

RESETTING THE HUMAN RESOURCE STRATEGY FOR ORGANIZATIONAL PERFORMANCE IN ZIMBABWE URBAN COUNCILS

Samuel SIXPENCE¹, Julius TAPERA², Wilfred I. UKPERE³ ¹Gordon Institute of Business Science, University of Pretoria, P. Bag X20 Hatfield-0028, Pretoria, South Africa, Email: drsamsixpence@gmail.com ²Department of Accounting and finance, Faculty of Commerce, Lupane State University, Zimbabwe, E-mail: juliustapera@gmail.com ³Department of Industrial Psychology and People Management, School of Management, College of Business & Economic, University of Johannesburg, South Africa, Email: wiukpere@uj.ac.za

How to cite: SIXPENCE, S., TAPERA, J. & UKPERE, W.I. (2023). "Resetting the Human Resource Strategy for Organizational Performance in Zimbabwe Urban Councils". *Annals of Spiru Haret University. Economic Series*, 23(2), 278-302, doi: https://doi.org/10.26458/23215

Abstract:

While literature is awash with evidence that links strategic human resource management to organizational performance, little is known on sustaining the relationship dynamics within a public sector context that is operating under polarized conditions. This study explores the challenges faced in implementing the human resource strategy within urban councils in Zimbabwe to unearth solutions that are sensitive to a polarized work environment. A case study approach was used to collect data from the 32 urban councils in Zimbabwe which are classified into four categories namely, cities, municipalities, towns and local boards. Stratified sampling was used to identify nine urban local authorities for data collection and purposive sampling identified the participants for interviews. The point of saturation was reached after interviewing 18 participants and the data was analyzed using the atlas.ti. This study revealed, a misalignment of the human resource function and the organizational goals, a serious financial resource crisis and a lack of trust between key stakeholders. The study contributes to the development of human resource competencies that respond to the organizational needs in a polarized environment. Further, incorporate 278



the adoption of technology in the human resource strategy and foster a culture of supporting soft skills such as team work and collaboration from the level of elected officials down to the entire workforce.

Keywords: strategic human resource management, urban councils, workforce, polarized environment

JEL Classification: I13, J2

Introduction

The nexus between Strategic Human Resource Management (SHRM) and organizational performance has been gaining emphasis since the 1980s to date (Castro, Lopes de Araujo, Ribeiro, Demo & Meneses, 2020). Its relevance remains central to the achievement of strategic goals for both private and public sector organizations. The description of SHRM is two thronged, firstly, it is the vertical connection that exist between the organizational strategy and HRM practices (Lopez-Cabrales, 2020). Secondly, it is the horizontal congruence of several human resources activities that are linked to support the achievement of the organizational goals (Iqbal, 2019). It can also be understood as the integration of the HRM policies and practices used to support the achievement of organizational goals. This view is embraced by Schuler and Jackson (1987), who argue that SHRM seeks to establish a concrete integration of several HRM functions and align them to the organizational goals. Haque (2021) further argues that the goal of pursuing SHRM is to improve organization performance.

The introduction of organizational performance in SHRM studies is a recent development that emerged as a product of various studies that sought to position SHRM as a scientific innovation in the broad field of organizational development (Castro et al, 2020). In support of this effort, Lengnick-Hall, Lengnick-Hall, Andrade & Drake (2009) chronicles a list of SHRM themes developed from various seminal works. Their study demonstrated the impact of strategic human resource management on organisational performance. They recommended that future studies could further explore the link between SHRM and organisational performance especially in under developed and unstable contexts.

The contribution of SHRM towards organizational performance can be explained by the levels of productivity, profitability, employee turnover, customer complaints and other human factors that impact on value addition in the



organization (Van De Voorde, Paauwe, & Van Veldhoven, 2010). While there are various factors within the external and internal environment that can impact on organisational performance, the human resource remains to be the 'key lever' that determines the contribution of other resources on organisational performance (Llorca, 2016). Human resources can create organisational competencies that provide a fertile ground for organisational performance (Green, 2006; Iqbal, 2019; Lopez-Cabrales, 2020). To this end, there is a positive correlation between human resource outputs and organisational performance (Catrol etal, 2020). However, this finding was from a stable work environment with minimum exigencies. In order to fill the gap, this study focused on relationship dynamics within a polarised work environment. Additionally, more studies have been conducted within the private sector context than in the public sector to refine SHRM practices lest the HRM philosophy risks being relegated into an administrative routine rather than a strategic asset. Hence the current study explores the SHRM dynamics within the public sector to uplift the strategic role of the HR function in organisational performance.

Although lessons from the private sector assist to provide insights that could influence public sector practice on the link between SHRM and organisational performance, evidence available still show glaring deficiencies within the public sector. The link between SHRM to organisational performance within the public sector suffers a lot of constraints. Central to this description are features at the heart of the debate surrounding SHRM and organisational performance within the public sector namely, the factors influencing HRM, the nature of performance outputs and the way they are linked to organisational performance (Guest, 1997). The features as alluded to by Guest (1997) thus forms the central focus of the objectives of this study, in particular to: i) To outline the factors that influence the human resource strategy in determining organisational performance (ii) To identify the strategic human resource outputs that are affecting organisational performance (iii) To determine the consequences of poor human resource outputs on organisational performance. In broad terms, the study seeks to strategically reposition the human resource function to enhance organisational performance within a polarised work context.

While challenging times can increase anxiety, the authors have the view that uplifting strategic human resource management could present opportunities that influence improved organizational performance. The novelty of the study is in the potential to unearth the strategic human resource competencies that could stimulate



opportunities for organizational performance at a public sector organization that has a polarized work environment. The next sections will be arranged in the following order of chronology: a description of the research setting, the literature review, the methodology, findings, discussion and conclusion.

Research setting

Zimbabwean urban Councils are grappling to offer quality services and value for money to the ratepayers (Murimoga, 2014) The Zimbabwean economy is going through one of the highest inflation rates in the world (Rodgers, 2019). However urban dwellers have attributed the poor service delivery to the poor skills repertoire within councils while employees feel that the blame is unfair as they are working within a highly polarized environment (Chhipi-Shrestha, 2019; Heinelt, 2018). The working conditions of employees are poor, there are protracted labor disputes and the relationship between employee unions and management is untenable ((Joseph, 2019; Voorn, 2019). The quality of service delivery has been gradually plummeting over the years (Marumahoko, Olugberniga, Sadie, & Nhede, 2020). The deteriorating economy has been sighted as the major contributor of the poor services. Traditional sources of revenue have collapsed due to the economic meltdown. The government is failing to fund major capital projects that could match service delivery standards such as the expansion of the water treatment plants, new sewer treatment plants and expansion of the road networks. The growing population has placed intense competition on the social services in the face of a great mismatch between revenue collection and service delivery costs. The crisis was compounded by the convergence of various human resource challenges brought about by the COVID-19 pandemic which fueled polarization at the work place. The challenges include, ability to attract and retain key skills, ability to reward and motivate employees, digital skills gaps, ability to upskill employees in line with current service delivery demands As human resource professionals we are challenged to explore opportunities that could reposition the human resource strategy within urban councils in Zimbabwe to stimulate organizational performance.

Literature review

While the SHRM concept has been well explored within the private sector, there is limited research within public sector (Ongaro & Van Thiel, 2017). This study intends to close the gap by focusing on the urban council's context. This



view is supported by Knies, Boslie, Gould-Williams and Vandenabeele (2018) who contend that the human resources strategies within municipalities should be constantly reviewed to align service delivery to contemporary social needs. Urban councils in Zimbabwe cover many aspects of urban life that includes, health, education, refuse collection, housing, transportation as well the management of burial space (Zimbabwe Constitution, 2013). In fact, the majority of activities that determine the quality of human welfare are under the ambit of municipalities. However, Rodgers (2019) noted that urban councils in under developed economies suffer from challenges such as cutbacks in resources, political interference while at the same time there is pressure from stakeholders to demonstrate accountability and provide quality service to the citizens. Political interference in the running of municipalities is also cited as a hinderance to the smooth operations and performance by various other authors (Heinelt, 2018; Joseph, 2019; İkizer, 2022). The list of challenges is dominated by people issues hence inspiring the need to explore the link between SHRM and organisation performance within urban councils. On a positive note, results from prior studies that focused on SHRM in the public sector indicated that SHRM supports employee motivation and improved organisational performance (Messersmith, Patel, Lepak, & Gould-Williams, 2011; Bouaziz, 2018). We therefore intend to supplement the prior findings by exploring the SHRM dynamics that impact on organisation performance within the public sector. The following section examines the dynamics of SHRM within the public sector context.

SHRM in the public sector context

Before we delve into the distinctiveness of the SHRM concept and performance within the urban councils' context, it is important to identify the characteristics that distinguish the public from the private sector. Since urban councils are an appendage of the public sector, the distinction could assist to understand the larger context and culture that inform practice. In line with the views by Knies and Leisink's (2017), the public sector is characterised by a formal structure that is defined by ownership, authority and funding. This implies that a urban councils are owned, controlled and funded by government. The Constitution of Zimbabwe (2013) views an urban council as a local authority that is run based on delegated authority from the central government wherein local people are empowered to create value through self- governance. We therefore follow the two set criteria that



describe an urban council namely, formal structure and creation of value through a localised self-governance system (Heinelt, 2018; İkizer, 2022).

While private organisations seek to increase shareholder value (profit maximisation), public organisations are not profit oriented (Boxall & Purcell, 2011), instead public organisations seek to provide services in line with their mission. To this end, they are guided by the mission and value system that is defined by the multiple stakeholders that they serve. Given that the multiple stakeholders have varying interests which sometimes conflict, the conflicting interests manifest themselves at both formulation and implementation of the mission (Chhipi-Shrestha, 2019; Voorn, 2019). This unique feature in public organisations bears crucial implications in studying the influence of SHRM on organisation performance.

The implementation of SHRM

Critical success factors that support the implementation of SHRM include leadership commitment, planning and management of the implementation process. Guest, (1987) argues that the implementation of SHRM should be supported by programmed organisation change effort that recognises the existing organisational culture at all levels of the organisation. Lengnick-Hallet et al. (2009) emphasised the importance of maintaining both vertical and horizontal alignment of the human resource function with the strategic goals to achieve high performance. Further, the alignment should be measured to determine the extent to which HR systems contribute towards organisational performance. This write-up therefore examines the SHRM systems in the municipal context. The focus will be on human resource activities, relations, and how they are managed to influence organisational performance.

The theoretical support of SHRM on organisational performance

The influence of SHRM on organisational performance can be explained from three theoretical perspectives (Delery & Doty, 1996). Firstly, the universalist adopts the belief that there is a set of best practices that can be applied in any situation to produce results (Schuler & Jackson, 1987). It thus implies that, if the organisation correctly identifies and implements the known best practices, organisational performance improves. However, the universalist weaknesses are that it can easily be imitated by competitors and reduce the organisation's capacity to fight competition. Secondly, the approach is rigid hence limiting creativity



(Porter, 1996). Thirdly, it does not recognise the environmental instability and changing variables (Colbert, 2004). Additionally, research has failed to prove the applicability of the universalist approach in other contexts outside the developed countries (Boselie & Dietz 2003). The universalist critics motivated the development of the contingency perspective as an alternative approach (Iqbal, 2019). It is argued that the success of HR in influencing organisational performance is a function of organisational factors that include the extent of horizontal integration of HR practices and their vertical integration with the organisational goals (April, 2005; Green, 2006; Iqbal, 2019). The contingency approach thus argues that the success of HR practice is determined by the ability to adjust to situational circumstances such as the organisational strategy hence the application of SHRM is different from one organisation to the other (Fombrun, Tichy & Devanna, 1984). Further the use of HR bundles as opposed to isolated HR practices strengthens the HR link with organisational performance. Evidence to support the contingency approach has linked internal HR practices that are consistent to organisational performance (Delery & Doty 1996).

Thirdly, the configurational approach claims that there is a set of practices that produces superior HR outcomes if followed well. The correct identification of each of the perspectives could contribute to the development of the SHRM theoretical framework (Delery & Doty, 1996). In line with the configurational view, Barney (2001) proposed the Resource Based View (RBV) as the main theory that underpins the SHRM philosophy. He argues that the HR function is responsible for developing specific competencies that drive organisational performance. Further, HR is responsible for ensuring that the organisation is capacitated with value and inimitable competitive advantage. Hence the HR policies should be designed to achieve the cutting edge advantage that is not found in any other organisation. For instance, if an organisation has a way of attracting high performers and retaining them better than competitors then the HR is matchless. The HR strength thus lies in the ability to provide competencies that are not easily copied by other organisations because their fit is specific to the organisation (Barney 2001). The RBV argues that HR can achieve competitive advantage when its activities, are integrated to organisational strategy, add value, are difficult to copy, cannot be substituted and unique (Wright, Dunford, & Snell, 2001).

Additionally, the HRM philosophy has four main objectives namely, quality, employee commitment, integration and flexibility (Guest, 1987). In line with Guest (1987) the last three objectives support the successful implementation of HRM.



Employee commitment is achieved through policies that elevate behavioural values that strengthen the desired organisational culture. Integration is achieved by maintaining vertical alignment of HR activities with the strategic goals and coherence amongst the HR policies. Flexibility is facilitated by creating organic structures that enable change agents to drive innovation with limited bureaucracy (Asfahani, 2021; Misbah, 2020; Njoku, 2019). Therefore, jobs can be designed in a way that support decentralisation and autonomy.

Organisational performance is strengthened by the effective deployment of HR tools and manifest through improved productivity, low employee turnover, high sales and profitability (Haque, 2021; Kramar, 2022; Sharma, 2021). Elsewhere, evidence indicate that high organisational outcomes were produced in companies that deploy strategic HR practices such as employee empowerment, involvement and managerial development (Aktar, 2018; Huselid, Jackson & Schuler, 1997; Saks, 2022). Parallels can be drawn from the model by Appelbaum, Bailey, Berg & Kalleberg (2000), who insist that high results are an outcome of the confluence between three human factors that are interdependent namely, ability, motivation and opportunity. In spite of all the effort by the scholars in developing models that improve the strategic effectiveness of HRM through the harmonisation of HR intentions with implementation, studies have shown that even successful organisations still present disagreements between what is intended and what is finally implemented (Truss, 2001). However, effort to identify intended HR outputs could assist to align the activities of the implementation process towards the intended objectives hence reducing the gap between intentions and results. Piening, Baluch, & Ridder (2014) noted that studies on the theme of aligning human resource intended outputs with organisational goals are scarce in public entities. Hence this study seeks to close the gap by readjusting the human resource strategy to support organisational performance within urban councils in Zimbabwe.

Elsewhere, Gratton and Truss (2003) propose a tridimensional model that supports the effectiveness of an HR strategy namely, strict alignment of HRM practice with organisational goals, coherence between individual HR policies, and implementation of HR policies by both line managers and employees. Further, the social context model of HR systems argues that other factors such as beliefs, politics, values and attitudes can influence the implementation of strategy (Ferris, Arthur, Berkson, Kaplan, Harrell-Cook& Frink, 1998). Other factors such as capacity of line managers, organisational culture, social interactions and political environment could influence key outcomes that have an impact on organisational



performance such as turnover, productivity and job satisfaction (See, Sikora & Ferris, 2014). To this end, examining these themes with due consideration of the urban councils reality could assist to assess the SHRM contextual characteristics of the institution and their influence on organisational performance.

Methodology

There are 32 urban local authorities in Zimbabwe and are classified into four levels namely, cities, municipalities, towns and local boards. Their numbers are distributed as follows: : cities 21%, municipalities 28%, towns 34%, local boards 16%. (Murimoga & Murimoga, 2022). A sample number of local authorities was identified through stratified sampling. In line with the strata percentage representation the sample comprised the following proportions that were selected at random: 1 city,3 municipality, 4 towns,1 local board. The researcher targeted 2 participants per local authority namely one worker and one manager. In the data collection, the following symbols and terms were used to identify participants: P for participant; numerical digit to identify a participant from a particular urban council; manager for a managerial participant; city for a participant from a city; municipality for a participant from a municipality; town for a participant from a town; local board for a participant from a local board. For example number one managerial participant from a city is described as: P1, managerial, city. The choice of a worker and a manager assisted to balance presented views from both managers and workers. The participants were selected purposively through the identification of potential rich sources of human resource related data such as workers committee members and human resource or line managers. After interviewing the targeted 18 participants, researchers felt that the collected data had reached a point of saturation.

In line with views by Denzin and Lincoln, (2000) the study adopted the ontological view that a qualitative study is a sense making endeavour where phenomena is studied in its natural setting and the researchers seek to make sense of what is revealed in line with the meanings ascribed by the people involved. This influenced the decision to include both workers and managers from the same company to allow participants to express views in the best way they understood the context in their capacities as both managers and workers. Hence the plurality of responses was embraced with a view to understanding the truth in line with individual participants' lived experiences (Yin, 2018). In line with the interpretive theory, the epistemological stance adopted sought to engage both the workers and



managers to interpret reality in the best way that suit them. The researchers were not detached from the process but played a key role in determining the degree of interaction by probing the participants' responses (Guba, 1990). Given that the study sought to produce novel findings from the empirical setting, the interview process did not follow any strict protocols (Birkinshaw, Brannen, & Tung, 2011) but was flexible to accommodate emerging opportunities. However careful consideration was given to the possibility of researcher bias due to the heavy involvement of the researchers as attached participants (Van Maanen, 1979). Jones and Bartunek, (2021) strengthened the approach by arguing that personal involvement is a diversified theory development opportunity as long as there is transparency and reflexivity. Further, transparency should take priority over rules, thereby supporting variation of practices and discovering novel pathways (Jarzabkowski et al., 2021). Therefore high reflexivity was maintained during the engagement process. The collected data was shared with the participants before and after interpretation to validate the correctness of the information (Kaplan & Whittinton, 2020). The data analysis was iterative, thereby allowing the back and forth movement between data collection, analysis and literature review to accommodate emergent opportunities for new knowledge (Yin, 2018).

Findings

The study sought to strategically reposition the human resource function to enhance organisational performance in line with the municipal goals. In particular i) To outline the factors that influence the human resource strategy in determining organisational performance (ii) To identify the strategic human resource outputs that are affecting organisational performance (iii) To determine the consequences of poor human resource outputs on organisational performance.

Data was coded and recoded using the atlas.ti and revealed the following themes which were grouped in the order of similarities of meanings as shown in figure1 below:



Issue 2/2023

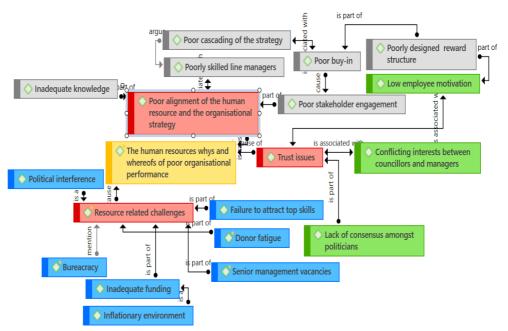


Figure 1. Revealed themes

Objective 1: To outline the factors that influence the human resource strategy in determining organisational performance.

Environmental factors

The participants indicated that there are many factors in the environment that disturb the effective implementation of the human resource strategy.

"There is excessive interference of the politicians in Council processes such as recruitment and selection, budget approvals, allocation of resources where politicians push for more resources in areas that advance their political positions at the expense of employee welfare......Councillors over step their mandate and interfere with management duties thereby disempowering professionals from effectively conducting their duties" P1, managerial, town.

"The economic situation is unstable,inflation is high as a result it is difficult to reward employees competitively" P2, managerial, municipality



"Our technological infrastructure is still backward and we also lack the relevant technological skills to assist in improving efficiencies.....there are high billing errors and poor housing file management....this infuriates the rate payers" P1, worker, town

"The turnover of general skills is low in spite of the poor conditions of service....... The organisation is full of old people who are difficult to change and cannot adapt to the changes happening in the environment" P1, manager, local board

Bureaucracy

Participants indicated that the organisational culture is bureaucratic thereby delaying the decision making process.

"Whenever we have to make changes in our strategic plans, the process is bureaucratic as it involves wide consultations, and everything requires approval from the central government as a result it becomes difficult to respond to the situation on the ground because the decision making process in very long" P2, manager, town

"It takes very long to give feedback to clientswhen there is a complaint, it is referred to managers for investigation and then further referred to the policy makers to make a resolution before communicating back to the client...this procedure is long and frustrating....the managers are no empowered to make professional decisions without the involvement of politicians" P1, manager, city.

The communication process is long and decision making takes long to be concluded due to a high number of stakeholders that are consulted before taking a position.

Structural issues

90% of the participants indicated that the human resources manager is not a member of the executive as a result human resources issues are treated as peripheral issues.

"There is no-one to represent us because the human resources manager reports to the chamber secretary who is a legal person so human resource issues are not prioritised when setting performance goals" P3, worker, municipality

"Our human resource executive has been on suspension for the past 5 years..... This is why there is no professionalism in the manner in which human resources issues are handled" P1, city, worker

"The chairperson of the HR committee has no experience or qualifications in HR.....Further the HR manager is not an executive member...so HR issues are



presented by a the chamber secretary who is a legal person" P1, manager, municipality.

"There is a lot of redundant staff occupying offices but with no value addition....there is need to streamline the labour force to be aligned to current needs....we have the performance management system on paper but it is not implemented" P2, manager, town.

The human resource strategy was failing to work because the human resource is not represented at the top in the majority of the local authorities. There was only one local authority that has a human resource executive but the official has been on suspension for more than 5 years hence disempowering the human resource function. Further, there is over employment of redundant staff and there is no working performance management system in all the local authorities.

Strategic planning knowledge

The participants revealed that the leaders lack sufficient knowledge on how to effectively develop the human resource strategy as well as the organisational strategy.

"The human resource activities do not support each other, for example the organisation recruits highly skilled employees but does not provide any incentives to retain them hence resources that are used to attract skills are wasted as the same employees end up leaving the organisation within a short space of time" P1, worker, Municipality

"The budget is always prepared before the strategic plan as a result some of the key human resource priorities in the strategic plan will not be funded in the budget and nothing is done to correct that.....People waste time on routine activities without focusing on the strategic priorities" P4,worker, town

"The rewards management system does not encourage employees to support the key strategic goals....there is no performance based reward system" P9, nonmanagerial staff.

"The strategic plan is not effectively cascaded to lower level line managers, it remains to be a top management document as a result there is poor buy-in of some of the performance improvement initiatives." P2, worker, municipality

The narratives indicate a discord between human resource activities and the strategic goals. There is no coherence of human resource activities, the budget is not aligned to the strategic plan, the rewards are not performance based and the strategic plan is not cascaded down to lower levels.



Shortage of resources

Poor resources were sighted as one of the major cause of the failure to implement strategic human resource initiatives that could improve organisational performance.

"The organisation is failing to finance critical HR interventions such as employee training and development, competitive employee rewards......Rate payers are not paying their obligations as expected"

There is donor fatigue as most development partners have just lost interest in helping us..... the hyperinflationary environment quickly erodes the little revenue available" P1, managerial, city

The low revenue collection is affecting the organisation's ability to support other critical human resources interventions that drive organisational performance.

The identified factors that influence the human resource strategy in achieving organisational performance within municipalities in Zimbabwe are, environmental factors, bureaucracy, structural issue, strategic planning knowledge, shortage of resources.

Objective number 2: To identify the strategic human resource outputs that are affecting organisational performance.

Skills repertoire

The interviews revealed that the organisation is staffed with poorly skilled employees who are difficult to train.

"The organisation is failing to attract and retain high performers....we have poorly qualified civil engineers, and information technology specialists because the employer brand is poor" P1, worker, local board

"This organisation has been operating for more than 4 years without 80% vacancies at head of department level.......This means 80% of senior positions are occupied by acting staff.....We are finding it difficult to attract qualified staff" P1, manager, municipality.

"We have a high number of customer complaints that are associated with poor workmanship, high mistakes in the billing system. This is all because we do not have the skilled personnel. As a result we struggle to get cooperation from the service consumers and revenue collection has drastically gone down". P3, worker, town

There is high turnover of skilled, high performers and a low turnover of general staff. The sector is thus burdened with old employees who are not adding value in line with the prevailing client needs.



Employee training and development

"It is difficult to upskill under qualified personnel in key areas like information technology and civil engineering as a result our current staff is not trainable" P2, Manager, town.

"I think our current training routine is losing steam, the programs offered are not in line with current trends....I think local authorities could combine resources and knowledge to collectively design training programs that address service delivery needs at national level" P1, manager, municipality

Change management

The participants indicated that the HR function did not make any consented efforts to prepare people for change.

"Employees are not prepared for change when introducing a new policy rather the ministry impose changes without consulting us" P2, worker, municipality.

"There is mistrust between employees and management because employees do not have information,there is poor information asymmetry across the organisation"P3, manager, town

Employee retention

The organisation is filing to retain critical staff that are important in the service delivery value matrix.

"Critical staff are treated the same as everybody in areas such as rewards, retirement age.....I think there should be a policy that should be specific for critical staff" P2, manager municipality.

"We do not have any clear succession plan, management maintains a reactive approach whenever an employee resigns" P4, worker, town.

"The organisation is failing to pay monetary rewards competitively....it is also failing to provide alternative rewards that are non-monetary such as continuous skills development programs....in the past other incentives such as land were given to employees in place of money but the central government has since given a directive to stop the practice" P1, worker, city.

"There is over interference from the central government on issues to do with employee rewards......I think local authorities should have autonomy to determine reward practices that can enhance employee retention" P3, manager, municipality.

"Whenever we advertise vacancies, competent skills do not apply because people hate the local authority sector has it is labelled a political minefield" P2, manager, town.



Employee retention is poor due to the failure to pay competitive financial rewards, absence of non-monetary rewards, tarnished image of the local authority sector.

The identified strategic human resource outputs that are affecting organisational performance are the quality of, the skills repertoire, training and development, change management and employee retention.

Objective 3: To determine the consequences of poor human resource outputs on organisational performance

Poor engagement

The participants that there is a relationship discord between the key stakeholders within local authorities namely, management, workers, rate payers, central government and elected councillors. As a result the human resource policies lack buy in thus negatively affecting organisational performance.

"There are continuous conflicts between our Council and the central government, as a result some senior positions have remained vacant for a long time because they cannot agree on way forward" P1, worker, municipality

"The resident consultation meetings are minimum or non-existent so there is an information gap, which creates several conflicts between the rate payers and the local authority" P3, manager, municipality

"There is no feedback mechanism on employee performance as a result employees are not aware of the exact performance standards expected from them" P1, worker, municipality.

Loss of public trust

"Development partners have lost confidence in quality of skills that are in the local authorities, hence the support that is coming from them is now very minimum" P2, manager, town.

"Rate payers have lost the sense of belonging and they no longer support our institution with resources as they used to do before" P3, worker, municipality.

"When we called for budget consultations, the turnout from residents was very low...it looks like they have lost confidence in us" P1, manager, city.

Discussion

During the past two decades, the performance of public institutions in Zimbabwe has deteriorated (Mironga & Mironga, 2022). Further, funding from the central government to urban local authorities diminished and there has been growing fatigue by development partners to provide financial support on capacity



development. Local authorities have been forced to operate under constrained budgets (Marumahoko et al, 2020). This study showed that, local authorities are failing to retain key skills, rewards are poor, strategic human resource activities are under funded. The situation calls for the need to dump the business as usual approach to managing the human resources. The study revealed various dynamics in the urban councils context that makes it impossible to simply copy and paste human resource strategies from the private sector to the public sector. The observation was earlier supported by Ferris et al,(1998) in his social context model where he emphasised on the need to recognise the implications of the differences in social dynamics when adopting human resource strategies to address organisational performance gaps. Therefore special attention was paid to the uncommon macroeconomic conditions, political environment and social values that were impacting on the link between strategic human resource practices and organisational performance.

The study noted that organisational performance is negatively affected by poor alignment of the human resource and organisational strategy. The manifestation of this misalignment is reflected through poorly skilled line managers, poor cascading of the strategy to lower levels for effective implementation, poor buy-in from those that are supposed to implement strategy and poorly designed reward structures. These findings corroborate evidence from earlier studies that established the challenge of human resource-strategy incongruence (Anwar, 2021; Boudlaie, 2020; Volk, 2018). Therefore superior organisational performance could be attained by deploying strategic HR practices such as employee empowerment, involvement and managerial development (Aktar, 2018; Huselid, Jackson & Schuler, 1997; Saks, 2022).

Evidence from the urban local authorities showed that some line managers were poorly skilled and as such they struggled to cascade the strategy to lower-level employees, inadvertently resulting in poor buy-in. Sikora & Ferris (2014) in their study confirmed that factors such as capacity of line managers, organisational structure social interactions and political environment have an impact on turnover, productivity and job satisfaction, all of which have an impact on organisational performance

The study also revealed that the employees had limited knowledge of implementing strategy and they were failing to understand the performance management tool that the municipality was using. Further there is no link between talent attraction and retention as evidenced by a high turnover of new employees.



In fact further probing revealed that turnover is high on critical skills like engineers and low on general staff. The findings support the earlier contention that the success of human resource interventions in influencing organisational performance is dependent on the extent of horizontal integration of HR practices and their vertical integration with the organisational goals (Green, 2006; Iqbal, 2019; Lengnick-Hallet et al., 2009). The failure to retain new employees is a sign of a weak coherence between human resource activities thereby rendering the effort of attracting high skills futile.

Another major finding was that, trust issues were negatively impacting on organisational performance. This was reflected in the lack of confidence within employees, unending conflicts between: managers and councillors, councillors from different political parties, managers and employees. Previous empirical studies have concluded that lack of trust destroys engagement which negatively impacts on organisational performance (Aktar, 2018; Huselid, Jackson & Schuler, 1997; Saks, 2022). As a result there is limited buy-in of human resource initiatives by the key stakeholders such as the employees and policy makers.

The study further revealed a serious crisis of financial resources which is negatively affecting the implementation of human resource strategies thereby impinging on organisational performance. Earlier Murimoga and Murimoga (2020) noted that activities in urban local authorities are disturbed by excessive interference from politicians. This study revealed that some politicians have other interests that are not congruent with the organisational goals as a result they influence partisan distribution of resources to the detriment of effective strategy implementation, and ultimately performance. These findings corroborate evidence from earlier studies that asserted that political interference is a key factor in implementing strategies within local authorities (Heinelt, 2018; Joseph, 2019; Ikizer, 2022; Rodgers, 2019).

The study also established that bureaucracy was very prevalent within the municipality, the impact thereof being protracted decision-making processes, leading to delays in strategy implementation. Earlier studies have however, recommended contemporary job designs that create organic structures, which supports decentralisation, autonomy and flexibility, enabling change agents to drive innovation and minimise bureaucracy (Asfahani, 2021; Misbah, 2020; Njoku, 2019).

The inflationary environment is negatively impacted on the municipality's capacity to meet operational costs and fund capital projects, leading to poor



organisational performance. The limited resource base incapacitated the municipality from attracting and retaining human capital with the requisite highend skills for effective strategy implementation and superior organisational performance. It was also established through this study that there was growing donor fatigue as most donors either completely stopped or significantly reduced funding for training programs and other developmental projects within the local authorities due to the unfavorable political environment in the country. This, coupled with the hyper-inflation cited earlier, also had a negative bearing on organizational performance as it limited capacity to improve infrastructure, and acquire state of the art technology which has a bearing on the quality of resources to an improvement in organizational performance within organizations (Bryson, 2018; Lemarleni, 2017).

Knies, Boslie, Gould-Williams and Vandenabeele (2018) contend that the human resources capacities within local authorities should be strengthened by attracting the right people otherwise efforts such as learning and development, succession planning will not yield meaningful results. Resourcing the organization with the correct skills is a critical factor in the skills development process because poorly skilled employees are difficult to develop (Catrol etal, 2020; Llorca, 2016). This partly explains why other efforts such as employee training are not yielding results because under qualified staff are being seconded for training and they return without any significant improvement in performance. The failure to provide competitive rewards was a glaring weakness. Madhani (2020) advises that where the employer has limited capacity to pay the risk could be mitigated by relational rewards to enhance employee commitment. Further, skills turnover crisis can be stabilised by focusing on internal human resource development.

The results revealed glaring deficiencies caused by the absence of a working performance management system. As a result there is low manpower utilisation, and urban councils are keeping a lot of redundant staff that are not adding value to the organisation. Iqbal (2019) noted that a robust performance management system is necessary to ensure that all employees account for the time spent at work and justify their earnings. Similarly, introducing an effective performance management system would ensure improved utilisation of the workforce thereby improving organisational performance.



Study implications

An unusual phenomenon emerged from the above discussions staff turnover is low on general staff within local authorities despite the number of dissatisfaction factors, that would ordinarily lead to high staff turnover in normal environments. The possible explanation could be that this development is characteristic of an inflationary environment where there is high unemployment and majority of potential employers have similar capacity challenges, forcing employees to remain with the same employer. The situation could result in poor human resource outputs due to the effects of presentism, lack of innovation and resistance to change. Hence it justifies the case for inward focus on human resource strategies such as employee engagement, internal capacity development and upskilling to improve the quality of HR outputs. The unusual finding, strengthens the importance of case studies as they focus on discovering solutions that are unique to a particular context. Rather than blindly adopting inter-economy or inter-industry HR practices without assessing their applicability in the prevailing context. More human resource dynamics could therefore be revealed by conducting similar comparative intereconomy studies. The argument further debunks the universalist view whose major shortcoming is the failure to embrace differences in context when applying HR practices (Colbet, 2004).

Further the study revealed a close link between HR strategic failures (poor skills repertoire, poor rewards, disengaged workforce) and poor organisational performance as evidenced by indicators such as high number complaints on poor service delivery. This can be easily be supported by the organisational behaviour perspective as proffered by Pfeffer (1994) where he argues that HR systems should be coherent to influence behaviour that supports the business strategy. However, in our interviews with managers it was revealed that maintaining coherence is difficult because the organisation faces various macro-level factors (hyperinflation, a hostile political environment) making it difficult to link the HR practices as planned. The macro-level factors form the social context within which the urban councils are operating. As an alternative, the RBV would disregard 'coherence' and place emphasis on the need to provide HR solutions that are unique, inimitable and difficult to copy (Wright et al. 1994), in order to address peculiar challenges faced in urban councils. Further, it was found that the bureaucratic nature of the urban council context delays decision making and disturbs the normal functioning of the organic structure. This negatively impact on the link between the human resource strategy and organisational performance. This finding further exalts the



RBV as it argues that the HR system should develop competencies that are flexible and relevant to suit the situation. Given the challenges found in this context (instability, inflation, low revenues) we believe that the human resource solution to improved organisational performance lies in the ability to develop unique and inimitable strategies rather than coherence. However the distinction between coherence and inimitability of HR systems in influencing organisation performance should be further explored.

Limitations and endorsements for future studies

The interpretation of this study should be done with caution due to the noted limitations. The first limitation is the absence of statistical power that is strong in performing pair-wise interactions between human resource strategy and organisational performance. There is no clear evidence that explain a direct causality between HR strategy and organisational performance, as presupposed in the presentation of the study. Literature provided did not clarify whether it is the case that all formally established organisations are inclined towards implementing strategic HR systems (reverse causality). Or whether there is any existing link between organisational performance and HR strategies (genuine causality). Or whether some hidden organisation-specific factors have a 'spurious correlation' that is influencing the adoption of strategic HR systems and organisational performance. Therefore a similar study that is based on longitudinal data is required to confirm or disconfirm the presuppositions of direct and genuine causality underlying the findings from this study.

Additionally, the inquiry was confined to urban councils in Zimbabwe which limited the applicability of the findings to the single context. An inter-industry study could reveal other human resource dynamics that impact on organisational performance within organisations that are outside the urban council context.

Further, there is a possibility of high subjectivity as the data was obtained from participants who are demoralised due to polarised relations. There is therefore a high possibility that the participants could be keen to express their frustration by selling a narrative that is biased against their employer with hope that exposing their employer weaknesses could lead to their emancipation. This was clearly expressed by one participant when he said the following statement during interviews:

"Thank you my brother for coming here, we want to say the story as it is, so that the whole world knows that there is labour slavery in Zimbabwe".



Therefore, quantitative studies that captures views from a big number of respondents with data collection that is administered independent of the researcher involvement could minimise bias.

Conclusion

The study aimed to analyse the impact of human resource strategy on organisational performance in an empirical setting where the human resource is critical for the achievement of quality service delivery goals. The study was specific to a public sector context (Zimbabwean urban councils) which is characterised by polarised industrial relations. The study revealed important contributions that could assist to reshape the HR strategies for public sector organisations that are operating in troubled contexts. The major finding was that, it is difficult to predict human behaviour and maintain strict coherence of HR bundles when the environment is unstable and controlled by the macro-economic factors. The study thus exalted the importance of developing HR strategies that elevate specific human resource competencies that address the existing strategic gaps. Further, relying on relational rewards and maintaining an inclusive stakeholder consultation approach to increase HR policy acceptance and support. Thereby stimulating an improvement in organisational performance.

References

- [1] Appelbaum, E., Bailey, T., Berg, P., & Kalleberg, A. L. (2000). *Manufacturing advantage: Why highperformance work systems pay off.* London: ILR Press. Araujo.
- [2] Anwar, G. a. (2021). The Impact of Human Resource Management Practice on Organizational Performance. *International journal of Engineering, Business and Management (IJEBM), 5*(1), 35-47.
- [3] April, C. W. (2005). Relationship between strategic human resource management and firm performance: A contingency perspective. *International Journal of Manpower*, 26(5), 434-449.
- [4] Asfahani, A. (2021). The impact of modern strategic human resource management models on promoting organisational agility. *Academy of Strategic Management Journal*, 20(2), 1-11.
- [5] Barney, J. (2001), 'Is the Resource-Based View a Useful Perspective for Strategic Management Research? Yes,' Academy of Management Review, 26, (1), 41–56.
- [6] Birkinshaw, J., Brannen, M. Y., & Tung, R. L. 2011. From a distance and generalizable up to close and grounded: Reclaiming a place for qualitative methods in international business research. *Journal of International Business Studies*, 42(5): 573–581.



- [7] Boselie, P., and Dietz, G. (2003), 'Commonalities and Contradictions in Research on Human Resource Management and Performance,' Paper presented at the Academy of Management Conference, August, Seattle, WA.
- [8] Boudlaie, H. A.-P. (2020). Designing a human resource scorecard: An empirical stakeholder-based study with a company culture perspective. *Journal of Entrepreneurship, Management and Innovation, 16*(4), 113-147.
- [9] Bryson, J. M. (2018). Strategic planning for public and non-profit organizations: a guide to strengthening and sustaining organizational achievement. New Jersey: John Wiley & Sons.
- [10] Chhipi-Shrestha, G. R. (2019). Selection of sustainable municipal water reuse applications by multi-stakeholders using game theory. *Science of the Total Environment*, 650(2), 2512-2526.
- [11] Colbert, B.A. (2004), 'The Complex Resource-Based View: Implication for Theory and Practice in Strategic Human Resource Management,' *Academy of Management Review*, 29 (3), 341–358.
- [12] Constitution of Zimbabwe (2013). Constitution of Zimbabwe Amendment (No. 20) Act, 2013 (Act No. 1 of 2013). Harare: Veritas
- [13] Delery, J.E., & Doty, D.H. (1996). Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions. Academy of Management Journal, 39(4), 802–835.
- [14] Ferris, G.R., Arthur, M.M., Berkson, H.M., Kaplan, D.M., Harrell-Cook, G., & Frink, D. D. (1998). Toward a social context theory of the human resource managementorganization effectiveness relationship. *Human Resource Management Review*, 8(3), 235–264.
- [15] Gratton, L., & Truss, C. (2003). The three-dimensional people strategy: Putting human resources policies into action. *Academy of Management Executive*, *17*(3), 74–86
- [16] Green, K. W. (2006). The impact of strategic human resource management on firm performance and HR professionals' work attitude and work performance. *The International Journal of Human Resource Management*, *17*(4), 559-579.
- [17] Guba, E (1990) The alternative Paradigm dialogue. In E.G Guba (ed.). The paradigm dialogue (pp.18 -30). Newbury Park, CA: Sage
- [18] Haque, A. (2021). Strategic HRM and organisational performance: does turnover intention matter? *International Journal of Organizational Analysis*, 29(3), 656-681.
- [19] Heinelt, H. H. (2018). Local Government Systems: Grasping the Institutional Environment of Mayors. In H. M. Heinelt, *Political Leaders and Changing Local Democracy. Governance and Public Management* (pp. 19–78). Cham: Palgrave Macmillan.
- [20] Huselid, M.A., Jackson, S.E., & Schuler, R.S. (1997). Technical and strategic human resource management effectiveness as determinants of firm performance. Academy of Management Journal, 40(1), 171–188



- [21] İkizer, I. (2022). *Direct democracy practices of local authorities in Turkey*. Istanbul: IGI Global Publishers.
- [22] Iqbal, A. (2019). The strategic human resource management approaches and organisational performance: The mediating role of creative climate. *Journal of Advances in Management Research*, *16*(2), 181-193.
- [23] Jarzabkowski, P., Langley, A., & Nigam, A. 2021. Navigating the tensions of quality in qualitative research. *Strategic Organization*, 19(1): 70–80.
- [24] Jones, E. B., & Bartunek, J. M. 2021. Too close or optimally positioned? The value of personally relevant research. Academy of Management Perspectives, 35(3): 335–346.
- [25] Joseph, C. G. (2019). Realising sustainable development goals via online integrity framework disclosure: Evidence from Malaysian and Indonesian local authorities. *Journal of Clean Production, 125*, 112-122.
- [26] Knies, E., & Leisink, P. L. M. (2017). People management in the public sector. In C. J. Brewster & J. L. Cerdin (Eds.), Not for the money: People management in mission driven organizations (pp. 15–46). Cham: Palgrave/Macmillan
- [27] Kramar, R. (2022). Sustainable human resource management: six defining characteristics. *Asian Pacific Journal of Huna Resources*, 60(1), 146-170.
- [28] Lemarleni, J. E. (2017). Effects of resource allocation on strategy implementation at Kenya police service in Nairobi county. *International Academic Journal of Human Resource and Business Administration*, 2(4), 1-26.
- [29] Lengnick-Hall, M.L., Lengnick-Hall, C.A., Andrade, L.S., & Drake, B. (2009a). Strategic human resource management: The evolution of the field. *Human Resource Management Review*, 19(2), 64–85
- [30] Llorca, M. O. (2016). Efficiency and environmental factors in the US electricity transmission industry. *Energy Economics*, 55, 234-246.
- [31] Madhani, P.M. (2020, January). Effective Rewards and Recognition Strategy: Enhancing Employee Engagement, Customer Retention and Company Performance. *The Journal of Total Rewards*, 39-48
- [32] Messersmith, J. G., Patel, P. C., Lepak, D. P., & Gould-Williams, J. S. (2011). Unlocking the black box: Exploring the link between high-performance work systems and performance. *Journal of Applied Psychology*, *96*, 1105–1118.
- [33] Misbah, M., &. (2020). Strategic human resources management to take the challenges of the dociety era 5.0. *International Conference of Business and Social Sciences* (pp. 724-733). Surabaya: STIESIA.
- [34] Mironga, A., & Mironga, M. (2022). A Critical Analysis of the Performance of Local Governments in Zimbabwe under the COVID-19 Pandemic. Advanced Journal of Social Science, 10(1), 75–87. <u>https://doi.org/10.21467/ajss.10.1.75-87</u>.
- [35] Marumahoko,S.,Olugbemiga,S.A.,Sadie,Y.,&Nhede,N.T.(2020). Governance and Urban Service Delivery in Zimbabwe. Strategic Review for Southern Africa, 41-67. Available on:



https://www.up.ac.za/media/shared/85/Strategic%20Review/VOL%2042%20(1)/strategic review_article_2.zp190580.pdf.

- [36] Njoku, E. R. (2019). An Analysis of the Contribution of e-HRM to Sustaining Business Performance. In *HRM 4.0 For Human-Centered Organizations (Advanced Series in Management, Vol. 23)*, (pp. 21-39). Bingley: Emerald Publishing Limited.
- [37] Ongaro, E., and Van Thiel, S. (2017). The Palgrave handbook of public administration and management in Europe. Basingstoke: Palgrave
- [38] Porter, M. (1996), 'What is Strategy?' Harvard Business Review, 74(6), 61-75
- [39] Sharma, S. &. (2021). Innovation and employee turnover in biotechnology companies: rethinking the role of strategic human resource management. *World Review of Entrepreneurship, Management and Sustainable Development, 17*(2/3), 291-305.
- [40] Schuler, R. S., & Jackson, S. (1987). Linking competitive strat- egies with human resource management practices. *Academy of Management Executive*,(1): 207-219.
- [41] Sikora, D.M., & Ferris, G.R. (2014). Strategic human resource practice implementation: The critical role of line management. *Human Resource Management Review*, 24(3), 271–281.
- [42] Truss, C. (2001). Complexities and controversies in linking HRM with organizational outcomes. *Journal of Management Studies*, 38(8), 1121–1149.
- [43] Van De Voorde, K., Paauwe, J., & Van Veldhoven, M. (2010). Predicting business unit performance using employee surveys: Monitoring HRM-related changes. *Human Resource Management Journal*, (20), 44–63.
- [44] Van Maanen, J. 1979. Reclaiming qualitative methods for organizational research: A preface. *Administrative Science Quarterly*, 24(4): 520–526.
- [45] Veritus (2023) Ministry of Local Government in Zimbabwe. Available on: https://www.veritaszim.net/node/654. Accessed 13 January 2023
- [46] Volk, S. C. (2018). Alignment: Explicating a Key Concept in Strategic Communication. *International Journal of Strategic Communication*, 12(4), 433-451.
- [47] Voorn, B. v. (2019). Multiple principals, multiple problems: Implications for effective governance and a research agenda for joint service delivery. *Public Administration*, 93(7), 671-685.
- [48] Wright, P.M., Dunford, B.B., and Snell, S.A. (2001), 'Human Resources and the Resource-Based View of the Firm,' *Journal of Management*, 27(6), 701–721.
- [49] Yin, R. K. 2018. *Case study research and applications: Design and methods* (6th ed.). Sage.
- [50] <u>https://library.up.ac.za/c.php?g=247517&p=1649003</u> Human resources management: data bases and journals