

**FACTORS AFFECTING IMPLEMENTATION OF
PERFORMANCE CONTRACT INITIATIVE AT
MUNICIPAL COUNCIL OF MAUA**

BY

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ABSTRACT

Drastic and fundamental changes are increasingly occurring in the environment which organizations operate. An obvious manifestation of the responses towards this turbulent environment is the introduction of performance contracting as part of the broader public sector reforms aimed at improving efficiency and effectiveness in the management of the services. The main objectives of this study were to determine factors affecting implementation of performance contracts initiative at municipal council of Maua. The purpose of this study was to find out factors affecting implementation performance contract initiative at municipal council of Maua. The scope of the study was limited to the effect of performance contract implementation on business leaving out aspects like human and financial resources. Members of staff involved provided research data needed for study. Study targeted licensed service recipients. Study adopted a cross-sectional descriptive research design in which qualitative and quantitative data was collected. The target population was the employees and business owners in the Municipality. A random sample of 56 employees and 150 business owners was collected through stratified sampling. Questionnaires and personal interviews were utilized to collect primary data from respondents. Secondary data was gathered from Municipal Council of Maua offices and other sources. Data collected was entered into statistics package of social science SPSS 10.0 Computer package and before analysis; data was cleaned and presented using tables and charts. Further, data analysis was carried to determine descriptive statistics. The study findings showed a general profile of business owners and employees within the jurisdiction of MCM and majority of them were satisfied with service delivery since P.Cs initiatives were introduced. Hypothesis testing showed that it is significant that majority of service recipients do not know about PC. More research should be carried out to study impact of performance contract initiative at MCM by repeating the study on implementation of performance contract on the same group of business owners and employees two years from now and results compared with these findings.