

**FACTORS AFFECTING EXECUTION OF  
PERFORMANCE CONTRACTING IN PUBLIC  
UNIVERSITIES IN KENYA.**

**BY**

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A dissertation submitted to the School of Business and Public  
Management in Partial Fulfillment of the Requirements for the  
Degree of Master of Business Administration (Corporate  
Management) at KCA UNIVERSITY

2014

**DECLARATION**

I, declare that this dissertation is my original work and has not been previously published or submitted elsewhere for award of a degree. I also declare that this dissertation contains no material written or published by other people except where due reference is made and author duly acknowledged.

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I do hereby confirm that I have examined the master’s dissertation of Charles Omondi Osemba and have certified that all revisions that the dissertation panel and examiners recommended have been adequately addressed.

Sign: \_\_\_\_\_ Date: \_\_\_\_\_

Dr. Ambrose Jagongo

## **DEDICATION**

This dissertation is dedicated to my Parents, the late Osemba Oyugi and the late Mary Osemba who encouraged me to pursue educational advancement at the smallest opportunity available.

To my wife Rosla Omondi for encouraging me to enroll for MBA program and the support throughout my studies. To our daughter Fiona Omondi and our son Ryan Omondi for exhibiting lots of patience and encouragement when things seemed tough.

May honor and glory go to our Almighty God for giving me life and support without which I could not have finished my studies on time.

## **ACKNOWLEDGMENT**

I would like to acknowledge those who were instrumental in enabling me complete my studies.

My special thanks go to my supervisor Dr. Ambrose Jagongo who allocated himself time for me in despite his busy schedule. The guidance and encouragement helped me move forward.

I would forever remain indebted to Prof. Walter Jaoko who has been a source of light in my life. His interventions in my career growth are beyond measure. Thank you very much for the sponsorship for my MBA program.

## **ABSTRACT**

The study was conducted to determine the bottlenecks affecting execution of performance contracting in the Kenyan public universities. The study uses the public universities within Nairobi County to generalize its findings. The study sought to establish how target formulation, resistance to change, stakeholder involvement and management style acting as independent variables affect the execution of performance contracting in Kenyan public universities. The scope of the study was limited to the challenges affecting execution of performance contracting in Kenyan public universities within Nairobi County. The research used primary data collected using questionnaires and found out that employee resistance would have very negligible impact on the execution of performance contracting. Secondly, performance contracting would be more effective if it was a consultative forum involving the employees and the university management. However, all the respondents indicated that involvement of shareholders and customers would have very little effect on the success of the implementation of performance contracting. Thirdly, performance planning and review has a significant impact towards success of the implementation of performance contracting. Lastly, the variables in this study explained a significant percentage of the challenges affecting the success of execution of performance contracting and recommended a further research be done to identify more other aspects that affect the execution of performance contracting in public institutions of higher learning.

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## **LIST OF ABBREVIATIONS AND ACRONYMS**

**AAPAM: African Association for Public Administration and Management.**

**CAE: College of Architecture and Engineering**

**CAVS: College of Agriculture and Veterinary Sciences**

**CBPS: College of Biological and Physical Sciences**

**CEES: College of Education and External Studies**

**CHS: College of Health Sciences**

**CHSS: College of Humanities and Social Sciences**

**CMB: College Management Board**

**ERSWEC: Economic Recovery Strategy for Wealth Creation**

**GOK: Government of Kenya**

**KU: Kenyatta University**

**MMUST: Masinde Muliro University of Science and Technology**

**MOU: Memorandum of Understanding**

**NPM: New Public Management**

**OECD: Organization for Economic Cooperation and Development**

**PC: Performance Contracting**

**PCSC: Performance Contracting Steering Committee**

**PSR&PC: Public Sector Reform and Performance Contracting**

**RBM: Result Based Management**

**SWA: Students Welfare Authority**

**UON: University of Nairobi**

## **CHAPTER ONE**

### **1.0 INTRODUCTION**

#### **1.1. Background of the Study**

Performance contracting is a management tool for measuring performance against negotiated targets and which also serves as the cornerstone of the new public management, which is a global undertaking that reflects liberalized and market-driven management, Aosa (2000). According to OECD (1997), the term performance contracting can be traced from France in the late 1960's and other countries including India, Pakistan and Korea. Earlier, the business environment showed some stability which made it possible to trust the top management of the organisation with strategic planning. This exercise was counter-productive since the managers' executors or rather managers of these management strategic plans were not taking part at the formulation stage. In support of this opinion, Aosa (2000) asserts in his own study that due to increased environmental changes in the early 1970's, especially 1973 top executives were forced to recast the way they looked at their business for survival. This made them to alter the definition of performance management to a pre-emptive tool for management used in realizing business goals and objectives, by applying a step-wise procedure of motivating, quantifying and recompensing both individual and team performance.

Indeed, the main public sector is focussing more than just in growing the efficiency of specific strategic management structures and reducing the gap between go-getting strategies and yearly budgeting. Improving public responsibility and increasing in-house effectiveness has been the core concern. Greiling (2006) adds that performance contracting is professed as a tool for refining planning, stimulating a better reporting system and modernising public

administration while enhancing efficiency in resource use and effectiveness in service delivery.

Some governments are currently pursuing the goal of eliminating the balance of their public administration systems from the usual ways of conducting business towards performance oriented public management system. This is known to be achievable. Matheson (1998) highlights pillars of this kind of organization as; Clear roles; Clear purposes; Accountable managers; motivation for decent work; Budgetary and management system which supports performance; Accountability and transparency; staff training; Culture and creed associated with organizational performance.

The concept of performance contracting was introduced in the administration of Kenyan state concerns in 1989. A strategy paper in parastatal reform, which was presented and accepted by Kenyan cabinet in the year 1991, became the first to bring in this idea. It was incorporated into government policies aimed at streamlining and improving the performance of state enterprises. These policies included: liquidation of public enterprises which were non-strategic; leaving profitable undertakings to private sectors; authorizing private sectors to compete with state monopolies; and improvement in the environments of potential public enterprises as well as the elimination of conflicting goals (African Association of Public Administration and Management, 2006)

The pioneers of the concept of performance contracting in Kenya were the Kenya Railways Corporation in April 1989 and NCPB in November 1990. The concept in these two institutions failed due to lack of political goodwill. The government perceived performance contracting as donor driven hence felt it did not meet the main thresholds, that is: it lacked the performance incentive (African Association of Public Administration and Management, 2006)

The government of Kenya re-introduced performance contracting in 2003. This initiative was fronted by His Excellency President Mwai Kibaki. It was well recapped in the Economic Recovery Strategy for Wealth and Employment Creation. Performance Contracts Steering Committee was selected by the government to lead the introduction and execution of performance contracts in August 2004 (Economic Recovery Strategy for and Wealth and Employment Creation, 2004).

By December 2004, performance contracts were signed by sixteen state corporations. Later, this was extended to the entire public service, for instance, permanent secretaries, accounting officers etc. The government also placed the administration of 175 local authorities on PC in April 2005. Performance contract in Kenya is broken down into two levels; between the government and the board of directors or university council in case of public universities who bind themselves for the achievement of mutually agreed goals as the first level and between the board of directors or university council and the management for the second level. This is because the board of directors is not in charge of the daily management of the organization. The board of directors therefore assigns its responsibility assumed in the contract with the government by signing a similar contract with the top management for the attainment of the agreed upon terms. (Sector performance standards, 2009-2030)

The country aimed at matching reforms and economic growth to actual quality of life of the Kenyan citizens; increase public satisfaction with government services and build trust in government. Vision 2030 has a very winning foundation stated as ‘an efficient, inspired, and skilled public service. According to Sector Performance Standards (2009-2030), among other key strategies should be to link results based management and performance contracting to the execution of the vision’s goals, thereby making simpler the rewarding of public servants on merits of performance.

While the implementation of reforms and performance contracting has been going on since 2004, it has been carried out in the context of largely incompatible management strategic plans with small linkages to common and integrated vision. Lack of clear sector standards has resulted in sectors concentrating on inputs, process and output indicators which do not link performance to outcomes. There have been concerns from stakeholders including the general public regarding the government service delivery, and the inconsistency between perceived performance of various government agencies and their performance rating. These concerns were raised at the conference dubbed ‘Kenya we want’ held in 2009. The public was very clear on what it expects from the government agencies. (Sector performance standards, 2009-2030)

### **1.1.1 Performance Contracting in Kenyan Public Universities**

According to the Commission of University Education (2013) Kenya has sixteen public universities namely; University of Nairobi, Moi University, Kenyatta University, Egerton University, Jomo Kenyatta University of Agriculture and Technology, Maseno University, and Masinde Muliro University Of Science and Technology, Great Lakes University of Kisumu, Dedan Kimathi University of Technology, Chuka University, Technical University of Mombasa, Pwani University, Kisii University, University of Eldoret, Maasai Mara University, Jaramogi Oginga Odinga University of Science and Technology. These universities have a number of constituent colleges in various parts of the countries to enhance their competitiveness and presence.

The first seven universities formed prior to the year twenty twelve have been put under performance contracting for the last eight years and are required to submit their annual returns to the government performance contracting secretariat which falls under the ministry of Public service. The public universities have traditionally competed against each other with The University of Nairobi, Kenyatta University and Moi University setting the pace while

others follow. The performance targets for the universities are almost identical in view of the similarities of their activities; hence offer an appropriate comparison during their evaluation. (Performance Contracts Steering Committee, Kenya, 2009). According to Nyaoga *et al.* (2010) performance management is a multiparty process involving the boss and the employee who ascertain common goals and align them to the overall objectives of the organization. Effective appraisal of the employees ensures improvement in the production and output of the organization. Fair treatment to people reciprocates productivity of those people to the organisation's activities.

In order to enhance performance management, the University of Nairobi set up performance contracting secretariat, whose mandate is to coordinate performance contracting activities. Additionally, the university developed software called performance contracting management information system whose purpose is to improve data capture and processing performance contracting reporting. Further, the university has contracted all its departments in order to enhance commitment to performance contracting (UON performance contracting secretariat, 2010). Performance has also been enhanced through the award of ISO certification of the university in the year 2007 where the university commits to provide quality service (UON, ISO quality manual, 2010)

In its strategy to execute performance management Kenyatta University has set up within the university structure an office of Directorate of Quality management system and performance contracts which is mandated with monitoring execution of the university strategy and vision plan and also preparing, executing and monitoring the university performance contract with the government. It also has a mandate of maintaining of university quality management system and execution of service delivery charter ([www.ku.ac.ke](http://www.ku.ac.ke))

Egerton University, in contrast, had initially resisted the acceptance of PC when it was introduced in the year 2005 (Public sector reforms and performance contracting, 2009). However, after accepting the initiative, the university set up within its structures the office of the Directorate of Planning and Development in the year 2005 whose primary role was to catalyse the transformation of Egerton University into one of the leading universities in the world. To achieve the improved performance, the university directorate is expected to guide the vision through quality planning (Egerton University strategic plan, 2009-2015)

According to the Masinde Muliro University strategic plan (2009-2014) Masinde Muliro University set up Planning and Quality Assurance and Evaluation Committee whose purpose was to carry out continuous monitoring and evaluation with a view to ensure enhanced performance through development of appropriate management tools, improved efficiency and effectiveness of the organization management as well as improved administrative performance of the operative units.

Moi University set up a Directorate of Quality Assurance which would ensure quality teaching, research and extension and outreach services are offered to students, both locally and internationally. Moi University is an ISO 9001:2008 (International Standardization Organization) certified. This has ensure that there are quality processes and procedures in place which are reflected in quality curricula and services offered to students by academic and administrative and support staff, working in a conducive and enabling environment, and all its campuses are strategically placed in various strategic places in the Kenya region ([www.muk.ac.ke/derectorates/quality-assurance.html](http://www.muk.ac.ke/derectorates/quality-assurance.html))

Adoption of management system that ensures efficiency and effectiveness in operations, customer focus and responding to customer needs is the benchmark for service provision in order to improve service delivery and monitoring and reviewing performance of the

university structures and systems that enhance improved service delivery from time to time.  
([www.maseno.ac.ke/iso/index-flash.html](http://www.maseno.ac.ke/iso/index-flash.html))

## **1.2. Statement of the Problem**

The Government of Kenya through the Performance Contracts Steering Committee (2005) indicated most contracts of performance contained basis in the general discernment in the decline of public sector and further parastatals had consistently dropped below prospects. The public is concerned about the service delivery of the public agencies and the inconsistency between their perceived performance and their performance rating (Sector performance standards, 2009-2030). Putting aside the above mentioned credit some research has been identified to have been done to measure elements affecting the execution in the rate of performance in Corporations. Performance Contracting have been implemented for the last eight years and some challenges have been noted hence the need to study the factors that affect the execution in engagement of public universities. Previous studies on this subject matter have focused on the role of the management (Ogoye *et al*, 2006).

Kiboi, (2006) looked at the overall influence of performance contracting in state corporations. There have been hardly any studies that are known to have been done at the Public universities so far to scrutinize the factors that affect execution of performance contracts with reference to the role of target formulation, management style, resistance to change and stakeholder involvement. Though the University of Nairobi was in 2012 rated the best in PC, its performance is still way below the expectations of the general public, Hence the need to establish the factors affecting proper execution of performance contracting.

### **1.3. Objectives of the Study**

This study objective was to examine how target formulation, management style, and resistance to change influence the execution of performance contracting.

#### **1.3.1 General Objectives**

The study sought to find out factors that affect the execution of performance contracting in Kenyan public universities.

#### **1.3.2. Specific Objectives.**

1. To determine how target formulation influence the execution of performance contracting in the Kenyan public universities within Nairobi County.
2. To determine how resistance to change influence the execution of performance contracting in the Kenyan public universities within Nairobi County.
3. To determine how stakeholder's involvement influence the execution of performance contracting in the Kenyan public universities within Nairobi County.
4. To determine how management style influence the execution of performance contracting in the Kenyan public universities within Nairobi County.

### **1.4. Research Questions**

- i. How does target formulation influence the execution of performance contracting in the Kenyan public universities within Nairobi County?
- ii. How does resistance to change influence the execution of performance contracting in the Kenyan public universities within Nairobi County?
- iii. How does stakeholder involvement influence the execution of performance contracting in the Kenyan public universities within Nairobi County?
- iv. How does management style influence the execution of performance contracting in the Kenyan public universities within Nairobi County?

### **1.6 Significance of the Study**

This study would be of benefit to both the public and private university managements who may utilize it in designing a Human resource program that may have focus on performance perfection and quality service. It also delivers the information required for the universities to

appreciate the challenges they face in executing performance contracts. Moreover, this study forms the fundamental policies that an organization can use to manipulate and execute Human Resource policies and programs that assist in eliminating adverse effects or reinforce the positive ones on performance contracting. This would help in enhancement of internal effectiveness of the public universities in terms of transforming themselves as centers of academia and professionalism.

The study formed a better foundation for in the assessment public universities by educational research investigators. This would lead to generation of new ideas for the benefit and more effective management of universities in Kenya and the whole universe. This study would also increase the existing knowledge with regard to the new findings already made.

### **1.7 Scope of the Study**

The study paid more prominence to the aspects that affect the execution of performance contracting in the Kenyan public universities with more emphasis on Public universities within Nairobi County. The public universities within Nairobi County were selected due to their size, diversity, and the fact that it they several colleges whose decentralized structure enabled us obtain diverse information from different units. There are various variables which come into play in other public universities or other state owned enterprises. However, due to time restriction, this study only investigated how the four variables under study affect implementation of PC at the Public universities within Nairobi County.

### **1.8 Study Limitations**

Owing to time constraints, this study was limited to the four variables under study, that is, target formulation, resistance to change, stakeholder involvement, and management style and how they affect execution of performance contracting at the Public universities within Nairobi County.

The sample under study was limited to management and staff of the Public universities within Nairobi County.

## CHAPTER TWO

### 2.0 REVIEW OF RELATED LITERATURE

#### 2.1. Theoretical Framework

This study is underpinned on the reasoning of the result based management theory (RBM). This tool is utilized in improving efficiency and answerability of organizations by aiming at the realization of convincing outcome.

##### 2.1.1. Result Based Management

Principles of Result Based Management are practices from conception of a program to its assessment stage. According to (Lienert, 2003), the Result Based Management (RBM) is a management strategy by which all players on the position, either directly or indirectly to achieving a set of development results, ensure that their processes, products and services contribute to the achievement of desired results (outputs, outcomes and goals). RBM rests clearly on defined answerability for results and involves observing and self- assessment of development towards results, including reporting on performance. RBM is perceived as a life-cycle tactic starting with fundamentals of planning, such as setting the vision and defining the result structure. Once it is agreed to pursue a set of results through a program, execution begins and monitoring becomes an important task to ensure that the expected achievable. At last, monitoring and evaluation provide valueless evidence for making decisions (UNDP , 2010).

Performance rubrics mainly concentrates hands on facets of clarifying aims, generating indicators, and gathering and analysing data to come up with meaningful results. Performance management encompasses performance assessment. It is similarly concerned with creating management claim for performance statistics. This implies its uses in program, policy, and budgetary process lead to the organization procedures, mechanisms and incentives that

actively enhance the attainment of the overall goal of the organization? (Lienert, 2003) emphasizes that in an effective performance management system, obtaining results and continuous improvement built on performance information is central to the process of management.

Results Based Management is about quality performance of both the institution as well as individual. (Bradford and Duncan, 2000) adds that the key fundamentals of RBM are; performance target setting which is the process of setting performance targets for government ministries/departments/groups/individuals in carrying out specific work assignment. Bradford and (Duncan, 2000) inputs that RBM is a life-cycle tactic to management that integrates strategy, people, resources, processes, and measurements to improve decision making, transparency, and accountability. The style concentrates on attaining consequences, implementing performance measurement, learning altering, and reporting performance. Planning involves the articulation of strategic choices in radiance of past performance and includes information on how an organization intends to deliver on its priorities and achieve associated results (Bradford and Duncan, 2000)

### **2.2.1 Performance Contracting**

Performance contracts are drawn from strategic plans which are based on strategies and targets. Jones *et al* (1997) asserted that execution of strategy is a way in which a company creates the organizational arrangement that allows it to effectively pursue its strategy. The organizational arrangements that enable the realization of organizational strategies include; incentives and sanction mechanisms, organization culture and how the organization adapts to change, organizational structure and how the leadership style is perceived within the organization, target formulation and how the targets are in line with overall objectives of the

organization, how key members or stakeholders are involved in key decisions of the organization.

### **2.2.1.1 Execution of Performance Contracting**

To understand the successes and factors of execution performance contracting in Kenya, Mohammed *et al* (2006) carried out a survey among the public servants. The study showed that performance contracting had induced the public service to become more customer focused, markets and performance, without putting the provision of essential public services into jeopardy. The introduction of performance contracting and management by results is used to better the performance of an organization as it emphasizes better the human resource management.

Performance measurement is often taken to be fundamental to delivery of improved services as part of New Public Management. According to Balogun, (2003), emphasis on performance management for delivery of results is undoubtedly affected by the basic assumption of result oriented management which lies in its professed ability to unify the attention of organization members on a common goal and galvanize them towards the attainment of this objective. It is this supposition of harmony of vision that underpins the New Public Management faith in leadership and its favorable inclination towards managerial empowerment, as seen in performance management principles.

### **2.2.2 Factors Affecting execution of Performance Contracting.**

Factors affecting execution of performance contracting as already stated are; target formulation, resistance to change, stakeholder involvement, and management style acting as independent variables and the implementation of performance contracting acting as the dependent variable

### **2.2.2.1 Target Formulation.**

Evidence suggest that performance improves when clear, well defined, measurable targets are provided Berry *et al.* (1995) therefore, organizations need to decide how targets are formulated for their chosen measures to support organizational performance (Fitzgerald and Moon, 1996). They further stated that organizations need to decide the incentives associated with their chosen targets. For rewards linked to targets to work as intended, they must clearly be perceived as sufficient to justify the additional effort to obtain them, directly related to the required performance, perceived as equitable, and take into account the complexities of individual versus team- based effort.

Target formulation should involve, consultation of key stakeholders, this creates ownership and enable setting of targets that are realistic by the implementing institution. Therefore, organizations need to decide how targets are set for their chosen measures to support process improvement. (Berry *et al.*, 1995)

According to Juran (1989), effective target formulation can only be realized if employee participation needs are tailored towards specific requirements of the performance increment strategy. Hence the use of employee participation in formulating targets would differ between the two improvement strategies. The underlying philosophy is that each employee must perceive that they have two jobs within the organization: their assigned roles and responsibilities and a more detached “continuous improvement” role. The continuous improvement role encourages employees to address fundamental issues such as: how to improve what they are doing, how to improve the process by which they are doing it, and how to improve the way in which they interact with each other. This requires encouragement, support and empowerment coupled by supportive organizational culture. The responsibilities for improvement rests with the employees rather than quality specialists, the employees

would decide what is achievable over time, as it is the employees who have the responsibilities for change and the authority to carry it out.

The Top executive commitment cannot be overemphasized if the formulation of targets is to be realized, this is required whether it is strategic planning at departmental level or at corporate level. Main management must lead and support, make follow up, and accept the results of the implementation process; otherwise the implementation process is bound to fail. It is also important to involve all the staff in the organization during the making of targets; this is to avert the feeling that the targets have been imposed on them by the management and to enhance understanding of the underlying facts about each target and the eventual ownership of the targets. (McMackin *et al*, 2001)

Preparation of targets has to meet certain threshold for eventual acceptance and implementation in the organization. These include: the objective formulation must not describe any possible solution to the problem, that is, it must remain neutral regarding any solution, otherwise certain solutions that are innovative but uncommon may be excluded in advance; the targets should be formulated in a way that their degree of attainment is measurable; targets have to be formulated clearly and comprehensively; targets should be challenging, but most importantly, they must be achievable within the stipulated period. In order to make targets that are realistic and all inclusive, they must be in line with the vision and/or mission of the public organization. (Chandra, 2001)

It may also be argued that target formulation during performance contract implementation of future threats and opportunities elicits an objective view of managerial problems, it also creates a framework for internal communication, promotes forward thinking and encourages a favourable attitude to change (Haussler, 1968).

### **2.2.2.2. Resistance to change**

According to Bernerth (2004), change is defined as an effect that consists of actual physical changes to operations and different emotional stimulation, change is also a painful process in the workplace, going from what is certain and known to the unknown. Employees lose the comfort of the known and the familiar, the sense of competency they used to possess, the current financial security they once enjoyed and a network of friends they have built overtime.

Since change is accepted as almost always top-down and induced by the management, those being managed would always resist change thus imposing a challenge for managers to overcome the resistance. On the other hand change management is structured to shifting or transitioning individuals or teams and organizations from the current state to a desired state. Resistance to change is often understood from the management standpoint as a perceived behaviour of organization's members who are used to business as usual (Cheng *et al.*, 2004). It is also defined as a complex phenomenon which introduces unanticipated delays, costs and instabilities into the process of a change. Ansoff, (1988), understood it as any employee actions attempting to stop or delay change.

According to Waddell and Sohail, (1998), change is viewed as adversarial and detrimental, resistance to change has gained a negative connotation that allegedly confounded the problem of effecting change by promulgating a dichotomous thinking of labour versus management. Recently, there has been an appreciation of resistance to change from a more pluralistic employee-centered perspective and its role in organizational change. Paterson and Hartel, (2000) interpreted resistance to change as a people's cognition and effect or the perceived organizational justice done. They found that it significantly related with the violation of the employment psychological contract. Resistance to change may be categorized into three according to Mabin, Forgeson and Green (2001), that is organizational, group and individual.

Organizational factors are caused by threats presented by unknown or unwelcome new organizational structures and process change and threats induced by the environment inside of the organization. In respect to groups, cohesiveness and social norms under threat and participation in decision- making not properly attended would trigger resistance to change. Individual factors related to the personality impose difference to change (Berneth, 2004). In comparison to the other factors, individual factors have been intensively researched (Cheng & Petrovic-Lazarevic,2005). An interesting approach to the individual factors comes from Harris (2002) who divides them into: Lip Service: Sabotage by disregarding as an instrumental compliance in recognizing the legitimate authority of the hierarchy and the benefits of the continued employment, employees overtly and orally confirm but covertly attempts to be subjugated.

Other approaches emphasizes eight distinctive phases through which people would likely to go whenever they feel trapped in a change that they do not want but cannot control (Conner,1998;Cheng &Petrovic-Laszrevic.2005).These are: stability as a stage prior to any announcement to change; immobilization where shock is considered the initial reaction to a negatively perceived changed; denial characterized by the inability to assimilate new information into the current frame of reference; anger followed by frustration and feelings of being hurt; bargaining indicating that people can no longer avoid confronting with the reality; depression expressed by an emotion stage in a form of resignation to failure, feeling victimized, a lack of emotional and physical energy, and disengagement from one's work; testing with signal of acknowledgement of one's limitation, the attempt to regain control, and the freeing oneself from feelings of victimization and depression; and acceptance where people respond realistically, are more grounded and productive relative to previous within the new context.

### **2.2.2.3. Stakeholder involvement**

Stakeholder association is the degree to which one is ideally preoccupied with, engaged in, and concerned with one's present activities. According to Friedman and Miles (2006), the term stakeholder, has been deployed indiscriminately in the previous two or so decades. The term is highly popular with business, government, non-governmental organizations and the media. Organizations do not operate in isolation but interact with other players in the implementation of performance contract. They need to identify the needs of the stakeholders and design appropriate strategies to address these needs. The stakeholder involvement in the formulation of strategic plans provide invaluable support during the implementation process. According to the Public Sector Reform and Performance Contracting (PSRPC)-Kenya (2008-2011) the government expects citizens as stakeholders to demand from government bodies the following; demand excellent service as a right, do not pay a bribe or overpay to receive a service , demand accountability for results by all public officials, demand for and assurance that all holders of public office are on performance contract.

### **2.2.2.4. Management style**

Organizations these days are literally fighting against all odds for their own survival. These threats include: competition, inadequate funds, and technical staff among others challenges. With the ever changing environment, continuous change must be inculcated in day-to-day running of organizations if they want to keep pace with the changing business environment. From performance to consumer tastes and preferences, change has affected all elements in the business environment. Carnall, (2003) suggested that mastering the challenge is not a specialized activity to be facilitated or driven by an expert but an increasingly important part of every manager's role. Management styles are characteristic ways of making decisions and relating to subordinates. Effective management is important in implementation of organizational strategies. The right management style in the implementation of the

performance contract is critical from the top to bottom. In the Kenyan scenario this starts from the sectional heads in the different implementing agencies. Kobia & Mohammed (2006) observed that the two performance contracts (PCs) signed between the government and Kenya Railways Co-operation in April 1989 and National Cereals and Produce Board in November 1990 failed due to political will. The implementation of any new system of management involves a strategic change. The right leaders to drive this change must be identified and systems put in place for effective communication.

In implementation of performance contracting policies Pettigrew and Whipp (1993) proposed a model for a successful leadership management to occur in an organization that involves five interrelated factors: Environmental assessment and utilize information on internal and external environment; Leading change- creation of a positive climate for change; the identification of future directors and linking together of action by people at all levels in the organization; Linking strategic and operational change; human resources as both assets and liabilities and coherence of purpose.

### **2.3 Conceptual Framework.**

The conceptual framework of this study is underpinned on the variables identified in the literature review, these are: target formulation, resistance to change, stakeholder involvement, and management style acting as independent variables and the implementation of performance contracting acting as the dependent variable.

From the diagrammatic presentation below, the independent variables namely, target formulation, resistance to change, stakeholder involvement, and management style affect the implementation of performance contracting.

Target formulation refers to a consultative formulation of goals and objectives in an organization. Successful formulation of targets process needs total commitment from top

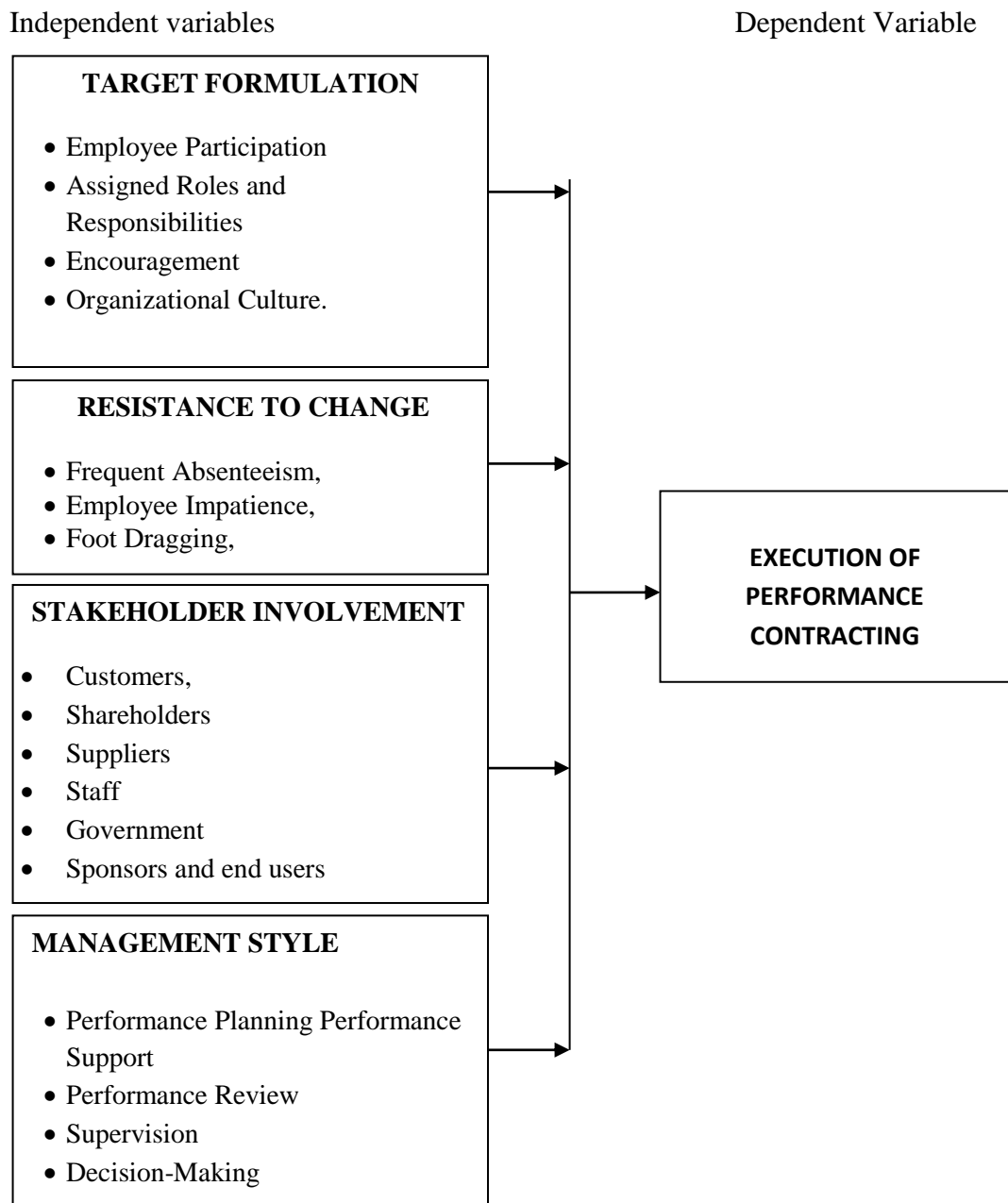
executives and senior managers, whether the strategic planning is intended for a specific department or the entire organization. For the staff to feel ownership of the strategic plan, they must all be involved from the inception to the end of the target formulation process. This is to avert the feeling of imposition of targets by the executive on junior staff and ensure understanding by all and sundry and the eventual ownership of the entire process.

Stakeholder involvement refers to the degree to which the stakeholders of an organization or project are keen to partake in the activities of the organization. Successful organizations take into consideration the needs, interest and influences of people and groups who either impact on or may be impacted by its policies and operations. Hence the stakeholder concept is premised on three fundamental factors. These are: the organization, the other actors, and the nature of the company relationship with interested groups. Stakeholder involvement considers participation as the extent to which a person is identified positively with his work or the importance of his total self image. (Clarkson, 1995)

Resistance to change is generally perceived as “collateral damage” of change endeavours. It takes many forms such as foot-dragging, withdrawal, material sabotage, whistleblowing, strikes, working to the rule, and symbolic sabotage. Organization change is conceived as desirable and inevitable, hence any resistance should be managed and overcome if the organization is to realize its overall objectives in the dynamic business environment (Atkinson, 2005). These were measured by qualifying the supportive variables to exclude other factors which are not related to performance contracting.

Management style refers to ways of making decisions and relating to subordinates. Hence, decisions made in the organization reflected the opinion and personality of the manager. It also refers to better use of cognitive ability in the workplace and methods of working with people.

**Figure 2.1: Conceptual Framework**



**Source: Author, (2013)**

## **CHAPTER THREE: METHODOLOGY**

### **3.1: Introduction**

This chapter describes the research design and methodology which was adopted by the study researcher so as to reach the sample population, collect and analyze data so as to answer the research questions. It consists of the research design, target population, sample and sampling procedures that were used, data collection instruments and their administration on the respondents alongside the data analysis procedures that were used and how the data was presented.

### **3.2. The Research Design**

Design of the research is the plan and strategy for investigating a phenomenon and it seeks to obtain answers to various study questions (Kerlinger, 1973). The study carried out adopted a sample survey designed to help undertake descriptive research. This descriptive survey design was most suitable for the study since it helped obtain data that describes the characteristics of the topic of interest in the research. This technique allowed the researcher to be able to draw conclusions about the relationship existing in the population and also characterize their phenomena. This method also facilitated the drawing of inferences and help in maintaining continuity of the research process.

### **3.3 Target Population**

Population is a group of knowledgeable people also known as universe (Hair *et al.*, 2007). Schindler (2003) defined a population of the study as the sum total collection of elements about which we wish to make conclusions and generalizations. The Study focused on the management and staff of the various public colleges of the Public universities of Nairobi and Kenyatta University which are the two of the largest universities within Nairobi County.

**Table 3.1: Target population- UON**

<b>University</b>	<b>NUMBER OF STAFF</b>
University of Nairobi	4,429
Total	4,429

Source: August 2013 Payroll -UON

**Table 3.2: Target population-KU**

<b>University</b>	<b>NUMBER OF STAFF</b>
Kenyatta University	3,942
Total	3,942

Source: August 2013 Payroll- KU

### **3.4 Sample size**

Cooper and Schindler (2003), stated that the size of a sample should be a function of the variation in the population parameters under study and the estimating precision needed by the researcher. Mugenda and Mugenda (2003) suggested that a good sample is about 10%-30% of the accessible population. In this study therefore only ten percent qualified to be incorporated into the sample size. This is meant to ensure that there is efficiency, reliability and flexibility in terms of costs (Kathori, 2007).

#### **Sample size**

<b>University</b>	<b>NUMBER OF STAFF</b>
University of Nairobi	442

Kenyatta university	394
Total	836

Source: Author,( 2013 )

The need to have 10% is necessitated by the fact that a small sample size may (a) restrict statistical power making it difficult to identify significant differences when comparisons are made (b) restricts generalizability of the findings—that is, external validity; and (c) narrow the scope of statistical analyses procedures permitted (e.g., hierarchical linear modeling). To mitigate this possible shortcoming the researcher considers involving more colleges to diversify and increase the sample size thereby increasing statistical power to detect meaningful difference and enhance external validity.

### **3.5 Sampling Techniques**

Due to the time limitations, financial constraints and physical locations of the colleges, the researcher used convenient sampling technique to identify the Universities that formed the sampling frame and must be situated within Nairobi County.

In order to ensure that there is no bias in collection of the data and ensure representation across all the cadres, proportionate stratified random sampling was used for the study. The researcher classified the population into three strata, that is, the top level management, middle level management and the lower level management. The main sampling technique applied was very purposive in order to get the right qualities while stratified sampling was used to group the samples in strata having similar characteristics. The respondents and the key informants who included heads of departments and faculties were purposively sampled due the information they have by the virtue of the positions they hold. The researcher proportionately selected ten percent of staff in each stratum.

### **3.6 Data Collection**

The data was collected using drop and pick questionnaire system. The questionnaire were preferred over other methods of collecting data because of its ability to extract information from the respondents as well as giving the researcher a better understanding and a more insightful interpretation of the results from the study (Creswell, 2003). The questionnaire design were based on the research questions. The structured questions were used in an effort to conserve time and money as well as to facilitate an easier analysis as they were in immediate usable form; while the unstructured questions were used so as to encourage the respondents to give an in-depth and felt response without feeling held back in revealing of any information.

### **3.7 Data Analysis**

The data analysis employed both qualitative and quantitative techniques. For quantitative data, frequency distribution and percentage were employed, while for qualitative data, the information listed in the Likert scale were analysed and used to draw preliminary conclusions on the research questions in the study. The respondents were expected to give their views on an aspect which were analysed and conclusions drawn.

### **3.8 Data Presentation**

The information gathered was presented by the use of tables, charts, graphs and histograms after which an interpretation of the findings were done in prose with regard to each research objective and within the scope of this study. A power point presentation was later done to enable electronic presentation of the findings in a visual diagrammatic manner showing relationships and weight of each independent variable as contributory factors to the performance contract implementation at the Public universities within Nairobi county.

## CHAPTER FOUR

### DATA ANALYSIS, PRESENTATION AND INTERPRETATION

#### 4.1 Introduction

In this chapter, the collected data has been presented, analysed and interpreted. It covers all the response variables in a systematic manner so as to uphold the aims of this paper.

#### 4.2 Response Rate

Out of 8371 staff members of public universities in Nairobi County 836 were sampled. The response rate was 74%. This represents 620 questionnaires from the 836 which were sent to the managers in the sample. The rate was confirmed by way of reminding them to fill-in and sends back the instruments.

*Table 4:1: Response Rate*

	Frequency	Percentage
<b>Responded</b>	620	74
<b>Did Not Respond</b>	261	26
<b>Total</b>	<b>836</b>	<b>100</b>

*Source: research findings, (2013)*

#### 4.2 Background Information

##### 4.2.1 Level of Education

The paper sought to examine the level of education for the staff and a significant 65% of the respondents turned out to have a bachelor's degree as compared to 25% who had a post graduate qualification (masters and PhD holders). However, the study found out that only 10% of the respondents had a diploma qualification (diploma and higher diploma holders) this is a clear indication that the university staff is well equipped with the necessary

knowledge and skills to be able to deliver in the demanding working environment as showed in tables 4.2 below

**Table 4.2 level of education**

	<b>Frequency</b>	<b>Percent</b>
<b>Diploma</b>	20	2
<b>Higher diploma</b>	42	8
<b>Bachelors</b>	403	65
<b>Masters</b>	124	20
<b>PhD</b>	31	5
<b>Total</b>	<b>620</b>	<b>100</b>

*Source: research findings,( 2013)*

#### **4.2.2 Age of Respondents**

The highest number of staff members turned out to be between 25-30 years with a percentage of a significant 40% of the total respondents. 25% of the staff was aged between 18 – 24 years. This shows that the universities maintain young vibrant workers who form the larger percentage of their workforce. Notably, 30% of the staff in the institutions is aged between 30 and 40 years. This is an age bracket characterized by young motivated workers at their peak productivity due to their working experience and professional training. Lastly, only 5% of the total respondents were reported being above the age of 45 years. This is because majority of these workers are departmental heads and unit coordinators who are usually difficult to find for data collection. Table 4.3 below shows the age distributions of the respondents in this study.

**Table 4.3 Ages of Respondents**

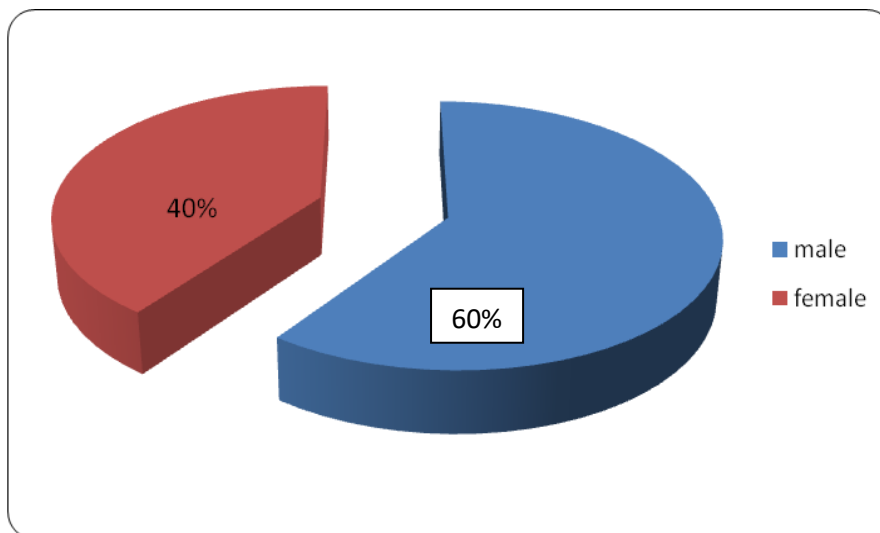
Age bracket	Frequency	Percent
18-24 yrs	155	25
25-30 yrs	248	40
31-34 yrs	93	15
35-40 yrs	93	15
Above 40 yrs	31	5
<b>Total</b>	<b>620</b>	<b>100</b>

*Source: research findings, (2013)*

#### **4.2.3 Gender of Respondents**

Workforce in these organisations was investigated by gender and it turned out to be dominated by male with a percentage of 60%. Female were only 40%. This is shown in the chart below.

**Chart 4.1 Respondent's Gender.**



*Source: research findings, (2013)*

#### **4.2.4 Length of Service**

Length of service for the staff was also investigated results showed that 20% of the respondents had worked for less than an year, 45% had worked for between 1-3 years, 15% had worked for between 4-5 years while 20% of the respondents reported having worked for

more than 5 years. This is a clear indication of the retention of new and existing workers so as to enhance faster induction and interactions among these workers. The length of service and the corresponding frequencies and percentages are tabulated below.

**Table 4.4 Length of Service**

<b>Length of service</b>	<b>Frequency</b>	<b>Percent</b>
<b>Below one year</b>	124	20
<b>Between 1-3 years</b>	279	45
<b>Between 4-5 years</b>	93	15
<b>above 5 years</b>	124	20
<b>Total</b>	<b>620</b>	<b>100</b>

*Source: research findings, (2013)*

#### **4.3 Performance Contracting**

The researcher sought to find out whether the institutions have adopted performance contracting for its staff and found out that 100% of the respondents indicated having signed a performance contract. However it is worth nothing that though 85% of the respondents had been taught on the contents of the performance contracts, 15% of the respondents indicated not being taught about the concept of performance contracting and therefore signed the documents without any knowledge of what they were entering into.

#### **4.4 Target Formulation**

The study went further to establish how the performance targets are arrived at and showed that 50% of the people under survey strongly agreed with the fact that for an institutions to achieve excellence, targets must be set. However, the researcher noted that though all employees agreed (60% strongly agreed and 40% agreed) that the targets were achievable, 65% reported no mutual agreement between the employees and the performance appraisal

committee regarding the targets set. Also, 70% of the respondents believe that the targets are not in line with the organizations' goals and a further 75% strongly disagreed that their roles in the organizations are somehow away from the set targets. Lastly the respondents indicated that the management staff had shown significant encouragement towards achievement of set targets but did not offer support systems to facilitate the achievement of the set targets for the employees. (Table 4.5)

**Table 4.5 Target Formulation**

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Standard Deviation
For excellence targets must be set	50	15	0	10	25	2.55	1.7471
Targets are mutually agreed	5	30	0	0	65	4.5	0.9227
Set targets are often achievable	60	40	0	0	0	4.6	0.4903
Targets are in line with objectives	0	0	0	30	70	1.3	0.4586
Assigned roles in line with targets	0	0	5	20	75	1.3	0.5572
Management offer support systems on employees to accomplish targets	0	0	0	0	100	1	0
management encourage performance targets achievement	60	35	0	5	0	4.5	0.7422
Total						19.75	4.9181
Average						2.821429	0.702586

*Source: research findings, (2013)*

#### **4.5 Resistance to Change**

Employee resistance on execution of performances contracts showed clearly that, employee resistance would have very negligible impact on the implementation of performance

contracting. 70% of the respondents in this study believe that strikes would have very little effect on the implementation with absenteeism being ranked last at 45%. This shows that the employees are ready to adopt performance contracting as a consultative process as opposed to being an imposed policy. Table 4.6 below shows the respondents views regarding employee resistance to performance contracting.

**Table 4.6 Resistance to Change**

	Very Great Extent	Great Extent	Average	Little Extent	Very Little Extent	Mean	Standard Deviation
Absenteeism	5	5	0	45	45	4.2	1.03
Employee Impatience	0	0	0	50	50	4.5	0.5004
Foot Dragging	5	0	0	45	50	4.4	0.7354
Frustration	5	5	0	30	60	4.35	1.0627
Strikes	0	0	5	25	70	4.65	0.5727
Employee Sabotage	0	0	0	50	50	4.5	0.5004
Total						26.6	4.4016
Average						3.8	0.6288

*Source: research findings, (2013)*

#### **4.6 Stakeholder Involvement**

The effect of stakeholder involvement towards the success of the policy was also examined and it was found out that, 60% of people under survey indicated that the execution would be most successful if the government was involved. 85% of the respondents reported that the plan would be more effective if it was a consultative forum involving the employees and the university management. However, all the respondents indicated that involvement of shareholders and customers would have very little effect on the success of the implementation of performance contracting. This is because shareholders and customers play the role of an external party since performance contracting is an internal affair between

employers and employees. Table 4.7 below summarizes the impact of stakeholders involvement during implementation of performance contracting.

**Table 4.7 Stakeholder Involvement**

	Very Great Extent	Great Extent	Average	Little Extent	Very Little Extent	Mean	Standard Deviation
Customers	0	0	0	60	40	4.4	0.4903
Shareholders	0	0	0	0	100	1	0
Suppliers	20	0	5	0	75	4.3	1.23
Staff	30	55	0	5	10	2.1	1.18
Government	60	25	0	5	10	1.8	1.2895
Total						13.6	4.1898
Average						1.942857	0.598543

*Source: Research Findings, (2013)*

#### **4.7 Management Style**

Under the impact of the management style adopted by the university towards the success of implementation of performance contracting the study found out that, performance planning and review had a significant 55% of the respondents indicating that it had a significant impact towards success of the implementation of performance contracting. It is also worth noting that 45% indicated that planning and performance review have a great impact on the success of the policy. However, proper supervision, commitment of top employees and energy toward implementation scored lower as their impact on the success of the implementation is not significant

**Table 4.7 Management Style**

	very great extent	great extent	average	little extent	very little extent	mean	standard deviation
Performance Planning, Performance Support are the core of the management functions	55	45	0	0	0	4.55	0.4979
Performance Review is done using equal measures for all staff	55	45	0	0	0	4.55	0.4979
The management ensures that the staff are well supervised towards the realization of the university objectives	5	15	20	20	40	2.25	1.261
To effectively expand the general prospect that the plan is executed as planned, commitment by top management is compulsory	5	15	20	20	40	2.25	1.261
Total commitment shown by the top management to the planned action	5	15	20	20	40	2.25	1.261
Total						7.255	4.7788
Average						1.036429	0.682686

*Source: research findings,( 2013)*

#### **4.8 Performance Contract Implementation**

The researcher evaluated the performance contract implementation and found out that , target formulation and management style was found to have the highest influence (36.9%) to the success of the policy. However, resistance to change and stakeholder involvement has a significant role in the implementation process accounting for 35.5% of success rate respectively.

**Table 4.8performance contract implementation**

	very great extent	great extent	average	little extent	very little extent	mean	standard deviation
Target formulation	36.9	18.9	21.6	17.9	4.7	2.3452	1.2673
Resistance to change	35.5	18.1	21.9	19.7	4.8	2.4032	1.2794
Stakeholder involvement	35.5	17.9	25.2	18.5	4.8	2.4323	1.2571
The management style	36.9	19.5	22.6	16.1	4.8	2.3242	1.2543
Total						7.1807	5.0581
Average						1.025814	0.722586

*Source: research findings, (2013)*

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter summarizes the findings, gives conclusions and highlights recommendations for further studies.

#### **5.2 A recap of findings**

##### **5.2.2 Background Information**

A significant 65% of the respondents had a bachelors degree as compared to 25% who had a post graduate qualification (masters and PhD holders) with only 10% of the respondents had a diploma qualification (diploma and higher diploma holders) this is a clear indication that the university staff is well equipped with the necessary knowledge and skills to be able to deliver in the demanding working environment. Secondly, the study found out that 25% of the respondents were aged between 18 – 24 years. Majority of the staff members were aged between 25-30 years comprising of a significant 40% of the total respondents. This shows that the universities maintain young vibrant workers who form the larger percentage of their workforce. Notably, 30% of the staff in both universities are aged between 30 and 40 years. This is an age bracket characterized by young motivated workers at their peak productivity due to their working experience and professional training. Lastly, only 5% of the total respondents reported being above the age of 45 years majority of whom were departmental heads and unit coordinators who are usually difficult to find for data collection.

##### **5.2.3 Target Formulation**

The study also showed that 50 % of the people under investigation strongly agreed with the allegation that for an institutions to achieve excellence, targets must be set. However, the

researcher noted that, though all employees agreed (60% strongly agreed and 40% agreed) that the targets were achievable, 65% reported no mutual agreement between the employees and the performance appraisal committee regarding the targets set. Secondly, it is was shown that 70% of the respondents believe that the targets are against the organizations' goals and a further 75% strongly disagreed that their roles in the organizations are not in line with the set targets. Lastly the respondents indicated that the management staff had shown significant encouragement towards achievement of set targets but did not offer support systems to facilitate the achievement of the set targets.

#### **5.2.4 Employee Resistance**

The research showed that employee resistance would have very negligible impact on the implementation of performance contracting. 70% of the respondents in this study believe that strikes would have very little effect on the implementation with absenteeism being ranked last at 45%. This shows that the employees are ready to adopt performance contracting as a consultative process as opposed to being an imposed policy. It is also worth noting that employee impatience is not a significant barrier to implementation of performance contracting. This is because, the employees are well aware of their duties and responsibilities as stipulated in their job description and a performance contract was only a personal commitment to fulfilling them.

#### **5.2.5 Stakeholder Involvement**

The results of the study showed that, 60% of the people under evaluation indicated that the execution would be most successful if the government was involved. 85% of the respondents reported that the plan would be more effective if it was a consultative forum involving the employees and the university management. However, all the respondents indicated that involvement of shareholders and customers would have very little effect on the success of the implementation of performance contracting. This is because shareholders and customers play

the role of an external party since performance contracting is an internal affair between employers and employees

### **5.2.6 Management Style**

The study found out that, performance planning and review had a significant 55% of the respondents indicating that it had a significant impact towards success of the implementation of performance contracting. It is also worth noting that 45% indicated that planning and performance review have a great impact on the success of the policy. However, proper supervision, commitment of top employees and energy toward implementation scored lower as their impact on the success of the implementation is not significant. Target formulation and management style was found to have the highest influence (36.9%) to the success of the policy. However, resistance to change and stakeholder involvement has a significant role in the implementation process accounting for 35.5% of success rate respectively.

### **5.3 Conclusions**

The research concludes that employee resistance would have very negligible impact on the implementation of performance contracting. Secondly, performance contracting would be more effective if it was a consultative forum involving the employees and the university management. However, all the respondents indicated that involvement of shareholders and customers would have very little effect on the success of the implementation of performance contracting. Thirdly, performance planning and review has a significant impact towards success of the implementation of performance contracting.

### **5.4 Recommendations**

The study recommends that employees be fully trained on the contents of the performance contracts before they are made to sign. This is because a significant percentage indicated to

have signed the contracts but had not been trained on the same. This will ensure that the employees are fully aware of their expectations under the contract. Secondly, the respondents indicated that the management staff had shown significant encouragement towards achievement of set targets but did not offer support systems to facilitate the achievement of the set targets. The study therefore recommends that the university management creates systems that support the implementation of the performance contracting. Thirdly, the respondents indicated that involvement of shareholders and customers would have very little effect on the success of the implementation of performance contracting. This is because shareholders and customers play the role of an external party since performance contracting is an internal affair between employers and employees. This study therefore recommends that the implementation of performance contracting would be most successful if the university management involved its employees during implementation to reduce resistance by employees

### **5.5 Areas of Further Research**

The study recommends further study on other factors that influence the success and implementation of performance contracting and develop a model that would explain the phenomenon better. The study further recommends a study on the effects of staff resistance on policy implementation.

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- Diploma [ ]
- Higher National Diploma [ ]
- Bachelors [ ]
- Masters [ ]
- PhD [ ]

6. Do you sign performance contract?

Yes [ ]

No [ ]

7. Have you been trained on performance contract?

Yes [ ]

No [ ]

If NO, would you recommend the University to train you on performance contract?

.....  
 .....  
 .....  
 .....

**Section B**

**1. Target Formulation**

To what extent do you agree with the following statements on target formulation that influence implementation of performance contracts at the University of Nairobi? **5=strongly Disagree, 4= Disagree, 3= Neutral, 2= Agree, and 1= Strongly agree.**

Statement	1	2	3	4	5
To achieve excellence targets have to be set					
Targets are mutually agreed upon					
Set targets are often achievable					
The set targets are in favour of the goals of the organisations.					
Assigned Roles and Responsibilities are in line with the targets set					
The management Support and Empower the staff towards target accomplishment					

The university management encourage achievement of performance targets					
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## 2. RESISTANCE TO CHANGE

To what extent do you feel the following indicators of resistance to change have been portrayed by the staff with regard to the implementation of performance contracts? **5= Very Great extent 4= Great extent, 3= Neutral, 2= Little extent, and 1= very little extent**

Indicator	1	2	3	4	5
Frequent Absenteeism following the introduction of new change.					
Employee Impatience following the introduction of new change					
Foot Dragging following the introduction of new change					
Frustration following the introduction of new change					
Strikes following the introduction of new change					
Sabotage following the introduction of new change					

## 3. STAKEHOLDER INVOLVEMENT

To what extent have the following stakeholders been involved in the implementation of performance contracts at the university?

**5= Very Great extent 4= Great extent, 3= Neutral, 2= Little extent, and 1= very little extent**

Stakeholders	1	2	3	4	5
Customers					
Shareholders					
Suppliers					
Staff					
Government					

Any other (specify).....					
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#### 4. MANAGEMENT STYLE

Please indicate with a tick the degree with which you agree with the below listed declarations on organizational commitment that impact execution of performance contracts in your University? **5=strongly Disagree, 4= Disagree, 3= Neutral, 2= Agree, and 1= strongly agree.**

Declaration	1	2	3	4	5
Performance Planning, Performance Support are the core of the management functions					
Performance Review is done using equal measures for all staff					
The management ensures that the staff are well supervised towards the realization of the university objectives					
To effectively expand the general prospect that the plan is executed as planned, commitment by top management is compulsory					
Total commitment shown by the top management to the planned action					
Readiness to offer energy and devotion to the execution process exhibited by the managers.					
There is an adequate Level of communication in the university with regards to performance targets					

#### PERFORMANCE CONTRACT IMPLEMENTATION

**1= Very Great extent 2= Great extent, 3= Neutral, 4= Little extent, and 5= very little extent**

To what extent do you feel performance contacting has been affected by

Variables	1	2	3	4	5
Target formulation					
Resistance to change					

Stakeholder involvement					
The management style					

To what extent do you feel performance contacting has resulted to

**5= Very Great extent 4= Great extent, 3= Neutral, 2= Little extent, and 1= very little extent**

<b>Variables</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Improved performance					
Increased turnover					

**Thank you very much for your cooperation.**