

**MANAGERIAL FACTORS AND IMPLEMENTATION OF PERFORMANCE
CONTRACTING STRATEGY AMONG SELECTED COUNTY
GOVERNMENTS OF KENYA**

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DECLARATION AND RECOMMENDATION

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This thesis is my original work and has not been presented for a degree or any other award in any other University.

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DEDICATION

This thesis is dedicated to my dear family who stood by me through the entire arduous MBA programme.

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ABSTRACT

The goal of the performance contracts strategy is to increase service quality, enhance resource usage efficiency and institutionalize a performance-oriented culture in the public service. However, having a strategy that is well formulated is not enough unless it is properly implemented by an organization. Successful strategy implementation requires management involvement that has the resources and authority for its enforcement. The broad study objective was to assess the effect of managerial factors on implementation of performance contracting strategy among selected county governments of Kenya. Specifically, the study sought to establish the effect of organizational leadership, manager competence, communication strategy and managerial diversity on implementation of performance contracting strategy among selected county governments of Kenya. The research was anchored on the goal-path theory, strategic communication theory and upper echelons theory. A descriptive study design was applied. The 963 management staff in selected county government constituted the study target population. These were drawn from the 3 best performing counties (Makueni County, Kakamega County and Kericho County) and 3 worst performing counties (Busia County, Wajir County and Samburu County). A sample population of 126 respondents was chosen through stratification method. A questionnaire was adopted in the collection of primary data. The study found that unified vision/enhancing team-work affects implementation of performance contracting strategy among selected county governments of Kenya very greatly. Further, the research found that ethnic and gender diversity affect the implementation of performance contracting strategy among selected county governments of Kenya to a moderate extent. The research also established that dissemination strategy; style; and consensus affect implementation of performance contracting strategy among selected county governments of Kenya to a moderate extent. Moreover, it was confirmed that diverse expertise; neuroticism; and increased creativity affect implementation of performance contracting strategy among selected county governments of Kenya to a great extent. It was concluded that managerial diversity ($r=0.653$, $p=0.000$) had the greatest effect on implementation of performance contracting strategy among selected county governments of Kenya, followed by organizational leadership ($r=0.128$, $p=0.004$), then communication strategy ($r=-0.151$, $p=0.000$) while manager competence ($r=-0.194$, $p=0.009$) had the least effect on the implementation of performance contracting strategy among selected county governments of Kenya. The study recommends that the county governments' leadership to put in place mechanisms for rewarding high performers whose target achievement is above expectation and reprimand those employees whose performance is below expectation. The study also recommends that in future, the county governments management revises the organizational targets and identify the cross cutting indicators that could be shared evenly among the relevant divisions to avoid overload on one division.

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ABBREVIATIONS AND ACRONYMS

EAC:	East African Community
HRM:	Human Resource Management
MOU:	Memorandum of understanding
PC:	Performance Contract
PSA:	Public Service Agreement
SMART:	Specific, Measurable, Attainable, Realistic and Timely
SPSS:	Statistical Package for Social Scientists
UK:	United Kingdom

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter contains the research's introduction. It contains sections on the context of the research, the statement of the problem, the purpose of the investigation, the study objectives, the importance of the research, the breadth of the research, and definition of terms.

1.2 Background of the Study

The function of strategy execution in the process of strategic management is progressively piqueing management researchers' attention. Performance contracting is a critical driver of plan implementation. Performance contract strategy guarantees that an arrangement defines performance criteria or quantifiable goals, which government expects public authorities or public agency or ministry management to achieve for a given period of time (Deng et al., 2015). The common aims of the performance contracting strategy are as part of the performance guidelines of government, to explain the priorities and ties with the government of service organisations. The development of concrete performance objectives in a tracked framework aims at providing the basis for performance assessment and enhancement of public business transparency. This reflects the transition from the regulation of the inputs and procedures of the past to the current production model (Selviaridis & Wynstra, 2017).

The value contracting strategy is one component of wider reforms in the state sector attempted to improve quality and output while lowering overall expenses. A performance contract method is a set of management instruments used to define duties and goals amongst partners in order to achieve freely consented results. (Deng et al.,

2015). It is a useful resource to articulate goals, encourage innovative management, reporting and control practices and provide strategic and operational autonomy for public service administrators at the same time. It is therefore a management tool to ensure public officials' accountability for outcomes by evaluating the degree to which they are targeted (Carbonara & Pellegrino, 2018).

Managerial factors are corporate training policies are connected to factors. Since leaders employ a variety of methods to improve the implementation of strategies within an organization. Managerial factors including education, age, experience, communication and functional track predict an organization's success at implementing its strategies. While some authors have supported this proposition, others are of a contrary opinion. Prior experiences, academic qualifications, and strategic knowledge were all important elements in putting plans in place in the SME sectors among managers (Milana & Maldaon, 2015). The formulation of the strategy is a mechanism by which suitable course of action is decided in order to achieve organizational goals (Tanikawa et al., 2017). Strategy implementation is the putting of the formulated strategies into place by focusing on methods and procedures designed to execute them and the order in which strategies should be implemented in order to obtain the desired results. Strategy evaluation involves how strategy has been implemented as well as its outcome. This explores whether the mechanism and activities are working well and whether the outcomes are achieved. Management of diversity pertains to the acts of an institution facilitate greater incorporation of personnel from diverse backdrops into the framework of an group (Elbanna et al., 2016).

The execution of the performance contracting strategy is an essential stage of the strategy management process involving conversion into operation of the strategic plan.

After an effective strategy is formulated, the concept of strategy execution might seem very straightforward. The transformation of plans into behavior is therefore much more complicated, difficult and demanding and therefore not easy, as many might suppose (Njoroge, 2015). The reasons for success or failure of the strategy's execution concern the essence of the strategy itself its policies and its support mechanisms, the planning and distribution of resources, the structure and strategy fit, communication processes, leadership and organization's culture, the alignment of the strategy to short term goals and sub-strategies. One of the challenging and difficulties facing top managers is the execution of the related strategies. Efficient results in integrating organizational resources and activities in accordance with the strategic goals and objectives achieved and in defining main success drivers and aligning the performing action and reporting (Engert & Baumgartner, 2016).

The most important thing when executing a plan is the dedication of the responsible persons to the strategic path. This is without doubt, a condition for the strategy's execution. It is necessary therefore for the top managers to demonstrate how ready they are to give the implementation process energy and loyalty. This demonstrable dedication is a positive symbol for all the organizational participants involved. The output contracting process in the state company started in 2004. Performance contracting is supposed to increase employee satisfaction and thereby improve job performance. In exchange, enhanced work performance will lead to stronger financial performance and tangible performance (Chang, 2016).

The success of performance agreements has attracted a wide spectrum of interest in this strategy from a global perspective in a number of countries such as Pakistan, South Korea, France, India, Malaysia and Kenya. Many governments and international

organizations currently apply this approach to boost public enterprises' efficiency in their countries. Contracts for results are a creative method to boost efficiency in the public sector. They are now known as a vital instrument to encourage good governance and accountability for the performance of the public sector. In Belgium, public sector performance contracts date from the collapse in 1830 of the conventional monolithic government and stipulated that the Organization and government requirements became obligatory for public services. Although in Belgium, its paradigm was established in the 1800s, its research emerged in France in the 1960s, then adopted in Pakistan, Korea and India (Baldwin, 2016).

In 1998, in the UK public sector performance contracting was implemented as a system of the Public Service Agreement (PSA), and all government institutions set out a set of performance targets. Under the research, major changes were introduced during the 1987-1997 period in Finland and the aim was to improve transparency and responsibility of public bodies. As per the Government Performance and Results Act of 1993, the performance contract in Denmark played an important role in increasing efficiency and policy influence and thus increases citizens' confidence in their government by allowing federal departments productivity (Nolden, et al., 2018).

In Africa, experiences of weak public institutions called for a new systemic plan for restructuring of the public sector to tackle these problems. Countries such as Ghana, Nigeria, Gambia and Kenya began administering public services in 2005 by means of contracts for results. The Ogundeji et al.(2016) reported that in the 2008/2009 performance agreement of the Eastern African Community (EAC), the Member States (Kenya, Uganda and Tanzania) have identified joint performance criteria including a

Strategic Plan that ensures that successful work plans are developed on an in-depth basis.

Since its inception in Ghana, performance contract strategies have made an important contribution to the efficient delivery of services to people in third-party institutions. This is because previously unused resources are used efficiently. It is important to bear in mind that the bulk of these past researches concentrated on success contract execution in state-owned firms with few studies of its quality in tertiary services. Therefore, by conducting this analysis with samples from special needs facility located in the newly formed counties; this difference must be bridged (Korir et al.,2015).

In Uganda, on 17 October 2003, GOU signed a performance contract with the National Water and Sewerage Corporation in order to ensure the use of clean water sources. Many water utilities have reported that management performance has improved marginally, but the challenge of transparency and sustainability has eventually led to efficient service delivery for people. Performance contracting was implemented in the United Republic of Tanzania with the goal of public institutions and stakeholder interests, organizing annual competition and permitting awards, and performing research on the effect of performance contract implementation on the public service sector (Ahimbishibwe & Muhwezi, 2017).

In the 1989 policy reform paper for parastatals, the idea of performance contracting strategy in Kenya can be traced from a local perspective and was accepted by the cabinet in 1991 as the first acknowledgment of the policies recommended for controlling and streamlining the performance of state corporations. The first two parastatals to be on the PCs in 1989 were National Cereals and Produce Board and the Kenya Railways. The two did not however, meet the performance contracting criteria.

Kenya Railways was ranked No. 56 in the most recent PC assessment of state corporations conducted in December 2006, while the National Cereals and Development Board was ranked 109. The government made a commitment to the reintroduction of performance contracts in 2003 to ensure accountability and openness in the management of public resources (Kemboi, 2015).

In order to accelerate the execution of the State Service Responsive Performance, the state designed and launched the Strategy for Improving Performance there in Welfare Program in 2001. The Policy aimed to raise productivity and enhance the delivery of services. It outlined the steps needed to bring about a long-lasting and sustainable improvement in the way public services are delivered (Rotich, 2019). As a result of poor strategic thinking, the PC strategy implementation process in government tertiary institutions was impacted by weak manager actions. The relationships within and between agencies, coordination, organizational structure and insufficient resources were other factors considered to affect the implementation of the strategy in Kenya. Manager characteristics are characteristics endorsed by management team members that influence decisions that affect the production of future results of an organization (Moraa, 2015).

Since its inception in 2004, the performance contracting strategy in Kenya has led to remarkable changes in public service delivery. Instead of concentrating on procedures, the framework is credited with improving the perceptions of elected officials by focusing them on outcomes and citizenship service. The public sector is the body charged with the provision of goods and services at the national, regional or local level by and for the government. The public sector must unambiguously be defined in several respects in modern politico-administrative settings (Okungu, 2017). The performance

contracting approach assists in defining better descriptions of objectives and policy innovation management, tracking, and controllers while also providing tactical and organizational independence to county government administration. This research aimed to determine the effect of managerial factors on implementation of performance contracting strategy among selected county governments of Kenya.

1.2.1 Managerial Factors

The managerial factors are aspects of management that affect how an organization operates (Javed, et al., 2016). These include organizational leadership, manager competence, communication strategy and managerial diversity among others. Managerial factors come into play when implanting strategies in an organization. Quantifiable measures, in addition to traditional financial drivers, provide substantial predictive power for company finance decisions (Helfat & Martin, 2015). Motivation of employees is an important factor in the organization performance.

This study concentrated on managerial factors such as organizational leadership, manager competence, communication strategy and managerial diversity. Organizational leadership was measured using inspirational motivation, vision and preparation, strategic forecasting, role involvement and intellectual stimulation to guide a community of people by providing meaning, direction and motivation (Ursic & Czinkota, 2018). Managerial competencies are the skills necessary for successful implementation of strategies in organizations and these include functional experience and competencies, managers' educational level and expertise. Other managerial factors include managerial diversity and communication strategy (Javed, et al., 2016).

Managerial diversity refers to acts performed by managers that aim to encourage greater inclusion in the system of an organization of workers from various backgrounds.

Corporate structure can vary greatly between companies, depending on the aims of a company and the sector in which it operates (Hillson & Murray-Webster, 2017). Interaction is an essential function of management in every organization. Efficient communications is a vital issue in efficient leadership, if the goal is to notify employees on new policies, prepare for a climate catastrophe, maintain corporate security, or respond to worker views (Aggerholm & Asmub, 2016).

1.2.2 Implementation of Performance Contracting Strategy

The contract of success is also referred to as a memorandum of understanding (MOU). The MOU is part of an evaluation process that not only discusses the findings in depth, but also guarantees that efficiency and industry management are improved by easier, more open and autonomous (Selviaridis & Wynstra, 2015). Performance contracting is a series of management techniques that assess the obligations and goals of the parties in order to obtain mutually agreed results. There is a general concept of performance contracting, a significant number of uses and types of quasi-contractual arrangements. The purpose of performance contracting is to monitor and increase the performance of workers and therefore the performance of the entire organization (Deng, et al., 2017).

Performance contracting was reinstated into the Kenya Public Administration in 2004, a component of the Public Sector Reforms implemented within the Financial Recovery Plan for Prosperity and Employment Creation. A revised administration directive has been published by Kenya's Secretary General, press secretary of the Government, and Chief of the Government Service was put in perspective and later incorporated by subsidiary legislation in respect to state corporations and the Local Authority. Performance contract execution is supervised by an administrative structure annexed in the government's executive branch (Deng, et al., 2015). Strategic plans form the basis for success contracts which offer a consistent long - range plans for a company in order

to accomplish its goals (Government of Kenya, [GOK], 2016). Based on their strategic plans, all public agencies are expected to prepare performance contracts.

The implementation process also includes the institutionalization of the strategy i.e., the creation of organizational capacity to the point that the new strategy is completely supportive. The geopolitical truth lies in its strategic actions rather than its strategic statements (Carbonara & Pellegrino, 2018). This includes action-oriented practices such as the organization-wide communication of strategic intentions, the matching of strategy with organizational structure, the matching of strategy with community, the selection of effective management and the creation of effective incentive programs. These two stages of execution of the plan are directed towards enhancing the efficiency of the company. Organisational accomplishment is defined as an institution's actual results or outcomes as compared to its projected outputs (or objectives) (Engert & Baumgartner, 2016)

1.2.3 County Governments of Kenya

The Kenyan government recognizes that poor performance has occurred in the public sector over the years, particularly in public resource management, which has hampered the achievement of sustainable economic development. The government has continued to pursue a series of reform initiatives to boost efficiency. The seminar clarified the role of county government, performance contracting, the problems facing counties in enforcing the performance contract, and proposed a solution to the successful execution of the performance contract in the counties (Korir et al., 2015).

In the financial year 2015/16, the introduction of a performance contracting policy was implemented in several countries. Top executives was sensitized at the head offices and sub-county profiles. A performance contracting committee was established with the

mission of supervising individual department's performance issues, molding and motivating performance employees, establishing rules and processes, monitoring results, measuring progress, and producing results input in order to make operationalization efficient. The County Public Service Board has provided frameworks for success improvement under Section 47 of the County Government Act, 2012. There is a provision for each governor to send to the County Executive Committee Representatives and the County Assembly Public Board an annual results audit. County governments have embarked on the road of efficiency implementation to boost service quality to their people.

1.3 Statement of the Problem

An effective performance contract strategy implementation needs to adjust adequately to the capabilities of the organization. Implementation of performance contract strategy relies heavily on managers and the management team related factors have an impact on its success (Ahimbishibwe & Muhwezi, 2015). In Kenya, it was hoped that the transition from a unitary state to a devolved government structure would increase service quality to the public. However, despite the introduction of performance contracts strategy in county governments in 2015, there is still poor service delivery among the county governments as evidenced by the numerous complains about inefficiency by the citizens and public outcry on quality of services which have been far below expectations (GOK, 2018). This is attributed to inadequate lack of required managerial capabilities among the county's management given that most positions are given as political favors with total disregard of the staff competence (Moraa, 2015).

In addition, the counties have also been riddled with inefficient communication of its strategies slowing down their operationalization among the various departments and

lack of transparency (Okungu, 2017). These strategies have yielded minimal results in terms of delivering quality service to the public due to corruption and poor management of public resources and bloated staff establishment (Muraguri &Wagoki, 2016). Further, county employees have failed to achieve the targets as specified performance contracting as a result of inadequate support from management who exercise excessive control. Most of the county leadership adopt autocratic leadership where most of county staff have limited autonomy to carry out their work on how to effective implementation of performance contracts strategy (Kemboi, 2015). Further, most of the counties have majority of their staff coming from the home county with a common cultural values background and social orientation which robs the counties of the diverse expertise which would come from having staff from heterogeneous backgrounds (Sila et al., 2018). Consequently, where resources are reduced or become inadequate, the quality of life of the people in the home countries and the growth of nations are impaired.

Various studies have been conducted in relation to the managerial factors and performance contracting strategy. According to Mwangi et al. (2017) some studies did not critically address the various managerial factors like in the current research. Others had different scope areas such as Moraa (2015) and Koskey and Rotich (2019) who focused on National Aids Control Council and public pension funds respectively. Others such as Anganyo and Mbatha (2019) adopted different methodology (desk-based study) as compared to the current study. It was due to these gaps that the current study sought to establish the relationship between managerial factors and implementation of performance contracting strategy among selected county governments of Kenya.

1.4 Purpose of the Study

The purpose of this study was to establish the relationship between managerial factors and implementation of performance contracting strategy among selected county governments of Kenya.

1.5 Objectives of the Study

This study sought to achieve the following objectives;

- i. To establish the effect of organizational leadership on implementation of performance contracting strategy among selected county governments of Kenya.
- ii. To assess the influence of manager capabilities on implementation of performance contracting strategy among selected county governments of Kenya
- iii. To examine the relationship between communication strategy and implementation of performance contracting strategy among selected county governments of Kenya.
- iv. To determine the role of managerial diversity on implementation of performance contracting strategy among selected county governments of Kenya.

1.6 Research Hypotheses

H₀₁: Organizational leadership has no significant effect on the implementation of performance contracting strategy among selected county governments of Kenya.

H₀₂: Manager Competence has no significant effect on the implementation of performance contracting strategy among selected county governments of Kenya.

H₀₃: Communication Strategy has no significant effect on the implementation of performance contracting strategy among selected county governments of Kenya.

H₀₄: Managerial Diversity has no significant effect on the implementation of performance contracting strategy among selected county governments of Kenya.

1.7 Significance of the Study

With the understanding of the principle of performance contracting strategy implementation, the report, as discussed below, will be of considerable significance to different stakeholders:

1.7.1 Academic Researchers

The thesis would make a substantial contribution to the current body of expertise in the area of success contracting strategy execution for academic researchers. For other researchers, the analyses may be used as a point of comparison. Furthermore, academic researchers could need the results of the study to encourage further studies in other institutions such as industrial companies and as such, it will form a base for further research.

1.7.2 National and County Governments in Kenya

The research was useful to county governments since they would be capable of knowing how managerial factors in terms of tenure and diversity affects planning, formulating, and implementing strategies to achieve the county goals. This also included the challenges experienced during the whole strategy implementation process. With this knowledge, county governments would be able to effectively provide services to its populace.

The study was also of importance to the national government of Kenya as they would also know how they can upscale the factors to the national level. The findings would also be recommended to other counties and used in public institutions. Since the county governments are a compliment to the national government, the success of the county government in achieving the goals would be of great benefit to the national government.

1.7.3 Professional Practitioners

This analysis was also valuable for consultants working with counties so they could use the study as they understood the dynamics of the county government's top management and how to fix county issues if possible. Operations in county government might be different from private sector and it was therefore important for the practitioners to know the county way of business that are in alignment with the strategies being implemented.

1.7.4 Policy makers

The study was expected to give an insight to the policy makers on the Performance Contracting strategy implementation and would enable them come up with policies regarding performance contracting as well as providing a highlight of the areas of improvement. The study would also be helpful to the Government when analyzing performance of the employees.

1.8 Limitations of the Study

The main limitation of study is its inability to include more organizations due to the constrain of time allocated and the availability of resources. This study focused on the selected institutions. The study would have covered more counties so as to provide a more broad based analysis. However, this was overcome by including representative counties based on performance.

The survey respondents were also reluctant to share sensitive information, according to the findings of the study. This was addressed by including an introductory letter indicating that it was an educational endeavor and guaranteeing the responders of anonymity. The study also found difficulties in obtaining the employees' valuable time due to their hectic work schedules. The study had to establish reasonable accommodations with personnel to allow them to participate in the research during off-

hours, as well as motivate the workers about the importance of the research. The research had to show extreme tolerance and concern, and as a result, the study had to take every attempt feasible to collect enough information from participants.

1.9 Delimitation of the Study

The study was about the effect of managerial factors on implementation of performance contracting strategy among selected county governments of Kenya. The study focused more on the effects of organizational leadership, manager competence, communication strategy and managerial diversity on implementation of performance contracting strategy among selected county governments of Kenya.

The research covered the management staff from 3 best performing counties (Makueni County, Kakamega County and Kericho County) and 3 worst performing counties (Busia County, Wajir County and Samburu County) in Kenya. The researchers felt that the population and samples were appropriate for the analysis and therefore obtained accurate data and results. In six months the analysis was completed.

1.10 Assumptions of the Study

The survey supposed that participants would be collaborative and provide the pertinent data requested by the research. This was despite the reality that their busy schedules allow no time for participants to reply to the survey tools. This assumption was made possible due to a timely and previous arrangement with the responders. The research believed that the mentioned respondents were familiar with the difficulties surrounding performance contracting in county administrations. The research also anticipated that the planned resources to enable data collecting would be accessible, that the data gathered would be a representative of all the regions for extrapolating, and also that the results would be extremely valuable in adding to the current wealth of expertise. The

research also anticipated that the nation would be solid so everything would run well, thus the time range for data gathering would have been as specified.

1.11 Operational Definitions of Terms

The description of terms used in the analysis was given in this section:

1.11.1 Communication Strategy

This refers to a plan to achieve communication objectives. This may apply to internal communications, marketing communications and public relations (Deng, et al., 2015).

1.11.2 Implementation of Performance Contract Strategy

This is the execution of policies that are intended to improve the performance of the employees in a bid of achieving strategic goals and objectives (Selviaridis & Wynstra, 2017).

1.11.3 Organizational Leadership

This refers to process and means of leading, implementing strategies and individuals empowerment (Carbonara & Pellegrino, 2018).

1.11.4 Manager Competence

These are general characteristics of a managers which include gender, age, working experience, level of education, marital status and ethnicity (Milana & Maldaon, 2015).

1.11.5 Managerial Diversity

This applies to executive activities aimed at facilitating greater participation of workers from diverse perspectives in the structure of an organisation. Corporate structure can

vary greatly between companies based on the aims of a company and the sector in which it works (Elbanna et al., 2016).

1.11.6 Performance Contract Strategy

It is a strategic partnership between the government and the public body or official that determines targets, priorities or objectives and offers incentives to produce results (Engert & Baumgartner, 2016).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses prior studies associated with the purposes of the thesis and consistent with it. In order to evaluate the current reality, relevant topics and realistic challenges are taken forward and thoroughly analyzed. This section is important because it describes the details linking the present research with previous studies and what possible studies still need to be explored in order to increase information.

2.2 Theoretical Review

This analysis was based on several theories that showed how the PC technique in several organisations is applied. These include the transformational leadership theory, goal-path theory, resource-based view theory, upper echelons theory and Result Based Management Theory. The following theories are explained;

2.2.1 Goal-Path Theory

House (1971) promoted this theory, explaining how setting targets for workers motivates them to perform tasks. He discusses how the actions of the chief influences employee efficiency and how it can balance his subordinates' performance. It is the role of management to help workers achieve their targets. This hypothesis shows that the action of the boss is the way and that the objective is what the workers accomplish. House (1971) refers to the adjustment in behavior by a chief based on the situation. This means that a leader cannot shift his corporate leadership to a result-oriented role when success contracts are enforced, since the PC has goals and schedules (Cote, 2017).

The leader is also responsible for ensuring the expectations and goals of the success contract are consistent with the aims of the organisation. The theory of target paths is

based on the dimensions of engagement, direction, achievement and support of subordinates (Baldwin, 2016). Performance contracts are completed on schedule. A manager should ensure that the goals are met by empowering and inspiring his workers within the set duration. Deng et al. (2015) say politicians who endorse this idea are worried about the psychological wellbeing of their workers.

Implementing success contracting plan is a stressful project and workers deserve a boss who worries about their feelings and individuals have personal difficulties related to family issues and job problems (Chambers, 2017). According to Selviaridis and Wynstra (2017), setting targets offers motivation for workers to improve morale and to be inspired. He emphasized that where good knowledge is required, certain principles should be used, including clarity, dedication, input, avoidance of vulnerability and relevance to the anticipated outcome. The concept to set unique, observable, achievable, practical and timely SMART targets is also reaffirmed.

The efficient implementation of the performance contracting process depends on organizational productivity. The leader must be properly driven and inspired. Employees are guided by the ability of leaders to direct them to the goals and objectives of the company. This principle highlights the productivity of the company and the leadership role that the leader plays in giving his subordinates specific targets in order to achieve strategic vision goals for 2030. In the absence of the individual, the leadership is at the heart of all that affects the organization's activities (Havermans et al., 2019).

An organisation, a separate body from the chief, cannot separate the two from each other. In addition, this principle does not encourage democracy; it cannot be assured whether members of the community are autonomous, intelligent or competent in the

organisation. Leadership is an obstacle to creativity, innovation and empowerment. The principle is universal and implies that every organization is the same; organizations are special. To address the weaknesses of theory, the researcher addressed the effect of manager competence on implementation of PC strategy among county government in Kenya. This theory was relevant to the study as it shows the effect of organizational leadership and manager competence on the implementation of performance contracting strategy among selected county governments of Kenya.

2.2.2 Strategic Communication Theory

This theory was advanced by Carl Botan in 1980s. Contemporary practice is dominant in the notion that strategic communication is critical to achieving organizational objectives. However, nobody has proposed a proper definition which addresses the impact of their simultaneous interactions and the mutual outcomes of communication from the perspective of all parties. The lack of a common concept of strategic communication has caused ambiguity and misuse of an important national power instrument (Yamak et al., 2014).

Carbonara and Pellegrino (2018) say it allows communication strategy to build specific expectations and consider how certain behaviors, behaviours, or perceptions help these goals. Strategic communication involves high levels of preparation and investigation, message production or creation of key points or ideas. These communications are directed at or generated with a particular audience in mind and contribute to setting the communication priorities of an entity with their structural objectives. The task of strategic communications is to help organizations understand how to convey their message to key audiences effectively as the world is interconnected by new forms of communication (Oppong, 2014).

Efficient strategic communication guarantees successful execution of policies. The definition of communication strategy must be grasped, it should be viewed from the point of view of the company and no one next. The essence and the strategic communication of organizational communications are characterized as an organization's propositional use of communication to fulfill its purpose (Hiebl, 2014). The theory formed a basis on the variable communication strategy and hence assisted establishing the effect of communication strategy in implementation of performance contract strategy in county governments in Kenya.

2.2.3 Upper Echelons Theory

The theory was initially proposed by Mason and Hambrick (1984), and it has since been expanded upon by Hiebl (2014). According to the idea, a manager's qualities are important drivers of corporate results. Leaders are thus regarded as having a high level of impact and playing a key role in influencing corporate results based on the decisions they undertake and the qualities they possess (Hiebl, 2014). The theory was established by Mason and Hambrick (1984) in their landmark article, "Upper echelons: The Organisation as a Mirror of its Leading Management teams."

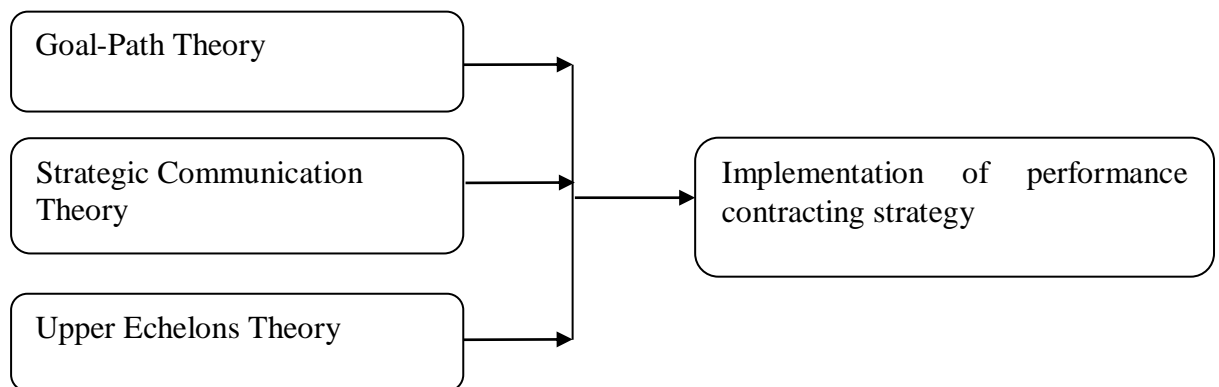
The foundation of the upper level view rests in the company's philosophy of behaviour, which implies that decision-makers are not always motive-based but are primarily dictated by managers' inherent limits (Oppong, 2014). This theory reveals that management teams are critical drivers of organizational performance. The theory's primary thesis is that leaders' expertise, attitudes, and dispositions have a significant impact on their perceptions of the events they confront, which in turn influences their decisions. Intellectual inquisitiveness in the qualities of managers in commercial organisations has grown over the last few years (Yamak, et al., 2014).

The upper echelons theory has therefore provided evidence to support the position that managers influence the success of strategy implementation in organizations. The theory posits that given that managers are bloodedly rational and selectively perceptive, a behavioral component derived from their characteristics is evident in the organization’s successful implementation of its strategy (Lee et al., 2016). Adopting a realistic perspective, this study goes beyond accepting that successful strategy implementation is shaped by the manager’s characteristics and explores the manager’s personality traits using the big five factor model. The upper echelons theory is relevant to this research as it informed the studying the effect of managerial diversity and organizational leadership on the implementation of performance contract strategy in county governments in Kenya.

2.3 Theoretical Framework

Figure 2.1

Theoretical Framework



2.4 Empirical Studies

Studies have been conducted both locally and internationally to support effect of managerial factors on implementation of performance contracting strategy, but these studies have produced mixed results. For instance, Moraa (2015) performed a report at

the Kenya National Aids Control Council on the complexities of implementing performance contracting techniques. The research followed the design of a case study. In the analysis, primary and secondary data were used. The key data have been accumulated by an interview guide while subsequent data has been gathered from multiple sources, including books, papers written and online journals. The primary data was analyzed qualitatively with the use of content analysis. The study established a number of challenges experienced in the implementation of performance contracting strategy at the National AIDS Control Council. The challenges include inadequate documentation, organizational structure and culture where some employees do not embrace performance contracting as a core activity, lack of reward system, inadequate human resource to support the division charged with performance management, and delays in disbursement of funds to support the identified activities as planned.

Sila (2018) conducted a study in the Makueni County Government, on the determinants of performance contracting implementation. In order to connect the variables and determine the general relationship of the independent and dependent variables on performance contracting implementation, the study adopted mixed designs including explanatory design. For this analysis, the target population was 300 employees. Using closed and open-ended questionnaires, the researchers obtained data from 72 sampled respondents. Using SPSS, the data was analyzed using descriptive and inferential statistics. The findings of the study revealed human resource directorate was not proactive enough to spearhead the process of implementation of performance contracting. Further findings established that there was lack of knowledge management where no benchmarking had been done before embarking on the process. Lack of reading material on performance contracting also influenced the process. Negotiations

before signing contracts were lacking and employees were not motivated by setting achievable targets by appraising them quarterly with feedback from supervisors.

Mwangi et al. (2017) investigated the impact of top management on performance contracting outcomes in Kenyan Local Councils. The research sought to investigate the impact of organisational management on performance contracting outcomes in Kenyan local governments. A Correlation research Analysis Approach was employed for the investigation. There were 418674 personnel in the target group. As per the Municipality, this study employed stratification random selection to choose 328 people from 175 Kenyan local governments. To obtain information from local government employees, and questionnaires were used. Analysis was carried out using figures that were descriptive and inferential. The research showed that the efficacy of performance contracting was substantially influenced by organizational leadership. Unique contribution to theory, experience and policy: The study proposed that the management of local authorities should prioritize and develop the organization's strong organizational leadership. The recommendation could be important for the effective operation of county governments that take over the services rendered by local authorities.

Okungu (2017) performed research on the characteristics of senior management teams and strategy execution in Nairobi County, Kenya. Relevant research for the study case was gathered using semi-structured discussion in order to get both consistent analysis and to acquire information not available in the questionnaire. Data was examined using averages, document analysis, and Lewis's coefficient of determination to meet the study aim. The average was determined from ordinary responses in order to assess the degree to which strategic execution in Nairobi County is influenced by the top management features. The findings of the study showed that the tenure of TMT had a substantial

influence on the execution of the policy in Nairobi County. Diversity of occupations as a TMT attribute has been found to have a very large influence on the execution of strategy. Ultimately, the survey suggests that gender diversification as a TMT feature has a moderate influence on strategy adoption. Correlation tests indicated that TMT age and size were insignificant variables with reduced negative association while time in office was significant and although with moderate inverse relationship.

Koskey and Rotich (2019) analyzed the impact of top management features on the execution of policies in Kenya's public pension schemes. The researchers followed a descriptive analysis style. The overall population of the sample composed of 117 occupational pension schemes, of which 655 trustees were appointed in total. A sample was chosen from a population of 106 trustees. Using a structured questionnaire, data was gathered. Study assistants used the drop-and-pick-later approach to distribute and compile the questionnaires. To boost validity and reliability, pilot testing was performed. Quantitative approaches have been used for data analysis. Descriptive frequency statistics, ratios, mean and standard deviation measures have been used to perform data processing. Tabulations and graphs were used to display quantitative results. Inferential statistics like correlation and regression analyzes have been used for the estimation of the link between variables. The study findings reveal that top management expertise, decision-making consistency and Kenya's adoption of government pension policies are related positively and importantly.

Mwai (2018) investigated the impact of manager qualities on strategy execution in Kenyan private colleges. The theoretical position of positivism served as the foundation for the investigation. It used a cross-sectional study methodology with 3,594 senior managers, middle level management, and professors involved in strategy execution at Kenya's 23 private institutions authorized by the Council for Higher Education. A group

of 360 people was chosen using stratification random sampling. For data gathering, a standardized questionnaire was employed. Either inferential statistics were used to analyse the information. To create the connection between the aspect of manager qualities and strategy execution, connections were constructed using Hierarchical Linear Modeling, specifically route analysis. The findings of the research that the relationship between manager competence and strategy implementation was positive and statistically significant hence rejected the null hypothesis. The study also showed a positive and statistically relevant correlation between managerial diversity and strategy execution. There was a positive and statistically relevant relationship between manager contact and execution of the strategy.

A research on improvement of performance procurement in the public industry under Kenyan county governments has been conducted. (Mutembei et al., 2014). Over the years the government of Kenya recognizes that poor performance in the public sector was obstructing sustainable economic growth, particularly when managing public resources. The government has continued to introduce a variety of reform steps in order to boost its efficiency. The seminar explains the role of county administration, the performance agreements, challenges faced by counties in performance contract execution and proposes solution for an efficient performance contract execution in counties.

Caroline et al. (2019) evaluated the factors that influence the implementation of performance contracts in public institutions in Kenya. The research was confined to the Department of Sports, Culture and the Arts. Using a descriptive research method and a census sampling method, the issue was investigated. The target analysis was 200 management employees from the Nairobi Office, the Department of Sports Culture and the Arts. Both main and secondary data were used during the data collection. Data

collection was used in a self-administered questionnaire. Quantitative and descriptive analysis approaches were analyzed for the collected knowledge. In order to display the results, charts, charts, ratios, graphs, means and other core tendencies were used. In order to evaluate the impact of the four variables on performance contracting in Kenya public institutions, the researcher also performed a multiple regression analysis. Quantitative reports were produced with tabulations, percentages and central tendency measurements. The study showed that corporate culture profoundly influenced performance contracts across different factors such as the PC committee's structure, staff knowledge and dedication. The introduction of performance contracting was greatly affected by the top management commitment particularly its adherence to PC procedures. The regression equation illustrates that manager skills significantly affect the success contract execution in the Department.

Metobo (2015) investigated the factors impacting performance contracting deployment in public services in Kisumu City. The particular goals were to determine how style of leadership, individuals, procedures, and financial resources impact performance contractual execution in the government service. This study adopted a descriptive research design. The study targeted about 4,000 employees on permanent pay roll in Kisii County Government. The study used both the questionnaire and interview schedule as research instruments. The study concluded that indeed, organizational leadership influences implementation of performance contracting in the Public Service in Kisii County Government.

Njagi (2017) obstacles to performance contracts between public primary schools in Kenya. The study adopted a descriptive survey design, which was based on Stewart and Crosby's TQM theories. Research in Kenya's central region was carried out in three public primary schools for teachers. The survey was composed of nine senior

management, 18 performance contract secretariat representatives and 56 teachers from the three public colleges who were randomly sampled. A questionnaire was included for department managers, the effective procurement secretariat and teaching staff. A timeline was devised for top management. The input data was processed in dispersion charts and bar chart by using the SPSS (vers 21). The survey's findings indicated a disparity among management and leadership skills in upper team and the bulk of workers, since performance contracts in teacher training institutions had altered dramatically.

The study of factors that affect the execution of performance contracts in state companies was determined by Waithaka and Ngugi (2012). The research based on the Civil Aviation Authority of Kenya. In the analysis, descriptive research design was employed. All the employees of the Kenya Civil Aviation Authority who signed performance contracts from 2008/09 to 2011/12 became the target community. The data was analyzed using descriptive statistics using the social sciences statistical package (SPSS). Tables and graphs were then presented with the findings. The analysis concludes that priorities are collectively agreed upon and that those goals are in accordance with the goals of the organisation. Motivational incentives for good results are high. Furthermore the analysis concludes that success metrics are used to assess, monitor and optimize the method of operations and ensure that the organisation meets its priorities and goals. The analysis concludes that the company has the tools required for policy execution and that management practices fair assessment of the effects of PCs. In conclusion the study indicates that the implementation of the policy comes either through a winning process of group engagement in a coalition policy type, or through a good organizational culture as a result of a total coalition commitment by managers.

Muriu (2015) identified the variables influencing the application of the mechanism of performance contracting in the Civil Service of Kenya. Specifically, the analysis was to assess the effects on the performance contracting mechanism of employee engagement, communication policy, interpersonal efficiency and government policies. Literature was reviewed on the basis of the analytical and associated hypotheses of the variables and was diagrammatically summarized using a logical structure. The study used qualitative analysis design since quantitative design formed relationships, revealing an understanding of variables of research. The population consisted by 1098 individuals, divided into five parts based on their area of expertise, at the Department of Infrastructure headquarters. The survey was used for stratified random sampling, since it involved the inclusion of all divisions in the sample. Questionnaires were the primary way of gathering data. The first pilot tested their own administration and their credibility and reliability. The Statistical Package for Social Sciences (SPSS) version 17.0 was used in the data processing and generation of graphs, figures and relationships. Results showed that all four variables explained the application process and were moderately and extremely critical: government policy, staff engagement, communication approach and organizational effectiveness.

Mwangi (2020) studied the impact of contract managing on Kiambu County's performances. The accompanying research objectives drove this investigation: to identify the impact of contractual cost administration on Kiambu County performance, and to determine the impact of contract relations management on the performance of the County. The research utilizes a qualitative survey methodology and relies on statistical data. A total of 96 people were chosen for this investigation. According to the research authors, contractual relations administration and contractual budget control have a favorable and considerable impact on performance.

In the non-commercial State Company, Ndogo (2013) searched for factors affecting the successful application of success contracting. The Kenya National Library Service in Kenya was investigated in the report. The research aimed to examine how the instruction of workers on how to execute performance contracting, organizational culture, financial capital, top management commitment and managerial diversity impact the successful execution of performance contracting in Kenya's non-commercial State Corporation. The thesis will support stakeholders as it will include evidence that can be used to devise strategies, enhance the potential execution of the Output Contracting in the non-commercial State Company and most specifically, fill the holes left by previous researchers. Descriptive analysis was the research design used in the study. All 59 branch heads and their subordinates, the heads of 11 agencies and their deputies, the two deputy directors and the director of KNLS, a non-commercial state company of the Republic of Kenya, were the target population. In order to gather the results, organized and non-structured questionnaires and face to face interviews were used. SPSS was used to evaluate the completed questionnaires and the results were interpreted using table summaries, ratios and frequencies. In order to find the degree of interaction between the defined independent variables and the dependent variable that was the productive application of Output Contracting in non-commercial State Company, Pearson product moment correlation was used. The analysis showed that management diversity on how to execute performance contracting was a primary deciding factor in the non-commercial State Organization for the successful operation of performance contracting. There was a very close relationship and a positive association between the two factors and therefore a considerable amount of corporate budget finances could be devoted to this role by the top executives.

The factors influencing the execution of performance contracts in public schools in Nairobi County were examined. Kiratu et al. (2019). The research aimed to study the effects on the introduction of PCs in public schools in Nairobi County of employee sensitization, success evaluation, organizational engagement and organizational culture. Quantitative & qualitative analysis methodology has been adopted by the review. It targeted a population of 4,326 data collection respondents. In reality, the study's target demographic was 206 head teachers and 4120 teachers, with a target population of 4326. In this analysis, the Fishers and the finite formulas used a sample size of 353 to measure the sample size at a 95 percent confidence interval. Simple random and census sampling was used as sampling models and primary and secondary data were used to gather primary data from government and private sector publications using questionnaires and secondary data. The method of quantitative data processing was used to analyze the data obtained, with the use of inferential statistics consisting of frequency charts, graphs and graphs. With the support of SPSS version 23, data processing was completed. The findings showed that the key factors that specifically influence the introduction of PCs in public schools in Nairobi County are employee sensitization, performance evaluation, organizational engagement and organizational culture. In comparison to the organizational commitment that was found to have a favorable correlation with the implementation of PCs, it was found that all the other three independent variables had a negative connection with the implementation of PCs.

In the National Council for Population and Growth in Kenya, Ouma and Karanja (2018) assessed the drivers for enforcing performance contracts. Descriptive survey methodology was employed in the research. As per the model summary, R is the association between the independent variables and the dependent variable as a clear positive relationship. The coefficient of determination (R²) showed that the predictor

variables was characterized by the change in dependent variables, which was 73.10 percent of performing contract execution. The corrected R square was somewhat lower than the R^2 , suggesting that the regression was overfit due to the inclusion of too many predictor factors. This revealed that staff enthusiasm, personnel retraining, a regulatory process, and assessment were critical aspects that required to be fulfilled in order to improve the effectiveness of performing agreements in Kenyan state enterprises. The research adds to the pool of information by investigating the impact of staff enthusiasm, training of employees, the legislative environment, and the monitoring and assessment of performances contract execution in Kenyan state enterprises. Motivation of employees, worker training, the regulatory process, and evaluation and monitoring all have a significant impact on the execution of performance based pay in Kenyan public organizations.

Muriithi and Kidombo (2019) examined the variables affecting performance contract implementation in public secondary schools. The research looked primarily at Igembe South Sub District, Kenya's Meru County. The research was based on the theory of human capital, stakeholder perspective and resource-based concept are two types of theories. The survey was conducted in 24 high schools in Igembe North Sub County, Meru County, Kenya, with a target group of 209 administrators and assistant principals, educators, and Meru County Education ministry employees. By using Morgan and Krejcie (1970) method, a representative sample of 134 was achieved for the study with a sample of 209. After cleaning the data, which included searching for input mistakes, descriptive statistical analysis, proportions, weighted mean, and variance were calculated for all numerical variables. Inference data assessment was conducted utilizing multiple regression analysis to determine the relative importance of every of the predictor factors and information given in the tables. According to the findings of

the study, management diversity has a significant impact on the execution of performance contracts in public secondary schools in the sub-county under investigation.

2.5 Conceptualization

The plan for performance contracts guarantees that there is an arrangement defining performance expectations or quantifiable goals that a government expects elected officers or the administration of public departments or ministries to achieve over a given period of time. The common objectives of the performance contracting strategy as part of the performance orientation in government are to explain the aims of service agencies and their interaction with government and to promote results-based performance assessment rather than complying with procedural rules and regulations (Deng et al., 2015).

The definition of managers, in addition to other characteristics related to disposition and intellectual capability, is indicative of the principles, compartments and abilities. The attributes required for management can be seen as a balance; honesty can be seen as a good stable basis of balance on both sides of respect and duty. Managers' characteristics and their effect on organizational change and efficiency, such as the management generation, preparation, experience, tenure and functional context (Elbanna, 2016).

2.5.1 Organizational Leadership

The personal method to leading a group of individuals by having meaning, guidance and inspiration is organizational leadership. There are several leadership techniques that exist today. Three forms of leadership exist: progressive, autocratic and laissez-faire. As defined in the Hersey-Blanchard Situational Leadership Principle, best leadership uses various models in different contexts. In certain organizational contexts, good leadership

is not solely dependent on a collection of qualities, attitudes or power, but a wide variety of skills and approaches (Iqbal et al., 2015).

Participatory leadership aims to include other persons, including perhaps subordinates, peers, supervisors, and other partners, in the process. Inside the immediate squad, most participative events are. Participatory leadership is often referred to as consultation, empowerment, involvement in decision-making, democratic leadership and leadership by priorities and power sharing (Nguyen et al.,2017) opinions and then dismiss them, participative leadership can be a shame. It is possible that this would lead to cynicism and feelings of betrayal. Kenya has started a value contract in order to reverse the downward trend in service procurement, not just to improve delivery but also to refocus the public service attitude away from a customer-friendly business culture and outcomes (Holten & Brenner, 2015).

In other cases, resistance could occur with respect to the rating scheme, which would imply that no system would cancel the outcome of lumping large and small ministries together. Similar sentiments can be reflected in state corporations that it is inappropriate to rate together state corporations working in separate sectors of the economy. Elbanna et al. (2016) states that certain ministries and even state corporations will also choose to be grouped and rated differently despite the implementation of the composite ranking, which allows for comparisons of various ministries and state corporations, citing their individuality arising from their service delivery (industry) regions, size in terms of turnover, number of employees and ranked differently (Popli & Rizvi, 2017).

Transformational leaders are actual leaders who need different talents related to charismatic and innovative leadership. They have a zeal and excitement, bring fresh meaning and take care of initiative. Transformative leadership happens as leaders and

supporters work together to achieve higher order or shared purposes (Bacharach, 2018). Here one or more people communicate with others in such a manner that leaders and supporters lift each other to greater degrees of morality and inspiration. This ensures that the bond between leader and follower is one through which the goal of each becomes merged to establish harmony and common intention. The style of transactional management is more task-oriental than the empirical approach to management (Mwangi et al., 2017)

The completion of a mission is given proportionate incentives, much like the "carrot and stick" (contingent rewards). The scientific style of management is liked by some scholars. The leaders define enforcement requirements as well as what exists in non-compliance. Close control of anomalies, mistakes and errors, and take corrective steps when events occur (management-by-exception-active) (Holten & Brenner, 2015). The principle of management-by exception (passive) is another aspect, where leaders make no explicit rules or objectives and take steps only when everything is not going according to the efficacy of the planned events. Passive leadership makes subordinates more likely to avoid initiating change and prefer maintaining status quo (Bacharach, 2018).

Strategic leadership implies organizations' willingness to predict, envisage and retain stability and motivate others to create a strategic advantage for the enterprise and a prosperous future (Mwangi et al., 2017). The strategic leadership of Bacharach (2018) is described as the ability of a senior manager with knowledge and vision to prepare and carry out and decide in a dynamic, unsecured, complex and uncertain strategic setting. Al Mansoori (2017) suggests that few leaders will understand the policy and the future. Each section of the company – from the business office to the loading portal – should be led by leaders. The willingness of the leaders to establish and reconstruct the reasons for

the continued life of the company is also strategic leadership. The leader must be able to look at the existing value-adding of the company and at the developments within and within the enterprise that jeopardize its role or offer a new potential to add value (Holten & Brenner, 2015).

2.5.2 Manager competence

Managerial competencies are the skills necessary for successful implementation of strategies in organizations. The combination of men and women in top-level management teams is gender diversity. Gender balance in top management has been argued that positively affects corporate success (Helfat & Martin, 2015). Gender diversity adds knowledge and social diversity to the TMT and improves the attitudes displayed by managers. However other research also has found that the ultra-group rivalry is a source of gender diversity. The teams among TMTs therefore have a negative effect on their results. Levels of TMT education are related to the capacity to interpret and differentiate between a ranges of stimuli (Javed et al., 2016).

Their awareness, expertise and ability are markers. Trained people are prone to indulge in borderline coverage, accept uncertainty and display integrative completeness. Education levels and levels of competence have been further correlated with creativity tolerance and represent the cognitive style and personality of an employee and are linked to real group job performances. Technical history refers to the job and proficiency of an individual in various fields of experience such as banking, communications, manufacturing, handling human capital, auditing, planning and logistics (Koskey & Rotich, 2019). Consequently, experience and information are major efficiencies. The utilization of functional skills is effective when organisations are structuring functional groups to perform business. The functional backgrounds of the

TMTs develop expertise and incorporate different fields of expertise. Managers who are informed about their functional experiences will build denser ties and stimulate exchange within the top management. Finally, the time that one took on his/her SDM in the organisation. Long-term corporate tenure is related to improved status quo, business principles, social stability, and awareness of organizational policies and procedures (Milana & Maldaon, 2015).

Tenure homogeneity is commonly correlated with the familiarity of staff members with corporate strategies, processes and situational influences. This could have the benefits of fewer interruptions of conversation, power conflicts and tension between workers. Long tenure in organisations, since they lack cooperation in departments, has been suggested that long tenure in organisations, however, leads to high success (Moraa, 2015). This is because the TMT participants have a strong degree of social integration. Top management demographics may have mild impact on results, or other influences may interfere. According to Mwai (2018), for example, demographics for top management have a strong predictor of corporate performance in direct proportion to the degree to which management is discreet. Demographics for top management have a major impact on SDM and inevitably contribute to success (Okungu, 2017).

2.5.3 Communication Strategy

Communication is an evolving mechanism by which, in partnership with others, individuals develop their awareness and behavior. It is the process of building social worlds among individuals (Hedman & Valo, 2015). The strategic communication area puts itself at the intersection of organizational planning and communication. As such, the word "strategic communication" means an overarching emphasis on the message's fair and predictable objective as well as the sender's motives as the communicator (Aggerholm & Asmub, 2016). The word "strategic communication" thus suggests a

general emphasis on the logical and predictable intent of the message. The intentional purpose of strategic communication clarifies the purpose-based nature of the company's communications (Dulek & Campbell, 2015).

In the execution process, strategic consensus plays a major role. Through the formation of mutual attitudes, understandings, and beliefs, regular contact helps improve strategic consensus. Communication style refers to the verbal, non-verbal and para-verbal interactions that individuals engage in order to clarify how literal meanings are taken, interpreted, filtered or understood. An assertive style of communicating by managers can bring about increased supportive work relations, hence increased self-esteem among employees (Obeidat et al., 2017). This eventually enhances the required organizational outcome, including success in implementing organizational set strategies (Hillson et al., 2017).

Passive managers shun from expressing their needs and feelings, and shy away from protecting their rights. They are usually not able to deliver their messages in full – which causes irritation, delays and redoing of previous work among employees (Bell & Roebuck, 2015). Aggressive managers, on the other hand, openly express their feelings and opinions and advocate for their needs in ways that may violate the rights of employees. They are less concerned with achieving the organization's objectives but pay keen interest in preserving their status and power over employees, which could be successful, though in accomplishing short-term goals (Hedman & Valo, 2015).

During its special, dynamic, accurate, municipal, participatory and relating functions, the emergence of social media is especially exciting for internal communication professionals. Social networking encourages workers to participate in hierarchical, functional, and geographic talks (Aggerholm & Asmub, 2016). Social networking

allows to interact with workers upwards and horizontally. It also allows staff to share their opinions and interests, express alternative views, promote participation, take part in and cultivate an educational and interactive culture (Coombs, 2015).

The range of contact networks used by companies depends also on technologies, customer and employee attributes, diversity and preferences and the globalisation, environment, and knowledge of the labor and customer market. Communication used to be face-to-face, a synchronous process that was limited by time and space (Coombs, 2015). Despite the fact that the benefits of good face-to-face interaction between executives and staff are generally recognized, in Dulek and Campbell (2015), organization's decision on how to devote finite resources to face-to-face contact and how to substitute for the alternate, less expensive resource for electronic communication is needed in the cost-related mode of communication.

Lateral communications of many types, including such data well about company's strategy or goals and latest happenings, assists workers in determining their place in an organisation. Lateral communications is connected to the workplace, and inside the hierarchy of the company moves top-down 37 and bottom-up (Hillson et al., 2017). Top-down coordination is important to an organisation as it primarily provides knowledge about the policy of the organization. This includes but is not limited to the dimensions of the contact environment, such as adequate availability of information, support for top management, and top management reliability. Vertical communication may eliminate misunderstanding about the role of the organisation and help workers recognize and identify what it stands for (Bell & Roebuck, 2015).

2.5.4 Managerial Diversity

Managerial diversity refers to organizational activities with an aim of fostering increased integration of people from diverse perspectives into the hierarchy of an organisation (Koskey & Rotich, 2019). Teams that are functionally diverse are usually expected to gain more knowledge as well as affective conflict, despite varied past empirical facts. Team diversity is likely to increase heterogeneity in the group, since the diversity brings about dissimilarity. Top management team composition may directly have an impact on innovation strategy and the innovation results (Javed, 2016). This indicates that strategy implementation depends on how diverse the management is.

Managing diversity relates to business operations that aim to increase the participation of people from various perspectives in the makeup of an organization. Corporate structure can vary greatly between companies based on the aims of a company and the sector in which it works (Bourdage, et al., 2015). Management-led integration programs and other diversity management practices, as opposed to affirmative action, concentrate on eliminating inequality and improving the efficacy of diversity organisations by changing their practices, culture and environment (Hassan et al, 2017). Initiatives for diversity which include human characteristics that are not protected by statute. Inclusion and that of other social classes, including the dominant group, are expected to be stressed. Several diversity programs are meant to improve the comparative edge (Okungu, 2017).

Heterogeneity is the state of having diversity in content and, on the part of strategic decision-making, team heterogeneity usually leads to increased creativity and improved adaptability (Popli & Rizvi, 2017). Holten and Brenner (2015) indicated that team heterogeneity makes the management have lower agreement levels. The study observed that in complex settings there may be a correlation between management consensus and

higher success levels. The study measured diversity by analyzing the education background of the board members. Analysis was made of the size of all the county departments and the education diversity of the department members at Nairobi county council. From these, 11 the study checked to determine whether board size and education diversity has an impact on strategy implementation (Nguyen et al., 2017).

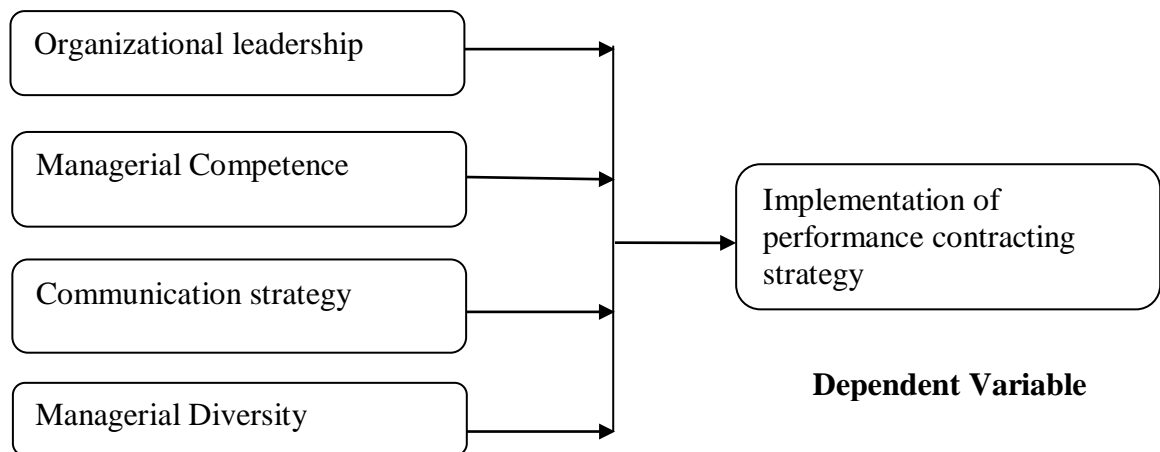
Managers with a high degree of agreement have powerful constructive work relationship predictors. These administrators are likely to undergo mutual commitments to continue with these organisations across the facets of enforcement and dependency of co-ordination. Extremely appropriate administrators have esteem association and minimize organizational disputes. They are worried with their role on the job, are likely to answer growth and improvement needs of workers and are likely to ensure employees improve their performance rate of implementation strategies (Ramdani et al., 2015).

2.6 Conceptual Framework

The theoretical and methodological problems surrounding research work are taken into account in a conceptual framework and form a cohesive and reliable basis that underpins the creation and identification of current variables. This figure therefore shows the influence of the independent variables on the dependent variable of the study.

Figure 2.2

Conceptual Framework



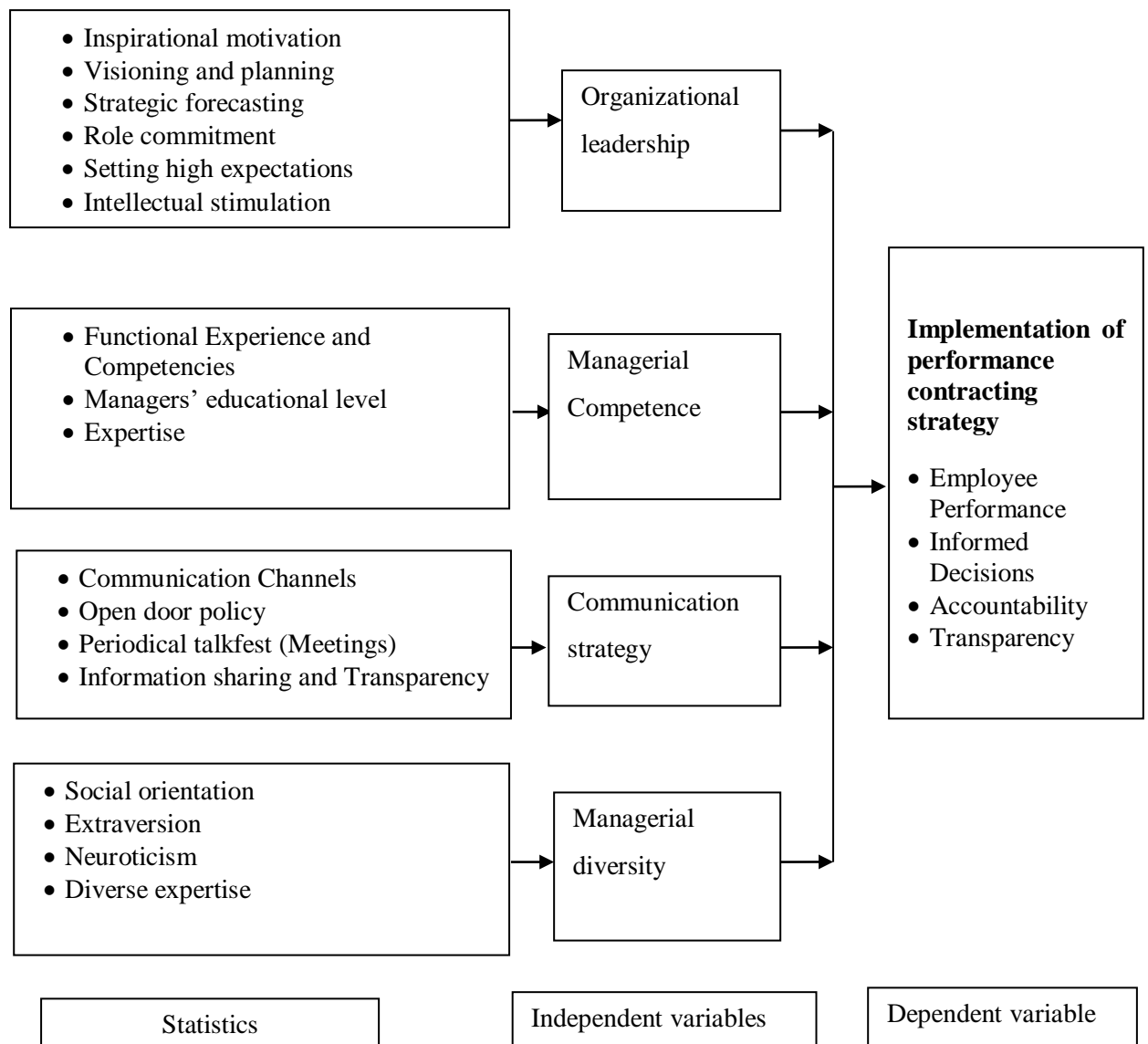
Independent Variables

This study sought to establish the effect of managerial factors on implementation of performance contracting strategy among selected county governments of Kenya. From the Figure 2.2, the independent variables used in this study were organizational leadership, manager competence, communication strategy and managerial diversity. This study therefore sought the influence of these independent variables on the dependent variable which was implementation of performance contracting strategy among selected county governments of Kenya.

2.7 Operationalization

Figure 2.3

Operational Framework



The Figure 2.2 showed the independent variables used in this study which were organizational leadership, manager competence, communication strategy and managerial diversity. Figure 2.3 introduces the sub-variables that explain more and

influence the implementation of performance contracting strategy among selected county governments of Kenya. That is, organizational leadership used inspirational motivation, visioning and planning, strategic forecasting, role commitment, setting high expectations, and intellectual stimulation.

The effect of manager competence on implementation of performance contracting strategy among selected county governments of Kenya was assessed through establishing the extent of effect of functional experience and competencies, managers' educational level, and expertise. The extent of effect of communication strategy was established using communication channels, open door policy, periodical talkfest (meetings), and information sharing and transparency. Moreover, the extent of managerial diversity effect was determined using social orientation, extraversion, neuroticism, and diverse expertise on the implementation of performance contracting strategy among selected county governments of Kenya. The dependent variable, implementation of performance contracting strategy, was evaluated using the following indicators: employee performance, informed decisions, accountability, and transparency.

2.8 Research Gap

Studies were done in relation to managerial factors and implementation of performance contracting strategy. The current study sought to establish how various managerial factors such as organizational leadership, manager capability, communication strategy and managerial diversity affect implementation of performance contracting strategy among selected county governments of Kenya. The research gaps are as shown on Table 2.1.

Table 2. 1***Research Gaps***

Author (Year)	Title of the Study	Methodology Used	Findings	Knowledge Gap
Moraa (2015)	Complexities of implementing performance contracting techniques at the Kenya National Aids Control Council	A case study design	The study established that lack of reward system, inadequate human resource to support the division charged with performance management, and delays in disbursement of funds affected the implementation of performance contracting strategy at the National AIDS Control Council.	The study did not focus on the counties
Sila (2018)	Determinants of performance contracting implementation in the Makueni County Government	The study adopted the explanatory design	The findings of the study revealed human resource directorate was not proactive enough to spearhead the process of implementation of performance contracting.	The study did not focus on the aspect of managerial factors
Mwangi, Gakure, Arasa and Waititu (2017)	Influence of organizational leadership on performance contracting results in Local Authorities, Kenya	Correlational Analysis Design was used	The research showed that the efficacy of performance contracting was substantially influenced by organizational leadership.	The study used different research methods. The current study used descriptive research design
Okungu (2017)	Top management team characteristics and strategy implementation	The study used the case study design	The findings of the study showed that the tenure of TMT had a substantial influence on the	The study looks at just one aspect of managerial factors as compared to

Author (Year)	Title of the Study	Methodology Used	Findings	Knowledge Gap
	in Nairobi County, Kenya		execution of the policy in Nairobi County.	the current study
Koskey and Rotich (2019)	Top management features on the execution of policies in Kenya's public pension schemes	The study utilized the descriptive study design	The study findings reveal that top management expertise, decision-making consistency and Kenya's adoption of government pension policies are related positively and importantly	The study does not focus on the performance contracting
Muriithi and Kidombo (2019)	Variables affecting performance contract implementation in public secondary schools	The study utilized the descriptive study design	The study deduced that managerial diversity greatly influences implementation of performance contract in public secondary schools in Igembe South Sub County, Meru County, Kenya.	The research was based on the theory of human capital, stakeholder theory, and resource-based theory The current study was based on different theories

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter highlights the researcher's analysis methodology to find answers to the questions of the research. The research approach, study design, targeted population, sampling methods, collection processes of the data, data collection equipment and the pilot analysis were presented as follows. The section also includes an overview of the information to generate the required information for the report.

3.2 Research Design

Study design can be described to as a schedule, blueprint or guidance for data collection and review. The targets reflect a quantitative as well as a qualitative aspect of the study. A descriptive research model was utilized in this study. Descriptive research provides the ability for researchers to utilize both qualitative and quantitative data to find data and specifications on the group or phenomena studied (Creswell & Poth, 2016). There are many benefits in gathering data for descriptive survey analysis because interviews, findings, questionnaire and attendance can offer a highly multifaceted approach (Patten & Newhart, 2017).

3.3 Target Population

The target population was 963 senior management staff from the selected counties who were hugely involved in implementation of performance contracting strategies. These included head of departments, supervisors and senior managers in various county ministries. These were drawn from the first 3 rated counties based on performance ratings (Makueni County, Kakamega County and Kericho County) and last 3 rated

counties based on performance ratings (Wajir County, Samburu County and Busia County) in Kenya. Ratings were drawn from Africa Governance & Research Foundation (2019) ratings for the county government performance. This provided a wide scope for analysis of the implementation of performance contracting strategy in Kenyan county governments. Different counties were used to ensure comprehensive assessment of implementation of performance contracting strategy by counties from across the board. The target population was as shown in Table 3.1.

Table 3.1

Target Population

County	Management staff	Percent
Makueni County	178	18.5
Kakamega county	149	15.5
Kericho County	204	21.2
Busia county	169	17.5
Wajir County	127	13.2
Samburu County	136	14.1
Total	963	100

3.4 Sampling Procedure

The practice of choosing a number of persons or goals from a group so that the chosen group has components indicative of the qualities prevalent in the full group is known as sampling. The 6 counties were purposively selected using Africa Governance & Research Foundation (2019) ratings for the county government performance (First 3 rated counties and last 3 rated counties). From these counties, the study selected the senior management staff using stratified random sampling technique where the counties

were the strata. Stratified random sampling is an impartial sampling approach for sorting heterogeneous populations into homogeneous subsets, then make a choice to ensure representativeness within the individual subset. Stratified random sampling was aimed at achieving the optimal representation in the population from different subgroups. In stratified random sampling, respondents are picked such that existing subgroups in the population are more or less included in the survey (Etikan et al., 2016). To choose the respondents in each stratum, the research used simple random sampling.

The sample size is a proportion of the population assumed to be representative of the whole population (Gunpinar & Gunpinar, 2018). By estimating the target population of 963 with a 95 percent level of confidence level and 5 percent as an error using the Nassiuma (2000) formula, a sample population of 126 was achieved as shown;

$$\begin{aligned}
 n &= \frac{963 (0.6^2)}{0.6^2 + (963-1) 0.05^2} \\
 &= 125.5 \text{ (Rounded off to 126)}
 \end{aligned}$$

The sample was distributed as shown in Table 3.2.

Table 3.2

Sampling Frame

County	Management staff	Sampling Ratio	Sample size
Makueni County	178	0.130	23
Kakamega county	149	0.130	19
Kericho County	204	0.130	27
Busia county	169	0.130	22
Wajir County	127	0.130	17
Samburu County	136	0.130	18
Total	963		126

3.5 Instrumentation

Using self-administered questionnaires, primary data was collected. There were open and closed questions in the questionnaire. The open questions were used to allow the interviewee to provide a detailed and felt response with no feeling in mind to illuminate the results and the closed questions allowed the interviewee to respond from the limited options. The open-ended or unstructured questions encourage the respondents to answer in depth, according to Krosnick (2018), whereas the closed or organized questions are usually easier to determine. In an attempt to save time and resources, the questionnaires were used as well as to promote a simplified study as they were in immediate functional form.

3.5.1 Pilot Study

The purpose of the pilot test was to assess the validity and reliability of the testing tool and enhance its face validity (Creswell & Poth, 2016). The pilot results checked the reliability and quality of the results. The pilot test was performed with 25 Makueni County administration workers who were not included in the analysis using the questionnaire. By

random sampling, the pilot group was completed. Kumar (2019) advises that in order to observe the responses and behaviors of the respondent, the questionnaire pre-tests were performed via personal interviews.

3.5.2 Validity of the Study

Validity is the instrument's capacity to calculate what is supposed to measure (Noble & Smith, 2015). Peers doing research in different areas and have successfully completed their research projects and my supervisors from the Kenya Methodist University were involved in the validation process. The supervisor and three colleagues were given the instruments. The instruments were requested to be checked based on their content and face validity. They pledged to ensure that in each question research goals were established.

3.5.3 Reliability of the Study

The degree to which a survey questionnaire delivers comparable findings on separate occasions within similar settings, on either hand, is referred to as tool dependability. It is the uniformity in which it examines whatever has been meant to assess (Wang, 2015). The topic as to if an outcomes of the survey are repeated is addressed by reliability. A pilot set of 25 selected randomly management personnel from Nairobi county council were given surveys, and their replies were employed to test the tool's dependability For this research, a construct aggregate reliability index (Cronbach 's alpha) of 0.70 or higher for all variables is deemed sufficient (Song et al., 2014). Cronbach's alpha test () was used to calculate the study instrument's internal consistency. Table 3.3 displays the results.

Table 3. 3***Reliability Statistics***

Items	Cronbach's Alpha	Decision
Organizational Leadership	.772	Reliable
Manager Competence	.809	Reliable
Communication Strategy	.849	Reliable
Managerial Diversity	.820	Reliable
Implementation of Performance Contracting Strategy	.782	Reliable

For this research, a construct aggregate reliability index (Cronbach's alpha) of 0.70 or higher for all variables is deemed sufficient (Song et al., 2014). Cronbach's alpha test () was used to calculate the study instrument's internal consistency, communication strategy had an alpha value of .849, managerial diversity had an alpha value of .820, manager competence had an alpha value of .809, and implementation of performance contracting strategy had an alpha value of .782 while organizational leadership had an alpha value of .772.

3.6 Methods of Data Collection

The key data were collected by the use of structured questionnaires due to the variables in which the perceptions, viewpoints and emotions of the respondents were sought. The research resources among the respondents, such as department managers, had been distributed by various points of reference. Managers who shared it with the respondents were provided with enough tools to interpret and answer the questions asked correctly. Questions relating to both dependent and independent variables were part of the questionnaire. During the questionnaire filling time, respondents were aided and

encouraged to improve the efficiency and accuracy of the results. This made sure that only a few questionnaires were rejected.

3.7 Operational Definition of Variables

Table 3. 4

Operational Framework

Variable Type	Variable Name	Indicators of variable	Measurement Scale
Independent variable	Organizational leadership	• Inspirational motivation	Five point
		• Visioning and planning	Likert scale
		• Strategic forecasting	
		• Role commitment	
		• Setting high expectations	
Independent variable	Managerial Competence	• Intellectual stimulation	
		• Functional Experience and Competencies	Five point
		• Managers' educational level	Likert scale
		• Expertise	
Independent variable	Communication strategy	• Communication Channels	Five point
		• Open door policy	Likert scale
		• Periodical talkfest (Meetings)	
		• Information sharing and Transparency	
Independent variable	Managerial diversity	• Social orientation	Five point
		• Extraversion	Likert scale

		<ul style="list-style-type: none"> • Neuroticism • Diverse expertise 	
Dependent variable	Implementation of performance contracting strategy	<ul style="list-style-type: none"> • Employee Performance • Informed Decisions • Accountability • Transparency 	Five point Likert scale

3.8 Methods of Data Analysis

The returned surveys were verified for correctness, cleaned, and usable questions were processed and analysed with SPSS. Following the collection of survey data, the study evaluated the quantifiable information utilizing statistical analysis using the spss and reported it as percentages, averages, standard deviation and variance, and frequency. The qualitative information was tagged and evaluated quantitatively. For qualitative information or a portion of data acquired via open-ended questions, content analysis was used. Tables, graphs and prose format were used to show details.

Using multiple regression analysis, inferential data analysis was performed. Multivariate regression analysis was performed to investigate the relationships among the explanatory and outcome variables. The multivariate regression model was employed because it effectively evaluates the relative significance of predictor variables to the outcome variable (Chambers, 2017). The following equation generally was derived from the multiple regression model, as there are four independent variables in this analysis;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where: -Y= Implementation of performance contracting strategy

β_0 =constant

$\beta_1, \beta_2, \beta_3$ and β_4 = regression coefficients

X_1 = Organizational leadership

X_2 = Manager Competence

X_3 = Communication strategy

X_4 = Managerial diversity

ε =Error Term

3.9 Ethical Consideration

Consideration was exercised to guarantee that no respondent was forced into participating in the research, and the study attempted to spend as little resources and time as possible in gathering the necessary data. Secondly, quantitative research methodologies were used in the research to ensure the study's dependability, impartiality, and independence. The research confirmed that ethical considerations were followed while performing the study. The survey's participants volunteered to take part. There was also an observance of privacy and secrecy. The study's aims were communicated to the participants, who were assured that the information they supplied would be used solely for academic purposes.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 Introduction

This chapter focuses on evaluating, interpreting and presenting the results. The study focused on determining the consequences of management factors in performance contracting strategy implementation between selected Kenyan county governments. Inferential and descriptive statistics were used, and the findings were represented in tables with narrative explanations.

4.1.1 Response Rate

The research targeted 126 senior management personnel respondents. Out of 126, only 97 respondents returned the dully completed questionnaires. This reflected a 76.8 percent response rate that is above 50 percent and is considered to be a significant response rate as a statistical study as recommended by Krosnick (2018). The response rate is as shown in Table 4.1.

Table 4.1

Response Rate

	Frequency	Percent
Response	97	76.8
Non-response	29	23.2
Total	126	100.0

4.1.2 Validity Analysis

To assess the validity of the constructs, factor analysis was used. The underlying structures were supposed to represent the variables that explain the largest variance share. The validity analysis is provided in Table 4.2.

Table 4. 2***Component Matrix***

	Component			
	1	2	3	4
Employee Performance	.489	.256	.601	.423
Informed Decisions	.952	.235	.037	.019
Accountability	.948	.129	.056	.048
Transparency	.482	.629	.471	.191
To what extent do organizational leadership affect Implementation of performance contracting strategy among selected county governments of Kenya?	.963	.153	.093	.053
Inspirational motivation	.967	.178	.081	.005
Direct Involvement/participation	.141	.493	.701	.090
Visioning and planning	.029	.169	.103	.950
Strategic forecasting	.841	.371	.217	.229
Role commitment	.259	.932	.083	.076
Unified vision/Enhancing teamwork	.533	.380	.406	.497
Setting high expectations	.092	.092	.213	.465
Intellectual stimulation	.805	.395	.266	.287
To what extent does manager competence affect Implementation of performance contracting strategy among selected county governments of Kenya?	.444	.626	.329	.268
Functional Experience and Competencies	.630	.460	.341	.237
Management tenure	.004	.241	.946	.004
Managers' educational level	.706	.314	.115	.043
Ethnic and gender diversity	.036	.171	.899	.019
Average Age	.976	.074	.005	.044
To what extent does communication strategy affect Implementation of performance contracting strategy among selected county governments of Kenya?	.923	.124	.107	.088
Consensus	.027	.130	.978	.044
Style	.039	.156	.009	.977
Channel	.832	.347	.148	.019
Open door policy	.369	.862	.088	.061
Periodical talkfest (Meetings)	.433	.320	.551	.456
Dissemination Strategy	.945	.022	.033	.037
Modes and Frequency of Communication	.022	.275	.032	.908
Information sharing and Transparency	.829	.220	.061	.292
To what extent does managerial diversity affect Implementation of performance contracting strategy among selected county governments of Ken	.130	.642	.184	.546
Increased creativity	.906	.165	.096	.233
Social orientation	.009	.156	.977	.039
Extraversion	.970	.162	.086	.010
Neuroticism	.222	.401	.250	.829
Diverse expertise	.621	.679	.272	.068

Extraction Method: Principal Component Analysis.

a. 4 components extracted.

Each of the 34 parameters were observed from the above results and put on one of the 4 components, based on the percentage of variability, describing the overall variability of each element. All the factors indicated a high construct validity from the factor analysis as all surpassed the specified threshold of 0.40 (Noble & Smith, 2015).

4.2 Demographic Information

The research aimed to determine the respondents' background details, including the gender of the respondents, the highest academic qualifications and work experience. In the following subsections, the results are discussed.

4.2.1 Gender of the Respondents

The participants were also asked to show their genders. The outcomes are as shown in Table 4.3.

Table 4. 3

Gender of the Respondents

	Frequency	Percent
Male	58	59.8
Female	39	40.2
Total	97	100.0

The results revealed that the respondents had indicated that 59.8% were male and 40.2% were female. This implies that all respondents provided accurate information to the researcher, regardless of gender.

4.2.2 Highest Academic Qualification

The participants were asked to demonstrate their greatest academic qualification. Table 4.4 shows their replies.

Table 4. 4***Highest Academic Qualification***

	Frequency	Percent
Masters	26	26.8
Degree	42	43.3
Diploma	27	27.8
Secondary	2	2.1
Total	97	100.0

The findings reveal that 43.3% of the respondents had attained a Degree, 27.8% had attained a Diploma, 26.8% had attained a Masters while 2.1% had reached the secondary school level. This implies that most people were learned and could comprehend and provide accurate knowledge on the subject under study.

4.2.3 Working Experience of the Respondents

The respondents were requested to indicate their working experience with the county governments of Kenya in years. Their responses were presented in Table 4.5.

Table 4. 5***Working Experience of the Respondents***

	Frequency	Percent
Below 1 year	20	20.6
2-3 years	24	24.7
4-5 years	28	28.9
Over 5 years	25	25.8
Total	97	100.0

From the findings, 28.9% of the respondents had a 4-5 years' experience, 25.8% had over 5 years' experience, 24.7% had 2-3 years' experience while 20.6% had below 1-

year experience. This suggests that most respondents had worked with Kenyan county governments long enough to understand and to provide accurate information on the issue under review.

4.3 Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

The research sought the trend for the last five years of the aspects of implementation of performance contracting strategy among selected county governments of Kenya. The findings were as presented on Table 4.6.

Table 4. 6

Trend of the Aspects of Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

	Mean	Std. Dev.
Employee Performance	4.650	0.764
Informed Decisions	3.763	0.998
Accountability	3.495	0.700
Transparency	4.660	0.877

From the findings, the respondents indicated that transparency (4.660); and employee performance (4.650) had greatly improved. Further, they indicated that informed decisions (3.763) had improved while accountability (3.495) had been constant for the last five years. Selviaridis and Wynstra (2017) assert that the common aims of the performance contracting strategy are as part of the performance guidelines of government, to explain the priorities and ties with the government of service organisations.

4.4 Organizational Leadership

The research sought to establish the effect of organizational leadership on implementation of performance contracting strategy among selected county governments of Kenya. The researcher required the respondents to indicate the extent that organizational leadership affected implementation of performance contracting strategy among selected county governments of Kenya. Table 4.7 shows the results.

Table 4.7

Effect of Organizational Leadership on Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

	Frequency	Percent
Not at all	12	12.4
Little extent	22	22.7
Moderate extent	23	23.7
Great extent	22	22.7
Very great extent	18	18.6
Total	97	100.0

The results reveal that 23.7% of the respondents had indicated that organizational leadership affected implementation of performance contracting strategy among selected county governments of Kenya moderately, 22.7% indicated to a little extent, 22.7% indicated greatly, 18.6% indicated very greatly while 12.4% indicated not at all. This implies that organizational leadership affected implementation of performance contracting strategy among selected county governments of Kenya moderately. This is in line with Iqbal, et al. (2015) who stated that good leadership is not solely dependent on a collection of qualities, attitudes or power, but a wide variety of skills and approaches. This is also in line with Mwangi et al. (2017) who studied the influence

of organizational leadership on performance contracting results in Local Authorities, Kenya and found that the efficacy of performance contracting was substantially influenced by organizational leadership.

The respondents were required to show the degree to which the facets of organizational leadership impact the implementation by some county governments of Kenya of the performance contracting strategy. Table 4.8 displays the results.

Table 4. 8

Effect of Aspects of Organizational Leadership on Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

	Mean	Std. Dev.
Inspirational motivation	2.928	1.509
Direct Involvement/participation	4.072	1.386
Visioning and planning	3.165	1.231
Strategic forecasting	4.516	0.792
Role commitment	3.845	1.460
Unified vision/Enhancing team-work	4.722	0.887
Setting high expectations	3.227	1.504
Intellectual stimulation	4.526	0.855

From the results, the respondents had indicated that unified vision/enhancing team-work (4.722) very greatly affects implementation of performance contracting strategy among selected county governments of Kenya. Further, intellectual stimulation (4.526); strategic forecasting as shown by a mean score of 4.516; direct involvement/participation (4.072); and role commitment as shown by a mean score of 3.845 were indicated to affect implementation of performance contracting strategy

among selected county governments of Kenya greatly. The findings conform to Bacharach (2018) who mentioned that transformational leaders are actual leaders who need different talents related to charismatic and innovative leadership. They have a zeal and excitement, bring fresh meaning and take care of initiative. Transformative leadership happens as leaders and supporters work together to achieve higher order or shared purposes.

Also, the respondents indicated that setting high expectations (3.227); visioning and planning (3.165); inspirational motivation (2.928) affect implementation of performance contracting strategy among selected county governments of Kenya to a moderate extent. Bacharach (2018) agrees that the principle of management-by exception (passive) is another aspect, where leaders make no explicit rules or objectives and take steps only when everything is not going according to the efficacy of the planned events. Passive leadership makes subordinates more likely to avoid initiating change and prefer maintaining status quo.

4.5 Manager Competence

The purpose of the research was to examine the influence of managers' capabilities on the execution of the performance contracting strategy among Kenya's selected county governments. The respondents were expected to show the degree to which managerial competence among selected county governments in Kenya affects the execution of the performance contracting strategy. Table 4.9 shows the results.

Table 4. 9

Effect of Manager Capabilities on Implementation of Performance Contracting Strategy among Selected County Governments of Kenya.

	Frequency	Percent
Not at all	2	2.1
Little extent	5	5.2
Moderate extent	10	10.3
Great extent	31	32.0
Very great extent	49	50.5
Total	97	100.0

As per the results, 50.5 percent of the respondents indicated that manager competence influences the execution of the performance contracting policy to a very large extent among selected county governments of Kenya, 32.0 percent indicated greatly, 10.3 percent indicated moderately, 5.2 percent indicated to a limited extent and 2.1 percent indicated not at all. This means that managerial expertise has a very great effect on the implementation of the performance contracting strategy among Kenya's chosen county governments. These results were consistent with Helfat and Martin (2015) who stated that managerial competencies are the skills necessary for successful implementation of strategies in organizations. The study finding also concurred with Mwai (2018) who investigated the impact of manager qualities on strategy execution at private institutions in Kenya and discovered that the link between manager competency and strategy execution was statistical robust, rejecting the null hypothesis

The investigator also wanted to understand to what degree the aspects of managerial capabilities have an impact on the execution of the performance contracting strategy among selected Kenyan county governments. The answers were reported in Table 4.10.

Table 4. 10

Effect of Aspects of Manager Capabilities on Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

	Mean	Std. Dev.
Functional Experience and Competencies	3.763	0.845
Management tenure	4.062	0.635
Managers' educational level	4.680	0.670
Ethnic and gender diversity	2.918	0.977
Average Age	2.474	0.951

From the results, the respondents indicated that managers' educational level (4.680) affect the performance contracting strategy implementation among selected county governments of Kenya very greatly. The respondents also indicated that management tenure (4.062); functional experience and competencies (3.763) affect the implementation of performance contracting strategy among selected county governments of Kenya greatly. According to Koskey and Rotich (2019), trained people are prone to indulge in borderline coverage, accept uncertainty and display integrative completeness. Education levels and levels of competence have been further correlated with creativity tolerance and represent the cognitive style and personality of an employee and are linked to real group job performances. Technical history refers to the job and proficiency of an individual in various fields of experience such as banking, communications, manufacturing, handling human capital, auditing, planning and logistics.

Further, the respondents indicated that ethnic and gender diversity as illustrated by a mean of 2.918 affect the implementation of performance contracting strategy among selected county governments of Kenya moderately while average age (2.474) affect the implementation of performance contracting strategy among selected county governments of Kenya to a little extent. The findings differed from Mwai (2018) who noted that demographics for top management have a strong predictor of corporate performance in direct proportion to the degree to which management is discreet. Demographics for top management have a major impact on SDM and inevitably contribute to success (Okungu, 2017).

4.6 Communication Strategy

The research sought to examine effect of communication strategy on implementation of performance contracting strategy among selected county governments of Kenya. The researcher required to establish the extent that communication strategy affects the implementation of performance contracting strategy among selected county governments of Kenya. The outcomes are documented in Table 4.11.

Table 4. 11

Effect of Communication Strategy on Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

	Frequency	Percent
Not at all	17	17.5
Little extent	18	18.6
Moderate extent	21	21.6
Great extent	22	22.7
Very great extent	19	19.6

Total	97	100.0
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The results show that 22.7 percent of respondents indicated that communication strategy greatly influences the execution of performance contracting strategy among selected Kenyan county governments, 21.6 percent indicated to a moderate degree, 19.6 percent indicated to a very greatly, 18.6 percent indicated to a limited extent, while 17.5 percent indicated not at all. This means that the communication strategy greatly influences on the implementation of the performance contracting strategy among Kenya's selected county governments. Hedman and Valo (2015) concurred that communication is an evolving mechanism by which, in partnership with others, individuals develop their awareness and behavior. It is the process of building social worlds among individuals.

The respondents were also asked to show the degree to which the communication strategy aspects impact the performance contracting strategy implementation among selected Kenyan county governments. The output is as seen on Table 4.12.

Table 4.12

Effect of Aspects of Communication Strategy on Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

	Mean	Std. Dev.
Consensus	2.907	1.415
Style	3.041	1.421
Channel	3.691	1.432
Open door policy	3.598	1.552
Periodical talkfest (Meetings)	4.639	0.959
Dissemination Strategy	3.371	1.557
Modes and Frequency of Communication	3.897	1.482

Information sharing and Transparency	3.629	1.387
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The results reveal that periodical talkfest (meetings) (4.639) affect implementation of performance contracting strategy among selected county governments of Kenya greatly. The respondents also indicated that modes and frequency of communication (3.897); channel (3.691); information sharing and transparency as shown by a mean of 3.629; and open door policy (3.598) affect performance contracting strategy implementation among selected county governments of Kenya greatly. As per Dulek and Campbell (2015), the intentional purpose of strategic communication clarifies the purpose-based nature of the company's communications.

The respondents also indicated that dissemination strategy (3.371); style (3.041); and consensus (2.907) affect implementation of performance contracting strategy among selected county governments of Kenya to a moderate extent. Obeidat, et al. (2017) affirm that an assertive style of communicating by managers can bring about increased supportive work relations, hence increased self-esteem among employees.

4.7 Managerial Diversity

The study sought to determine the effect of managerial diversity on implementation of performance contracting strategy among selected county governments of Kenya. The respondents were asked to indicate the extent that managerial diversity affect implementation of performance contracting strategy among selected county governments of Kenya. Table 4.13 shows the findings.

Table 4. 13

Effect of Aspects of Managerial Diversity on Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

	Frequency	Percent
Not at all	3	3.1
Little extent	8	8.2
Moderate extent	15	15.5
Great extent	38	39.2
Very great extent	33	34.0
Total	97	100.0

Table 4.13 shows that 39.2% of the respondents had indicated that managerial diversity affects implementation of performance contracting strategy among selected county governments of Kenya greatly, 34.0% indicated very greatly, 15.5% indicated moderately, 8.2% indicated to a little degree while 3.1% indicated not at all. This implies that managerial diversity greatly affects implementation of performance contracting strategy among selected county governments of Kenya. Muriithi and Kidombo (2019) mention that teams that are functionally diverse are usually expected to gain more knowledge as well as affective conflict, despite varied past empirical facts. The findings were also supported by Muriithi and Kidombo (2019) who examined the variables affecting performance contract implementation in public secondary schools. The study deduced that managerial diversity greatly influences implementation of performance contract in public secondary schools in Igembe South Sub County, Meru County, Kenya.

In addition, the interviewees were expected to demonstrate how the management diversity factors impact the execution of the performance contracting strategy among select county governments of Kenya. The responses are given in Table 4.14.

Table 4. 14

Effect of Aspects of Managerial Diversity on Implementation of Performance Contracting Strategy among Selected County Governments of Kenya

	Mean	Std. Dev.
Increased creativity	3.701	1.589
Social orientation	2.959	1.421
Extraversion	3.031	1.531
Neuroticism	4.268	1.287
Diverse expertise	4.392	1.169

The results reveal that the respondents indicated that diverse expertise (4.392); neuroticism (4.268); and increased creativity (3.701) greatly affect implementation of performance contracting strategy among selected county governments of Kenya. Javed, et al. (2016) assert that top management team composition may directly have an impact on innovation strategy and the innovation results. This indicates that strategy implementation depends on how diverse the management is.

The respondents also indicated that extraversion (3.031); social orientation (2.959) affects implementation of performance contracting strategy among selected county governments of Kenya to a moderate extent. According to Hassan, et al. (2017) management-led integration programs and other diversity management practices, as opposed to affirmative action, concentrate on eliminating inequality and improving the efficacy of diversity organisations by changing their practices, culture and environment.

4.8 Multiple Regression Analysis

In order to evaluate the relationship between organizational leadership, manager competence, communication strategy and managerial diversity as the independent variables against the dependent variable (implementation of the performance contracting strategy among selected Kenyan county governments), regression analysis was performed. As presented in Table 4.15, Table 4.16 and Table 4.17, the findings were published.

Table 4.15

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.878 ^a	.771	.761	1.03842

Table 4.15 is a model fit that displays the relationships between the model equation and the effects. The adjusted R² was used to test the research model's prediction ability and 0.761 was found, suggesting that shifts in organizational leadership, manager competence, communication strategy and managerial diversity explain 76.1 percent of the differences in the implementation of performance contracting strategy among selected county governments in Kenya. Deng et al.(2015) stated that the value contracting strategy is one component of wider reforms in the public sector aimed at improving quality and production while reducing total costs. A performance contract strategy is a collection of management tools to determine obligations and objectives between parties for mutually agreed outcomes.

Table 4. 16*ANOVA Results*

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	334.609	4	83.652	77.576	.000 ^b
Residual	99.206	92	1.078		
Total	433.814	96			

The probability value (0.000) suggests that the regression relationship was extremely significant in assessing how the implementation of the performance contracting strategy among selected county governments of Kenya was influenced by organizational leadership, manager competence, communication strategy and managerial diversity. The F calculated at the 5% significance level was 77.576, which demonstrated significance because the F calculated was greater than the F-critical (value = 2.4707) and the p-value was less than 0,05, which was significant for the overall model. Carbonara and Pellegrino (2018) affirm that a performance contract strategy is therefore a management tool to ensure public officials' accountability for outcomes by evaluating the degree to which they are targeted.

Table 4. 17***Regression Coefficients***

Model	Unstandardized		Standardized	t	Sig.	
	Coefficients		Coefficients			
	B	Std. Error	Beta			
(Constant)	9.279	1.918		4.838	.000	
1	Organizational Leadership	.128	.044	.235	2.932	.004
	Manager Competence	-.194	.073	-.143	-2.649	.009
	Communication Strategy	-.151	.034	-.253	-4.471	.000
	Managerial Diversity	.607	.071	.708	8.582	.000

The regression equation obtained from this outcome was: -

$$Y = 9.279 + 0.128X_1 - 0.194X_2 - 0.151X_3 + 0.607X_4$$

As per the results of the report, it was discovered that if all independent variables were kept constant at zero, Kenya's selected county governments would adopt a performance contracting strategy of 9.279. From the results, the study revealed that a unit increase in organizational leadership among selected county governments of Kenya would lead to a 0.128 increase in implementation of performance contracting strategy. Since $p=0.004$ was less than 0.05, this variable was significant. Therefore, the null hypothesis that stated that organizational leadership has no significant effect on the implementation of performance contracting strategy among selected county governments of Kenya was rejected. This is consistent with the assertion by Iqbal, et al. (2015) that effective leadership relies not only on a set of qualities, attitudes or influence in certain organizational situations, but on a wide range of skills and approaches.

The study further showed that a unit shift in managerial competence among selected county governments of Kenya would lead to a -0.194 unit change in the performance contracting strategy implementation. Since $p\text{-value}=0.009<0.05$, the variable was significant. Therefore, the null hypothesis that stated that managerial competence has no significant effect on the implementation of performance contracting strategy among selected county governments of Kenya was rejected. This disagrees with Koskey and Rotich (2019) who argued that skilled persons are likely to indulge in borderline spans, embrace uncertainty and display integrative sophistication. The levels of education and expertise have been further connected to the receptiveness to innovation and represent the cognitive and personal nature of an employee and are correlated with real work group success

In addition, the analysis found that a unit change in the communication strategy score would lead to a -0.151 change in the implementation of the performance contracting strategy among the chosen county governments of Kenya if all other variables were kept constant. Since $p=0.000$ was less than 0.05, this variable was significant. Therefore, the null hypothesis that stated that communication strategy has no significant effect on the implementation of performance contracting strategy among selected county governments of Kenya was rejected. These results clash with Aggerholm and Asmub (2016), who noted that the intersection of organizational strategy and communication is the strategic communication field. As such, the term strategic communication implies an overall focus on the rational and predictable goal of the message and the motives of the sender as the communicator.

Finally the study revealed that the application of the performance contracting policy among selected county governments of Kenya would change by 0.653 with a unit change in managerial diversity. Since this $p\text{-value}=0.000$ was less than 0.05, this

variable was significant. Therefore, the null hypothesis that stated that managerial diversity has no significant effect on the implementation of performance contracting strategy among selected county governments of Kenya was rejected. These findings are in conformity with Milana and Maldaon (2015) stated that teams that are functionally diverse are usually expected to gain more knowledge as well as affective conflict, despite varied past empirical facts. Team diversity is likely to increase heterogeneity in the group, since the diversity brings about dissimilarity.

Overall, managerial diversity had the greatest effect on implementation of performance contracting strategy among selected county governments of Kenya, followed by organizational leadership, then communication strategy while manager competence had the least effect on the implementation of performance contracting strategy among selected county governments of Kenya. The p-values were below 0.05 implying that all the variables were significant.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The main observations, conclusions and recommendations for this chapter are summarized here. The research sought to examine the effect of managerial factors on implementation of performance contracting strategy among selected county governments of Kenya. The preceding are precise breakdowns of the key results summary centered on the result of the statistical analyses aimed to address the study's research questions.

5.2 Summary

A description of the outcomes of the four variables of the report, namely organizational leadership, competence of managers, communication strategy and diversity of managers were done in this section.

5.2.1 Implementation of Performance Contracting Strategy

The research sought the trend of the aspects of implementation of performance contracting strategy among selected county governments of Kenya for the last five years. The study found that transparency; and employee performance had greatly improved. Further, the study found that informed decisions had improved while accountability had been constant.

5.2.2 Organizational Leadership

The research sought to establish the effect of organizational leadership on implementation of performance contracting strategy among selected county governments of Kenya. The research found that organizational leadership affected implementation of performance contracting strategy among selected county

governments of Kenya to moderately. The research also established that unified vision/enhancing team-work affects implementation of performance contracting strategy among selected county governments of Kenya very greatly. Further, the research found that intellectual stimulation; strategic forecasting; direct involvement/participation; and role commitment greatly affect implementation of performance contracting strategy among selected county governments of Kenya. Also, setting high expectations; visioning and planning; and inspirational motivation moderately affect implementation of performance contracting strategy among selected county governments of Kenya. The study found that organizational leadership had an $r=0.128$ and was significant because $p=0.004$ is less than 0.05.

5.2.3 Manager Competence

The research aimed at assessing the effect of manager capabilities on implementation of performance contracting strategy among selected county governments of Kenya. The study found that manager competence greatly affects implementation of performance contracting strategy among selected county governments of Kenya. Further, it was established that managers' educational level affects the implementation of performance contracting strategy among selected county governments of Kenya very greatly. The study also found that management tenure; and functional experience and competencies greatly affect the implementation of performance contracting strategy among selected county governments of Kenya. Further, the research found that ethnic and gender diversity affect the implementation of performance contracting strategy among selected county governments of Kenya to a moderate extent while average age affects the implementation of performance contracting strategy among selected county governments of Kenya to a little extent. Furthermore, managerial competence had an $r=-0.194$ -and since $p\text{-value}=0.009<0.05$, the variable was significant.

5.2.4 Communication Strategy

The research sought to examine effect of communication strategy on implementation of performance contracting strategy among selected county governments of Kenya. The research found that communication strategy greatly affects the implementation of performance contracting strategy among selected county governments of Kenya. The research also found that periodical talkfest (meetings) greatly affect implementation of performance contracting strategy among selected county governments of Kenya. It was found also that modes and frequency of communication; channel; information sharing and transparency; and open-door policy affect implementation of performance contracting strategy among selected county governments of Kenya greatly. The study also established that dissemination strategy; style; and consensus moderately affect implementation of performance contracting strategy among selected county governments of Kenya. In addition, communication strategy had an $r = -0.151$ and since $p = 0.000$ was less than 0.05, this variable was significant.

5.2.5 Managerial Diversity

The study sought to determine the effect of managerial diversity on implementation of performance contracting strategy among selected county governments of Kenya. The study found that managerial diversity greatly affects implementation of performance contracting strategy among selected county governments of Kenya. Further, the study found that diverse expertise; neuroticism; and increased creativity affect implementation of performance contracting strategy among selected county governments of Kenya greatly. The research also found that extraversion; and social orientation moderately affects implementation of performance contracting strategy among selected county governments of Kenya. The study found that the implementation of the performance contracting strategy among selected county governments of Kenya

will be changed by 0.653 by a unit improvement in managerial diversity. Since its p-value=0.000 was less than 0.05, this variable was significant.

5.3 Conclusions

From the findings, organizational leadership affected implementation of performance contracting strategy among selected county governments of Kenya to moderately. The study concluded that organizational leadership had a positive and significant effect on implementation of performance contracting strategy among selected county governments of Kenya. The study concluded that lack of management support is one of the barriers to effective policy implementation in terms of time and resources which directly affects the execution of tasks. The research also established that unified vision/enhancing team-work affects implementation of performance contracting strategy among selected county governments of Kenya very greatly. The study therefore concluded that successful leadership in so many organizational contexts is not strictly dependent on a collection of qualities, attitudes or power, but a wide variety of skills and approaches.

The study also concluded that manager competence has a negative but significant effect on implementation of performance contracting strategy among selected county governments of Kenya. It was established that managers' educational level affects the implementation of performance contracting strategy among selected county governments of Kenya very greatly. The study therefore deduced that the utilization of functional skills is beneficial when the organisation structures functional groupings to conduct business activities.

The research also deduced that communication strategy had a negative but significant effect on implementation of performance contracting strategy among selected county

governments of Kenya. It was found also that modes and frequency of communication; channel; information sharing and transparency; and open-door policy affect implementation of performance contracting strategy among selected county governments of Kenya greatly. The study therefore concluded that contact is a social process ultimately, whether one interacts face to face with a single person or with a group of people through TV; it is also a social practice involving two or more people in which the communicators can aim to make consumers believe that they must pay for a service.

The study concluded that there was a positive and significant relationship between managerial diversity and implementation of performance contracting strategy among selected county governments of Kenya. As per the findings, diverse expertise and increased creativity affected the implementation of performance contracting strategy among selected county governments of Kenya greatly. The study concluded that socially diverse teams are typically required to develop more expertise and effective behaviors in conflict diversity management, concentrating on eliminating prejudice and enhancing the efficacy of multicultural organisations by modifying their procedures, culture and environment.

5.4 Recommendations

5.4.1 Recommendations on Research Findings

Since, it was concluded that organizational leadership had a positive and significant effect on implementation of performance contracting strategy among selected county governments of Kenya, the study recommends that the county governments' leadership to put in place mechanisms for rewarding high performers whose target achievement is above expectation and reprimand those employees whose performance is below

expectation. This will motivate the high performers and encourage those employees whose performance has been below expectation that translates to the low composite score of the county governments.

Managerial competence was concluded to have a negative but significant effect on implementation of performance contracting strategy among selected county governments of Kenya. The study therefore recommends that in future, the county governments' management revises the organizational targets and identify the cross-cutting indicators that could be shared evenly among the relevant divisions to avoid overload on one division. For the implementation process to be successful more resources need to be provided in all levels of governance where performance contracting is practiced to improve service delivery as well as to ensure the performance contracting meets its set objectives.

The research deduced that communication strategy had a negative but significant effect on implementation of performance contracting strategy among selected county governments of Kenya. County government administrators must therefore communicate with the workforce exactly, precisely, and properly in order to accomplish good outcomes on time, as failing to educate staff members can lead to misunderstanding or, in certain circumstances, dismissal. Staff members must be associated, and awareness should be spread throughout the organization; regular meetings must be kept to evaluate the advancement of performance contracting execution; a sufficient spending plan must be apportioned to allow accomplishment of performance contracting objectives; performance contracting outcomes must be made public for data, and ministry tally must be stimulated; and performance contracting ought to be consistent with the ministry's goals/commitments; Appropriate communication channels must be available to ensure the efficiency and efficacy of performance contracting initiatives.

Accountability and incentive must be improved. Constant sensitivity to performance contracting is required.

Continuous training opportunities, including work training/internal training, should be offered and they should be part of the accepted career development activities to increase the execution of success contracts along with realistic appraisal. Workshops, refresher preparation mentoring programs, role communication and sometimes building skills may be held as part of training initiatives to promote the quality of company performance contracts. Importantly and ultimately, exchange systems and networking can be used as executive training activities with other organisations, countries and counties to increase the efficiency contracts execution.

The study concluded that socially diverse teams are typically required to develop more expertise and effective behaviors in conflict diversity management, concentrating on eliminating prejudice and enhancing the efficacy of multicultural organisations by modifying their procedures, culture and environment. The report advises that the organisation provide instruction to increase expertise and individual growth for the organization. Departments should develop plans for remuneration that inspire staff. Supervisors should promote the process of PC implementation and support the career development and succession preparation of workers to improve the process of PC implementation. Departments should develop processes for carrying out daily surveys of employee happiness and discussing the key concerns posed.

5.4.2 Recommendations for Further Research

Given that the area of performance contracting is dynamic in orientation, further studies are recommended especially on the challenges facing other institutions in Kenya. Second, future studies can assess the level of adoption of performance contracting in the

public sector in Kenya and provide recommendations on how the process can be improved. To track the relationship between demographic factors such as family status, experience of workers, age, educational level and marital status and their execution of performance contracts in organisations, a longitudinal analysis should be carried out.

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APPENDICES

Appendix I: Research Questionnaire

Part I: Demographic Data/Personal Characteristics.

- 1) Gender Male [] Female []
- 2) Highest Academic Qualification.
 Masters () Degree () Diploma () Secondary ()
- 3) Working experience
 a) Below 1 year () b) 2-3 years () c) 4-5 years () d) Over 5 years ()

Part II: ORGANIZATIONAL LEADERSHIP

- 4) To what extent does organizational leadership affect implementation of performance contracting strategy among selected county governments of Kenya?

Very great extent [] Great extent []
 Moderate extent [] Little extent []
 Not at all []

- 5) Please indicate the extent to which the following aspects of organizational leadership affect implementation of performance contracting strategy among selected county governments of Kenya? Using the Likert scale from 1-5; where 5= Very great extent, 4=Great extent, 3= Moderate extent, 2= Little extent and 1= Not at all

	1	2	3	4	5
Inspirational motivation					
Direct Involvement/participation					
Visioning and planning					
Strategic forecasting					
Role commitment					
Unified vision/Enhancing team-work					
Setting high expectations					
Intellectual stimulation					

Part III: MANAGER COMPETENCE

- 6) To what extent does manager competence affect Implementation of performance contracting strategy among selected county governments of Kenya?

Very great extent [] Great extent []
 Moderate extent [] Little extent []
 Not at all []

- 7) Please indicate the extent to which the following aspects of manager competence affect Implementation of performance contracting strategy among selected county governments of Kenya? Using the Likert scale from 1-5; where 5= Very great extent, 4=Great extent, 3= Moderate extent, 2= Little extent and 1= Not at all

	1	2	3	4	5
Functional Experience and Competencies					
Management tenure					
Managers' educational level					
Ethnic and gender diversity					
Average Age					

Part VI: IMPLEMENTATION OF PERFORMANCE CONTRACTING STRATEGY

12) What has been the trend of the following aspects of implementation of performance contracting strategy for the last five years among selected county governments of Kenya? Where; 1= Greatly decreased, 2= Decreased, 3= Constant, 4= Improved and 5= Greatly Improved

	1	2	3	4	5
Employee Performance					
Informed Decisions					
Accountability					
Transparency					

THANK YOU FOR PARTICIPATION!!

Appendix II: Research Introduction Letter



Appendix III: Research Permit



Appendix IV: Performance List for Kenyan Counties

RANK	COUNTY	COUNTY APPROVAL RATING SAMPLE 2500 PER COUNTY
1.	MAKUENI	83%
2.	KAKAMEGA	80.8%
3.	KERICHO	79.2%
4.	KIRINYAGA	77.3%
5.	KISUMU	77%
6.	KITUI	75.7%
7.	KWALE	74.4%
8.	MOMBASA	73.9%
9.	NYERI	73.7%
10.	WEST POKOT	72.0%
11.	SIAYA	72.3%
12.	MACHAKOS	71.3%
13.	MERU	71%
14.	MANDERA	70.7%
15.	UASIN GISHU	69.7%
16.	KAJIADO	69.4%
17.	MURANGA	69.1%
18.	LAIKIPIA	69.0%
19.	NYANDARUA	68.8%
20.	KILIFI	68.5%
21.	TURKANA	67.6%
22.	NAROK	67.5%
23.	ELGEYO MARAKWET	67.2%
24.	ISIOLO	67%
25.	NANDI	66.9%
26.	GARISSA	66.7%
27.	KIAMBU	66.5%
28.	THARAKA	65.3%
29.	LAMU	65.1%
30.	EMBU	64.9%
31.	VIHIGA	64.1%
32.	HOMABAY	64%
33.	MIGORI	63.1%
34.	NAIROBI	62.8%
35.	NAKURU	62.6%
36.	BOMET	61.7%
37.	TRANS-NZOIA	61.6%
38.	BARINGO	61.5%
39.	MARSABIT	60.6%
40.	NYAMIRA	60.3%
41.	BUNGOMA	59.8%
42.	KISII	58.8%
43.	TANA RIVER	58.3%
44.	TAITA TAVETA	57.6%
45.	WAJIR	57.1%

46.	SAMBURU	56.6%
47.	BUSIA	56%

Source: Africa Governance & Research Foundation (2020)