



**REVOLUTIONARY GOVERNMENT OF
ZANZIBAR**



**OFFICE OF TREASURY REGISTRAR AND
PUBLIC ASSET MANAGEMENT**

**THE EVALUATION REPORT OF PERFORMANCE CONTRACTS
BETWEEN THE OFFICE OF TREASURY REGISTRAR AND THE
PUBLIC CORPORATIONS OF ZANZIBAR 2023**

AUGUST 2024

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LIST OF ABBREVIATIONS

CGN	The Corporation of Government Newspapers
KPIs	Key Performance Indicators
OTR	Office of Treasury Registrar
PBZ	People's Bank of Zanzibar
PC	Performance Contract
PIEs	Public Investment Entities
SHIPCO	Zanzibar Shipping Corporation
TR	Treasury Registrar
ZAA	Zanzibar Airport Authority
ZAFICO	Zanzibar Fishing Company
ZASCO	Zanzibar Seaweed Company
ZAWA	Zanzibar Water Authority
ZBC	Zanzibar Broadcast Corporation
ZECO	Zanzibar Electricity Corporation
ZHC	Zanzibar Housing Corporation
ZHSF	Zanzibar Health Services Fund
ZIC	Zanzibar Insurance Corporation
ZICTIA	Zanzibar Information Communication Technology Infrastructure Agency
ZMUX	Zanzibar Multiplex Company
ZPC	Zanzibar Port Corporation
ZPDC	Zanzibar Petroleum Development Company
ZSSF	Zanzibar Social Security Fund
ZSTC	Zanzibar State Trading Corporation

CHAPTER ONE

AN OVERVIEW OF THE OFFICE OF TREASURY REGISTRAR

1.1 Introduction

The Office of Treasury Registrar and Management of Public Assets Zanzibar was established in 2021 under the Office of Treasury Registrar and Public Asset Management Act No. 6 of 2021, which repealed the Public Investment Act No. 4 of 2002.

The main objective of establishing the Office of Treasury Registrar is to manage public Investments, organizations and companies in which the government holds shares or which are of public interests and public assets in Government institutions.

1.2 Vision

To be an effective tool for productive investment and management of public assets.

1.3 Mission

Establishing policies, guidelines and management criteria to ensure that public investment institutions and public assets are productive at the best level.

1.4 Core values

In day-to-day operations, the OTR is guided by the following core values:

Integrity

We are obligated to act honestly, fairly and openly to honor our commitments and not to use public office for personal gains.

Respect

We are committed to treating each other and the general public with respect by ensuring fairness, upholding merit principles and ensuring there is no discrimination in handling of the affairs of the office.

Objectivity

We are committed to act impartially in the execution of our duties and to provide the government with objective and honest advice.

Excellence

We strive for excellence and to perform to the best of our abilities with pride, skill, and dedication, and we are committed to provide service to the public that is timely, competent, fair, efficient, and effective by acting objectively, professionally, and lawfully.

Creativity

We encourage the process of regularly expanding skills and knowledge and motivate creativity and innovation so as with a view to improve knowledge and skills of all staff so as to improve services rendered to OTR's stakeholders and the general public.

Teamwork

We believe in teamwork and participatory management and committed to promoting citizen-centered service by collaborating with stakeholders across departmental and Governmental boundaries.

CHAPTER TWO

2.1 AN OVERVIEW OF THE REPORT

The performance evaluation report is designed to lay down a summary of the day-to-day evaluations and is intended to help the supervisor to be objective. Performance evaluation aims to assess an individual's or entity's job performance so as to determine how well they fulfill their responsibilities. Among the responsibilities of the management of PIEs, the Treasury Registrar's Office will enter into performance contracts with the boards of public investment institutions as directed in section 36 (1) (2) of Act number 6 of 2021.

2.2 OBJECTIVE OF THE PERFORMANCE CONTRACT EVALUATION REPORT

The main objective of the PC evaluation report is to assess the performance of public investment institutions and to advise and make recommendations to the relevant authorities. Specifically, this report is intended to achieve the following:

- i. To improve organizational performance so as to reach its goals and optimize results.
- ii. To motivate high-performing employees
- iii. To provide frequent feedback for increased performance
- iv. Counsel under-performing employees
- v. Support for up grading and promotions
- vi. To determine training and developmental needs.

2.3 IMPORTANCE OF THE PERFORMANCE CONTRACT EVALUATION

Performance contracting when properly used offers tremendous benefits, such as:

1. It improves delivery quality and timely services to citizens and helps organizations to ensure efficiency, effectiveness and competence.
2. Performance contracts specify the mutual performance obligations and intentions that the government requires public officials and directors of public investment entities to meet over a given period of time.
3. It increases accountability with explicit managerial targets, combined with management autonomy and output incentives so as to perform and make it easier to establish a basis for managerial accountability and to improve output.
4. Performance contracting includes clarifying the objectives of service organizations and their relationship with the government. They also include facilitating performance evaluation based on results, instead of conformity with bureaucratic rules whose results lack ideas, innovations and creativity in the public sector.
5. Performance contracting offers several benefits to both the buyer and the seller of a service or product. These contracts can improve the quality and effectiveness of the service or product, as the contractor has a clear and measurable goal to achieve and is rewarded for exceeding the expectations. It helps to provide a smooth interface between state corporations and the government, as well as to increase these PIEs autonomy.

The government sets out what it expects from the enterprises at the beginning of the year and discourages interference in their day to day operations.

2.4 CONSEQUENCES OF NOT ENTERING PERFORMANCE CONTRACT

- i. Breach of Treasury Registrar and Public Asset Management Act number 6 of 2021 section 35 (1) (2). A chairperson and other board members of PIEs shall enter into a performance contract with TR in accordance with the terms and conditions specified by the Office.
- ii. Lead underperformance of PIEs. Due to lack of performance indicators to measure their performance. PC describes the role and obligation of the parties and the indicators that the entity has underlined their performance measurement.

CHAPTER THREE

3.1 ANALYSIS OF PUBLIC INVESTMENT ENTITY REPORTS SUBMITTED TO THE OFFICE OF THE TREASURY REGISTRAR

PIEs that entered into a performance contract with the Treasury Registrar's Office are required to submit their quarterly reports in order to complete the full year report in time.

Only on PIE completed and submitted its performance reports of four quarters of the year. Therefore, the Treasury Registrar's Office decided to analyze the reports available to check the effectiveness and challenges that emerged during the implementation process of the contract and the preparation of performance contract reports.

The Treasury Registrar's Office in Zanzibar has successfully obtained some contracts, prepared estimates and advised how best to deal with the daily activities of the organizations for a period of one year. The status of reporting to organizations was not satisfactory due to the organizations failing to complete the procedure of delivering their reports. The (organizations) and their reporting status is as follows:

S/N	CORPORATION	NOT SUBMITTED	SUBMITTED
1	ZBC	Not submitted	-
2	ZPC	Not submitted	-
3	ZIC	-	Submitted Q3&Q4
4	ZHC	-	Submitted Q1&Q2

S/N	CORPORATION	NOT SUBMITTED	SUBMITTED
5	PBZ	Not submitted	-
6	ZPDC	Has not signed a contract	-
7	ZMUX	Has not signed a contract	
8	ZICTIA	Has not signed a contract	-
9	SHIPCO	-	Submitted Q1,Q2&Q3
10	ZAFICO	(They haven't) Has not signed a contract	-
11	ZASCO	They haven't signed a contract	-
12	ZSTC	Did not sign a contract	-
13	ZAA	Has not signed a contract	-
14	ZECO	Has not signed a contract	-
15	ZSSF	-	Submitted All
16	ZAWA	-	Submitted Q1
17	ZHSF	Has not signed a contract (new)	-
18	CGN	-	Submitted Q1,Q2&Q3

I. COMPLETE REPORT AT TIME OF SUBMISSION.

1. ZANZIBAR SOCIAL SECURITY FUND (ZSSF)

The Zanzibar Social Security Fund (ZSSF) was established under the Zanzibar Security Fund Act No. 2 of 1998 subsequently amended by the Zanzibar Social Security Fund Law No. 9 of 2002 and re-enacted by Law no. 2 of 2005.

Before the enactment of the law and the establishment of the ZSSF, there was no official social security scheme in Zanzibar. Nor was there a private pension/essential work sector scheme in Zanzibar.

Before the establishment of the ZSSF, public service workers in Zanzibar were covered and received pension benefits under the Pension Law No. 2 of 1990.

ZSSF is the only entity which submits all quarterly progress reports of performance report.

The report is to examine and evaluates the performance of the ZSSF in five Key Performance Indicators (KPIs) with their respective.

Performance (Indicators) benchmarks. The evaluation was undertaken to assess whether the ZSSF achievement met the targets set on each performance indicator within the Performance Contract between the Board of Directors of ZSSF and OTR.

The Performance Contract consisted of five key performance indicators (KPIs), with their respective units of measurement and targets set to achieve specified objectives. These KPIs are People Management, Good Governance and Control, Customer Services, Core Functions and Financial Performance.

The Evaluation Report provides an analysis on the performance of the ZSSF in each KPI by showing the targets set, actual value attained within a year, raw score, weighted score as per the allocated total

weight in a particular KPI, weighted score as a percentage of the total weight in a particular KPI to the total weights within the Performance Contract, and their respective remarks.

In the analysis, the performance in each Performance Indicator and the whole KPI is ranked as Excellent, Very Good, Good, Fair and Poor. The evaluation report of ZSSF is provided in **Annex I**.

II. INCOMPLETE REPORTS AT THE TIME OF SUBMISSION

The evaluation stage of the PC process is undertaken after the contract period. This is because the evaluation takes into account all four quarterly reports from PIEs. As a result, the Office can not evaluate an incomplete report, but analyzes all submitted reports to detect errors which occurred during preparation, execution and reporting of performance contract.

The following are PIEs that have submitted incomplete reports:

1. ZANZIBAR INSURANCE CORPORATION (ZIC)

The Zanzibar Insurance Corporation (ZIC) is a Zanzibar Government corporation established on June 20th, 1969 under the President's Office of Finance and Planning.

The main purpose for the establishment of this institution is to provide quality insurance services nationwide. The TR Office observes the following errors when analyzing the submitted progress report **(Quarter three and Quarter Four)**:

- i. Errors in setting the target in the implementation (Indicator Target Value). It did not set the exact number to be reached. Errors in writing measurements (unit of measurements) in some operational indicators (Performance Indicators), for example; in

some indicators it is written "No" as a measurement instead of setting the relevant measurement as "%", "TZS", etc.

- ii. Errors in calculating and writing the level of summation (Cumulative Values). This has emerged in many operational indicators (Performance Indicators), for example; the percentage of employees who have been trained, and the percentage of External Auditor recommendations acted upon.

2. THE CORPORATION OF GOVERNMENT NEWSPAPER (CGN)

The Corporation of Government Newspapers was established by law number 11 of 2008. This corporation publishes 'Zanzibar Leo' Jumapili "Sunday", Zaspoti' and Zanzibar Mail. The TR Office observed the following errors when analyzing the submitted progress reports **(Quarter one, Quarter two and Quarter three):**

- i. The information contained in various performance indicators are not realistic. This is observed in indicators, such as "% of Human Resources (HR) automated functions", "Diversity headcount ratio: Gender (Male: Female), and the "number of awareness programs conducted during one year".
- ii. The mistake of writing the score reached after the annual assessment of the board of directors (overall rating of annual board assessment) in each quarter of the financial year, instead of writing only in the last quarter.
- iii. Not setting a target (indicator target value) in some operational indicators, example; "Total Regulatory Compliance Cost".

3. ZANZIBAR WATER AUTHORITY (ZAWA)

The TR Office observed the following errors when analyzing the submitted progress report **(Quarter one):**

- i. Not following the procedure for preparing the quarterly performance report as instructed. The TR's Office, after finalizing the executive agreements, issued a document that shows the procedures to be followed in the preparation of quarterly reports, as well as setting a format that shows an example of the report.
- ii. Key Performance Indicators that the Zanzibar Water Authority (ZAWA) was supposed to use and assess were not applied and instead utilised other aspects contrary to the contract agreement.

4. ZANZIBAR HOUSING CORPORATION (ZHC)

The mandate of the Zanzibar Housing Corporation (ZHC) is clearly stipulated in the functions and powers accorded to it through the Zanzibar Housing Corporation Act 6 of 2014.

In accordance with this Act under section 7 (1), the ZHC has the overall responsibility to facilitate the provision of houses and other buildings to Zanzibaris for residential, commercial, industrial or other real estate purposes.

- i. The observed mistake is of setting the target (indicator target value) contrary to what was in the Executive Agreement. "Weight" has been placed instead of "indicator target value" in the performance contract. Example; such as in indicators of "Overall rating of annual board assessment".
- ii. Errors in calculating and writing the level of summation (Cumulative Values). This has emerged in many operational indicators (Performance Indicators), for example; the percentage of employees who have participated in training, and the percentage of external Auditor recommendations acted upon.
- iii. The information set in various performance indicators (Performance Indicators) are not realistic. This is in indicators such as "% of HR functions automated", "Diversity headcount

ratio: Gender (Male: Female), and "number of awareness programs conducted during a year".

- iv. The mistake of writing the score reached after the assessment of the board of directors of the year (Overall rating of annual board assessment) in each quarter of the financial year, instead of only writing in the last quarter.

5. ZANZIBAR SHIPPING CORPORATION (SHIPCO)

The Zanzibar Shipping Corporation (SHIPCO) is a public corporation under the portfolio of the Ministry of Infrastructure and Communication that was established in 1978 by a Legal Notice No.3 under the Public Enterprise Decree of 1978 with a start-up capital of TZS 82.912 million and re-established under the Zanzibar Shipping Corporation Act No.3 of 2013.

The SHIPCO was formed to operate and improve shipping services in order to meet social, economic and commercial needs of the Zanzibar community and to provide and foster efficient shipping services in Zanzibar and other destination.

It also manages and operate state owned merchant ships in order to offer a growing population of Unguja and Pemba islands with reliable, safe and affordable sea transportation service. In other words, SHIPCO is aimed at serving sea mobility needs of the people and goods between the Islands of Unguja and Pemba, and between these Islands and other ports of East Africa.

What has been detected or observed

- i. Incomplete information in some operational indicators and lead to challenges in conducting operational evaluation. Example; "Dividend Payout Ratio (Dividend/Profit after Tax)".

- ii. The information contained in various performance indicators (Performance Indicators) is not realistic. This is noticed in indicators such as "Overall rating of annual board assessment", "Customer Satisfaction Score", etc.
- iii. Not setting a target (indicator target value) in some operational indicators, Example; "Percentage of revenue collected compared to total revenue budgeted during the year".

ERRORS OCCURRING IN REPORTING AND FINDING SOLUTION

1. Errors in calculating and writing the cumulative value

The problem that emerged is errors in calculating and writing summaries of various performance indicators. For example, the percentage of employees who attended training is mis stated in some reports. This leads to incorrect information about the performance of the relevant institution and affects important management decisions.

In order to solve this problem, it is important to evaluate and review the data used in calculating summaries. The use of special accounting software can also help to ensure the correct calculation of those sums.

2. Errors in writing measurements

Another problem is errors in writing the performance indicators. Inaccurate measurements can distort important information on the performance of organizations. For example, instead of using the correct measurements like "%", "TZS", etc., it is written "No". This can lead to a lack of accurate information for making significant decisions.

The best solution to this problem is to prepare a specific guide for the measurements that should be used for each indicator and to train employees on the correct use of those measurements.

3. The mistake of setting the target (indicator target value) contrary to what was in the Executive Agreement

Targets are set against those in the contract, and instead are set with "weight". This has led to a distortion of agreed goals and performance placed "weight" instead of "indicator target value" on indicators such as "Overall rating of annual board assessment".

In order to solve this problem, it is important to refer to the operational agreements before setting new targets and to ensure that the targets that are set are compatible with the existing ones in the respective agreements. Regular review of contracts and objectives will also help ensure consistency and proper implementation.

4. Error in writing the score reached after the evaluation of the board of directors of the year.

The board evaluation mark is written every quarter of the year instead of writing it only in the last quarter. This leads to confusion in monitoring and evaluating the performance of institutions. For example, an institution has prepared a board evaluation score for each quarter of the financial year instead of doing so only in the last quarter.

In order to avoid this problem, it is important to establish a procedure for writing the evaluation marks according to the established standards and ensure that the marks are written only in the last quarter, as required. Training staff on the correct procedures for writing and issuing evaluation reports will also help avoid these mistakes.

CHAPTER FOUR

STEPS TAKEN BY THE TR OFFICE TO AVOID ERRORS DURING PREPARATIONS AND EXECUTION OF PERFORMANCE CONTRACT.

1. Preparation of performance contract guidelines. At the time of entering into the first performance contract, there was no guideline that could lead the public investment entities in the preparations of the performance contract as well as the preparations of quarterly reports to facilitate the implementation of the contract. In July 2024 the Zanzibar TR Office signed the Performance Contract Guidelines, which will help public investment entities in the preparations and implementation of the contract.
2. Preparation of performance contract evaluation guidelines. Until now, the Office is in the process of preparing guidelines for the evaluation of performance contracts to ensure that all contracts are evaluated according to specific guidelines. Using the recommended guidelines in the performance of evaluation contracts will help avoid mistakes in the future and ensure accurate and reliable information is available for making better decisions. The Guidelines will be finalized in the first quarter of this financial year (2024/2025).
3. The Office continues to build the capacity of its employees to ensure that managing public investment entities through the performance contract is done with great efficiency and to help the Government in the effective management of public investment entities.

RECOMMENDATIONS

- i. In general, it is important for institution to ensure that their reports meet the standards by using Performance Contract Guideline of July 2024 issued by the Office of Treasury Registrar and Public Asset Management.
- ii. It is also important for institution to have a strong internal audit system and continuous training for its staff to ensure that high standards of reporting are maintained.
- iii. The structure of the Board of Directors should constitute personnel with experience in the same line of business or services that the PIEs deals with. The board's role in strategic planning entails identifying priorities, establishing goals and objectives, locating resources, and allocating funds to support strategic planning decisions. The board is also in charge of overseeing the PIEs' implementation of strategic plans. This is the reason why board members should have knowledge of the business, services and the necessary skills required to execute their duties diligently. Apart from that it is important to bear in mind that that potential board members can commit their time and energy to serving on the board.
- iv. The appointment of the Board of Directors in the PIEs should follow proper channels to ensure good corporate governance which may in turn lead to improved PIE performance. The government must follow laid down procedures on how the board members should be appointed in an unbiased manner which would lead to quality delivery of their duties.
- v. The Board of Directors in the Public Investment Entities should ensure that they put in place stringent internal control systems to help sustain the operations of the PIEs and improve performance. This should be outlined as the board

members are having strategic meetings of the entity's operations.

- vi. Furthermore, most PIEs do not follow Board Charters in place which is an abrogation of the standard requirements of a Public Investment Entities. This is one of the reasons why most of the PIEs do not produce financial statements on time because this requirement of supervision and approval of financial statements of the PIEs is the role of the Board of Directors as stipulated in the Board Charter. It should also be noted that failure to provide financial statements by a Public Investment Entity is a violation of the Treasury Registrar Act no. 6 of 2021. Therefore, a well-performing PIE is expected to have a board charter so as to ensure that the roles of the Board of Directors are clearly defined in order to enhance performance of the PIE.

ANNEXES TO THE EVALUATION REPORT

ANNEX I: ZSSF Performance Contract's Evaluation Report.



THE REVOLUTIONARY GOVERNMENT OF ZANZIBAR

PRESIDENT'S OFFICE FINANCE AND PLANNING

TREASURY REGISTRAR'S OFFICE

THE ZANZIBAR SOCIAL SECURITY FUND'S PERFORMANCE CONTRACT'S EVALUATION REPORT 2024/2024

FOREWORD

The report on the Performance Contract's Evaluation for the Zanzibar Social Security Fund (ZSSF) for the financial year 2023/2024 prepared by the Office of Treasury Registrar (OTR).

The objective of this report is to provide feedback to the the ZSSF and respective stakeholders including: President's Office Finance and Planning, regulators, policy makers, and the general public on the performance of the

entity. It also aims to show the extent to which the objectives and respective targets were met. The Office of the TR is convinced that this report shall serve as a basis for enabling all stakeholders to identify proper measures to take in order to improve the entity's performance in future.

The evaluation results show that the general performance of the ZSSF in the implementation of the Performance Contract is very good and this is indicated by the Composite Score of **2.62**. The **Excellent** performance was observed in two KPIs which are *Core Functions* and *Financial Performance* indicated by the weighted scores of **2.19** and **2.14** respectively, the **Very Good** performance was also observed in two KPIs which are People Management and Customer Service indicated by the weighted scores of **2.81** and **2.77** respectively, and **Good** Performance was achieved in Good Governance and Control indicated by the weighted score of **3.2**.

The TR Office is grateful to all the ZSSF officers and other stakeholders who provided valuable assistance during the preparation of this report.

1.0 INTRODUCTION

This report intends to evaluate the performance of the ZSSF in five Key Performance Indicators (KPIs) with their respective Performance Indicators. The evaluation was done to assess whether the ZSSF achieved to meet the targets set on each Performance Indicator within the Performance Contract between the Board of Directors of ZSSF and OTR.

The Performance Contract consisted of five KPIs, each has Performance Indicators with their respective units of measurement and targets set to achieve specified objectives. These KPIs are People Management, Good Governance and Control, Customer Service, Core Functions and Financial Performance.

This report provides an analysis on the performance of the ZSSF in each KPI by showing the targets set, actual value attained within a year, raw score, weighted score as per the allocated total weight in a particular KPI, weighted score as a percentage of the total weight in a particular KPI to the total weights within the Performance Contract, and their respective remarks.

In the analysis, the performance in each indicator and the whole KPI is ranked as *Excellent*, *Very Good*, *Good*, *Fair* and *Poor* if the score lies in the range of $1.00 \leq \text{score} < 2.40$, $2.40 \leq \text{score} < 3.00$, $3.00 \leq \text{score} < 3.60$, $3.60 \leq \text{score} < 4.00$ and $4.00 \leq \text{score} \leq 5.00$ respectively.

2.0 EVALUATION OF THE ZSSF PERFORMANCE CONTRACT IN EACH KEY PERFORMANCE INDICATOR

The Performance Contract is designed to assess the implementation of the objectives that the respective public entity set with specified target values within a financial year. The KPIs assessed are People Management, Good Governance and Control, Customer Service, Core Functions and Financial Performance.

2.1 PEOPLE MANAGEMENT

This criterion measures the efficiency of various HR management practices towards enhancing organizational productivity and sustainability. It covers aspects such as human capital utilization, human capital development, performance management systems, employee welfare, promotion of an inclusive working environment and care and fight of non-communicable diseases.

The general performance for this KPI was **Very Good** since the Weighted Score is **2.81**. The *Excellent* performance was achieved in the performance indicator *Number of awareness programs conducted during the year* which is indicated by the raw score *1.00*. The remarks for all performance indicators in this KPI with their respective details are shown in the table 1 below:

S/N	KPIs	Weight (%)	T	Xa	Raw Score	Weighted Score (W1)	Weighted Score (W2)	Remarks
1.1	Employee Productivity rate	2	1521.53	1320.35	3.26	0.43	0.07	Good
1.2	% of employee participating in training	2	80	100	2.50	0.33	0.05	Very Good
1.3	% of employee receiving regular performance feedback	2	100	100	3.00	0.4	0.06	Good
1.4	% of HR functions automated	1	60	50	3.33	0.22	0.03	Good
1.5	% of employee retention rate	1	95	99.5	2.91	0.19	0.03	Very Good
1.6	% of employee satisfaction level achieved	2	100	98	3.04	0.41	0.06	Good

1.7	% of grievance resolved	2	100	100	3.00	0.4	0.06	Good
1.8	Diversity headcount ratio: Gender (male:female)	2	65:35	68:32	2.71	0.36	0.05	Very Good
1.9	Number of awareness programs conducted during the year	1	1	3	1.00	0.07	0.01	Excellent

Table 1

$$\text{People Management} = \sum_{k=1}^9 (\text{WS1})_i = \mathbf{2.81}$$

People Management Remark is **Very Good**

2.2 GOOD GOVERNANCE AND CONTROL

This criterion measures the adherence to good governance and accountability principles and practices by an Institution. It covers several parameters of accountability, including anti-corruption measures, Board efficiency and effectiveness, risk management and controls, and compliance with laws and regulations.

The general performance for this KPI was **Good** since the Weighted Score is **3.2**. The *Very Good* performance was achieved in the performance indicator *Overall rating of annual board assessment* which is indicated by the raw score 2.84, and the *Poor* performance was observed in the performance indicator *Percentage rate of non-compliance incidences reduced* which is

marked by the raw score 4.6. The remarks for all performance indicators in this KPI with their respective details are shown in the table 2 below:

S/N	KPIs	Weight (%)	T	Xa	Raw Score	Weighted Score (W1)	Weighted Score (W2)	Remarks
2.1	No. of corruption awareness programs conducted during the year	2	1	1	3.00	0.30	0.06	Good
2.2	Number of corruption cases reported	2	0	0	3.00	0.30	0.06	Good
2.3	Compliance to Internal Audit Recommendations	2	100	100	3.00	0.30	0.06	Good
2.4	Compliance to Statutory Audit Recommendations	2	100	100	3.00	0.30	0.06	Good
2.5	Overall rating of annual board assessment	2	90	97	2.84	0.28	0.06	Very Good
2.6	% of risks with valid mitigations	2.5	100	100	3.00	0.38	0.08	Good
2.7	% of business processes with the business continuity plan	2.5	100	100	3.00	0.38	0.08	Good

2.8	Percentage rate of non-compliance incidences reduced	2.5	10	2	4.6	0.58	0.12	Poor
2.9	Overall compliance rating by regulator and standard organization	2.5	100	100	3.00	0.38	0.08	Good

Table 2

$$\text{Good Governance} = \sum_{k=1}^9 (\text{WS1})_i = \mathbf{3.2}$$

Good Governance Remark is **Good**.

2.3 CUSTOMER SERVICES

This criterion measures the capacity of the institution to provide quality and innovative services to its customers, including the growth of its customer base. Key parameters of interest include efficiency in service delivery, patient satisfaction, service automation and efficiency in complaints handling.

The general performance for this KPI was **Very Good** since the Weighted Score is **2.77**. The *Excellent* performance was achieved in the performance indicator *Member Effort Score (MES)* which is indicated by the raw score 2.00, and the *Very Good* performance was observed in the performance indicator *Average response time in serving customers* which is marked by the raw score 2.60. The remarks for all performance indicators in this KPI with their respective details are shown in the table 3 below:

S/N	KPIs	Weight (%)	T	Xa	RS	Weighted Score (W1)	Weighted Score (W2)	Remarks
3.1	% of services automated	2.5	90	90	3.00	0.50	0.08	Good
3.2	No. of new services/products provided	2.5	1	1	3.00	0.50	0.08	Good
3.3	Average response time in serving customers	2.5	30	25	2.60	0.43	0.07	Very Good
3.4	% of Members complaints resolved on time	2.5	85	83	3.05	0.51	0.08	Good
3.5	% of Members satisfaction score	2.5	87	86	3.02	0.50	0.08	Good
3.6	Member Effort Score (MES)	2.5	3	2	2.00	0.33	0.05	Excellent

Table 3

$$\text{Customer Service} = \sum_{k=1}^6 (WS1)_i = \mathbf{2.77}$$

Customer Service Remark is **Very Good**.

2.4 CORE FUNCTIONS

This criterion measures performance in the implementation of the core mandate of an institution. Specific variables for this indicator include, but are not limited, to efficiency in managing an institution.

The general performance for this KPI was **Excellent** since the Weighted Score is **2.19**. The remarks for all performance indicators in this KPI with their respective details are shown in the table 4 below:

S/N	KPIs	Weight (%)	T	Xa	RS	Weighted Score (W1)	Weighted Score (W2)	Remarks
4.1	% of new members registered	2.5	14	17	2.57	0.21	0.06	Very Good
4.2	% of members with ID	2.5	100	100	3.00	0.25	0.08	Good
4.3	% of informal sector groups registered	2.5	14	16	2.71	0.23	0.07	Very Good
4.4	% growth rate in contribution collection	2.5	10	11.75	2.65	0.22	0.07	Very Good
4.5	Number of inspections to the employers	2.5	1600	2211	2.24	0.19	0.06	Excellent
4.6	% growth in return on investment	2.5	1	2.3	1.00	0.08	0.03	Excellent
4.7	% of investment expenses on total investment Income	2.5	5	4.13	2.58	0.22	0.06	Very Good
4.8	% of Administration expenditure over	2.5	10	6	1.67	0.14	0.04	Excellent

	contributions collected							
4.9	% of Administration expenditure over the total Assets	2.5	3	1.56	1.15	0.1	0.03	Excellent
4.1	% of benefits payments to total contributions	2.5	50	48.75	2.95	0.25	0.07	Very Good
4.11	% of benefits payments to total Assets	2.5	7	2	1.00	0.08	0.03	Excellent
4.12	Number of days in processing claims	2.5	14	12	2.67	0.22	0.07	Very Good

Table 4

$$\text{Core Functions} = \sum_{k=1}^{12} (\text{WS1})_i = \mathbf{2.19}$$

Core Functions Remark is **Excellent**.

2.5 FINANCIAL PERFORMANCE

This Indicator will measure compliance with financial regulations, circulars, standards, and best practices. It measures how an entity ensures profitability, liquidity, solvency and return to shareholders while serving its core service delivery.

The general performance for this KPI was **Excellent** since the Weighted Score is **2.14**. The remarks for all performance indicators in this KPI with their respective details are shown in the table 5 below:

S/N	KPIs	Weight (%)	T	Xa	Raw Score	Weighted Score (W ₁)	Weighted Score (W ₂)	Remarks
5.1	Collections/Revenue Growth Rate	2	10.5	12.5	2.62	0.26	0.05	Very Good
5.2	Admin expense/Total Contribution	2	10	6	1.67	0.17	0.03	Excellent
5.3	Employee Efficiency Ratio	2	6	3.75	1.8	0.18	0.04	Excellent
5.4	Investment Ratio	2	90	97.75	2.83	0.28	0.06	Very Good
5.5	Return on Investment (ROI)	2	7	9.2	2.37	0.24	0.05	Excellent
5.6	Return on Total Assets (ROA)	2	6	10	1.67	0.17	0.03	Excellent
5.7	Return on Net Assets (RONA)	2	7	10	2.14	0.21	0.04	Excellent
5.8	Contribution density	2	100	100	3	0.3	0.06	Good

5.9	% of publicity/marketing expenses incurred to total contribution (excluding government grant)	2	0.5	0.18	1.00	0.1	0.02	Excellent
5.10	Current assets/Current Liabilities	2	2:1	2.71:1	2.29	0.23	0.05	Excellent

Table 5

$$\text{Financial Performance} = \sum_{k=1}^{10} (WS1)_i = \mathbf{2.19}$$

Financial Performance Remark is **Excellent**

3.0 CONCLUSION

The general performance of the (ZSSF) was Very Good indicated by the composite score of 2.62. The results achieved are fruits of successful implementation of the Performance Contracts and managed to meet the targets.

4.0 RECOMMENDATIONS

Basing on the observations made through the evaluation of the Performance Contract, the following recommendations are put forward in order to improve the performance of the ZSSF:

- There is the need to make further improvements in the KPI *Good Governance and Control*, specifically on **Percentage rate of non-compliance incidences reduced** which observed to perform poorly. This

can be checked through increasing efficiency on reducing non-compliance incidences, or setting attainable indicator target value to be attained in the particular financial year.

Increase more efforts to those KPIs scored *Good* remark so as to attain *Very Good* and *Excellent* remarks as possible.