

PERFORMANCE CONTRACTING AND SERVICE DELIVERY IN COUNTY
GOVERNMENTS IN KENYA: A CASE OF KAKAMEGA COUNTY

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DECLARATION

I declare that this thesis is my original work and that it has not been presented for examination in any other University or any other institution of higher learning.

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DEDICATION

I dedicate this work to the Most High God, who has been my guide and source of strength, my loving husband, and my exceptional children. Your love, prayers, and immense support have been consistent as I burned the midnight oil and spent long hours on my studies. God bless you.

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ABSTRACT

County Governments have adopted several strategies such as performance contracting, to improve service delivery. However, they have still been found to perform poorly. This is in spite of receiving a considerable share of the national budget to carry out their mandates. This means that the effects of performance contracting strategy in counties need to be examined in detail to understand the exact situation on the ground and its actual value. Based on such arguments, the study investigated the effect of performance contracting on service delivery in the County Government of Kakamega. The study was anchored on three theories, the expectancy theory, goal setting theory, and the dynamics theory of service delivery. Four specific objectives guided the study, thus: determining the impact of target setting on service delivery; establishing the effect of vetting and negotiation on service delivery; finding out the effect of execution on service delivery; and determining the effect of monitoring and evaluation on service delivery. The research made use of a descriptive research design. The study sampled 142 respondents drawn from the Executive and the County Assembly of Kakamega. A self-administered questionnaire was administered to each respondent. The Statistical Package for the Social Sciences (SPSS) Version 25.0 software was used to analyse the collected data. Descriptive analysis was performed on the data and presented in frequencies, percentages, means, and standard deviations. A regression analysis was used to test the hypotheses. The findings led to the rejection of three null hypotheses: a significant relationship between the independent and dependent variables was obtained. Hence the conclusion was that target setting, execution, monitoring, and evaluation significantly affect service delivery positively. The findings would inform the decisions of policymakers at both levels of government on entrenching performance contracting. The findings will further inform the incoming governor of the County Government of Kakamega on the areas of strengthening to enhance service delivery and also the task force on the performance contracting policy would benefit from the study findings. Further studies should be carried out on service delivery in other County Governments.

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ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
CECM	County Executive Committee Member
CG	County Governments
CIDP	County Integrated Development Plan
COG	Council of Governors
CPSBS	County Public Service Boards
CPMF	County Performance Management Framework
CSDC	Citizen Service Delivery Charter
GoK	Government of Kenya
PC	Performance Contract
PM	Performance Management
PMS	Performance Management Systems
SPAS	Staff Performance Appraisal System
SPSS	Statistical Package for Social Sciences

DEFINITION OF OPERATIONAL TERMS

County Government: is a public administration of a borough, parish or county which does make its laws by locally, administering state formulated laws besides collecting and managing its own tax. The county governments also have supremacy in administering a particular geographic area. However, they cannot make the rules that will pertain to that area, and elected officials head these county governments (Dugger, 2020).

Negotiations: According to Caputo et al. (2019), negotiation refers to a process in which individuals involved in a dispute work together to formulate agreements about the issues in dispute. This process assumes that the parties involved are ready to share and create offers, counter-offers, or both to reach a consensus and solve the dispute.

Performance Contracting: is a binding agreement between parties for execution or refraining from undertaking some specified task(s) over a specified period (Mbua & Ole-Sarisar, 2019).

Public Sector: It is a sector that comprises governments and agencies, enterprises, and other entities controlled or funded by the public and delivers public programs, goods, or services for the benefit of the community (Qing et al., 2020).

Service Delivery: It refers to the actual delivery of services and products to the

customer or clients, and it is concerned with where, when, and how a service product is delivered to service users and whether this is fair or unfair (Lovelock & Wright, 2019).

Target-Setting: This entails developing action plans designed to inspire and direct a person or group toward an objective (Grant et al., 2018).

CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE STUDY

Introduction

This chapter introduces the research on the impact of performance contracting on service delivery from various viewpoints, including the contextual and conceptual perspectives. The chapter provides context for the study on the effect of performance contracting on service delivery. Further, it breaks down the statement of the problem into conceptual and contextual gaps identified by empirical studies in previous works. It further outlines the impact of performance contracting on service delivery in devolved units. The chapter then defines the study's exact objectives and the hypotheses derived. Additionally, several assumptions are made, and the justification for the study is identified.

Background to the Study

Countries worldwide have witnessed a tremendous increase in population, calling for increased demand for quality service delivery (World Bank, 2019). Performance contracting is one of the techniques that has been gaining traction in the public sector alongside service delivery (Domberger, 2018). According to Domberger (2018), performance contracting is a solitary part of more extensive public area changes toward expanding profitability and viability while bringing down generally working expenses.

The use of performance contracts by different government agencies and ministries has been praised as an ideal tool to enhance performance since its inception. A performance agreement, in effect, is a contract between a service agency and the government that defines essential targets to be fulfilled, establishes agreed-upon

expectations for service provision, and monitors results for achieving the specified targets set (Hunter & Gates, 1998; Kadai et al., 2018; Jin & Wang, 2019). Performance contracts provide several incentive-based strategies for regulating government departments to control the result rather than the operation. On the other hand, management defines performance contracts as a set of determining obligations and goals among parties to achieve mutually agreed-upon outcomes. Performance contracting is a framework utilised to produce optimal actions between devolved units. Employers see successful contracts as a helpful mechanism for defining better goals and introducing modern management evaluation and governance systems, while administrators carry out day-to-day management (Kadai et al., 2018). Performance contracts have encountered differing popularity in countries like India, and Kenya, piquing policymakers' curiosity worldwide (Kobia & Mohammed, 2018).

According to the Organization for Economic Co-operation and Development (OECD) (2019), countries like Norway, Australia, France, New Zealand, and Spain that have capitalised on performance contracting as a strategy of achieving effective and efficient services delivery in public service, have seen improved service delivery in over four decades. For instance, an analysis done in all the public sector agencies/civil service sectors between 2017/2018 in Norway, noted that the new financial regulations supported the preparation of performance contracts in the Norwegian government, and thus, in turn, has been the main trigger of improved performance.

At the turn of the millennium, several countries on the continent adopted a successful contracting strategy. Performance contracting has been used by African countries to change their public service sectors whereby Benin, Cameroon, Cape Verde, Cote d'Ivoire, Gabon, Ghana, Guinea, Madagascar, Mali, Mauritania, Morocco, Niger, Senegal, Togo, Tunisia, and the Democratic Republic of the Congo are among these

countries (Humphrey, 2015). A comparative study by Yaw and Hadija (2019) found that in Ghana, the State Enterprises Commission (SEC) had the responsibility of evaluating the performance of SOEs, in addition to all the activities and processes associated with performance contracting. The performance evaluation was preceded by performance monitoring which took the form of quarterly financial and operational reports from SOEs and onsite visits for physical verification of capital projects set as targets. Larbi (2017) studied public sector agencies in Ghana and found that performance contracting had a crucial role in ensuring effective and high standard service delivery. According to State Enterprises Commission (2018), performance contracting faced a lot of resistance during its initial adoption in the period between 1999 to 2003. Nevertheless, performance contracting led to a 23% increase in service delivery in all the public sector ministries, with goods processing related sectors experiencing up to 80% effective performance. In fact, according to Humphrey (2015), Ghana is a giant economy in Africa today due to the adoption of well-structured and integrated performance contracting in all sectors of the economy.

Regionally, Tanzania has been fronted as the fastest growing economy under President Joseph Pombe Magufuli, thanks to the performance contracting strategy adopted among the civil servants, leading to increased service delivery (Shillingi, 2017; Sulle, 2019; World Bank, 2019). In a study done in the National Housing Corporation of Tanzania, it was noted that the adoption of performance contracting, with well-informed measurement information and objectives, was responsible for a 36% increase in service delivery between 2016 and 2019 (Sulle, 2019). However, Sulle (2019) noted that organisations have challenges implementing performance contracting systems. This is in spite of the importance of performance contracting in ensuring more efficient service delivery. Several public and private sectors are using performance contracting

and measurement information as strategies for performance. Ndung'u (2019) noted that the East African Community (EAC) Performance Contract 2008/2009 clarified member states' contribution to everyday joint achievements, including the implementation of the Strategic Plan (2007-2012), which was to see to it that successful strategies focused on a detailed performance target were developed. The performance contracting in the public sector has been implemented previously in Tanzania. However, improved integration and implementation of performance contracting only accelerated in the past five years following more stringent disciplinary measures by Tanzania's president against poor-performing employees.

Numerous studies have confirmed that the public sector performance has been dismal in Kenya, undermining sustainable economic development and growth since independence (Government of Kenya, 2019; Mbithi, 1996; Muthuara, 2017; Ndung'u, 2019; Omondi, 2019). Excessive legislation and oversight, constant political interference, inadequate administration, lack of stewardship in managing funds, and a lack of a driving goal have contributed to Kenya's poor public-sector results (Government of Kenya, 2019). The most significant problem has been a lack of clarity on workers' expectations and inadequate or no methods of assessing efficiency (Muthaura, 2017). To fix the situation, the government agreed to manage public service by implementing a performance contracting scheme (Omondi, 2019). The adoption of performance contracting, which took place in the year 2003, prompted several studies. However, none of the academic studies was undertaken to determine the impact of performance contracting on service delivery in the County Government of Kakamega.

Hassan (2019) observed that performance contracting has increased resource utilisation and service delivery in public agencies, according to a case study conducted in Mandera County. As per the findings, a clear association between performance

contracting and service delivery in devolved units exists. The results showed that performance contracting contributed to target-setting, feedback mechanisms, competency-based service delivery, and ongoing training and development. Even though this study was undertaken in the North-Eastern part of the country that is Arid and Semi-Arid Lands (ASAL) area and it only looked at four variables (goal setting, feedback mechanisms, skills required, and training impacts on service delivery), it has given important background information that can be used to inform the current study. Salome et al. (2019) examined the effects of performance contracting on public service delivery in Kenya. The research was exploratory, and it relied on published journals from ten peer-reviewed performance management journals. Apart from the difficulties encountered in implementing performance contracting, the study found that significant benefits to the country have been realized since 2003. Specifically, the customer satisfaction index increased, thus receiving the 2007 UN Public Service Award category 1. In addition, there was an increased level of transparency, increase in accountability levels, and responsiveness in the public sector at the Ash Institute for Democratic Governance and Innovation, a non-profit organisation, rose. This study confirmed that performance contracting can increase service delivery scores in Kenya. The exploratory study however relied on secondary data that may be subject to manipulation to suit the personal need or motive of some individuals.

Performance Contracting

According to Obong'o (2019), all Organization for Economic Co-operation and Development (OECD) nations undertake more or fewer performance contracts to manage their public service. The conclusions derived indicate that it is an effective tool for augmenting performance in public service worldwide. The concept of performance contracts remains a source of heated debate among academics and human resource

professionals. However, a few concepts will suffice to clarify what the term entails. Management Control Systems is a branch of management science that includes performance contracting (Mbua & Ole Sarisar, 2019). Performance contracting was described by African Association for Public Administration and Management (AAPAM), (2005) as a legally binding arrangement for parties to perform or refrain from undertaking, some quantified function(s) over a defined period. A performance contract in Kenyan public service has thus been described as a freely negotiated agreement between the government, organisations, and individuals on the one side and the agency itself on the other (GoK, 2004).

According to Mbua and Ole Sarisar (2019), researchers have been drawn to performance contracting due to its possible ability to impact service delivery. The accessible writings broadly pay attention to employee involvement and the relationship between individual goals, reward mechanisms, and performance contracting; the impact of performance contracting on performance, documented concepts, and capacity building that support the perception. Performance contracting in the public sector was implemented in the United Kingdom (UK) in 1998 as the Public Service Agreement (PSA) scheme, which highlighted a collection of set goals that all government departments had to report on (Moy, 2017). According to Binderkrantz (2011), performance contracts played a crucial role in increasing productivity and growing the level of policy influence in Denmark, while performance contracts in the United States of America (USA) sought to make federal agencies more efficient and thereby improve public trust in line with the Government Performance and Results Act of 1993.

The Government of Kenya (GoK) implemented performance contracting in the public sector as a mechanism to boost service quality, according to GoK (2019). For the first time, ministries were expected to work against specific goals, establish service

charters with their customers, and equate their success to that of the best in the world. Muriuki (2019) argued that performance contracting has been working in Kenya since 2003 when the government wanted to hold each public servant accountable for his/her work. Omondi (2019) noted that bringing performance contracting in the devolved units in Kenya had a relatively positive effect in terms of service delivery although there are several challenges facing the strategy. Tonui (2018) has a general view that performance contracting has been used as a strategy for institutional reforms in the public sector in the country and by 2007/2008, it helped cushion the country against the economic global crisis.

Services Delivery

According to Shivachi (2017), the goal of every institution is service delivery. Therefore, employees are expected to perform optimally in their respective duties often based on the target sets for service delivery. Performance contracting is a central tool that can be used to measure each worker's level of service delivery (OECD, 2019). Mauya (2015) noted that career prospects, bonus allowances, and decisions to promote staff are often pegged on service delivery efforts. It is said that employees are alerted on the significance of service delivery as the output of the performance contract resourcefulness (Kobia 2006).

Contract management is a perfect tool that outlines the objectives and goals of any organization, outlines the activities to be undertaken, specifies the various parties to handle such undertakings, and stipulates the measures that can be used to explain a given service offered (World Bank, 2017). Employees' require that emphasis is put on ensuring that priorities, strategies, tasks, expected outputs, and initiatives are aligned (IMF, 2019). Employees are required to brace with relevant implements that assist them

in delivery. Fundamentally, they need to get indications and guidance to stay on the right path through feedback.

Conclusively, according to UNDP (2019), when Kenya's 2010 constitution was promulgated, it was anticipated that provision of public service would change dramatically. County governments were also to be solely responsible for providing community services. This was only one of the main amendments enshrined in the constitution, which was enacted in 2010 and began to take shape following the 2013 elections. The new agreements were meant to help transform Kenyans' hopes into concrete outcomes by taking public services like schooling, health, sanitation, and infrastructure closer to the people. Since then, county government employees have been tasked with the sole duty of ensuring that citizens get required services at all the devolved centers.

Performance Contracting and Services Delivery

Previous study findings have shown that countries that have achieved higher rates of services delivery in the public sector, have effectively and efficiently implemented the performance contracting strategy (Arif et al., 2018; Ayeni, 2017; Chun & Rainey, 2018b; Commonwealth Secretariat, 2020; Dooren et al., 2019; ECA, 2019; Muriuki, 2019). According to Dooren et al. (2019), performance assessment has a critical role in reform efforts. By the end of the 1980s, England had improved its metrics. The Next Steps plan, the Financial Management Program, and the Citizen's Charter, among other reform programs, resulted in implementing systems for performance indicators for most government services. Hospitals, emergency services, schools, health trusts, and local governments, among others, all had league tables.

Europe has not pursued performance targets with similar eagerness as the Anglian world. Significant differences exist between countries; however, the role of

efficiency metrics was stressed in Germany's New Steering Model (Commonwealth Secretariat, 2020). However, the rules were not implemented in all cities and towns but rather in a few of them. Performance metrics were heavily used in steering agencies in Sweden, which is highly decentralized. The Management by Objectives and Results scheme is widely used in Norway, but only after being transformed and translated by the agencies (Dooren et al., 2019).

Across Africa, some countries have been found to use performance contracting to improve their service delivery. According to Muriuki (2019), performance contracting has gained popularity since the global economic crisis in countries like Benin, Burundi, Cameroon, Togo, Tunisia, and D.R. Congo, among others. The general trend has been improved service delivery in all the levels of public sectors offering various services; although the process still faces a number of challenges . In Kenya, there is rich literature indicating that service delivery in the public sector has improved since 2003/2014, due to the adoption of performance contracting strategy (Kobia, 2006; Muriuki, 2019; Shivachi, 2017; World Bank, 2019). In a study conducted in Garissa county government, Hassan (2019) noted that the government had implemented many initiatives aimed at improving service quality in the country since 2002. For example, the Public Procurement and Disposal Act of 2005 was enacted to streamline the government's procurement activities to avoid wasting public funds. Several other changes, included the adoption and enforcement of performance contracts in the public service, as well as the Anticorruption and Economic Crimes Act of 2003. The Kenyan civil service's effectiveness has been identified as a major obstacle that falls below expectations, resulting in a strained national budget with ineffective results (Muthaura, 2017).

Public Sector Reforms in Kenya

According to Schultz (1998), a public service is a group of government officers who serve in civil professions which are neither political nor judicial, as quoted in the work of Salome et al. (2019). According to Transparency International (2017), in well-organized societies or governments, individuals are recruited to occupy given positions and offer essential services to citizens. Recruitment is often based on merit and proper qualifications, usually subjected to scrutiny, that is transparent and accountable. However, the same cannot be said of the public sector Parastatals or offices in Kenya due to intensified corruption, nepotism, embezzlement; and political interests of various individuals (Humphrey, 2015). The reforms in Kenya since independence were based on the fact that civil servants were supposed to be neutral individuals who offer basic services to every citizen in a patriotic, non-discriminatory and non-partisan manner. However, the lack of patriotism, non-partisan, and non-discriminatory service in the civil service has been of great concern in a country where tribalism and nepotism are the order of the day (TI, 2017).

Following the millennium, Kenya saw the transfer of power from former President Moi of KANU to NARC, and the development plan bolstered by the government as the Result Based Management strategy was implemented (GoK, 2003). Reforms were undertaken to improve quality and service delivery to ensure efficient public sector administration and to acquire the guiding force for the larger public service. Rapid results strategy, values and ethics; and organizations capacity building are some of the policy strategies used by the government to improve service quality in the public sector since 2003 (GoK, 2007; GoK, 2017; GoK, 2018).

Since the 1990s, the Government of Kenya has implemented programs of public reform which were aimed at reducing the government's salary bill, realigning, and

rationalizing government agencies, thus tightening personnel and payroll discipline and capacity building (GoK, 2019). Government Sessional Papers number one from 1986, 1992, and 1994, aimed to align civil service changes to increase the rate of adoption with the view of achieving greater control of the wage bill, reinforce the balance of spending between activities and maintenance, and catalyse progress in service delivery (GoK, 2017). These developments have resulted in a dramatic shift in policy on staffing, organization of the civil service, management of pay and compensation, personnel control, and preparation of financial performance and management. Some of the basic policy issues raised by any change program include cutback management, which includes job reductions by retrenchment, normal attrition, creation of capacity, service induction, and result-based performance (GoK, 2017; Mbua & Ole Sarisar, 2019).

According to Omboi (2018), a variety of public sector initiatives were introduced in the recent past to place customer loyalty at the forefront of policymaking and service delivery. Some recent public service reform proposals have been cited as efforts under the Economic Recovery Strategy (ERS) to boost public service quality by improving the connection between planning, budgeting, and execution; and improvements in performance management “as well as strategic management” (GoK, 2017). The Kenyan Government increasingly recognizes that affordable, motivated, and skilled public service is an essential pillar of achieving the nation's growth agenda, as stipulated in the First Medium Term Plan (2008-2012) and Vision 2030. The government has increased efforts in fostering behavioral improvement in the public sector, as well as service delivery orientation, capability inventory assessment, performance assessment, service delivery computerization, and training and development (Obongo, 2019). Because of these changes in Kenya's public sector, it is

clear that performance contracting has always been seen as a key performance policy, hence its significance in this report.

Statement of the Problem

Various countries, more specifically those classified under the OECD are using different elements to measure performance contracting in the public sector (OECD, 2019). Therefore, there is a need for a detailed study to be undertaken to establish whether specific elements of performance contracting can be said to have influenced service delivery in the public sector and show their effects on service delivery. Across Africa, countries like Benin, Cameroon, Togo, Tunisia, and D.R. Congo recently embraced the performance contracting strategy to boost service delivery in the public sector (AU, 2018; Oliver & Nakamura, 2018; Yaw & Hadija, 2019). Specifically, to show the importance of performance contracting and its general effect on service delivery, Yaw and Hadija (2019) confirmed that performance contracting was responsible for 32.5% improved services delivery between 2010 and 2017 in Ghana. Even though performance contracting plays a critical role in Ghana, the performance index of 32.5% of service delivery in the public sector is still too low compared to the private sector, which is 76.2%; meaning that performance contracting in the public sector is still very poor; hence a need for studies in this particular area. Further, although performance contracting can be used as a perfect strategy for ensuring improved performance in the public sector, there are several hurdles facing it in the countries in sub-Saharan Africa where corruption, nepotism, and negative attitudes dominate the whole process. Further, most of the studies conducted in Africa concerning performance contracting and services delivery have used secondary data and have not anchored their findings to specific theories. These identified gaps are addressed by the current study.

In Kenya, several documented studies have indeed confirmed that performance contracting has been adopted since the wake of the new millennium as a strategy for ensuring improved services delivery in the public sector (GoK, 2019; Hassan, 2019; Mbithi, 1996; Muthuara, 2017; Ndung'u, 2019; Omondi, 2019). According to Hassan (2019), the Kenyan government in the recent past, has implemented performance contracts with a view to improve service quality as one of the initiatives to spur public sector reforms. Due to the significance of performance contracting in enhancing service delivery, Omondi (2019) states that Kenya has not been left behind in implementing this strategy. This was seen not only as a way to boost service delivery but also to shift public servants' mindsets away from an inward-looking corporate culture and toward an emphasis on performance and consumers (Ndung'u, 2019). Nevertheless, even with efforts to strengthen performance contracting since 2003/2004 in order to improve service delivery, some challenges related to service delivery still exist in Kenya with counties being the most affected. The public sector is still rated poorly in service delivery based on issues like glorified corruption and misappropriation of public funds (Ang'anyo, 2019; Shivachi, 2017; Transparency International, 2017). Consequently, there is need for additional research in the counties to establish the exact effect of performance contracting on service delivery.

A Salaries and Remuneration Commission (SRC) report (2011-2017) posited that while current performance contracting was a fairly good system of assessing performance in the public sector, it did not effectively cascade to individual employees, especially those in lower cadres (Kinanga & Partoip, 2019). Furthermore, due to lack of the existence of clear outputs, it is difficult to objectively calculate and evaluate efficiency in the public sector. This leaves a lot of speculation on whether performance contracting has had any significant positive effects on service delivery in the counties,

hence the need for the current study. Further, the study by Kinanga and Partoip (2019) adopted an exploratory methods with qualitative approach. As such, the actual effects of performance contracting on service delivery were not clear. The current study relied on quantitative data, using a descriptive research method that allowed for the investigation of the significance of one variable on another.

Even though several studies have been undertaken on performance contracting, there still exist gaps in how performance contracting relates to service delivery in devolved units. Walker (2015) undertook research on devolved governments' management and performance. In the study, Walker (2015) focused on the concepts of organizational strategy content, planning, staffing, personnel stability, representative bureaucracy, and networking. However, the study did not address the contribution of performance contracting to service delivery in devolved units. Wiseman (2017) researched performance management and lean process improvement –operational excellence in government. The findings indicated that top management was crucial in ensuring performance contracting delivered as per the set objectives. This study did not consider the contribution of performance management to service delivery. Hassan (2019) investigated the impact of performance contracting on county government service delivery in Mandera County. According to the findings, a clear relationship between performance contracting and service delivery in county government exists. The findings showed that performance contracting contributed to goal-setting, response mechanisms, professional service delivery, and ongoing training and development. However, this study found out that performance contracting was not adopted fully in all the departments in the county and at lower levels of service delivery, more specifically at the ward and village levels, the further cascading is missing, creating a gap to be addressed in the study.

Notably, other than in Mandera County, most previous studies have concentrated on the efficiency of implementation in state corporations, with little emphasis on service delivery in county governments. However, the study findings from Mandera County cannot be generalized to represent other counties like Kakamega due to several reasons. For instance; Mandera County is an ASAL region that has very little population density, meaning that people seeking various services are few (KNBS, 2019). Further, the research design, methodology, theories used, and, respondents in Mandera are different from the current study. The current study was undertaken in Kakamega County to address such shortcomings. The research was undertaken to establish the effects of performance contracting on consumer loyalty, adoption of citizen service delivery charters, service delivery technologies, and how public complaints are handled in the context of service delivery in Kakamega County through the various stages of goal selection, vetting, and negotiating, execution, testing, and assessment.

Objectives of the Study

The main objective of the study was to determine the effect of performance contracting on service delivery in the County Government of Kakamega.

Specific Objectives of the Study

The study was guided by four specific objectives:

- i. To determine the effect of target-setting on service delivery in the County Government of Kakamega
- ii. To establish the effect of vetting and negotiation on service delivery in the County Government of Kakamega
- iii. To find out the effect of execution on service delivery in the County Government of Kakamega

- iv. To determine the effect of monitoring and evaluation on service delivery in the County Government of Kakamega

Research Hypotheses

This study tested the null hypothesis (H_0) at 0.05 confidence level as stated below:

$H_{0:1}$ Target setting has no significant effect on service delivery in the County Government of Kakamega.

$H_{0:2}$ Vetting and negotiation have no significant effect on service delivery in the County Government of Kakamega.

$H_{0:3}$ Execution has no significant effect on service delivery in the County Government of Kakamega

$H_{0:4}$ Monitoring and evaluation has no significant effect on service delivery in the County Government of Kakamega.

Assumptions of the Study

This study worked with the assumption that the respondents provided honest feedback to the questionnaire administered to them. To encourage honest responses, the respondents were assured that the feedback provided would be treated with utmost confidentiality. Furthermore, they were not required to provide any information that could identify them on the research instruments, as such, their responses would be anonymous. The study further assumed that the respondents were willing to take their time and share information regarding the concepts covered in the study. The study, therefore, assumed that the responses that were gathered were representative of the views of the entire target population.

Justification of the Study

A majority of public institutions, including devolved units, are established and exist primarily to provide services to their citizens. The level and quality of the services significantly contribute to the citizens' socio-economic development and well-being. The ease of access, quality, responsiveness, affordability, and courtesy with which the services are delivered are critical attributes of the level of customer satisfaction. The county governments are constantly seeking strategies to enhance the delivery of services to citizens. The public's perception and experience with the quality and mode of delivery of services by public institutions has not often been very positive and satisfactory. County governments as public institutions should be aware that consumers of the services they offer (their customers) are very important and that they are the reason for the existence of county governments.

With the endorsement of the Constitution of Kenya 2010, citizens expected that service delivery would be brought closer, and that this proximity would enhance accountability to the service users. Given that all public services are paid for by the citizens, either directly or indirectly, citizens are entitled to quality and high standards of service. As per the Constitution's Consumer Rights, under Article 46, citizens have a right to better value for their money. All over the world, the question of service delivery surfaces in all public discussions. County governments are grappling with how best to deliver services within the resources allocated and determine the parameters that would aid effective service delivery. The current research sought to underpin the effect of target setting, vetting and negotiation, execution and monitoring, and evaluation on service delivery.

Significance of the Study

This research may be significant to all those interested in improved performance of the public sector in Kenya. Especially in light of the efforts to entrench performance contracting in all government institutions and the adoption of performance contracting by several counties. An assessment of the effect of performance contracting on the attainment of corporate objectives will provide helpful guidance in the management of counties and the public sector. The study also offers an opportunity to inform policy formulation and provide useful information for knowledge sharing and learning for documentation of good/best practices and inform the review of performance contracting guidelines for improved service delivery. It also offers a window for informing improvements to the Performance Contracting Act which is currently under development. Furthermore, the report broadens our understanding of performance-based contracting and serves as a foundation for further studies on the impact of performance contracting on service delivery in county governments.

The research may be useful to human resource practitioners, consultants, staff, and management students because it may help them understand the usefulness of performance contracting as a performance management method in relation to service delivery. It may also be a basis for further studies, especially for students of human resources and management. Additionally, county governments could use it as a case study. Specifically, it may enable the understanding of whether performance contracting implementation is useful in achieving organizational goals.

Scope of the Study

Kakamega is County Number 37 in the listing of Kenyan Counties. It is located in the former western province in the western part of Kenya and neighbors Vihiga County to the South, Siaya County to the West, Bungoma and Trans Nzoia Counties to

the North, and Nandi and Uasin Gishu Counties to the East. The County Government of Kakamega has continuously implemented performance management since the establishment of county governments in 2010. The county staff have continuously signed performance contracts. The study concentrated on Kakamega County and looked into the structures and their implications for service delivery. The study was conducted at the County Government of Kakamega. The target population consisted of the county executive members (the governor, deputy governor, and the county executive committee members), as well as chief officers, directors, and staff from the different departments within the county government. The study focused on performance management practices within the county, and their effect on service delivery as of August 2020, as the county prepared reports on the 2019/21 Financial Year for evaluation purposes.

Limitations and Delimitations of the Study

The study encountered several limitations such as, challenges in accessing the respondents as a result of their busy schedules. To mitigate the risk of this limitation, the researcher communicated to the county officials early enough to schedule the interviews and also do follow-ups with officers who could not avail themselves initially. Additionally, difficulty in obtaining confidential information was a limitation because some of the respondents feared losing their jobs. There were instances of unwillingness or reluctance to complete the questionnaires thus keeping them for a more extended period. The researcher ensured there was continuous follow-up with such officers. Performance contracting is itself a large area of study. Additionally, the respondents discussed the questionnaires during work breaks, a factor that may have influenced their responses to the questionnaires. There was also a general perception that performance contracting is a witch-hunting tool, which impacted the responses. There was also a

notion that county governments have only been in existence for less than ten years compared to National Government yet the expectations from the general public are too high. The study only focused on performance contracting and not all aspects of contracting were considered. The aspects not covered in this study are proposed as areas for further research.

Chapter Summary

Chapter one introduces performance contracting by giving its definition. It also defines key terms that the researcher uses during this study. It begins with what is already known about performance contracting by looking into previous studies on the same topic. Information gathered also enabled the researcher to note the wide gap between state corporations and county governments in terms of performance contracting. There was a lot of focus on state corporations and very little on county governments. Therefore, this research was carried out in the County Government of Kakamega. This may improve service delivery and better economic growth of the county and Kenya as a government. The chapter outlined the aims of the study, why the study was essential, and whom the study would benefit in the future. The study was restricted to the County Government of Kakamega. The chapter ends with limitations and delimitations to the study and what the researcher intended to do about them.

CHAPTER TWO

LITERATURE REVIEW

Introduction

Chapter two presents the empirical review of the documented literature on performance contracting and services delivery from a global, continental, regional, and local contexts. The chapter also outlined the theories that informed the study, the conceptual framework, the literature gaps and chapter the summary.

Performance Contracting

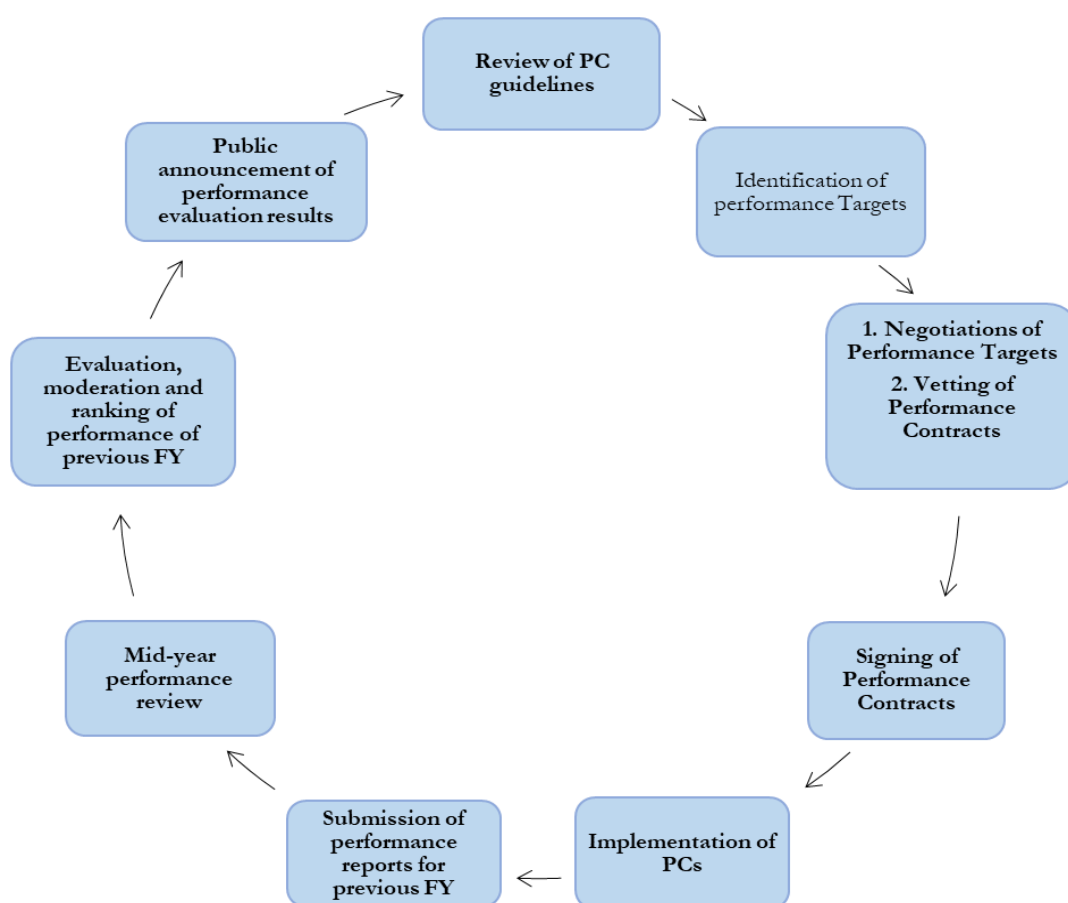
Even though performance contracting has been described differently by various organizations, scholars, management experts, and researcher, the Performance Management Guideline (2016) and the OECD (1993; 2009; 2019) are the most preferred for this study. According to the OECD (2009; 1999), a performance contract is a set of supervision tools utilized to determine responsibility and objectives among parties to realise mutually acceptable outcomes. A performance contract, according to the Performance Management Guideline (2016), is a written contract between the government and a government agency for the delivery of public services in which relevant outputs are identified for the agency to produce/deliver. Quantifiable targets that explicitly set to be achieved within a prescribed timeframe and performance is measured against the targets.

Outside the definition of performance contracting, there exists a model framework developed by several management experts to explain its effective and efficient implementation. According to the Performance Management Guideline (2016), the Performance Management Framework outlines how to go about everything related to performance contracting, from goal-setting to determining how to quantify

milestones, to delivering daily evaluations. For effective implementation of the performance contract, the need to pay attention to all the stages within the performance contracting cycle cannot be overemphasized. Success is pegged on how the county undertakes the whole process. Figure 2.1 below presents the performance contracting cycle, according to the Performance Management Guideline (2016).

Figure 2.1

The Performance Contracting Cycle



Source: Performance Management Guidelines (2016)

Modern performance contracting is guided by the performance contracting circle and performance is strongly defined based on the origin of performance contracts. According to RBM Guide (2018), performance contracts arose from public perceptions that the public sector's performance was continually falling short of public expectations.

Excessive controls, a multiplicity of values, constant political intervention, bad management, and outright mismanagement have all been linked to this poor status. Even though multiple strategies are being utilized to resolve problems, it was expected that the performance contract would prove to be an effective productivity improvement tool. As a result, evaluating the impact of performance contracts on service quality is critical. Changes in the political environment also sparked attempts to introduce performance contracts in public institutions, to provide more value for investment in public care, foster more openness and accountability, and enhance service to consumers in general (Brown, 1996 cited in Salome et al. (2019).

According to Arif et al. (2018), the main goals of performance contracts in the public service are: to enhance public service delivery by holding senior management accountable for outputs and ensuring accountability at the lower level, reversing the reduced efficiency, and ensuring financial stewardship to achieving key national policy priorities; and establishing a performance management system and improving on clarity of roles expectation by the government and its workforce to meet the set and agreed-upon objectives. According to Commonwealth Secretariat (2020), since the adoption of performance contracting in various institutions in France in the 1980s, it has been adopted by different governments worldwide, including the developing countries. It has been utilized by countries such as Pakistan, India, Korea, Sri Lanka, and China in Asia. In Africa, it has been adopted in D.R. Congo, Madagascar, Tunisia, Ghana, Cameroon, Benin, Togo, Burundi, and Morocco. In Latin America, Venezuela, Mexico, Chile, Uruguay, and Brazil have adopted performance contracting. The United Kingdom, Malaysia, and the United States of America have also implemented it (Bouckaert & van Dooren,., 2003). Performance assessment has played a vital part in efforts toward reforms (Dooren et al., 2019). By the end of the 1980s, England had improved its

metrics. The Next Steps plan, the Financial Management Program, the Citizen's Charter, and other programs have resulted in implementing performance indicator systems for most government services. Hospitals, emergency services, schools, health trusts, and local governments, among others, all have league tables.

Across Africa, performance contracting has been taken up as a new management strategy in the civil service aimed at improved service delivery (Commonwealth Association for Public Administration and Management [CAPAM], 2018). According to ECA (2019), performance contracts continue to be implemented in many African countries, like Ghana, South Africa, Burundi, and others, to improve performance; to provide citizens with quality and timely services; increase outputs while maximizing stakeholders' strength; eliminate over-reliance on the equitable share of revenue, and entrench accountability principles. However, the performance contracting outcomes in Africa have varied for different countries, with some countries seeing changes and others having no changes due to ambiguous and contradictory goals and a lack of self-sufficiency and transparency (Ayeni, 2017; Sulle, 2019; TI, 2019).

The adoption of performance contracting in Kenya began in August 2003, following the creation of a Performance Contract Steering Committee and the issuance of Legal Notice No. 93 (Ang'anyo, 2019; Kinanga & Partoip, 2019; Mbua & Ole Sarisar 2019; Muriuki, 2019; Shivachi, 2017). State Corporations Performance Contracting Regulations, is the measured outcome for achieving mutually agreed performance targets (2004). According to Mbua and Ole Sarisar (2019), Kenya's public sector, is grappling with poor and diminishing performance, keeping the country from achieving long-term economic growth. Too many regulations and restraints, continuous political intervention, weak leadership and administration, mismanagement, bloated workforce structures, and non-performing jobs have all led to the public sector falling short of

performance expectations. In addition, the decline in economic growth, and public sector slump have resulted in reduced service delivery, poor infrastructure, and a significant brain drain (GoK, 2017).

Choke (2006), cited in Salome et al. (2019), studied the alleged association between considered design and efficiency contracting in Kenyan state corporations and discovered that most managers see performance contracts as a control instrument that assists them in meeting their objectives. Kiboi (2006), who was quoted by Salome et al. (2019), at the same time, investigated management expectations of successful contracting in-state companies and reached the same decision as Choke (2006). Korir et al., (2015) investigated the consequences of successful contracting at the East African Portland Cement Company. The existence of performance contracts, according to this report, resulted in a corresponding increase in efficiency. In all the studies conducted by these scholars in Kenya, they have established that performance contracting has a key role in service delivery even though marred with a lot of controversies and challenges. Opondo (2019) researched the Strategic Planning Efficiency of Kenyan Public Corporations and concluded that using performance contracts as a management mechanism ensures enhanced staff performance, greater autonomy, and faster service delivery. According to Mburugu (2018), several countries have had success in improving efficiency in public institutions, including municipal councils, by creating performance contracts for them. He summarized that local governments that completely adopted performance contracts saw greater productivity benefits than councils that took longer to adopt the initiative. He went on to say that performance contracts help to increase production and quality of service.

Hassan (2019) investigated the effect of efficiency outsourcing on county government service delivery in the Mandera District. The majority of research

participants concluded that goal setting, support processes, competency in service delivery, and planning have an effect on service delivery. The report also discovered a strong beneficial association between procurement and county government service delivery. These previous studies laid the groundwork for performance contracting variables such as monitoring and assessment, execution/implementation, and target/goal setting, which were used to inform the current research.

Target Setting and Service Delivery

Most literature on the implementation of goal setting, according to Verhoest (2015), is management-based, with goals interpreted as a managerial method to aid in organizational performance management. As a result, target-setting programs in public institutions in the twenty-first century seldom occur independently. The target-setting strategy is usually combined with, or at least connected to, larger organizational structures that include several public sectors and ensures efficient service delivery (United Nations Development Programme, 2019)

In a study conducted in Scotland's health sector by Schang and Morton (2016), it was generally concluded that goals should be viewed as only one component of a robust and (ideally) complementary performance improvement system. According to Schang and Morton (2016), successful performance management must take a systemic and recurrent approach to continually advance public sector results through constructive performance analysis and the application of continuous learning principles. The most widely used methods of performance assessment that conform to the management theory of quality improvement are "benchmarking" and "balanced scorecard" (Oliver & Nakamura, 2018). Elsewhere, Karl et al. (2019) observed that objective setting or goal setting or target setting is the core pillar of performance contracting of any given organization that adds up to general public sector performance

in any given country. According to their results, the most critical task during performance management's preparation and agreement phases is setting goals or objectives. This strongly borrows from the Goal principle, which states that people work better when they have specific, demanding, yet reachable goals and targets. Acceptance of objectives is achieved, according to Fisher et al. (2015), when people view the goals as fair and realistic, and when they trust their managers, there are provisions for individuals to engage in target setting, and the supervisor provides support.

The World Bank (2019) did a report indicating that performance-contracting elements like smart objectives/target/goal setting in the USA have been crucial in ensuring improved service delivery. According to the report, proper processes of target setting, proper communication of the set targets, and involvement of all the stakeholders among others are changing the ways many bosses do their jobs. According to Sloof and Praag (2017), after specific performance goals were improved by implementing the performance contracting process, many managers' attitudes toward staff have changed, contributing to innovation and improved customer service in the United States. Larbi (2017) discovered that performance contracting has been instrumental in increasing transparency in the public sector because of clear and straightforward managerial priorities, along with managerial control and performance benefits, making it possible to build the foundation for administrative accountability and to realize the desired results. Furthermore, well-executed output contracts increase government accountability by improving efficiency for administrators to link targets with varied priorities, according to Therkildsen (2001), as cited in Larbi (2017). Politicians then held administrators answerable for their results, as seen in developing countries. However, even though these studies have given a clear indication that target setting on

the performance contracting in Ghana and other African countries can help improve the performance of the public sector, they still have several factors that have made it very difficult for the performance contracting concept to achieve its maximum objectives just like the developed countries.

Ndagijimana (2020) undertook a study in Rwanda on improving the effectiveness of public service performance through performance contracts. The research utilized a descriptive research design and a purposive sampling technique to collect data. It discovered a close correlation between performance contracting and efficacy in Rwanda, implying that performance contracting contributes to stable service delivery in all organizations. Furthermore, it was discovered that performance contracting has had a significant effect on Rwandan performance by increasing accountability, ownership, public participation, and stakeholder involvement. The findings concluded that performance contracting improves public sector effectiveness and efficiency, but further analysis is needed to enhance service delivery. More focus on smart objectives/goals should be prioritized when planning successful contracts, according to the report. From this study, it is evident that despite the fact that performance contracting impacts service delivery in Rwanda, target setting at times is ambiguous from one organization to another. The present study would bridge this gap by providing information on the influence of target setting in one of the counties in Kenya.

In Kenya, there is rich literature examining performance contracting and services delivery in State Corporations. For example, Chol (2017) in a study on the effect of performance contracting on effective service delivery at the Kenya Tourism Board (KTB) concluded that multiple factors influence performance contracting in state corporations, including rewarding of employees, capacity, and management besides

goals, and objectives. Training and seminars were found to be critical in supporting performance contracting. Performance contracting was seen to significantly and positively impact service delivery at the Tourism Fund, and goals and objectives were critical in promoting performance contracting. This study shows that goals and objectives-setting play a crucial role in promoting performance contracting although the extent of influence has not been statistically tested, hence the need for the current study.

Mauya (2015) investigated the necessity for objective setting on service quality in performance contracting at the Ministry of Tourism. According to the results, standards and success expectations have a substantial impact on optimizing results. According to the report, performance contracting increases performance in Kenya's major state enterprises. National objectives were converted into explicit and quantifiable targets in the system's success criteria. The system's incorporation of performance metrics and measures made it a valuable tool for scaling performance. To summarize, performance contracting made the Ministry of Tourism's priorities and objectives more clear; tasks were prioritized; setting of expectations and performance targets were participatory; set standards and performance targets were clear and achievable. Despite the fact that the study was conducted in a different organizational environment than counties, this study provided the basis for all the metrics that can be used to inform the goals/objectives/target setting variables.

Finally, Hassan (2019) found that target/goal setting has a major impact on service delivery in devolved units in research in Garissa County, though the definition is still unclear. According to the report, the types and amount of resources set aside for goal setting, the time limit for organizational goals, providing precise targets, reasonable deadlines to complete the mission at hand, and setting achievable targets,

among other factors, all have a substantial impact on the counties' service delivery. This study has given a good foundation of the various indicators of the target setting variable, even though it was carried out in an ASAL county. The county is also disadvantaged with challenges like lack of qualified personnel, insecurity, famine and drought, low economic status of the local population, poor infrastructural coverage and connectivity, among others.

Vetting and Negotiations and Services Delivery

Aguinis (2017) conducted a comparative study in 24 countries that have perfected performance management in the 21st century in their public sector, led by China, USA, Norway, France, Finland, Luxemburg, Fiji, and Malaysia. The study found out that vetting and negotiations during performance contracts helped to inform each party of the level of commitment to any given work. Negotiations, according to Aguinis (2017), ensure the goals are practical and feasible and are dependent on existing capital. Furthermore, the negotiating process aids the parties in determining if the developed goals are: practical, feasible, observable, development-driven, and are benchmarked against previous success or comparable organizations' performance globally, regionally, and internationally. This comparative study brought to light the role negotiations and vetting plays in ensuring that organizations achieve the set objectives via shared agreements. However, the study did dwell on negotiations more than vetting, leaving a gap that was addressed by the current research.

Martin (2019) carried out a study in African organizations that involved Gambia, Nigeria, and the DRC. The study confirmed that most of the organizations in these countries had introduced performance contracting as a management strategy. Several institutions, in both the private and public sectors, continue to apply it. The concept of vetting and negotiations was outlined as a core component of bringing the

stakeholders on board in a participatory spirit and did have an important role in ensuring results. However, the researchers noted that there was no standard outlined limit of vetting and negotiations leading to varying effects of performance contracting in each state institution. Frequently at the institutional level, employees and employers built consensus on the work and duties of each member of staff based on the position held, which at times differed from one state to another. The agreement specified how employees' success was assessed and calculated in relation to the organization's goals. The thesis discussed the disparity of measurement criteria for vetting and negotiations.

In Tanzania, performance contracts have been used as innovative strategies to ensure increased service delivery in the public sector from the time President John Magufuli came to power (Rugumyamheto, 2019). Some of the variables that added up to performance contracting in the study included capacity building and training, goal setting and vetting plus negotiations. According to vetting and negotiations, the timing of the vetting process and negotiations, training of individuals on the process, the period the vetting and negotiations take, the resources allocated to the process, and the staff attitudes to the process were critical.

In Kenya, there is rich literature linking negotiations and vetting to public services delivery, although little is seen in the devolved units since the 2013 elections were carried out. Nganyi et al. (2019), for example, conducted research on the efficacy of efficiency contracting in service delivery in Kenyan public corporations. The research used a descriptive analysis methodology and a sample size of 80 respondents from public universities. Performance contracting was not applied across the board, according to the findings: about one-quarter of the workforce had engaged in the signing of performance contracts. Public colleges, on the other hand, had made modest progress in terms of the success contract metrics. The main impediments that impacted

the performance contracting process were low levels of cooperation, inadequate vetting, and dead negotiations in the entire process of performance contracting with the Universities Unions. This research has further indicated that the performance contracting component was seen as a project of a few top managers of the universities who wanted to impose it on the poorly remunerated lower cadre employees. Although this study by Nganyi et al. (2019) indicated that performance contracting had been adopted partially and impacted the results of state institutions in Kenya, the vetting and negotiations remain very poor. It was thus necessary to investigate whether this was the same situation in the counties.

According to Kinyulusi et al. (2018), vetting is essential in ensuring that service delivery in the public service in Kenya is improved. The vetting process, according to the report, is done in stages. The negotiation with consultations process is the first step, which entails conducting a SWOT (strengths, weaknesses, opportunities, and strengths) review of the organization. This aids in determining whether the organization has the necessary resources to enforce the performance contract. It also means that the goals being set are SMART (specific, measurable, achievable, and realistic) and that they can be compared to those set by other organizations using the same performance method. However, the study revealed that some organizations had only achieved 27% of effective and efficient vetting. These findings gave impetus to the current study to determine the influence of vetting and negotiation on service delivery.

Other researchers have established that in various public institution sectors the vetting and negotiation component of performance contracts had a significant influence on service delivery (Ang'anyo, 2019; Ogudha, 2017). There are steps in vetting and negotiations, although a number of organizations failed to recognize this fact. According to Ogudha (2017), the most critical step of negotiations is the second phase,

in which the problems settled upon in the first phase are incorporated into the output contract. The contract must be vetted by the performance contracting secretariat or an independent contractor to ensure that it is based on departmental/institutional standards and is related to the institution's strategic priorities and defined goals.

Mose (2017) in a study carried out in Kisii County noted that negotiations and vetting was a very complex phase in the process of performance contracting and at times requires a very experienced expert or a consulting firm to undertake the process. However, the researcher argued that the majority of the organizations failed to link vetting and negotiations which later on led to failed performance contracts; a fact that negatively affected service delivery in state corporations. This view point was supported by Shivachi (2017), who argued that in spite of the importance of vetting and negotiations, the element had failed performance contracts in most universities in Kenya. He used Kirinyaga University as a case study. According to him, negotiations and vetting were key to establishing the scope and adequacy of performance targets, and their comprehensiveness in relationship to corporate plans and budgetary provisions. Kobia and Mohammed (2006) posited that the drafting of contracts happened after the negotiation stage, after which the draft contracts are presented to the relevant agency or independent consultant for vetting. The purpose of vetting and negotiations was to ensure that the contracts were in conformity to the performance contracting guidelines. Also, that targets were output and outcome-based, and not processes or activities based, and that they encouraged participation of the various stakeholders (Mbua & Ole Sarisar, 2019).

Execution and Services Delivery

Literature documented across the globe demonstrates that performance contracting strategy has failed in the past in most countries due to poor

execution/implementation process (Lin & Lee, 2017; OECD, 2019; WHO, 2006; World Bank, 2017). According to Lin and Lee (2017), critical for converting the targets into results in the process of performance contracting is the implementation or execution phase. OECD (2019) notes that during the implementation phase, performance contracts at formulation take a linear approach, whereas practically, the work responsibility is non-linear. It has been noted that sometimes during execution of performance contracting, activities are structured inadequately, affecting the overall outcome by inaccurate measurements. Challenges such as staff mobility, holding in for absent staff, and lack of target activities, may impact the implementation of the set targets (WHO, 2001; World Bank, 2017). Therefore, the process of performance contract target implementation is very complex and generally dominated by challenges. Given these challenges, it is necessary for studies investigating the impact of execution on service delivery. The present study focused on Kakamega County to address this need.

Ayee (2018) did a comparative study using content analysis examining the reforms in the public sector of five countries in Africa, that is Angola, Nigeria, Ghana, Morocco, Tanzania, and Kenya. It was noted that the majority of the African countries had only achieved 32.5% effective execution of performance contracting in their various public sectors. Ghana had the highest ranking of 65.4%. Ayee (2018) found that for there to be effective application of performance contracts, it was necessary to focus on the desired results, measurement and evaluation of the set targets, and the impact of the performance on the employee as a result of management decisions. The outcome is clear communication from employees that the activities they are undertaking are not within their target bracket or the day-to-day undertakings do not contribute to the

achievement of their results. This becomes an impediment to service delivery, given that staff pay attention to duties that contribute to their objective.

Lienert (2018) and SEC (2019), in their studies, have argued that Ghana experienced tremendous development in the wake of the new millennium due to its ability to implement the performance contracting strategy in all its economic sectors. Lienert (2018) argues that Ghana was the first to implement the performance contracting system in Africa, and the operation of the system has, over time undergone a myriad of changes. SEC (2019) investigated how performance contracting practically works in the world, using the Ghana Water and Sewerage Corporation as an example (GWSC). The results showed that performance contracting was a useful tool for reforming Ghana's state-owned enterprises (SOE) market and that the GWSC had improved moderately since its inception. However, the article illustrates some of the structural limitations and capability problems that reformers would need to address, such as the oversight agency's overburdened capacity, a sluggish information management system, and the government's inconsistent compliance with contracts. The study further indicated that some personal behaviors at lower employee levels had been undermining the implementation of the performance contracting in the recent past; a gap addressed by the study.

In Kenya, many studies have indicated that the execution of the performance contracts has a history dating back to the time the government of President Mwai Kibaki came to power in 2003. Kenya implemented a performance contract in her SOEs sector in 2004 (Ang'anyo, 2019; GoK, 2017; Mauya, 2015; World Bank, 2019). By 2007, the operation of the system had earned the country a place among the top 20 countries in the world as per the United Nation's award for excellence in public service and public sector reforms introduced in 2003. Kenya's performance contracting system won the

first position in the category of accountability, transparency, and responsiveness in delivering public service (GoK, 2017). Mauya (2015) outlined various indicators that can be used to measure the effective and efficient implementation of various performance-contracting targets/goals/objectives. They include the ability of various stakeholders to ensure that employees perform their duties; the ability to stack routine reports in line with the job details; identifying performance gaps and challenges; a performance scorecard; and an integrated automated information system. These studies demonstrate that performance contracting goals play a critical role in the public service in Kenya.

AAPAM (2018) did a study in Kenya's health sector and found out that the devolved units had failed to fully implement the performance contracting strategy. This was due to the perception by employees in the sector who felt that performance contracting was meant to intimidate and undermine them. However, the study failed to focus on all the 11 sectors or ministries set as core services delivery units to the public in the county government. The current study targeted all the departments that add up to the county governance and including the deputy governor and the governor.

Similalry, Githemo (2006) conducted a study on various services such as health and water, devolved during the 2010 constitution. The study found out that a number of staff at the lower and management level supported performance contracting and the principles of performance measuring through evaluation. He noted however, that some did not support the theory. Nevertheless, the study failed to indicate the views of political players in public service delivery, such as the Members of the County Assembly (MCAs), governors, and deputy governors, among others. The current study approached the county governance service delivery from both the political aspects and the expert management point.

According to Gatere et al. (2013), staff resistance is likely to be encountered whenever the structure of staffing and grading is concerned. This is especially so where staff are suspicious of the established ranking system in regards to equality and the size of the organisation. Even though a composite score is used to determine grades for ministries and state comparison, where their differences are taken into account, public entities still prefer that grading is differentiated on the basis of size, mandate, turnover, employees, and service delivery. This in effects further complicates the concept of performance contract implementation. This notwithstanding, the current study specifically scored each objective outlined in the performance contracts in counties and related them to individual services delivery and customer/public satisfaction.

Mbua and Ole Sarisar (2019) determined that implementation has not been up to expectations in various sectors in the public sector in Kenya. According to their findings performance contracting implementation faced a number of challenges including: a lack of proper performance management, the organizational structure of the institutions, cultures that are not flexible, and management and leadership styles. Based on such challenges, there is need for a study examining the state of performance contracting implementation, the challenges facing it, and the remedies to be undertaken to advance service delivery in the public sector. One of the importance of this research is to find out the effect of implementation on service delivery. Hassan (2019) did a study in Garissa County and found that the implementation of PC has only achieved 25% success given that the implementation process still faced major challenges despite the well-outlined objectives. According to the study, it was noted that not only were senior managers uninterested in the implementation of the PC, they also did not prioritise the formulation of strategies to address the existing challenges. Despite the

impediments, it is noted that a performance contract is a broader performance management system, with significant impact on service delivery.

Bomett et al. (2014) researched the implementation and strategies relating to performance contracts in Kenyan Public Universities. The research established that outstanding results were never recognized or appreciated at the end of the contracting period and no sanctions were made. Furthermore, employees who did not perform well in their organizations were not warned or advised about how to improve their weaknesses. Furthermore, the organisations had no commitments to release workers who did not agree to sign the performance contracts, nor did they effect separation from service due to failure to meet the performance contract's goals.

Tonui (2018) investigated the effect of performance targets on workers' results in Kenyan public institutions. The research outlined a variety of metrics that could be used to describe the success contracting strategy's execution. They observed that employees undertook their responsibilities, contributed to high productivity, and routinely reviewed reports or performance against the job targets, all of which were critical for the identification of performance gaps and execution. The above was used to advise the current research since they were also used by Shivachi and Serebwa (2017) at Kirinyaga University in Kenya to study performance contracting and employee service delivery.

Monitoring and Evaluation and Service Delivery

Grapinet (2018) did a study in France and found out that the process of monitoring and evaluation was very important in the performance contracting cycle. It helped in communicating what has been achieved, what was yet to be achieved, what had deviated from the initial laid down plans and what needed to be done. According to Grapinent (2018), monitoring is a continuous role that mainly serves to provide early

signs of success, or lack thereof, in the attainment of intervention performance. Effective monitoring is not a one-off activity but a continuous one. Monitoring, therefore, helps in determining the gap between planned and actual performance, identifying and assessing potential success and problems. From this study, it is evident that monitoring is a crucial component of PC in any given organization. The study did not however outline the various parts of the monitoring and reporting process.

Metawie and Gilman (2019) found that service delivery for government organizations in the UK were ranked among the best across the globe due to effective and efficient monitoring and evaluation conducted by various stakeholders. According to the report, to fully enforce the PC and boost public service delivery, performance assessment and evaluation systems must be properly organized and controlled. In a separate study conducted in California by Lienert (2018), it was discovered that businesses would determine the effectiveness of their appraisal process regularly in addition to continuous employee evaluation. Furthermore, HR's position in organizing and promoting the process should be emphasized. Additionally, while the assessment process needed regular revision and updates, caution is to be taken against constantly changing the scheme. While these studies did not outline the various parts that make up M&E in performance contracting, they were informative on the on the role of M&E in ensuring that events of PC are effectively reported and relevant remedies to any challenges worked on.

SEC (2019) conducted a study that examined the various performance contracting elements influencing service delivery in Ghana. The research was exploratory and a total of 32 state corporations were considered. The study found that performance monitoring and evaluation were very important. Specifically, performance appraisal was undertaken to appreciate the extent to which staff achieved agreed on

targets, and the resultant score based on evidence available. Once the results attained were verified with respect to targets, the scores were calculated using a derived formula. In a study conducted in the Gambia and Guinea Bissau, Ayee (2018) found that M&E was not well expressed throughout the PC phase. According to the cross-sectional report, which used secondary data, few public agencies in countries such as Gambia and Guinea Bissau had mechanisms in place for tracking their programs linked to performance contracting for successful service delivery. Lin and Lee (2017) add that performance monitoring and evaluation was very important in informing the various stakeholders on the status of PC implementation and its effects on the general services delivery in Africa. According to the report, performance management systems are made up of five components: staff, processes, data, software, and hardware, all of which must be controlled to determine a system's effectiveness. However, these studies have been blamed for using secondary data that are often subject to biases. In such instances, they may not always give a true picture of events in most African states where due to corruption, results may be altered to appeal to the various donor agencies.

In Rwanda has experienced economic growth since the country recovered from the civil war. This has been attributed mainly to the adoption of performance contracting with effective monitoring, evaluation, and reporting (UNDP, 2018; World Bank, 2017). UNDP (2018) and Byamukama (2019) considered efficiency contracts in the public sector as a fundamental mechanism for increasing competitiveness and enhancing the standard of public service delivery. The utilization of Rwanda's indigenous knowledge system, known as Imihigo, is one of the innovative and locally-grown strategies that has complemented service delivery (performance contracts). As a result, the hybrid solution has made a major contribution to the citizens' socioeconomic well-being. Among the various parts that add up to PC in Rwanda is the ability to handle

customer complaints, allocate lead time for the evaluation and monitoring of the process, ensure the quality of work, commitment to work by employees, and the knowledge of the employees, on their jobs.

The results of several evaluations of performance management systems show that senior officials in Kenya's public sector are still performing poorly at evidence-based assessments (Kobia, 2006; Muriuki, 2019; Shivachi, 2017). The officials, instead mostly relied on old strategies that they perceived to be influential, tried, true and dependable. Workers had no particular pattern or standard in the organization (including workers who worked part-time). Additionally, individuals from minority ethnic groups possessed poorer performance outcomes. Experts argue that organizations must be critical in how they manage and assess success, since it could result in severe consequences for its employees and the organization's actual performance (Kobia, 2006; Muriuki, 2019; Shivachi, 2017).

Mbua and Sarisar (2018) investigated the obstacles to the success contracting initiative's adoption in Kenya. Owing to negative assumptions that M&E is a witch-hunting operation intended to deprive any people of the ability to embezzle funds, the study discovered that tracking and appraisal of the performance procurement mechanism are very bad. Shivachi (2017) found that the different components of PC and M&E have been overlooked in a report on efficient service delivery for staff at Kirinyaga University. For example, in most universities, there was no well-defined policy for PC and M&E, no appropriate performance management systems for PC strategy application, the organization's PC tracking and reporting were not automated, and there were no concrete priorities for monitoring and reporting on strategic objectives execution, among other things. These studies by Mbua and Sarisar (2018) and Shivachi (2017) have a strong deficit that needs to be addressed. First, they have

indicated that the concept of M&E has been received wrongly by being taken as a witch-hunting activity meant to deny some individuals their opportunities to do what they feel is right and favorable to them. Second, the majority of the managers do not have the M&E of the PC, leading to failed effectiveness of service delivery.

Agili and Okibo (2018) outlined the importance of M&E in performance contracting and linked it with the performance in the public sector. Customer grievances allow high levels of employee productivity; resulting in quick turnaround time; high-quality work enables workers to complete assignments on schedule; dedication to work by the employees contributes to customer satisfaction; and work awareness leads to the versatility of assignments by the employee, according to the pair. These variables were used as the core indicators of the M&E variable in PC although the study was carried out in a government agency that is different from the devolved units in Kenya.

Service Delivery

According to Aguinis (2018), good service delivery necessitates that the government recognizes the need to encourage citizen-centered administration, pursue relevant policy administration as a goal to put into action coherently through a number of regulatory and other frameworks for quality service delivery for the public, and see to it that public services are accessible. The delivery of services is illustrated in the report under the following subheadings:

Service Delivery Innovation

It is important to note that redefining programs necessitates a greater definition about how to address the demands of customers. According to Sijbom (2013), service delivery creativity is critical in the global economy because of constantly changing preferences and the proliferation of multiple customer/client communities with diverse tastes, beliefs, and trends. Government organizations use creativity to offer cost-

effective services and products, provide better value to customers/clients, and improve service delivery mechanisms to increase efficiency and minimize costs.

According to Ja-Shen and Hung-Tai (2009) and Aguinis (2019), service innovation is therefore an important business strategy to improve its performance and profitability as products or services become more homogeneous or an original competitive edge can no longer be sustained. Rather than public-sector organizations, a number of private-sector reports on service delivery improvement have been completed (Kadai et al., 2018; Jin & Wang, 2019). Public sector workers are obliged to engage in service delivery creativity, according to Jin and Wang (2019), since they are accountable to the public or citizens of a region. This ensures that government departments, as service organisations, must offer modern and creative services and products to the people, based on their technical competencies in the form of knowledge and expertise, to ensure a competitive service role (Kadai et al., 2018; Jin & Wang, 2019). The studies of these researchers connecting service delivery to innovation shape the basis of the study's dependent variable, which sought to look into how expectations of service delivery innovation related to the sectors within the public and its implications to improve service delivery.

According to Fox et al. (2016), social responsibility approaches are more likely to work if clinicians can analyze and manage their local context, which includes politics, procedures, laws, oversight bodies (or lack thereof), and interested groups in service delivery. A number of these factors differed by public service sector in a particular country. In nations where decentralization or devolution of public service delivery is in the initial stages, devolved units may face the challenges of inadequate jurisdiction, capability, or planning capacity (World Bank, 2017). Their thorough review of local accountability systems in the education sector. Westhorp et al. (2016)

found that while it is important to recognize the present state of play, democratic or political decentralization, in which municipal councils are granted adequate power, jurisdiction, funding, and accountability, is the most conducive to effective community accountability.

People need knowledge that is valid, actionable, and results in an answer, according to Akaranga (2018). What type of information is given, as well as the citizens, service providers, the members of the third estate, and whether the government thinks the source is reliable, are all important considerations. It is also critical to provide support for local leaders to take action, which is often provided by trusted mediators. When health services and community associations negotiated to and carried through on activities (or, where applicable, sanctions) that were all beyond their authority, Björkman et al. (2017) discovered that locally-based surveillance in Uganda's health sector had substantial long-term impacts on health outcomes. According to Gullo et al. (2017) and Westhorp et al. (2016), locally-based surveillance has potential where community partners (care providers and local groups) are willing to exert relevant agency with a focus on actions that are more likely to have an impact to health and education service quality and results thereof.

Citizen Service Delivery Charters

The citizen service delivery charters (CSDC) can be defined as a precisely written public document that gives relevant information on services offered by a public office to citizens/customers and relevant stakeholders (OECD, 2019). Given that majority of public institutions are established and exist largely to deliver services to the citizens, the general public view of and encounters with the quality and means of delivery of services by public institutions have not often been very positive and satisfactory (WHO, 2006). It is therefore important that public institutions be aware that

consumers of the services they offer (their customers) are very important given that they are the reasons for the existence of those institutions. To encourage free interplay among main actors in the nation, private sector, and civil society while contributing to the daily activities and growth, the World Bank (2017) emphasizes that public institutions should treat people not only as consumers/customers; but also as citizens.

In relation to GoK (2018), service delivery in government health facilities faced multiple challenges despite the introduction of the MOH citizen charter in 2006 to improve service delivery including inefficiency, insensitivity and ineffectiveness, and hostility to the exact population they are meant to serve. This is despite the fact that the Kenyan constitution (GoK, 2010) section 43 guarantees every citizen the right to the highest attainable standard of health in Kenya. Poor performance has led to inaccessibility and inappropriate care, contributing to reduced health outcomes and reduced economic growth as argued by WHO (2006).

According to the Performance Management Coordination Unit CSDCs attempt to address-holistically the problems or challenges encountered by the public in accessing public services (GoK, 2016). This effort is further strengthened by the Government's initiatives to: enhance transparency and accountability; ensure prompt response to the needs of the citizens; and, address corruption in public offices. The CSDC is therefore a public document that provides: relevant information that citizens and all stakeholders are made aware of the services offered by a public institution; how they can access the services, and the standards expected of the services; time it takes get the service. It is also concerned with customer obligations and the mechanism that exist to address any complaints in case of dissatisfaction with service provision (redress mechanism). The underlying principle is that when citizens are made

aware of the relevant information through the charters, they were able to seek for accountability from the different government agencies Ayoti (2018).

According to Bouckaert and Peters (2017), the CSDCs was deemed essential to ensure continuous improved quality of public services offered by public institutions, such as County Governments; value for money and enhanced accountability in service provision. It was also essential for providing an interface between the service provider and user for objective feedback, promoting public trust in public services and promoting public trust in public service. The reasoning behind the Citizens' Charter stems from the need to ensure that municipal utility agencies are accountable to their customers.

Customer Satisfaction

According to Xavier (2019), customer satisfaction is defined as the level to which the provision of county public service meets or surpasses the expectations of the customers. It considers the utility derived by the customers of the product or service provided by the different county departments bearing in mind the County Integrated Development Plan (CIPD's) and the Annual Development Plans (ADP's). All County Departments and Boards are required to undertake an independent baseline customer satisfaction survey coordinated by the Head of County Public Service. Customer happiness, according to the United Nations Development Group (2019), is an aggregate assessment of a company's product or service, rather than an individual's assessment of a single purchase. Customer loyalty should, in general, be a more basic measure of a company's success because of its ties to positive behavioral and economic outcomes (Trivedi, 2019). Customer retention and productivity have a good relationship, and this adds to service delivery.

According to the World Bank (2017), elites easily manipulate participatory mechanisms of service delivery governance. Owing to reasons such as opportunity/time prices, as well as social and political expectations, the most disadvantaged people are also the least likely to engage meaningfully. If social responsibility is to fulfill its pledge, Turner and Hulme (2017) suggest that facilitated and organized procedures for ensuring equal representation, or other structures that level the playing field and lower these barriers, are needed. Since their participation is minimal, determining their satisfaction with service delivery becomes more difficult.

Resolution of Public Complaints

Complaints are an effective means for responsiveness of an institution's administration to the public. It offers helpful prompts for reviewing the organization's accomplishments and the behaviour of those who operate inside. A grievance is an expression of dissatisfaction made to or about an organization, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required. In light of the general rule, members of the public and/or clients may make representations directly to an agency or alternate channels such as members of parliament or regulatory officers, but only regarding the organization. Good government and efficient service delivery necessitate the effective handling of public sector grievances and the protection of rights to remedy (United Nations Development Group, 2018).

Effective appeals and redress mechanisms uphold the ideals of democratic transparency that underpin many municipalities' attempts to foster good governance (Brewer, 2007; Van den Hil, 2019). The need to incorporate grievances and resolution, as well as openness, engagement, and assessment, into an organization's policies, procedures, and activities, was described in a study regarding which structures help to

improve accountability in intergovernmental organizations (Verbeeten, 2018). In Kenya, public service reforms have been witnessed since the early 1990s with a view to improving the way public organizations operate, to increase their effectiveness and encourage accountability (GoK, 2017). This was given greater impetus by the Constitution of Kenya, 2010, under which independent commissions were created. County Governments (CGs) are expected to document, by indicating the level of achievement in percentage, of resolutions of matters raised by the public in service delivery (GoK, 2017). A record of all the matters that arise in different departments and a report from the office of the county secretary is key in establishing the status in a county.

Theoretical Framework

This research was anchored on three theoretical frameworks that can be applied for implementing and managing performance management namely: expectancy theory, goal setting theory and dynamic theory of service delivery.

Expectancy Theory

Expectancy Theory, introduced by Locke in 1968, may describe performance contracting. Performance-outcome, expectancy, valence, and effort are the components of the theory. The expectation that remuneration is directly linked to one's level of success is referred to as performance-outcome (Sloof & Praag, 2005). According to expectancy theory, a person's attempts to succeed in a certain manner are determined by the extent of the assumption that such success was matched by a result and the appeal of that outcome to the person (Robbins & Judge, 2007). The expectancy principle is valid at the County Government of Kakamega because it motivates workers to go beyond their call of duty. Specifically, workers are motivated by the expectation that that input contributed to positive performance appraisal, leads to incentives such as a

bonus, advancement, or pay boost, and that the reward will meet their personal goals. As a result, an individual who goes beyond the bare minimum would have a significant effect on service quality.

The hypothesis is on the premise that individuals enter organizations with expectations, desires, motives, and previous experiences (Locke & Latham, 2013). These factors have an impact on how people respond to the business. Second, people's actions are the product of deliberate choices. People are free to select the habits that their own expectancy equations imply. Third, different individuals expect different items from the organization (for example, a decent pay, job stability, promotion, and challenge), and people can choose among options to maximize their personal outcomes. When faced with two or three options, we should choose the one that is the most appealing (Bandura, 2000). Furthermore, the more appealing the desired solution is, the more inspired we would be to try it. This mechanism is aided by our inherent hedonism. We are encouraged to optimize positive outcomes (an increase in wages) while minimizing unfavorable outcomes (a pay cut or discipline). We are all rational in our choices regarding options, according to Expectancy Theory. The theory assumes that people are fair. People weigh options in terms of their "benefits and drawbacks," then pick the one with the most "benefits" and the fewest "drawbacks."

Goal Setting Theory

Edwin Locke argued in the 1960s, according to Arnberg (2017), that plans to work toward a goal are a significant source of work motivation. Three basic assumptions are often made through goal-setting philosophy. First, goal-setting theory claims that high-level, concrete expectations produce more results than low-level, abstract goals like "do your best." Second, it claims that when people commit to a task, there is a strong, linear relationship between goal complexity and success. To put it

another way, the bigger the target, the better. Third, it asserts that a variety of other mechanisms known to affect behaviour and success, such as feedback and cash rewards, do so only to the degree that they encourage the setting of particular, strong targets. Goal setting, in other words, attributes to the impact of these additional influences on results (Latham, 2007). According to Latham (2007), studies have found that self-efficacy, or an individual's confidence in their potential to excel, is linked to higher expectations and a greater contribution to those goals. Many kinds of input courses are more beneficial than others, and the impact of feedback varies based on the individual's characteristics. According to one analysis, positive feedback improved motivation when given in relation to individually valued goals, whereas negative feedback increased motivation when given in relation to mandatory goals (Kim & Kim, 2016).

Individual-level influences tend to affect feedback usage as well, as shown by a survey of industrial goods salespeople. Brown (2001) discovered that those with high self-efficacy used suggestions productively, while those with poor self-efficacy did not. Some research also show that the original motivation for seeking input may influence its usefulness. People want feedback for a variety of purposes, including improving performance, boosting their egos, or managing the impressions they produce on others. However, only feedback solicited with the goal of using it productively enhances performance (Ashford & Black, 1996). The basic trend from the workplace feedback study is that feedback is an integral part of the target-setting process. Still, its exact function varies based on feedback characteristics and contextual and individual-level considerations (Anderson, 2017). The following principle pertains to the management of efficiency contracts for service delivery in government agencies. Goal-setting and performance contracting are inextricably linked. The deal is tailored to meet particular objectives. The report would dig at the whole method of setting targets/goals that are

consistent with the agencies' and departments' mandates. Throughout the procedure, it is necessary to explain how the organisation and the customer can use technologies for service delivery. Before signing a performance contract or a performance assessment, individual expectations must speak to the larger organization's mandate. Government agencies can only show value for money by service delivery technologies that are clever and attainable.

Dynamic Theory of Service Delivery

The theory was brought to the fore by Lovelock in 1992. The theory states that service quality cannot be measured and tested in as straightforward a manner as quality can be measured and tested in manufacturing. The theory provides insights that inform the operations that lead to service delivery. System dynamics permit an individual to develop explicit theories or models of sufficient size and complexity to encompass the rich and unwieldy phenomena encountered in psychology and other social and behavioral science disciplines. Kahneman and Lovallo (1993) suggest that in in-service or intangible areas, managers often tend to set aggressive objectives. Whereas this in some cases does help to create a bit of initial push or awareness, in the long run, it drives towards the achievement of the organisation goals and contribute to the undermining of individual employee development (Jackson & Schuler, 1995).

Von Rosenstiel (2011) agree that in making the judgment on service improvement works that, workers compare the improvement results they observe to their expectations. The expectation is influenced by the objectives or targets sets and monitored over a set period. The commitment raises if progress is high relatively to aspirations and falls whenever progress is disappointing. This in turn directly influences service delivery. The study while looking at service delivery, productivity, time of service and flexibility are critical indicators. Osborne and Hammoud (2017) indicate

that work is on-going to synthesize a holistic framework to facilitate an understanding of value co-creation in public services . Recent studies report that ‘service logic’, explores the interactive and dynamic relationship between service delivery and their consumers in the co-creation for value for all parties (Heinonen & Strandvik, 2015). This the customer satisfaction and public participation which are indicators under the independent variables are deemed contributors to service delivery.

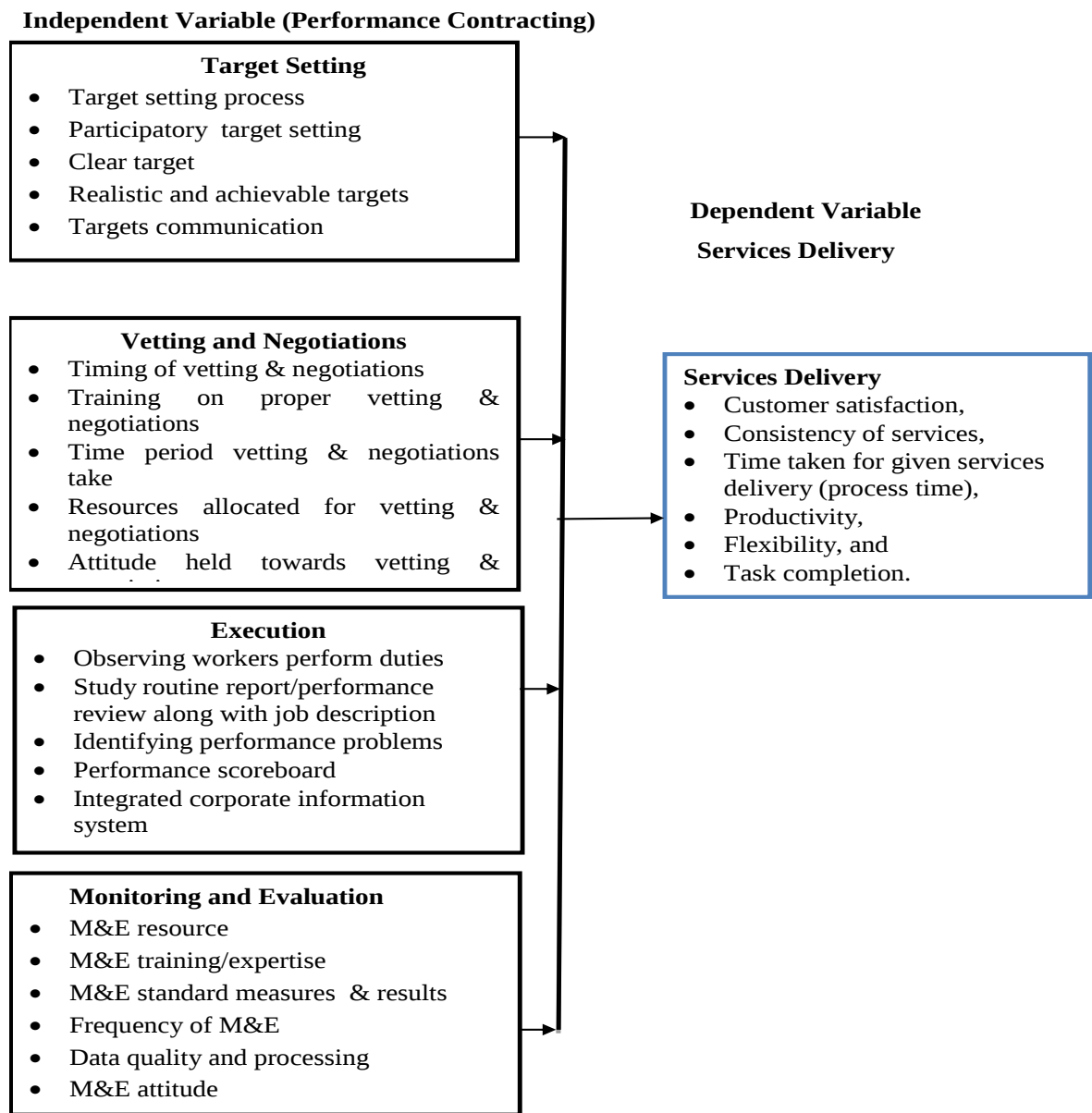
Wanjohi (2014), indicated that failure to refer important decisions to the local people, communities, and the general public through participation would amount to usurping the sovereign rights of those citizens who are the rightful owners of the services offered by the governments. Campbell et al. (2016) while supporting the theory describes it as one that seeks to identify the important variables, specifying how they are interrelated, and identifying under what conditions they contribute to service delivery.

Conceptual Framework

The research made use of a conceptual framework as indicated in Figure 2.2 which shows the relationship that exists between independent and dependent variable.

Figure 2.2

Conceptual Framework



Summary of Knowledge Gaps

In light of the empirical studies herein, it is understood that target setting, vetting and negotiation, implementation, and evaluation play a crucial role in the perception that employees had towards PC in effective implementation of PC and their effect on service delivery. The reviewed literature demonstrates the central part of performance

contracting on service delivery by ensuring that all aspects of the performance contracting cycle are given the desired attention for effective service delivery.

Table 2.1

Summary of Knowledge Gaps

Author	Variable	Findings	Research gaps	Remedies
Mauya (2015)	Execution	Outlined some indicators that can be used to measure effective and efficient implementation of various performance contracting targets/goals/objective	- The study did not adopt any scientific methodology since it was basically a desktop research relying on secondary data - No guiding theory was adopted. The study just mentioned elements that add up to execution by did not show their degree of influence on services delivery	The study adopted a scientific research design that involved the use of a descriptive research design - The study was guided by two theories that link services delivery and the strategies in PC - All universal elements of execution in relation PC and services delivery were outlined
Korir, et al., (2015)	Monitoring and Evaluation	Monitoring and evaluation did not heavily impact on service delivery at Kirinyaga University. Also, various elements of performance contracting including M&E have a significant impact on the performance in the public sector	- The research presented contradicting results in relation to the influence of M&E on services delivery in the public sector - The study did not link theories to M&E, and PC then services delivery in the public service The study used mixed research method that made the contradictions more specific when both qualitative and quantitative data was involved	- The study expected to get studies that prove or disapprove the relevance of various elements of M&E on services delivery - The study undertook statistical tests to show the exact effect of each element of M&E on services delivery and did adopt a descriptive research design with quantitative data being used
RBM Guide (2018)	Performance Contracting	Performance contracts originally came from the understanding that the performance of the public sector has been consistently below expectations of the public in 1960s and was perfectly	- The study did not used scientific research methods accepted in social sciences - The study failed to outline the various elements of performance contracting.	- The study utilized descriptive research design using rated questionnaire - Universally agreed upon elements of PC were used to establish the effect on services delivery

		applied in France in 1980.	the study did not outline any theory guiding it.	The study was guided by theories touching on both variables in the study
Hassan (2019)	Target setting	Goal setting has a significant influence on services delivery in the devolved units	- Components target setting was not outlined - The research was exploratory in nature which at times may be biased - It did not use specific theory of goal setting	- All the elements of target/goal setting were outlined - The descriptive quantitative research was adopted - The goal setting theory has been used
Nganyi, et al. (2019)	Vetting and Negotiations	Performance contracting as is has not been cascaded to all the lower levels; only few staff in public institutions had negotiated performance contracts. For instance, public universities have made reasonable efforts in the entire performance contract cycle.	- The concept of vetting and negotiations was vaguely outlined - The elements of vetting and negotiation were not outlined clearly - Theories of management were used instead of performance contracting and services delivery - The study adopted a case study that was normally limited	- The concept of vetting and negotiations were outlined in details from the global to local levels - The various elements of vetting and negotiations were clearly outlined and used to develop the research instrument - Expectancy theory which helped in the vetting and negotiation process was used - The study used descriptive research design and took care of all the departments of county government that provide various services

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

In this chapter, the study methodology is outlined with the study design, target population, size of sample and procedure of sampling outlined. Further, the chapter explains the study instruments, piloting, validity and reliability tests. The section also outlined the procedure of data collection, analysis and presentation.

Research Design

The research did utilize a descriptive case study design. Mugenda and Mugenda (2012) characterize a case study as an in-depth analysis of a person, organization, or phenomenon. This design, according to Creswell (2006), studies social phenomena that occur in the confines of one social system (the case) or a number of social structures (the cases), such as persons, institutions, classes, individuals, local populations, or nation-governments, where the phenomenon to be researched happen within the case's natural context. Given that the study's goal was to determine the impact of performance contracts on service delivery in the Kakamega County Government, a case study design was deemed the best design for achieving the study's goals. The intention was to provide a comprehensive, in-depth review that would provide useful insights into the research topic.

Target Population of the Study

A target population is a group of elements from which conclusions are drawn (Cooper & Schindler, 2006). The population of this research encompassed all county staff on performance contracts in the County Government of Kakamega in line with the County Public Service Board (CPSB). The Department of Public Service in Kakamega

County (2020), Forty-six (46) senior county officials are on performance contracts and it has been cascaded to lower cadres through performance appraisals. In the study, all the MCAs, the governors and deputy governors were considered and the governors and deputy governors. Kakamega County Assembly has a total of 89 members. In table 3.1, the target population is mentioned.

Table 3.1

Population of the Study

Staff category	Target Population	Percentage
Governor	1	0.7%
Deputy governor	1	0.7%
County secretary	1	0.7%
County executive committee members	10	7.0%
County chief officers	13	9.2%
Directors	12	8.5%
Heads of departments	12	8.5%
Members of the County Assembly (MCAs)	89	62.7%
County service delivery unit (Secretariat)	3	2.0%
Total Population	142	100.0%

Source (Kakamega County, 2020).

Sample Size and Sampling Procedure

Trochim (2005) states that sampling is the method of choosing unit components (people, organizations) out of a population of interest group in order to reasonably generalize the findings back to the population from which they were selected by studying the sample. The sampling frame, sample size, and sample selection, as well as how the sample size is calculated, are all defined in the sampling design. The reason for the sampling design is to determine the population's characteristics (Kombo & Tromp, 2006). In this study, the sampling procedure involved a two-step process. First,

stratified sampling was applied whereby each category of the respondents were classified into various strata. Later on, simple random sampling was applied among the MCAs.

Sample Size

Since the target population was small and more centralized (around the County offices), a census was preferred. This means that the sample size involved 142 respondents. The respondents were reached through online platforms and a virtual one on one interview for the governor and the deputy governor.

Data Collection Instruments and Procedures

Data Collection Instruments

Primary data was gathered using a semi-structured questionnaire and an interview guide, while secondary data was collected by reviewing records of previous materials related to the study's subject. To obtain primary data from the governor and deputy governor, an interview guide containing semi-structured questions with both open ended and closed ended questions was used. An interview guide, according to Mugenda and Mugenda (2013), is a collection of questions that the interviewer poses during the interview. The interview guide was divided into two parts, with section A eliciting the respondents' background information and section B containing the various classified and non-rated questions related to the study's objectives.

The questionnaire was for the county directors, county chief officer, members of the county assembly and all other county workers. There were three parts of the questionnaire. The first segment included demographic questions about respondents' period of work in the county, job cadre, department, level of education, and computer literacy skills, among other variables. The second section used a Likert scale to elicit respondents' opinions on performance contracting. The third section included questions

aimed at determining the impact of performance contracts on service delivery. Questionnaires and interview guides were used because they enabled the researcher collect accurate information in a confidential manner. A questionnaire was used for the following reasons: the staff could answer at their own convenient time, they were anonymous and confidential, the responses received through questionnaires are easy to analyze and a large amount of data could be collected within a short period of time as recommended by Kombo and Tromp (2006). Two sets of questionnaires were administered: one for CECs, county chief officers, directors, Heads of Departments (HODs) and MCAs at Kakamega County and another one for the county service delivery secretariat.

Data Collection Procedures

To undertake the actual research in the selected county, the researcher sought an authorization letter from the graduate school, which was used to seek permission from the National Government Agency responsible, the County Service Board, the County Assembly, and the various ministries (departments). In addition, an appointment with the Secretary to the governor and deputy governor's office was done. The researcher undertook briefing meetings with the respondents about the research. At the same time, the researcher designed a route and schedule of data collection, the researcher then proceeded to pilot the instrument before proceeding with the main data collection. A self-administered questionnaire was shared with each respondent and picked or submitted via email. The survey included both open-ended and closed-ended questions. The questionnaire was divided into three sections, each covered demographic variables, performance contracting practices, and expectations/services delivery.

Reliability of the Research Instruments

According to Tabachnick and Fidell (2001), reliability refers to the consistency with which a measuring instrument produces a specific result, where the findings show a high percentage of identical outcomes, and are free of bias. It enables the collection of data needed to achieve the study's particular objectives. The Cronbach alpha score was adopted to validate the instrument's reliability for all statements on the Likert scale. Cronbach's Alpha is calculated in light of the number of items and the average inter-item correlation, that range from 0 for a completely unreliable test to 1 being a completely reliable test (Hinton- Bayre, 2010). A number of academic scholars suggest an alpha statistic of 0.7 or higher as excellent and acceptable, while a value of 0.6 is considered acceptable (Leech et al., 2005).. Therefore, as indicated by various researchers, a Cronbach alpha of 0.6 was considered minimal in this study.

Validity of the Research Instrument

According to Kombo and Tromp (2006), validity is the most central consideration in instrument development and refers to the degree to which the instrument measures what it claims to measure. This study used content validity. According to Berg (2001), content validity is the ability of the items in the instrument to present the content of a given construct. As recommended by Kumar et al. (2013), the content validity in this study was obtained by having the questionnaire verified by two university lecturers who have previously handled students in the field of performance contracting and services delivery in counties. In addition, a consultant who has handled county government projects dealing with customer satisfaction and service delivery also reviewed the instruments for content validity.

Pilot Testing

In what is referred to as a test-retest method, the research questionnaire was tested in Mombasa county due to the fact that Mombasa County had been fronted as one of the counties that had done relatively well in implementing the performance contracting strategy (Council of Governors, 2019). The rule of thumb is that, when sample size is given, 10% of the sample can be used during a pilot study and if the 10% comes from the same locale of the study, it is normally exempted from taking part in the final study (Kombo & Tromp, 2006). The exercise was repeated after 7 days and the information obtained was used to help in calculating the reliability values.

Data Presentation and Analysis

According to Saunders et al. (2003), data analysis is the sorting and organization of raw data to obtain important statistics from the data. The primary data obtained from the questionnaires were counter-checked for consistency, legibility, omissions, coded and entered into SPSS version 24.0 for analysis. As Neuman and Hood (2009) recommended, the main benefit of using SPSS is that there are various ways of analyzing quantitative data, including tests, modeling, and graphs. Quantitative measurements were used, and they involved inferential statistics through the application of inductive reasoning, as advocated by Creswell (2006). The dependent variable (services delivery) and the residuals were tested for normality. Pearson's Product Moment Correlation was used to examine the type and extent of the relationship between the independent variables: target setting, vetting and negotiations, execution, monitoring and evaluation, and the dependent variable, service delivery. Analysis of Variance (ANOVA) was used to test the significance of the independent variables in the model outlined below. The test was done at 95% significance level or 0.05 confidence level.

Multiple regression analysis yield the coefficient of determination (R^2) which provided the proportion of variance in the independent variable . A regression analysis was used to examine the rate of change of various variables. Therefore, the hypothesis was examined using the regression model below.

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon \quad (1)$$

Where:

Y = services delivery

X_1 = target setting

X_2 = vetting and negotiations

X_3 = execution

X_4 = monitoring and evaluation

ε = the error term

β_0 = Constant (the intercept of the model)

Ethical Considerations

First, the researcher obtained a research permit from the National Commission of Science, Technology and Innovation (NACOSTI) in line with the laid down regulations in Kenya. The permit was used as a formal identity during data collection and was used to assure the respondents that the study was purely for academic reasons. Further, the research made use of an introduction letter obtained from PAC University Graduate School in compliance with the university's research ethics protocols. Before any participation, the researcher thoroughly clarified the intent of the study to the

respondents. Furthermore, the researcher demonstrated how the research findings, if implemented, would benefit the county and the nation as a whole. The researcher assured the respondents that their comments would be used for the purposes of the study only and that their names were to be kept private and no information was to be disclosed to any party whatsoever.

Operational Definition of Variables

The operational definition of a variable refers to how it is evaluated in that particular study, given that another study could use a different method to quantify the same conceptual measure. Table 3.2 shows how the variables were operationalized and measured. The table is a matrix that shows how the objectives, the variables, variable measurement, measurement scale and type of analysis are linked.

Table 3.2

Operationalization Table

Objective	Independent Variable	Indicators to be tested	Scale	Types of analysis
To establish the level to which target setting affects service delivery in the County Government of Kakamega	Target setting	• Target setting process • Participatory target setting • Clear target • Realistic and achievable targets • Targets communication	Nominal and ordinal scale	Descriptive statistics Inferential statistics
To establish the impact of vetting and negotiation on service delivery in the County Government of Kakamega	Vetting and negotiations	• Timing of vetting and negotiations • Training on proper vetting and negotiations • Time period vetting and negotiations take • Resources allocated for vetting and negotiations • Attitude held towards vetting and negotiations	Nominal and ordinal scale	Descriptive statistics Inferential statistics
To find out the effect of execution on service delivery in the County Government of Kakamega	Execution	• Look into workers performing their duties • Research on routine report/performance review along with job description • Identifying performance challenges • Performance scorecards • Integrated performance systems	Nominal and ordinal Scale	Descriptive statistics Inferential statistics

To determine the level to which monitoring and evaluation affects service delivery in the County Government of Kakamega	Monitoring and evaluation	• M&E resource • M&E training/expertise • M&E standard measures & results • Frequency of M&E • Data quality and processing • M&E attitude	Nominal and ordinal Scale	Descriptive statistics Inferential statistics
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CHAPTER FOUR

RESULTS AND DISCUSSIONS

Introduction

The research aimed to determine the effects of performance contracting on service delivery in the County Government of Kakamega. Four specific objectives were set, and the corresponding hypothesis was formulated to achieve the main objective. The chapter discussed the findings of the data collection process and analyzed the data that was collected to draw meaning from it. The researcher used IBM SPSS version 24 to conduct the analysis. The data presentation in this chapter focuses on two important aspects: descriptive and inferential statistics. The presentation is done using tables and graphs, under each of the study hypotheses. Under inferential analysis, the p value is assumed to be at the 0.05 level. Key statistical tests that are used include correlations, ANOVA and regression analysis. The results are presented in the following sections.

Response Rates

The research targeted a total of 142 respondents. Out of the 142 participants in the study population, 127 participants responded to the study questionnaire. Therefore, the effective sample of 127 participants was adopted in the final analysis. This represented a response rate of 89%. Dogan (2013) suggests that response rates of below 50% are poor and those above 55% can be considered good. Responses above 70% are considered perfect for analysis. This study's high response rate therefore implies significant participation stemming from ease of instrument administration and follow ups to the participants to take part in the study.

Reliability Test

Reliability measures the degree to which an instrument yields consistent results after testing (Mugenda & Mugenda, 2003). It determines whether a measure can yield the same results when replicated. Cronbach's coefficient was adopted as an internal consistency measure of how the items in the study were related as a group. When there is only an error component, the alpha statistic is zero suggesting that the accurate score is not evaluated. According to Nunnally and Bernstein (1978), if the value is too low, either too few items were used, or the items have little in common to assess the study variable. He further suggests that an alpha statistic of 0.7 and above is acceptable, whereas Sekaran and Bougie (2016) indicates that values between 0.5 and 0.8 are adequate for internal consistency. The lowest value of the Cronbach alpha statistic was .6947, which is good and reliable. Table 4.1 represents the alpha values.

Table 4.1

Representation of Alpha Values

Variable	Cronbach Alpha Statistic
Target Setting	.7656
Vetting and Negotiation	.6947
Execution	.7601
Monitoring and Evaluation	.7527

Source: Field data (2022)

The findings of the reliability test undertaken in Table 4.1 show that the value was 0.6947 on vetting and negotiation which is rounded off to 0.7 on the vetting and negotiation. The highest was on .7656 which is consistent with the Sekaran and Bougie (2016) proposition. The results therefore indicate that the instrument was reliable.

Test of Normality

Statistically, normality tests assess whether data follows a normal distribution. Variables that are not normally distributed can distort the test's significance. According to Razali and Wah (2011) inferential statistics and conclusions may not be reliable or valid when normality is violated. This is attributed to the fact that all regression analyses assume normal distributions. The findings of the tests are presented in Figure 4.1.

Figure 4.1

Q-Q Plot of Performance



Source: Field data 2022

Normality for the service delivery was done by a QQ plot. The plot is presented in Figure 4.1. The QQ plot indicates that service delivery was normally distributed.

Demographic Information

Various demographic measures were used in this study. These were gender, age, level of education, and years of experience. These demographics enabled the understanding of the distribution of gender within the study sample, the age group of

the respondents, highest level of education, as well as the years of experience working with the county. It was anticipated that individuals who had worked longer with the county government also had a good understanding of how the county government works. The following tables indicate the results of the demographic analysis.

Demographic Information on Gender

Table 4.2

Demographic Information on Gender

Gender	Frequency	Percent
Male	72	56.7
Female	55	43.3
Total	127	100

Source: Field data (2022)

From Table 4.2, there were 72 (56.7%) males and 55 (43.3%) female respondents. This, implies that the male respondents in the target population were less than 66.67%, thus indicating compliance with the Constitution of Kenya, 2010, Article 8, which provides for measures to ensure not more than two-thirds of the members in public institutions are of the same gender.

Demographic Information on Age

Table 4.3

Demographic Information on Age

Age	Frequency	Percent
<25 years	3	2.4
26-35 years	6	4.7
36-45 years	56	44.1
Over 45 years	62	48.8
Total	127	100.0

Source: Field data (2022)

From Table 4.3, 3 (2.4%) of the respondents were below 25 years, 6 (4.7%) were between 26 and 35 years, 56 (44.1%) were between 36 and 45 years, and 62 (48.8%) were over 45 years. The youth, aged 35 years and below, accounted for 7.1% of the total respondents. This demonstrates that over 90% of the respondents were above 35 years, thus raising concern on youth representation in the County Government of Kakamega. Hopefully, the rollout of the Ministry of Public Service, Youth and Gender (2019) is critical to help harness and optimize the strength and opportunities for youth representation in the County.

Demographic Information on Highest Level of Education

Table 4.4

Demographic Information on Highest Level of Education

Level of education	Frequency	Percent	Cumulative Percent
Secondary	1	.8	.8
Diploma	25	19.7	20.5
Undergraduate	58	45.7	66.2
Masters and above	43	33.8	100.0
Total	127	100.0	

Source: Field data (2022)

From Table 4.4, the study sought to determine the level of education among the respondents. Only 1 (0.8%) respondent had secondary education, 25 (19.7%) had diploma education, 58 (45.7%) were undergraduates, and 43 (33.9%) had masters and above. This shows that 79.5% of the respondents have at least an undergraduate degree indicating that the respondents are highly educated.

Demographic Information on Years of Experience

Table 4.5

Demographic Information on Years of Experience

Years of Experience	Frequency	Percent	Cumulative Percent
Below 1	1	.8	.8
2-4 years	13	10.2	11.0
5-7 years	69	54.3	65.4
Over 7 years	44	34.6	100.0
Total	127	100.0	

Source: Field data (2022)

From Table 4.5 above, the years of experience in County Government were; 10.2% had 2-4 years of experience with the County Government, 54.3% had 5-7 years of experience, and 34.6% had over seven years of experience. A majority of the respondents with more years of experience indicated that they had prior experiences before joining the County Government.

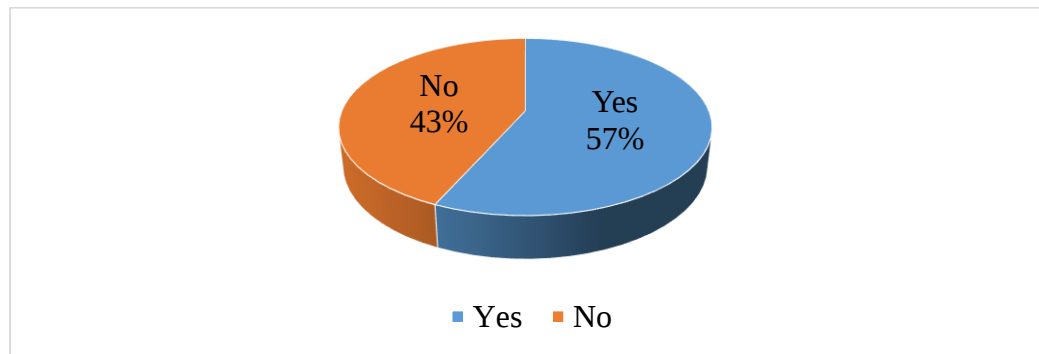
Performance Contract Awareness

The study had four independent variables, target setting, vetting and negotiation, Execution; and monitoring and evaluation. The findings of the four independent variables of the study are captured in Figure 4.2.

Signing Performance Contract

Figure 4.2

Signing Performance Contract

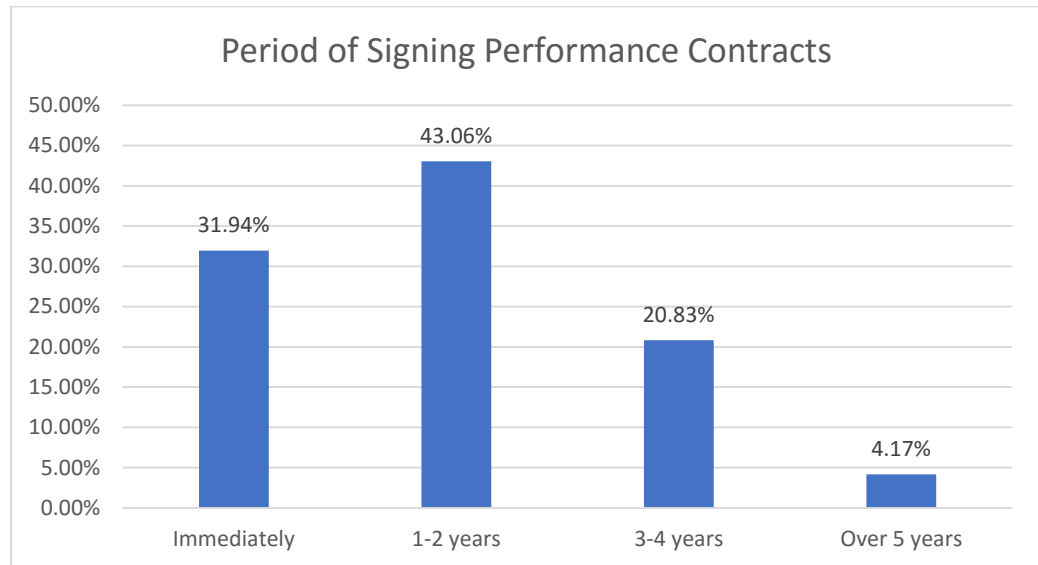


The study results suggest that 55 (43%) of the respondents have never signed performance contracts, while 72 (57%) indicated having signed performance contracts, thus indicating a slight majority have signed the performance contracts. Notably, those who had never signed performance contracts with the County Government were mainly from the County Assembly. Some respondents indicated that they were not signing performance contracts by virtue of having been elected.

The study further sought to find out from those who had signed the performance contracts initially to indicate the period that it took for them to sign the contracts. Findings are presented in Figure 4.3.

Figure 4.3

Period of Signing Performance Contract



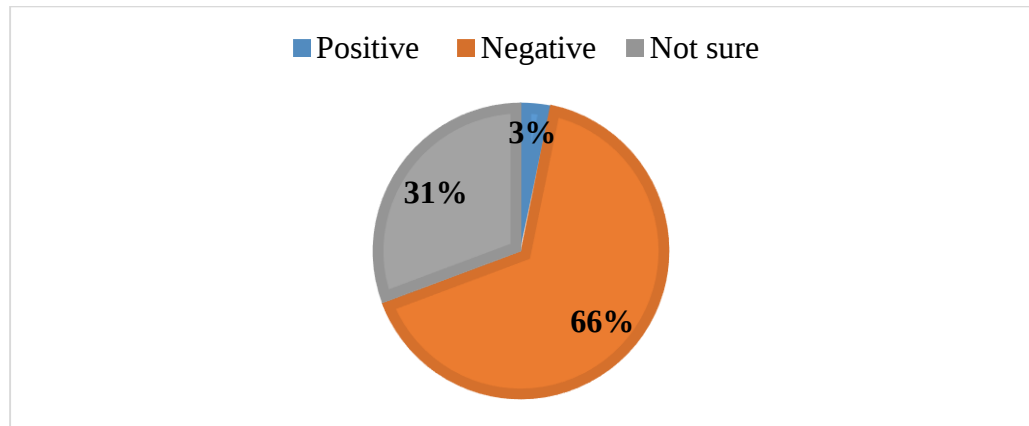
The findings indicate that of the 72 who indicated having signed performance contracts, 23 (31.94%) signed immediately, 31 (43.06%) signed between 1-2 years, 15 (20.83%) signed between 3 and 4 years, and 3 (4.17%) signed after five years of joining the county government. Whereas the period before signing is different, it is notable that they recognized the need to sign the performance contracts by the County Government of Kakamega.

Attitude towards Performance Contracting

The study sought to determine the respondent's attitude towards performance contracting. The scales used were; positive, negative, and not sure. The findings of the study are presented in Figure 4.4.

Figure 4.4

General Attitude Towards Performance Contracting



Findings of the study indicate that 4 (3%) were positive about performance contracting, 39 (31%) were not sure, and 84 (66%) had a negative attitude. The findings indicate a generally negative attitude when it comes to performance contracting by the respondents.

Awareness on Variables of Performance Contracting

Table 4.6

Awareness on Performance Contracting Variables

Performance contracting variable	Yes	No
Performance contracting goals/target/objectives setting	88.2% (112)	11.8% (15)
Performance contracts vetting and negotiations	76.4% (97)	23.6% (30)
Performance contracts implementation/execution	90.6% (115)	9.4% (12)
Performance contracting monitoring and evaluation	85.8% (109)	14.2% (18)

The study findings indicate that 112 (88.2%) were aware of performance contracting goals/target/objectives setting. While 97 (76.4%) of the respondents were

aware of performance contracts vetting and negotiations. The study also found that 115 (90.6%) were aware of performance contracts implementation/execution, and 85.8% indicated that they were aware of performance contracting monitoring and evaluation.

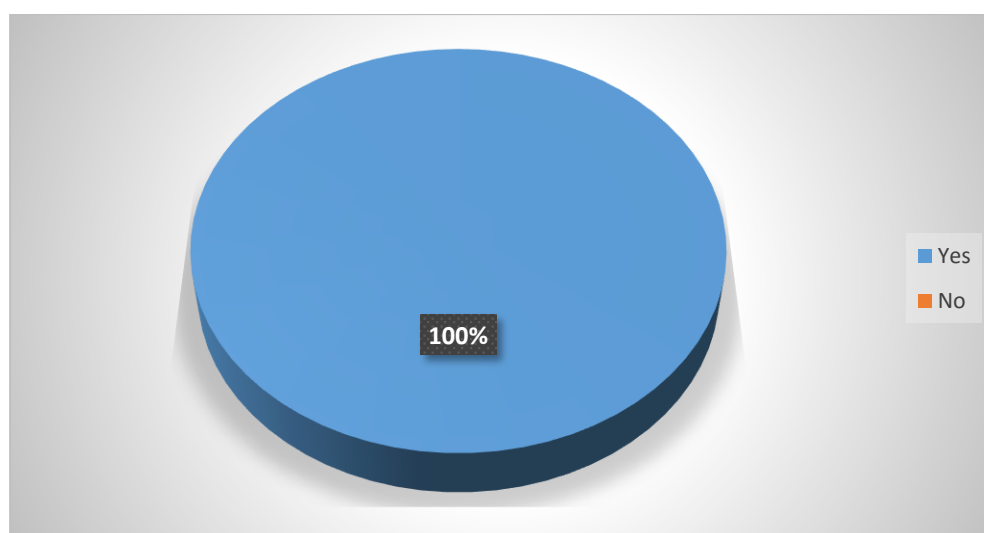
Effects of Target Setting on Service Delivery in the County Government of Kakamega

Target Setting Support

The researcher sought to establish the respondents' attitudes towards target setting and its effects on service delivery. Findings are presented in figure 4.5.

Figure 4.5

Target Setting Support



The findings indicate that there is 100% agreement that target setting supports service delivery. This could be attributed to the statutory requirements and the Public Finance Management Act (2012) that provides the development of planning frameworks for the county government from the Spatial plans, Sector Plans, County Integrated Development Plan, Annual Plans, Procurement Plans, and budgets.

Descriptive Statistics

The respondents were asked to indicate the extent to which they agreed or disagreed with statements on target setting and service delivery. The scale was 1-5; where 1 = *strongly disagree*, 2 = *disagree*, 3 = *neutral*, 4 = *agree*, 5 = *strongly agree*.

Table 4.7

Target Setting and Service Delivery

Statement	Mean	Std. deviation	Coefficient of Variation (CV)
Target setting process during performance contracting affects services delivery at the County Government of Kakamega	3.976	.5112	0.1286
Every stakeholders' participation in performance contracting target setting affects the delivery of services	4.016	.4711	0.1173
Clearly set targets in the performance contracts have a significant effect on services delivery	4.118	.3240	0.0787
Realistic and achievable set targets during performance contracting affect services delivery	4.143	.3515	0.0848
The communication process of the set targets affects services delivery at the County of Kakamega	4.036	.4230	0.1048
Overall	4.060	.3320	

The study findings indicate that the overall mean regarding the responses is 4.060 with a standard deviation of .3320. Based on the Likert scale, the study's findings fall under "Agree." Thus, indicating that there was an agreement among the respondents

that the target setting process during performance contracting affects service delivery at the County Government of Kakamega. Realistic and achievable set targets during performance contracting had the highest mean of 4.143 showing agreement among the respondents that realistic and achievable set targets during performance contracting affect service delivery. Target setting process during performance contracting had the lowest mean of 3.976 which also shows agreement that the target setting process during performance contracting affects service delivery. The standard deviations of the statements are low indicating that the responses have low variations from the mean. The Coefficient of Variation (CV) for all the statements were below 0.2, indicating low variation in the responses.

Karl et al. (2019) found that target setting is a core pillar in performance contracting in any given organization. From the study, there was an agreement that, clearly set targets in the performance contracts significantly affect services delivery, and realistic and achievable set targets during performance contracting affect services delivery. Lastly, it is agreed that the communication process of the set targets affects services delivery at the County Government of Kakamega.

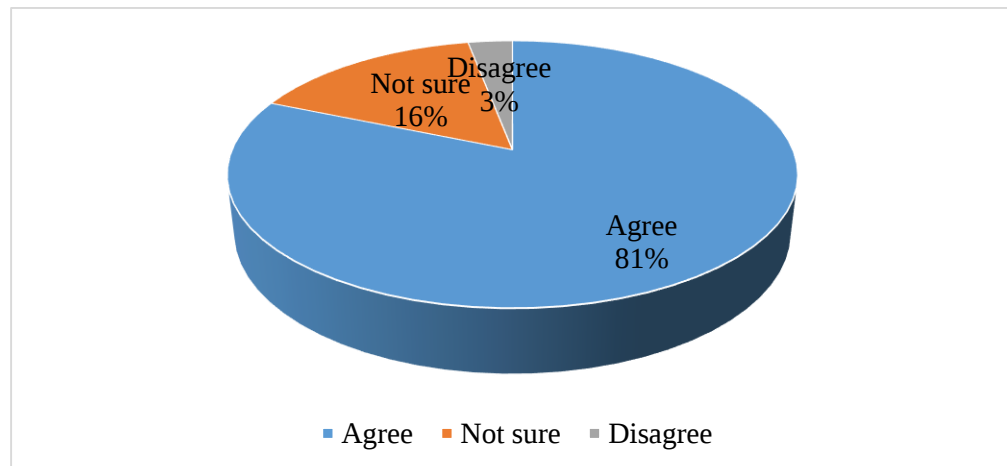
The Effects of Vetting and Negotiations on Services Delivery in Kakamega County

Opinion on Vetting and Negotiations

The study sought to establish the respondents' opinions as far as vetting and negotiations are concerned during performance contracting and its effects on the process of services delivery in the County. Responses available were; agree, not sure, and disagree. The findings of the study are presented in Figure 4.6.

Figure 4.6

Opinion on Vetting and Negotiations



The study findings indicate that 81% agreed on the importance of vetting and negotiations during performance contracting and that it affects services delivery at the County, while 16% were not sure and 3% disagreed. Thus, it can be interpreted to mean that most of the respondents had a positive opinion.

Descriptive Statistics

On a scale of 1-5, where 1 = *strongly disagree*, 2 = *disagree*, 3 = *neutral*, 4 = *agree*, 5 = *strongly agree*, the respondents were asked to indicate the extent to which they agreed or disagreed that the following factors of performance contracting vetting and negotiation have a significant influence on services delivery in Kakamega County

Table 4.8

Vetting and Negotiations

Statement	Mean	Std. Deviation	CV
Timing of vetting and negotiations	3.669	.5642	0.1538
Training on proper vetting and negotiations	3.858	.4667	0.1210
Time period vetting and negotiations take	3.811	.4997	0.1311
Resources allocated for vetting and negotiations	3.724	.6000	0.1611
Attitude held towards vetting and negotiations	4.000	.5345	0.1336
Overall	3.813	.4442	

The overall mean of the study in relation to the effects of vetting and negotiations is 3.813, with a standard deviation of .4442. On the Likert scale, the mean indicates that responses were broadly in agreement. Attitude held towards vetting and negotiations had the highest mean of 4.0, indicating that it affects service delivery positively. Timing of vetting and negotiations had the lowest mean of 3.669, indicating a positive effect on service delivery. The standard deviations of the statements were low, indicating a low variation of the responses from the mean. The Coefficient of Variation (CV) for all the statements is below 0.2, indicating low variation among the responses.

Shivachi (2017) concluded that negotiations and vetting help establish the scope of adequacy of performance targets and its comprehensiveness in corporate plans and budgetary provisions. The study findings indicate that the timing of vetting and negotiations, training on proper vetting and negotiations, time period vetting and negotiations take, resources allocated for vetting and negotiations, and attitude held

towards vetting and negotiations have a positive effect on services delivery within Kakamega County.

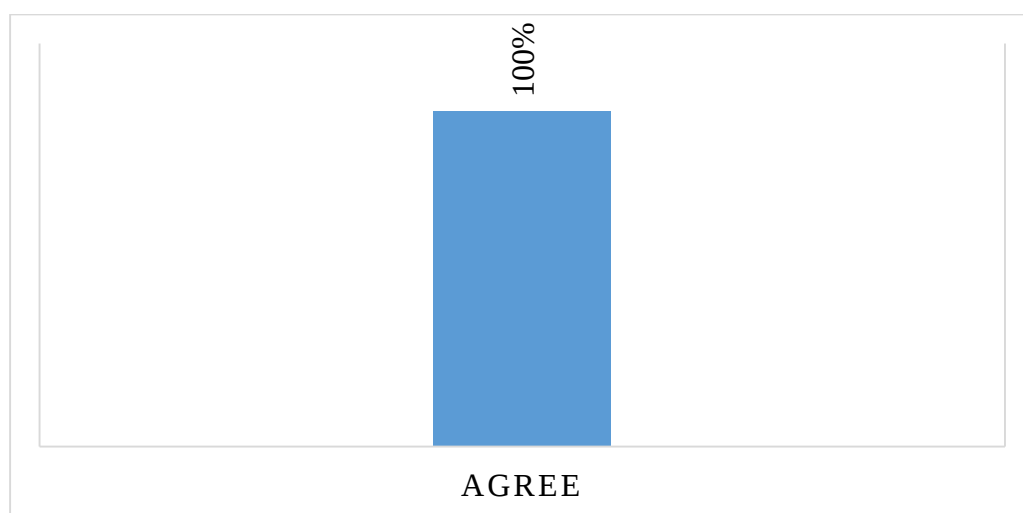
The Effects of Execution on Services Delivery in Kakamega County

Opinion on Effects of Execution in Service Delivery

The study sought to establish the respondents' opinions about execution/targets implementation during performance contracting and its effects on the process of services delivery in the county. Findings are presented in Figure 4.7.

Figure 4.7

Opinion on Effects of Execution in Service Delivery



The research results indicate that 100% of the respondents agreed that execution affects the provision of services.

Descriptive Statistics

On a scale of 1-5; where 1 = *strongly disagree*, 2 = *disagree*, 3 = *neutral*, 4 = *agree*, 5 = *strongly agree*, the respondents were asked to indicate the extent to which they agreed or disagreed that the following factors of performance contracting execution have a significant influence on services delivery in Kakamega County

Table 4.9

Effects of Execution on Services Delivery

Statement	Mean	Std. Deviation	CV
Looking at workers perform their duties	4.016	.2515	.0063
Study routine report/performance review along with job description	3.992	.2954	.0740
Identifying performance challenges	4.181	.4440	.1062
Performance scorecards	4.039	.6474	.1603
Integrated performance system	3.811	.4496	.1180
Overall	4.008	.2648	

The study has an overall mean of 4.008 and Std. Deviation of .2648. The mean on the Likert scale indicates a general agreement with the statements on the effects of Execution on service delivery. Identifying performance challenges recorded the highest mean of 4.181($SD = .4440$), while the integrated performance system had the lowest mean of 3.811 ($SD = .4496$). Both means demonstrate that they affect service delivery. The Coefficient of Variation of all the statements was below 0.2, indicating low variations from the means.

Ayee (2018) found that effective implementation of performance contracts is critical because it requires that a person focuses on the desired results. The findings imply that respondents agreed that execution enhances service delivery through looking at how workers execute their duties, studying routine report/performance review and job descriptions, identifying performance challenges, conducting performance scorecards, and integrating the performance system.

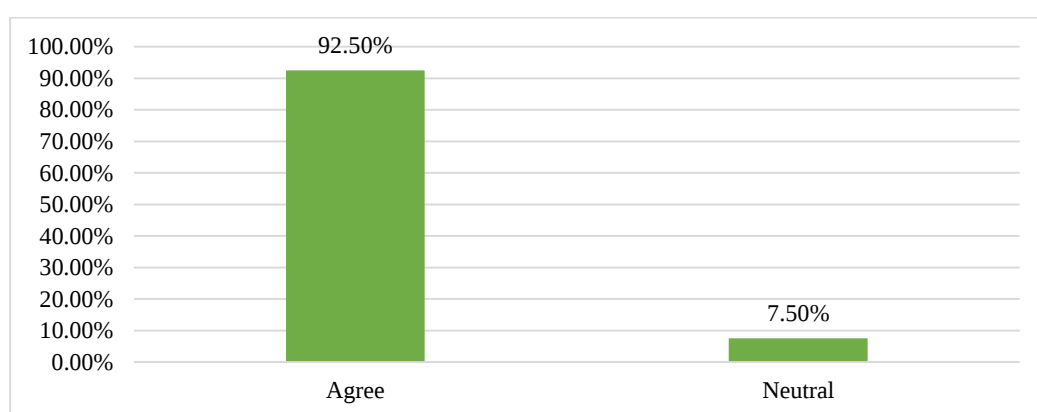
Effects of Monitoring and Evaluation on Services Delivery in Kakamega County

Monitoring and Evaluation Opinion

The study required the respondents to give their own opinion on whether monitoring and evaluation during performance contracting affected the service delivery process at the county. The scales that have been used in the study include agree, not sure, and disagree. The results of the study are presented in Figure 4.8.

Figure 4.8

Monitoring and Evaluation Opinion



The research results suggest that 92.5% of the respondents agreed that monitoring and evaluation during performance contracting affect service delivery, while 7.5% of respondents were neutral. Thus, the findings imply that monitoring and evaluation during performance contracting have some significant effect on the process of services delivery at Kakamega County.

Descriptive Statistics

On a scale of 1-5; where 1 = *strongly disagree*, 2 = *disagree*, 3 = *neutral*, 4 = *agree*, 5 = *strongly agree*, the respondents were asked to indicate the extent to which they agreed or disagreed that the following factors of performance contracting monitoring and evaluation had a significant influence on services delivery in Kakamega County

Table 4.10

Effects of Monitoring and Evaluation on Services Delivery

Statement	Mean	Std. Deviation	CV
Monitoring & Evaluation resource	3.748	.5487	.1464
Monitoring & Evaluation training/expertise	4.000	.7015	.1754
Monitoring & Evaluation standard measures & results	4.362	.7733	.1773
Frequency of Monitoring & Evaluation	3.764	.7914	.2103
Data quality and processing	4.299	.8481	.1973
Monitoring & Evaluation attitude	3.836	.7706	.2009
Overall	4.015	.3228	

The overall mean of the study is 4.015, with a standard deviation of .3228. Based on the Likert scale, the mean falls under 'Agree'. This suggests a general agreement among the respondents regarding the components of monitoring and evaluation's effects on the process of service delivery. Monitoring and evaluation standard measures and results had the highest mean of 4.362 ($SD = .7733$), and monitoring and evaluation resource had the lowest mean of 3.836 ($SD = .7706$); both statements showed that they positively affected service delivery. All the coefficients of variation have an acceptable value (<0.4), thus, indicating low variations among the responses.

Lienert (2018) discovered that businesses would regularly determine the effectiveness of their appraisal process and employee evaluation. Lin and Lee (2017) further suggested that performance monitoring and evaluation are essential in informing

the various stakeholders on the status of performance contracting implementation. The study's findings imply that monitoring and evaluation aspects such as resource, training, and expertise, standard measures and results, frequency, data quality and processing, and attitude affect service delivery during performance contracting at Kakamega County Government.

Services Delivery in Kakamega County

Descriptive Statistics

On a scale of 1-5; where 1 = *strongly disagree*, 2 = *disagree*, 3 = *neutral*, 4 = *agree*, 5 = *strongly agree*, the respondents were asked to indicate the manner in which they agreed or disagreed that the combination of performance contracting target setting, vetting and negotiation, execution and monitoring, and evaluation affected services delivery in Kakamega County significantly.

Table 4.11

Services Delivery in Kakamega County

Statement	Mean	Std. Deviation	CV
Customer satisfaction	4.079	.2704	.0066
Consistency of services	4.362	.4825	.1106
Time taken for given services delivery (process time)	4.047	.5173	.1278
Productivity	4.039	.4944	.1224
Flexibility	4.228	.5373	.1270
Task completion.	4.206	.5414	.1287
Overall	4.160	.1906	

The overall mean is 4.160, with a standard deviation of .1906. The mean fell under agree, which was an indication that flexibility had the highest mean of 4.228 and

productivity had the lowest mean of 4.039. The Coefficient of Variation for all the statements is below 0.2, which showed low variations from of the responses from their means.

Trivedi (2019) suggested that customer loyalty should be a more fundamental measure of a company's success as it ties to positive behavior and economic outcomes which is attributed to service delivery. According to Jin and Wang (2019), public sector workers are obliged to engage in service delivery creatively since they are accountable to the public. The study found that performance contracting in Kakamega County led to customer satisfaction, consistent services, quick process time when giving services delivery, and higher productivity, flexibility, and task completion.

Multicollinearity

Table 4.12

Multicollinearity Statistics

Model	<u>Coefficients</u>	
	<u>Collinearity Statistics</u>	
	Tolerance	VIF
Target setting	.922	1.084
Vetting and Negotiation	.836	1.196
Execution on Services Delivery	.991	1.009
Monitoring and Evaluation	.801	1.249
Dependent Variable: Service Delivery		

Multicollinearity tests assesses whether the independent variables are highly correlated with each other. A high correlation between the independent variables makes statistical inferences less reliable. The Variance Inflation Factor (VIF) is used to calculate the strength of collinearity among the independent variables. A VIF value

above ten is considered unacceptable as it shows high multicollinearity among the independent variables (Senaviratna & Cooray, 2019). For this study, all the VIF values are less than 1.3; thus, they are acceptable.

Correlation Analysis

Correlation describes the degree and direction of relationship between two variables. This study utilized correlation to test hypotheses. The table below summarizes the correlation results as obtained from SPSS.

Table 4.13

Correlation Results

Independent variables	Dependent variable	Pearson Correlation Coefficient(<i>r</i>)	Coefficient of Determination (<i>R</i> ²)	Significance (<i>p</i> value)
Target setting	Service Delivery	.328	0.108	<.001
Vetting and Negotiation	Service Delivery	.206	0.042	.020
Execution	Service Delivery	.227	0.052	.001
Monitoring and evaluation	Service Delivery	.303	0.092	.001

There was a weak positive linear relationship between target setting and service delivery ($r = 0.328$). The association is statistically significant ($p < 0.001$), thus we conclude that target setting has a significant relationship with service delivery in the County Government of Kakamega. The Coefficient of Determination (R^2) is 0.108, this means that 10.8% of the variation in service delivery is explained by target setting.

There is a weak positive linear relationship between vetting and negotiation and service delivery ($r = 0.206$). The relationship is not statistically significant ($p = .020$), thus we conclude that vetting and negotiation had no significant relationship with

service delivery in the County Government of Kakamega. The Coefficient of Determination (R^2) is 0.042, 4.2% of the variation in Service delivery is explained by vetting and negotiation.

There was a weak, positive linear relationship between execution and service delivery ($r = 0.227$). The relationship is statistically significant ($p = .001$), thus we conclude that execution has a significant relationship with service delivery in the County Government of Kakamega. The Coefficient of Determination (R^2) is 0.052, 5.2% of the variation in service delivery is explained by execution.

There is a weak positive linear relationship between monitoring and evaluation and Service delivery ($r = 0.206$). The relationship is statistically significant ($p = .001$), thus we conclude that monitoring and evaluation has a significant relationship with service delivery in the County Government of Kakamega. The Coefficient of Determination (R^2) is 0.092, 9.2% of the variation in service delivery is explained by monitoring and evaluation.

ANOVA

Table 4.14

ANOVA Results

ANOVA					
Model	Sum of Squares	<i>df</i>	Mean Square	<i>F</i>	Sig.
Regression	1.756	4	.439	7.746	.000 ^b
Residual	6.913	122	.057		
Total	8.669	126			

Dependent Variable: Service Delivery

b. Predictors: (Constant), Monitoring and Evaluation, Execution on Services Delivery, Target setting, Vetting and Negotiation

From the ANOVA Table, $F(4,122) = 7.746$, $p < .0001$, the regression model is thus significant as at least one of the independent variables; target setting, vetting and negotiation, monitoring and evaluation and execution is significant.

Regression Analysis

Regression Analysis Results

Table 4.1

Regression Analysis Results

Model	Coefficients				
	Unstandardized		Standardized		
	Coefficients		Coefficients		
	<i>B</i>	Std. Error	Beta	<i>t</i>	Sig.
(Constant)	2.024	.390		5.195	.000
Target setting	.163	.056	.246	2.924	.004
Vetting and negotiation	.062	.062	.089	1.002	.318
Execution on services delivery	.151	.062	.197	2.421	.017
Monitoring and evaluation	.149	.069	.194	2.152	.033

Dependent Variable: Service Delivery

The resulting regression equation is;

Service Delivery = $2.024 + 0.163 \times \text{Target Setting} + 0.062 \times \text{Vetting and Negotiation} + 0.151 \times \text{Execution} + 0.149 \times \text{Monitoring and Evaluation}$.

The constant, 2.024 means that, if the other variables are equal to zero, service delivery was equal to 2.024. The coefficient of target setting, 0.163 means that, holding the other variables constant, a unit increase in target setting increased service delivery by 0.0163. The coefficient of vetting and negotiation, 0.062 means that, holding the other variables constant, a unit increase in vetting and negotiation increases service delivery by 0.062. The coefficient of execution, 0.151 means that, holding the other

variables constant, a unit increase in execution increases service delivery by 0.151. The coefficient of monitoring and evaluation, 0.149 means that, holding the other variables constant, a unit increase in monitoring and evaluation increases service delivery by 0.149.

Target setting ($t = 2.924$, $p = 0.04$), Execution ($t = 2.421$, $p = 0.017$) and monitoring and evaluation ($t = 2.152$, $p = 0.033$) are significant predictors of service delivery. Vetting and negotiation ($t = 1.002$, $p = .318$) is not a significant predictor.

The Effect of Target Setting on Service Delivery

H_{0.1} Target setting has no effect on service delivery in the County Government of Kakamega.

The null hypothesis was rejected as target setting had a significant effect on service delivery; as it was a significant predictor of service delivery.

In view of the regression analysis findings and the hypothesis testing, the study is in agreement with Karl et al. (2019) who observed that the objective setting or goal setting or target setting is the core pillar of performance contracting of any given organization that adds up general public sector performance in any given country. The study resonates with the World Bank (2019) report that indicated that performance-contracting elements like smart objectives/target/goal setting in the USA have been crucial in ensuring improved services delivery. Further the study agrees with Hassan (2019) who found that target/goal setting has a major impact on service delivery in devolved units in a study in Garissa County Government.

The effect of Vetting and Negotiation on Service Delivery

H_{0:2} Vetting and negotiation has no significant effect on service delivery in the County Government of Kakamega.

The null hypothesis was not rejected as vetting and negotiation had no significant effect on service delivery. It was not a significant predictor of service delivery.

Mose (2017) further reckons that negotiations and vetting is a very complex phase in the process of performance contracting and at times requires a very experienced expert or a consulting firm to undertake the process. This is attributed to the non rejection of the hypothesis. He further outlined that majority of the organizations fail to clearly link vetting and negotiations which later on lead to failed performance contracts. Aguinis (2017) urged that the negotiating process aids the parties in determining if the developed goals are: practical, feasible, observable, development driven, and are benchmarked against previous success or comparable organizations' performance globally, regionally, and internationally. However, the study found out that vetting and negotiation did not directly affect service delivery, thus providing room for further research.

The Effect of Execution on Service Delivery

H_{0:3} Execution has no significant effect on service delivery in the County Government of Kakamega

The null hypothesis is rejected as execution has a significant effect on service delivery; as it is a significant predictor of service delivery.

The study found that execution has a direct relation with service delivery. With the rejection of the null hypothesis, the research agrees with Grapinent (2018), who notes that execution has a continuous role that mainly serves to provide early signs of

success, or lack thereof, in the attainment of intervention of performance. Effective monitoring is not a one-off activity but a continuous one. This results in a direct relation with service delivery. Tonui (2018) investigated the effect of performance targets on workers' performance in Kenyan public institutions and found out that observing employee undertake their responsibilities contributed to high productivity and that task execution contributed to performance scoreboard that enabled customer satisfaction.

The Effect of Monitoring and Evaluation on Service Delivery

H_{0:4} Monitoring and Evaluation has no significant effect on service delivery in the County Government of Kakamega.

The null hypothesis is rejected as monitoring and evaluation has a significant effect on service delivery; as it is a significant predictor of service delivery. The study concurs with Mauya (2015) who outlined various indicators that can be used to measure effective and efficient implementation of various performance-contracting targets/goals/objectives which include the ability of the various stakeholders in ensuring that employees perform duties; ability to track repetitive report/performance review in line with the job description; identifying performance gaps and challenges. The increased economic growth witnessed in Rwanda over a long period since the country recovered from the civil war was attributed to the adoption of performance contracting with effective monitoring, evaluation and reporting (World Bank, 2017; UNDP, 2018); this is in agrees with the study results on Monitoring and Evaluation.

Chapter Summary

This chapter highlights the results and findings of the research. The chapter looked at the response rates, which was 89% of the study population. This feedback was linked to other studies and established to be 100% illustrative of the entire

population. Reliability test to establish the degree to which instruments yield consistent results and demographic information in the first section. Moreover, the chapter also discussed in detail the hypothesis testing of each independent variable against the dependent variable.

CHAPTER FIVE

SUMMARY OF FINDINGS, IMPLICATIONS, CONCLUSIONS, RECOMMENDATIONS, AND AREAS FOR FURTHER RESEARCH

Introduction

This chapter presents a summary of the research and its results, the assumptions and recommendations for future studies. What follows are key findings of the study and the conclusions of the study. The chapter further provides the implications of the findings to theory, policy and institution management practice. Lastly, the chapter discusses the limitations of the study and provides a roadmap that future studies should follow.

Summary

The broad objective of this research was to determine the effect of performance contracting on service delivery in the County Government of Kakamega. Specific objectives of the research were also identified. Below is a summary of the research results presented in Table 5.1.

Table 5.1

Summary of Results of Hypothesis Testing

Objective	Hypothesis	Decision
To establish the effect of goal setting on service delivery in the County Government of Kakamega.	H _{0:1} Target setting has no significant effect on service delivery in the County Government of Kakamega.	Rejected
To establish the effect of vetting and negotiation on service delivery in the County Government of Kakamega	H _{0:2} Vetting and negotiation have no significant effect on service delivery in the County Government of Kakamega.	Not Rejected
To find out the effect of execution on service delivery in the County Government of Kakamega	H _{0:3} Execution has no significant effect on service delivery in the County Government of Kakamega	Rejected
To determine the effect of monitoring and evaluation on service delivery in the County Government of Kakamega	H _{0:4} Monitoring and Evaluation has no significant effect on service delivery in the County Government of Kakamega.	Rejected

Source of data (Field data 2022)

Implications of the Study

Target Setting and Service Delivery

The findings point to the growing need for county governments to set realistic targets to guide the delivery of desired services by the citizenry. At the beginning of the study, it was not clear to what depth target setting affects service delivery. It is notable that the stakeholders' participation is desired during target setting. Citizens can only demand services when they are aware of what is planned. Clearly set and realistic targets are necessary for service delivery. The study, therefore, provided an important

basis for county leadership to consider while planning projects and programmes. The study findings are therefore consistent with other studies.

Execution and Service Delivery

The second objective of the study was to establish the effect of execution as an indicator of service delivery in the County Government of Kakamega. Consistent with other studies, the implementation of targets set, and continuously monitoring of the staff in performing their duties was important. County governments should consider going beyond setting the targets, and also support the implementation of the same targets.

Monitoring and Evaluation and Service Delivery

The importance of monitoring and evaluation in view of the study results cannot be overemphasized. The study established the need to consider the allocation of more resources for monitoring and evaluation. Monitoring and Evaluation are deemed necessary accompanied by continuous training on tracking of results to ensure accountability and effective utilization of resources in service delivery. The monitoring and evaluation skill sets were found to be important in ensuring service delivery is attained.

Vetting and Negotiation and Service Delivery

Vetting the departmental and individual targets set is relevant in the general implementation of performance contracting. Negotiation on the other hand ensures that the parties to the agreement meet their part of the bargain during the implementation phase. Vetting and negotiation ensure that the parties to the agreement are delivering quality and that the utilization of the resources is effective. Although the research established that vetting and negotiation had no significant effect on service delivery, there is a need to further interrogate the level of significance in future studies at the county government's level.

Conclusions

Performance contracting was explained by four variables; target setting, vetting and negotiations, execution and monitoring and evaluation. The relationship was hypothesized in a conceptual framework and primary data was collected, decoded, cleaned and examined. The data were analyzed with descriptive statistics and appropriate graphs were utilized to visualize the data. Inferential statistics were also used in the analysis including correlation analysis, ANOVA and multiple regression analysis.

Target setting, execution, and monitoring and evaluation had a significantly weak positive linear relationship with service delivery. Vetting and negotiation had a non-significant correlation with service delivery. In relation to variance explained, 10.8%, 4.2%, 5.5% and 9.2% of the variations in service delivery are explained by target setting, vetting, and negotiations, execution and monitoring and evaluation respectively. From the hypothesis testing, it was concluded that vetting, negotiations, and service delivery were not significantly related. There was a statistically significant relationship between target setting, execution and monitoring and evaluation and service delivery. The findings agreed with previous studies.

Service delivery in the public sector remains critical in creating a happy citizenry. Whereas the existence of government is to provide services, the manner in which the services are provided is often a point of contention. Stakeholders' participation in the selection of projects and programs, setting of annual targets in line with the County Integrated Development Plans, execution and monitoring and evaluation must be embraced for effective service delivery.

Most counties have not understood the importance of performance contracting and continue to lag behind in citizen satisfaction. With the performance management

frameworks in place and adopted by the Council of Governors for counties adoption, measures towards compliance with performance contracting as a statutory requirement would go a long way in ensuring that the duty bearers are accountable to the service users through performance contracting. County Governments must ensure that the performance indicators are linked to service delivery while undertaking their mandates.

Recommendations

County Governments can adopt either expectancy or goal-setting theories while seeking to enhance service delivery. The research points to a positive relationship between target setting, execution and monitoring and evaluation with service delivery. County governments exist to deliver services to the citizenry. They can achieve their objective by adopting performance management, and by undertaking the critical steps of the inclusive setting of smart targets, supporting staff during execution and continuous monitoring and evaluation.

Additionally, the State Department of Public Service and the Council of Governors have provided guidance through frameworks to support performance contracting in county governments. The steps of target setting at the onset, which is linked to the planning frameworks of the government, are critical. Given that budgetary provisions guide performance contracting, it is deemed that for every performance contract, the services should be provided as envisaged. The county governments should therefore commit to undertake performance contracting for service delivery not as a choice but as a duty conferred by the service users. The study revealed that county governments could eliminate ghost projects that remain incomplete following a transition or at the end of a financial year through proper target setting and ensuring project completion, which is an indicator in performance contracting.

The study recommends that the office of the County Secretary as the Head of Public Service together with the CECMs for Public Service jointly drive the PC agenda. This done with political support of the governor, will see to it that the promises made through planning and manifestos are realized. Rewarding and sanctioning which is the role of the County Public Service Boards will be easier to institute with keen investment in target setting, monitoring and evaluation and execution.

Future Studies

The study envisaged that vetting and negotiation would affect service delivery. The relationship however was not statistically significant. It is worth noting that this variable would require more studies to establish its linkage with service delivery. In addition, this implies that there could be other variables that affect service delivery. Researchers may use other methods to investigate the relationship between service delivery and the independent variables. A qualitative analysis would provide more understanding of the relationship between service delivery and target setting, execution, vetting and negotiation and monitoring and evaluation.

Given the diverse nature of county governments, further studies should focus on other counties to further determine the effect of the different variables on service delivery given the varied county contexts.

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APPENDICES

Appendix I: Research Questionnaire

Section A: Background Information

Kindly, respond to the study questions by ticking in the space or in the appropriate box provided ☐

1). Your Genders Status

✓ Female

☐

✓ Male

☐

2). State Your Age Category

✓ Below 25 Years

☐

✓ 26 to 35Years

☐

✓ 35 to 45 Years

☐

✓ 46 and Above

☐

3). What is Your Highest Level of Education?

✓ Others

☐

✓ Diploma Level

☐

✓ Undergraduate

☐

✓ MA and Above

☐

4). Years of Experience with county governance

✓ Below 1 Years

☐

✓ 02 to 4 Years

☐

✓ 5 to 7 Years

☐

✓ Above 7 Years

☐

Section B: Performance Contracts Awareness

1. Have you ever been involved in signing a performance contract in the recent past? Yes ☐ No ☐
2. If yes in 1 above, when did you sign the performance contract?
- Immediately I landed the job ; ☐
- 1-2 years after landing the job, ☐
- 3-4 years after landing the job, ☐
- Over five years after landing the job ☐
3. What is your general attitude towards performance contracting
- Positive ☐
- Negative ☐
- Not sure ☐
4. Are you aware of the following variables that are tied to performance contracting in counties?

Performance contracting variable	Yes	No
Performance contracting goals/target/objectives setting		
Performance contracts vetting and negotiations		
Performance contracts implementation/execution		
Performance contracting monitoring and evaluation		

Section C: Questions as per the Objectives

1 Target Setting and Services Delivery in the County of Kakamega

- a) In your own opinion, do you support the idea that target setting affects services delivery in the county of Kakamega?

Yes ☐ No ☐

b) On a scale of 1-5; where 1=strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree, indicate the extent to which you agree or disagree with the following statements

Statement	1	2	3	4	5
Target setting process during performance contracting affects services delivery at the County of Kakamega					
Every stakeholders' participation in performance contracting target setting affects the delivery of services					
Clearly set targets in the performance contracts have a significant effect on services delivery					
Realistic and achievable set targets during performance contracting affect services delivery					
the communication process of the set targets affects services delivery at the county of Kakamega					

2 The Effects of Vetting and Negotiations on Services Delivery in Kakamega County

a. In your own opinion, do you agree that vetting and negotiations during performance contracting affect the process of services delivery at the county?

Agree ☐ Not sure ☐ Disagree ☐

b. On a scale of 1-5; where 1= strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree, indicate the extent to which you agree or disagree that the following factors of performance contracting vetting and negotiation have a significant influence on services delivery in Kakamega County

c.

Statement	1	2	3	4	5
Timing of vetting & negotiations					
Training on proper vetting & negotiations					
Time period vetting & negotiations take					
Resources allocated for vetting & negotiations					
Attitude held towards vetting & negotiations					

3 The Effects of Execution on Services Delivery in Kakamega County

- a. In your own opinion, do you agree that execution/targets implementation during performance contracting affect the process of services delivery at the county?

Agree ☐ Not sure ☐ Disagree ☐

- b. On a scale of 1-5; where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree, indicate the extent to which you agree or disagree that the following factors of performance contracting execution have a significant influence on services delivery in Kakamega County

Statement	1	2	3	4	5
Looking at workers perform their duties					
Study routine report/performance review along with job description					
Identifying performance challenges					
Performance scorecards					
Integrated performance system					

4 The Effects of Vetting and Negotiations on Services Delivery in Kakamega County

- a. In your own opinion, do you agree that Monitoring and Evaluation during performance contracting affect the process of services delivery at the county?

Agree ☐ Not sure ☐ Disagree ☐

b. On a scale of 1-5; where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree, indicate the extent to which you agree or disagree that the following factors of performance contracting Monitoring and Evaluation have a significant influence on services delivery in Kakamega County

Statement	1	2	3	4	5
M&E resource					
M&E training/expertise					
M&E standard measures & results					
Frequency of M&E					
Data quality and processing					
M&E attitude					

Services Delivery in Kakamega County

On a scale of 1-5; where 1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree, indicate the extent to which you agree or disagree that the combination of performance contracting target setting, vetting and negotiation, execution and monitoring and evaluation affects services delivery in Kakamega county significantly .

Statement	1	2	3	4	5
Customer satisfaction,					
Consistency of services,					
Time taken for given services delivery (process time),					
Productivity,					
Flexibility, and					
Task completion.					

Appendix II: Interview Schedule Guide

Section One: General Background Information

1). Genders Status

✓ Female

☐

✓ Male

☐

2). Age Category

✓ Below 25 Years

☐

✓ 26 to 35Years

☐

✓ 35 to 45 Years

☐

✓ 46 and Above

☐

3). Highest Level of Education

✓ Others

☐

✓ Diploma Level

☐

✓ Undergraduate

☐

✓ MA and Above

☐

4). Experience with county governance

✓ Below 1 Years

☐

✓ 1 to 3 Years

☐

✓ 4 to 7 Years

☐

Section B: Performance Contracting and Services Delivery

1. In your own opinion, do you think that performance contracting has been effective in the past yours you have served in this county? Yes [] No []

2. Kindly give four points to support your response in 1 above

a.

.....

b.

.....

c.

.....

d.

.....

3. In a detailed explanation with four strong points in each, explain how the following processes of performance contracting have affected the services delivery in the county government of Kakamega during your tenure:

a. Performance contracts target setting

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b. Performance contracts vetting and negotiations

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c. Performance contracts objectives/goals/targets execution

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.....
.....

d. Performance contracts monitoring and evaluation

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.....
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Appendix III: Sampling Table

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	100000	384

Note.—*N* is population size. *S* is sample size.

Source: Krejcie & Morgan, 1970

Appendix IV: Work Plan

DATE	TASKS/ACTIVITIES TO BE COMPLETED
May –June, 2021	Student submits the topic of study and purpose statement to department head for approval and for assignment of a supervisor and an advisor.
By 15 th July 2021	Chapter One completed in consultation with supervisor and advisor
By 30 th August 2021	Chapter two and three
By September 2021	Proposal corrections and preparations for defenses
By October 2021	defenses, corrections, data collection
By February end 2022	Chapter Four and Five completed and submitted to supervisor
By March Mid 2022	Corrections made, and full thesis submitted to supervisor and advisor, and, with their approval, final defense scheduled
By end April 2022	Final defense given before panel of faculty members. Error-free document submitted for signing and binding.

Appendix V: Itemized budget

BUDGET FOR THE DATA COLLECTION REVIEW AND ANALYSIS				
ITEM	QTY	NO. OF DAYS	UNIT COST	TOTAL COST (Kshs.)
Data collection & Analysis Budget				
Facilitation (4 Research Assistants to administer questionnaires at a rate of Kshs. 2,000 per day)	4	5	2,000	40,000
Traveling costs - ground transport to the County in Kakamega	5	4	500	10,000
Data analyst (Capture and analysis of the data collected)	1	3	15,000	45,000
Accommodation - For one pax in Kakamega	1	5	5,000	25,000
Printing and stationery	1	1	4,000	4,000
Miscellaneous costs	1	1	10,000	10,000
Sub Totals				134,000

Appendix VI: Letter of Transmittal

Eunice Daritsu
Reg No: MBAD/9453/0/17
Pan Africa Christian University
Date.....
Dear Respondent,

REF: PERMIT FOR CONDUCTING AN ACADEMIC RESEARCH

In reference to the above subject matter, I am Eunice Daritsu, Reg No: MBAD/9453/0/17, bona fide student undertaking a degree of Master of Business Administration, at the Pan Africa Christian University present the above request for your consideration.

I am currently undertaking my research academy study *titled “EFFECT OF PERFORMANCE CONTRACTING ON SERVICE DELIVERY IN COUNTY GOVERNMENTS IN KENYA: A CASE OF KAKAMEGA COUNTY”*. I kindly seek your participation in this study. The study was conducted in line with the standards and approval provided by the institution.. In line with the ethical guidelines laid down, the collected data was treated with utmost confidentiality and all respondents treated with respect.

Any assistance accorded to me was highly appreciated. I am looking forward to your consideration. Thank You.

Yours Sincerely

EUNICE DARITSU

Appendix VII: Letter of Authorization



15TH DECEMBER, 2021

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

**RE: RESEARCH AUTHORIZATION & ETHICS CLEARANCE LETTER FOR
DARITSU EUNICE FEDHA REG. NO: MBAD/9453/0/17**

Greetings! This is an introductory letter for the above named person a final year student at Pan Africa Christian University (PAC University), pursuing the degree of Master of Business Administration.

She is at the final stage of the programme and is preparing to collect data to enable her finalise on the Thesis. The Thesis title is ***"Performance Contracting and Service Delivery in County Governments in Kenya: A Case of Kakamega County"***.

We kindly request that you allow her obtain a research permit so as to proceed and conduct research among selected employees of the County government of Kakamega, Kenya.

Warm Regards,

PAN AFRICA CHRISTIAN UNIVERSITY
REGISTRAR
P.O. Box 56875 - 00200
TEL: 0721 932050 0734 400694
NAIROBI KENYA

Dr. Lilian Vikiro
Registrar Academic Affairs
Pan Africa Christian University
Lumumba Drive, Roysambu, off Kamiti Rd, off Thika Rd
P.O Box 56875-00200, Nairobi, Kenya
Tel: +254 721 932050/726-595863/734-400694
Email: registrars@pacuniversity.ac.ke
Web: www.pacuniversity.ac.ke

Where Leaders are Made

Appendix VIII: Research Licence

 REPUBLIC OF KENYA	 NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
Ref No: 635519	Date of Issue: 21/December/2021
RESEARCH LICENSE	
	
This is to Certify that Ms. Eunice Durrig of Pan Africa-Christian University, has been licensed to conduct research in Kakamega on the topic: Performance Contracting and Service Delivery in County Governments in Kenya: A Case of Kakamega County for the period ending : 21/December/2022.	
License No: NACOSTI/P/21/14981	
Applicant Identification Number	
635519	
Director General	
NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION	
Verification QR Code	
	
NOTE: This is a computer generated License. To verify the authenticity of this document,	
Scan the QR Code using QR scanner application.	

Appendix IX: Letter to the County Secretary Kakamega County

Eunice Daritsu
Reg No: MBAD/9453/0/17
Pan Africa Christian University
NAIROBI

Amb. James Ochami
County Secretary,
Kakamega County Government
KAKAMEGA

20th January 2022

Dear CS,

**REF: PERMISSION TO UNDERTAKE DATA COLLECTION FOR CONDUCTING
AN ACADEMIC RESEARCH IN KAKAMEGA COUNTY**

The above subject matter refers.

I am Eunice Daritsu Fedha, Reg No: MBAD/9453/0/17, confide student undertaking a degree of Master of Business Administration, at the Pan Africa Christian University present the above request for your consideration.

I am currently undertaking my research academy study titled *"Performance Contracting And Service Delivery In County Governments In Kenya: A Case Of Kakamega County"*.

I kindly seek your participation and support through linkage with the department of Public Service and Administration to enable my undertaking of this study. The study will be conducted in line with the standards and approval provided by the institution and the ethical guidelines laid down, the collected data will be treated with utmost confidentiality and all respondents treated with respect.

Any assistance accorded to me will be highly appreciated. Attached please find the letter from the institution and the research certificate for ease of reference.

I am looking forward to your consideration.

Yours Sincerely,



EUNICE DARITSU