

Assessment of Devolution of Project Management Functions on Organizational Performance in County Government in Kenya: A Study of Nakuru County

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Abstract: *The main objective of the study is to assess the devolution of project management functions and organizational performance of the County Government in Nakuru County. The researcher utilizes descriptive research design with the aim of gathering information on project management in county government in Nakuru County. The researcher used questionnaires to collect information and the completed questionnaires were coded and entries made into the Statistical Package of Social Sciences (SPSS 21). Descriptive statistics were used to illustrate the extent to which the variables were practiced the County Government departments. The study concluded that county leadership, organizational structure of the County Government, and stakeholder participation in the County Government are critical for the success of projects undertaken. The study recommends that the country government should improve the institutional and organizational capacity of the County Government by focusing on its structure, educate and improve the leadership skills of the county leaders as well as improve the participation of the citizens in order to result improved project management function in the County Government.*

Keywords: Project Management, Devolution, Organizational Performance, Stakeholder Participation, Leadership, Organizational Structure

1. Introduction

1.1 Background of the study

Both developed and developing countries utilize projects as a way of improving as well as sustaining their economic activities. According to Pinto (2007), the use of project in economic activities is the backbone of any economy. The success of projects is dependent on the management utilized in the projects as well as many other elements in project management. The application of project management practice in the public sector is identified as an efficient approach in upgrading management capabilities, and thus enabling public sector in efficiently completing projects and attains developmental objectives. Ahmad et al., (2005) observed that the application of project management strategy in the public sector resulted from pressure on the government to abandon bureaucratic management practices in favor of leaner structures.

In 2010, the promulgation of a new constitution in Kenya saw the devolution of government functions to county government with the devolution of political, fiscal and administrative powers. The devolved government divides their different activities into projects whereby principles and practices of project management are utilized for the management of these projects. As such, one of the activities devolved to the county government is the project management function. Previous studies conducted on decentralized CDF fund illustrate that the management of these projects have not been as effective as expected (Wanjiru, 2008; Kaimenyi, 2005; Kamau, 2007).

1.2 Statement of the problem

The decentralization policy of Kenya is aimed at promoting the participation of citizens as well as the ownership of machinery of government by shifting the process of governance from command to consultations processes, and by transferring power, authority and functions, competence and resources to the county level. Counties have already implemented a number of projects. Despite this progress, a few challenges in the projects are emerging and slowing the transition process. The County Government has been facing serious challenges in managing the projects and outing in the conditions required for the success of these projects. Some of the challenges facing the County Government include inadequate personnel with the required project management skills, inadequate financial resources, inefficient project planning, and the un-involvement of the various project stakeholders among others. There are questions on whether the projects undertaken by the County Government of Nakuru are driven by the real needs of the citizens and whether the County Government is effectively managing the projects in order to ensure their success. The study therefore attempted to provide an overview of the factors affecting the devolution of project management function on performance of projects in County Governments in Kenya.

1.3 Research objectives

To assess the devolution of the project management function on organizational performance in Nakuru County Government.

1.3.1 Specific Objectives

- To analyze the organizational structure of County Government in the successful performance of projects in Nakuru County.
- To examine the role of stakeholder participation in the successful performance of projects in Nakuru County.
- To determine the influence of county leadership in the successful performance of projects in Nakuru County.

1.4 Research Questions

- What role does organizational structure of the country government has on the successful performance of projects in Nakuru County?
- How does stakeholder participation influence the successful performance of projects in Nakuru County?
- What influence does country leadership have on the successful performance of projects in Nakuru County?

2. Literature Review

2.1 Theoretical Framework

Project management has been described as use of knowledge, skills, tools, and techniques to project activities in order to meet project management (PMI, 2000). Project performance is illustrated by Wysocki (2009) to be illustrated as people, time, cost, quality, safety and health, environment, client satisfaction, and communication. This involves such factors such as project manager's competency and leadership skills, management support, organizational structure, participation of stakeholders, decision making, organizational culture and capacity of project team members (Iyer & Jha, 2005).

2.2 Conceptual Review

Following from the literature reviewed, the relationship between independent variables and dependent variables can be conceptualized and depicted in Figure 2.1. The conceptualized framework defines various factors affecting project success undertaken by County Government in Nakuru. Organizational structure, county leadership and stakeholder participation are independent variables while project success is the dependent variable.

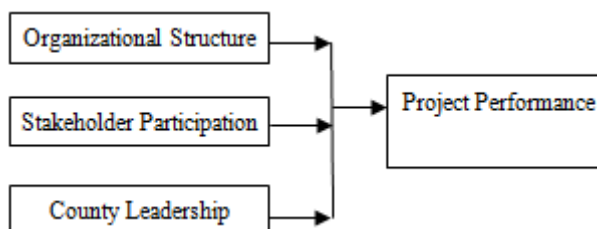


Figure 2.1: Factors influencing project performance

2.3 Summary of Literature Review

One of the main objectives of the devolved government is bringing power to the lower levels thus allowing active participation of the citizens. The County Government has the main objective of providing effective public service and does this through varied projects. It is as such important for the County Government to have project management capacity

and framework in order to effectively and efficiently provide services to the public as required by the Constitution. The importance of effective project management in the success of the County Government in Kenya can as such not be underscored. As illustrated stakeholder participation is not only important for project success but also an important element in the devolved government. Further, county leadership and organizational structure are elements which affect project success.

2.4 Research gap

Researchers in Kenya have over the years not put a lot of emphasis on the role of project management function in the management of government funded projects. Further, globally there is also limited research on the project management function in governments. A research study conducted by Atif Ali PhD Candidate, RMIT University investigated the project management function in the public sector organization in Pakistan, a less developed country. The study found out that the project management function is important in dealing with the enormous responsibility of managing a number of projects. The study recommended further research to be conducted on the project management function in other developing countries. This recommendations plus the limited research on project management function in Kenya, lay groundwork for further, specific research on the project management function in the country government in Kenya.

3. Research Methodology

3.1 Research Design

The study took a descriptive research design with an aim of establishing devolution of project management functions affects the organizational performance of County Government in Nakuru County. According to Saunders et al., (2009) a descriptive study is concerned with finding out the what, where and how of a phenomenon. Primary data was obtained directly from employees and management of the County Government of Nakuru through mainly the administration of questionnaires during the fieldwork. Secondary data was obtained from reports and other documents from journals, reports, books, and from the internet, among others. Literature obtained from secondary sources regarding project management and organization as well as project performance was reviewed to identify elements which support project success in the County Government.

3.2 Research Instruments

The study used primary data collected using semi-structured questionnaires with both close-ended and open-ended questions. Questionnaires were administered to 89 employees of the County Government of Nakuru. The use of questionnaires was suitable as it provided a standardized and quick technique of obtaining information. The questionnaires was administered through a drop and pick later method to the sample selected.

3.3 Data Analysis

The completed questionnaires were coded and entries made into the Statistical Package for Social Sciences (SPSS Version 21). The study used descriptive analysis techniques to analyze the data. Descriptive statistics was computed using frequencies and percentages. The study also made use of measures of central tendency which included means and standard deviation to measure the extent to which the variables are practiced and perceived in Nakuru County.

4. Results and Discussion

4.1 Effect of organizational Structure of the County Government on Project Success

The findings revealed that the respondents had a mean of 3.30 with regards to the extent to which organizational structure of the County Government institutes support for project implementation, with a standard deviation of 0.993, less than 1 (0.993) implying that the data was not relatively dispersed. Secondly, the study revealed that the respondents slightly agreed with regards to the decision making period with a mean of 3.42 with regards to how fast decision were made within the County Government, with a standard deviation of 1.182, more than 1(1.182) implying that the data was relatively dispersed. The findings further illustrated that respondents were almost indifferent with regards to whether decisions are decentralized in the management of projects with a mean of 3.06 and a standard deviation of 0.966, less than 1 (0.966) illustrating that the data was not relatively dispersed. The research findings illustrated that the respondents held that project implementation documents were approved fast and efficiently with a mean of 3.12 and a standard decision was 1.155 which is more than 1 illustrating that the data was relatively dispersed. Finally, the respondent reported that consultations are held on issues affecting the project at a mean of 3.20 and a standard deviation was at 0.967 which is less than one illustrating that the data was not relatively dispersed.

Table 4.1: Effect of Organizational Structure of the County Government

	<i>N</i>	<i>Min</i>	<i>Max</i>	<i>Mean</i>	<i>Std. Dev.</i>
The organizational structure of the County Government institute support for project implementation	81	1	5	3.30	.993
Decision on projects are made fast within the County Government	81	1	5	3.42	1.182
Decisions are decentralized in managing projects	81	1	5	3.06	.966
Project implementation documents approval is very fast and efficient	81	1	5	3.12	1.155
There is consultations on issues affecting the projects	81	1	5	3.20	.967

4.2 Effect of Stakeholder Participation in the County Government on Project Success

The findings indicated that the respondents disagreed on the utilization of structures developed for citizen participation in the County Government with a mean of 2.93 and a standard deviation of 1.282. The respondent indicated that the various structures which have been established for citizen participation included ICT based platforms such as Facebook and Twitter, Town Hall meetings, Budget preparations forums, Notice Boards, and the media among others. Further, the respondent illustrated that avenues used for citizen participation included schools hall and the Town Hall. The findings further illustrated that the respondents disagreed that civic education units had been established for the education of citizens on County Government issues with a mean of 2.90 with and a standard deviation of 1.190, more than 1 indicating that the data was relatively dispersed. With regards to whether regulations had been established to foster and improve citizen participation, the findings indicated a mean of 2.73 with a standard deviation of 1.432, more than 1 indicating that the data was relatively dispersed. Finally, the findings indicated that the County Government follows an effective communication strategy in communicating to the public. The findings indicated that the respondent had a mean of 3.19 with a standard deviation of 1.343 relatively dispersed with a standard deviation of more than 1.

Table 4.2: Effect of Stakeholder Participation in the County Government

	<i>N</i>	<i>Min</i>	<i>Max</i>	<i>Mean</i>	<i>Std. Dev.</i>
The structures established are used for citizen participation	81	1	5	2.93	1.282
Civic education units have been established for educating citizens	81	1	5	2.90	1.190
Regulations have been established to foster and improve citizen participation	81	1	5	2.73	1.432
The County Government follows an effective communication strategy to communicate to the public	81	1	5	3.19	1.343

4.3 Effect of County Leadership on Project Success

The findings indicated that the respondents disagreed on the use of leadership in the completion of projects in the County Government with a mean of 2.90 and a standard deviation of 1.190, indicating that the data was relatively dispersed. The findings further illustrated that the respondents disagreed that leaders have formal leadership training in the County Government with a mean of 2.42 with and a standard deviation of 1.234 indicating that the data was relatively dispersed. With regards to whether successful project managers have high level of leadership skills, the respondents agreed that leadership skills are important in project success with a mean of 3.87, with a standard deviation of 1.332 indicating that the data was relatively dispersed. The findings indicated that the indicated that individuals who had leadership skills were given project management positions in the County Government with a mean of 3.12 having a

standard deviation of 1.155 indicating that the data was relatively dispersed. Finally, the respondents disagreed that leadership skills are considered before promotion to a leadership positions with a mean of 2.73 having a standard deviation of 1.432 indicating that the data was relatively dispersed.

Table 4.3: Effect of County Leadership

	N	Min	Max	Mean	Std. Dev.
Leadership is considered in completing projects successfully	81	1	5	2.90	1.190
Leaders have formal leadership training	81	1	5	2.42	1.182
Successful project managers have high levels of leadership skills	81	1	5	3.87	1.332
Individuals with leadership skills are given project management position in the County Government	81	1	5	3.12	1.155
Leadership skills are considered before promotion to leadership position	81	2	5	2.73	1.432

4.3 Discussion of Findings

a) Relationship between Organizational Structure of County Government and Project Success

Organization structure is the hierarchical relationships of various entities within the organization that collaborate with each other for project execution. Organizational structure, style, and culture influence implementation of projects (Chandramouli, 2011). The findings agreed with this contention that the organizational structure influence the implementation of projects with respondents agreeing that organizational structure is an important project management element in the County Government with a mean of 3.22, close to neutral. In regard to standard deviation of the average which was less than 1 (.8618) implied that the data was not relatively dispersed with exception of approval of documents in the government projects and decision making processes being fast and efficient having standard deviation greater than 1 as illustrated in Table 4.1.

Having an effective organizational structure at the County Government which is able to manage the various projects effectively and secure effectiveness in public service delivery is an important element as illustrated by World Bank (2012). There is as such a need to put emphasis on the organizational structure of the County Government in order to secure and improve project performance.

b) Relationship between Stakeholder Participation in the County Government and Project Success

The findings indicated that almost all the responses were inclined below 3.00 (Neutral) with an average mean of 2.938. This drew the assertion that the respondents generally disagreed on stakeholder participation being used effectively the by County Government. It is noteworthy, that respondents agreed specifically to the arguments that the County Government has an effective communication strategy to the public with a mean of 3.19 (agree). The average standard deviation for the data was above 1 meaning the data was relatively dispersed as illustrated in Table 4.2.

The findings agreed with Winter et al., (2006) who held that stakeholders are those involved and affected by the activities of the project. The findings indicate that however that despite the stakeholder participation structures which have been put in place by the County Government, they are not still being efficiently and effectively utilized. World Bank (2012) indicates that public participation will only be meaningful if choices made are translated into spending hence the need to strengthen planning and the budget process. On the contrary, this is not being fully implemented as reflected by the findings despite the resources which have been utilized in setting them up.

c) Relationship between County Leadership in the County Government and Project Success

The findings on county leadership management indicated that all the responses are inclined towards the mean of 3.00 (Neutral) which was depicted by average mean of 3.008. This illustrates that slightly more than half held that county leadership was considered and affected project performance in the County Government projects. The standard deviation of all responses as shown in Table 4.3 was above 1 thus the data on county leadership was relatively dispersed.

Organizations involved in projects are now focusing on effective leadership as an important success factor (Westland, 2003; Pinto, 2007; Patel, 2008). Pinto (2007) suggests that project leadership is the highest ranking category among project management competence factors. The findings indicate that the project managers chosen for the various project management roles have limited leadership skills. Government funded projects are majorly political with the political leaders having a major say on how the projects are implemented (Mboga, 2009). The County Government as such need to acknowledge that leadership skills are crucial in effective management of projects and as such ensure that project managers appointed have adequate leadership skills.

5. Summary, Conclusions and Recommendations

5.1 Summary of the Research Findings

The research revolved around three independent variables. These included: the organizational structure, county leadership, and stakeholder participation. It is worth noting that all the variables had responses on a 5-point Likert scale.

a) Organizational Structure in the County Government and Project Success in Nakuru County

The findings indicated that organizational structure is an important element affecting project performance with a mean of 3.22. Organizational structure of the County Government is important in project performance as it affect the manner in which project are implemented within the County Government. This is because it affects the hierarchical relationships of the various departments affecting a project. These include the human resources department, the financial department, quality control department among others. The organizational structure of the County Government affects

project performance on how well the various element of the County Government structure are organized. In summary, having an efficient organizational structure improves the project performance of the County Government projects.

b)Stakeholder Participation in the County Government influence on project success in Nakuru County

Stakeholder participation is an important element in project implementation. Stakeholders involve those who are affected and involved by the activities of the project. The major stakeholders in government funded projects are the citizens as the government has the purpose of providing public services to the citizens. As such participation of citizens is crucial in effectively delivering services through projects. The findings illustrates that the respondent had a mean of 2.938 with regards to stakeholder participation in the County Government. However, the research study illustrates that the County Government have not effectively implemented stakeholder participation in the projects undertaken. This means that there is need to improve the performance of the County Government in including and securing stakeholder participation.

c)County Leadership in the County Government influence on project success in Nakuru County

The findings illustrates that county leadership had a mean of 3.008 in the County Government. Leadership is crucial in the implementation of project and has been illustrated as a critical success factors for project success. The project manager of the County Government projects as illustrated by the research to have leadership skills in the management of project. However, there is still need for improvement on the leadership skills of the project managers in charge of the County Government projects. Such elements as training and consideration of leadership skills before promotion need to be incorporated into the County Government.

5.2 Conclusions

The researcher drew the following conclusion based on the summary of the research findings.

a) Organizational Structure in the County Government

The organizational structure in the County Government is important for project and their success and as such a need understand its role. As illustrated in the study, despite the fact that the Constitution of Kenya has put across structures to ensure the organizational performance of the County Government, Nakuru County Government need to develop more effective strategies to ensure that these structures are utilized effectively in making sure that service delivery is achieved. The devolution of project management functions as such to the County Government needs to be improved and provided with both institutional and organizational capacity to secure effective management of projects.

b)Stakeholder Participation in the County Government

World Bank (2012) illustrates that stakeholders are those involved and affected by the activities of the project. Further, Pierre & Peters (2011) argue that the public is the most important stakeholder and as such a need to secure stakeholder participation. The research findings illustrates

that the County Government has developed various mechanism for the participation of citizens in Nakuru County. However, there are still challenges faced on the use of these strategies and mechanism by the public. There is a need for the County Government to develop strategies to improve the use of the developed technique in citizen participation in various projects. The devolution of project management functions as such to the County Government needs to be improved and provided with more improved strategies and mechanisms to increase participation of the public in projects undertaken. This ensures that the projects taken are owned by the public as well as ensuring that the projects are effective in meeting the needs of the local people.

c) County Leadership of the County Government

Leadership has been provided as one of the critical success factors for project success (Winter et al., 2006). Further, Mboga (2009) illustrate that one of the major changes facing government funded projects in Kenya is inadequate leadership skills in the management of these projects. As illustrated by the findings and discussion on leadership, county leadership plays a major role in the management of projects by the County Government. As such, there is a need for the County Government to institute training and other strategies in order to improve the leadership skills of the people in charge of the County Projects. The devolution of project management functions as such to the County Government needs to be improved and provided with project managers who have the training and have leadership skills in order to secure effective management of projects.

5.3Recommendations

a)Recommendation on Organizational Structure of the County Government

The study reveals that the structures for the County Government have already been established. However, the use of these structures in improving project success is not effective. There is as such a need for the County Government to ensure capacity is developed which provides support for the project undertaken.

b)Recommendation on Stakeholder Participation in the County Government

There is a need for the County Government to improve stakeholder participation in the various project phases. This can be done by creating awareness to the public on the various mechanisms and forums which the public can get involved in to participate in the various projects being undertaken. Findings illustrates that there are various mechanism such as meeting, social media and community forums which the public can use to engage in projects.

c)Recommendations on Leadership in the County Government

The County Government needs to ensure that the leaders and managers appointed to manage projects in the county have adequate leadership skills. This ensures that the project team and other stakeholders are inspired by the project leaders as well as provided with direction on how to secure project success.

5.4 Recommendation for Further Study

The researcher recommends future research to compare the project performance and success of projects in the past centralized government and the current devolved government. This will enable an evaluation on whether the devolution in Kenya has resulted to improved service delivery through the various projects undertaken by the government. Further, the study recommends for more research to be conducted comparison the project management functions in various Counties in Kenya so as to provide more information on how various counties are implementing the project management function in Kenya.

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