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Change leading in the urban water sector: the role of performance contracts
The case of Uganda

A PhD thesis defended in December 2014
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Why this research?

Under the New Public Management Era, accountability has become paramount in the public sector, and the water sector is no exception. In some cases, this is leading to building performance measure and incentive frameworks. The use of performance indicators to monitor performance is a professional recommendation. However, little is known on how performance measure is built over time, which performance indicators matter most within utilities and how much they influence operational practices over time. This is the gap that the PhD attempted to bridge.

Why Uganda?

The National Water and Sewerage Corporation in Uganda gained worldwide recognition from 2003 for its outstanding ability to improve on its performance. Performance contracts and leadership were two key elements in its reform.

What methodology?

An ethnography-based methodology with multiple data collection methods:
- semi-structured interviews with members of NWSC from top to bottom of the hierarchy, and with representatives of funding agencies, technical advisors and ministries;
- observation in meetings and operational work;
- archival work.

What makes this work unique?

- A work based on an original data set, constituted through an intense interaction with the utility;
- An original theory orientation based on recent developments of neo institutional sociology;
- A longitudinal and multi-level analysis.

What are the main results?

- provides with an example of advantages and limits of performance contracts;
- provides with an analytical framework to analyse explanatory elements;
- questions the frontiers between the public and the private and the meaning of performance;
- is an invitation to work on management tools that reconciliate short-term financial performance and sustainability goals.

Summary:
This PhD dissertation inquires into the evolution of norms, rules and representations that structure organizational practices in the urban water sector. The originality of this work lies in its focus on management accounting tools, conceptualized as vehicles of normative frames, organizational practices and professional roles. An ethnography-based methodology and an intervention research enabled the constitution of rich and authentic empirical material from Uganda. The history of the national water and sanitation utility is characterized by a form of neo-liberalism without privatization, which blurs the frontier between a public orientation and a private orientation to addressing sustainability challenges. The PhD dissertation shows how the management accounting tools, once implemented, contribute to sustain representations of performance that are centered on the financial viability of the utility; this process occurs under the influence of international funding agencies, in a context where alternative values have little influence. Finally, this dissertation highlights the normative dimension of such management tools, which have become inescapable in the urban water sector, with the aim of adapting them to sustainability issues specific to this sector.

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The context of this study:
About the author: Dr Marine Colon is a civil servant water engineer trained and employed by the French Ministry of Agriculture. She is now a lecturer at AgroParisTech in public management of water utilities and performance measurement tools.

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the AFC-FNEGE prize (Francophone Accounting Association and the French National Federation for Teaching Management of Enterprises).

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