years, the focus on aid effectiveness has served as a catalyst for MfDR. In the future, it could continue doing so, provided that country ownership and its wider benefits to public sector management are acknowledged.

#### *Lessons learned from Tanzania*

New and key lessons from Tanzania follow:

1. Strong leadership for MfDR: Strong support from both the top and lower leadership levels is necessary to ensure that MfDR implementation is steady and sustainable.
2. Complementing national efforts: It is necessary that MfDR efforts complement existing national efforts and initiatives, as in

Tanzania where MfDR complemented the Tanzania Development Vision 2025.

3. Ownership: MfDR reforms must be prioritized by the state and must complement existing initiatives, strategies, and national development plans, as in Tanzania (Tanzania Development Vision 2025).
4. Capacity enhancement: Building the capacity of institutions and human resources for MFDR is critical and can be accomplished through providing training and access to operational capacity and business systems, empowering leaders to test new approaches that may enhance MfDR in their organizations.
5. Timely availability, accessibility, and usability of quality and reliable data from

strong monitoring and evaluation systems. Tanzania has struggled here, however.

6. Prioritization of MfDR reforms: The government prioritized BRN in only six sectors. This allowed the effective use of limited available resources and provided space for experimenting and learning.

## References

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## ACKNOWLEDGMENTS

This knowledge series intends to summarize good practices and key policy findings on managing for development results (MfDR). African Community of Practice (AfCoP) knowledge products are widely disseminated and are available on the website of the Africa for Results initiative, at: <http://afrik4r.org/en/ressources/>.

This AfCoP-MfDR knowledge product is a joint work by the African Capacity Building Foundation (ACBF) and the African Development Bank (AfDB). This is one of the knowledge products produced by ACBF under the leadership of its Executive Secretary, Professor Emmanuel Nnadozie.

The product was prepared by a team led by the ACBF's Knowledge and Learning Department (K&L), under the overall supervision of its Director, Dr. Thomas Munthali. Within the K&L Department, Ms. Aimtonga Makawia coordinated and managed production of the knowledge product while Dr. Barassou Diawara, Mr. Kwabena Boakye, Mr. Frejus Thoto and Ms. Anne François provided support with initial reviews of the manuscripts. Special thanks to colleagues from other departments of the Foundation who also supported and contributed to the production of this paper. ACBF is grateful to the African Development Bank which supported production of this MfDR case study under grant number 2100150023544.

The Foundation is also immensely grateful to the main contributor, for sharing the research work contributing to the development of this publication. We also thank reviewers whose insightful external reviews enriched this knowledge product. The Foundation also wishes to express its appreciation to AfCoP members, ACBF partner institutions, and all individuals who provided critical inputs to completing this product. The views and opinions expressed in this publication do not necessarily reflect the official position of ACBF, its Board of Governors, its Executive Board, or that of the AfDB management or board.