Influence of Corporate Governance Practises on Service Delivery in County Governments: A Case of County Government of Nakuru Kenya

Charles Lwanga
Nairobi University

Abstract: The adoption of devolved system of governance in 2013 in Kenya presented the County Governments with the opportunity to enhance service delivery at the local levels. However to date many Counties continue to experience increasing demands from its citizenry for provision of better services in a fair and transparent manner. This coupled with increased transfer of funds todevolved unit calls for accountability in use of public resources. The purpose of the study was to assess the corporate governance practices by County government of Nakuru as a requirement for effective management of a public institution. The study explored the following aspects disclosure and accountability systems, stakeholder’s participation in decision making, leadership structures and management qualification and compensation and how these variables of corporate governance practices affect service delivery. Literature was reviewed on theories that informs and explains the corporate governance practices. The study was conducted within Nakuru County. This study used descriptive survey design to enable the gathering of quantifiable information that can be used for statistical inference on the target population through data analysis. The target population was derived from County budget and economic forum, elected Members of County assembly, workers union, county executive members and stakeholders groups by applying random sampling. The constitution office holders who include the controller of budget and commissioner of revenue allocation representative were all be purposively sampled. The researcher used questionnaires as instruments of collecting data from respondents in addition to analysis of external and internal policy documents to collect information on reporting. The researcher relied on questionnaires and interview guide in collecting data. The Data collected was processed and analyzed through use of both descriptive and correlation analysis. The study established that all the five variables i.e transparency, Stakeholder’s participation, adherence to law and fiscal responsibility, management practices and leadership roles and responsibilities had a positive correlation with service delivery. An increase in good corporate governance practices leads to improved service delivery. The study recommended a need for the county government to come up with its calendar of events on its activities to improve transparency, Need for the county government to encourage stakeholders to participate by incorporating their views in governance processes, implementation of the laws that the county government uses to improve its fiscal policy, stream lining of the public service board to ensure equal employment opportunity is offered to all citizens and lastly the county to come up with a communication policy that defines and elaborates the roles and responsibilities of each individual in leadership position. The study was envisaged to benefit the following groups; the management County government of Nakuru on best corporate governance practices, the residence of Nakuru county on corporate governance practices, and county governments on workable solutions from a global perspective on best corporate governance practices. Further research in this area should do correlation studies of governance structures in different counties and share the success stories and learning points to counties that are lagging behind in terms of devolution and governance structures.

Keywords: Corporate governance, Service Delivery, Transparency System, stakeholder’s participation, management practice

1. Introduction

The nature of relationships that govern rules and regulations in institutions defines governance practices. It looks at processes in a system, procedures and practices that need to be adhered to. For one to maintain a vibrant change equality in society and order, delivery of goods and services, efficient production, use of power in an accountable way, human rights protection and ensuring their freedoms are met and maintaining a framework that allows citizens to solve their problems through sharing, a governance structure should be in place for all these to be achieved.

Organizations are directed and controlled through a framework that ensures relationships, systems and processes are followed [1]. Stakeholders can direct and control the process of governance through accountability frameworks [2]. Cooperate governance frameworks help public institutions achieve stability, security and efficiency [3]. The manner in which a cooperation’s power is executed in towards safeguarding an organization’s assets and resources with the intention of meeting it’s cooperate mission through increasing stakeholders value and satisfaction can be termed as cooperate governance.

Corporate governance plays a significant role towards social progress and economic development. Corporate Governance has become an issue of worldwide importance as it plays vital role in promoting economic development and social progress. The efficiency and accountability of the corporation is now a matter of both private and public interest, and governance has, thereby, come to the head of the international agenda. From an international perspective the powers of transnational corporations, separation of ownership from control, viability of corporations and link between corporate governance and productivity are the drivers in the local scene the poor performance of state corporations coupled with rampant corruption, nepotism and decline in economic growth are the drivers toward corporate governance.

The corporate governance of state-owned companies has moved to the forefront of the political agenda in several Western European countries and elsewhere since the late 1990s [4]. Triggered by large corporate scandals,
international corporate governance developments, and the recurring criticism of state ownership administration, which has seen political attempts to cope with issues of firm monitoring and control

Corporate governance In the African context became widely used in public organizations, since the year 2000 [5]. The popularity of corporate governance in public institutions resulted from a growing realization that they need managers to run them and management boards to ensure that the institutions are run effectively and in the right direction [6]. Hence, corporate governance has become popular in the non-profit-making institutions in Africa, because it is seen as a strategy for promoting good performance of institutions by preventing poor governance from taking root. Worldwide concern for transparency and accountability in all types of human endeavors has solidified the popularity of corporate governance in public institutions. The concern for public institutions to have practices and procedures that enable them to achieve their objectives and meet stakeholder expectations has enabled corporate governance to find a firm grounding in city governance [3].

The global pressure for Africa cities to meet international city performance has motivated cities to try governance structures that will improve service delivery. This in addition to concerns among stakeholder for devolved units to provide more efficient services[5]. Performance of municipal levels of government is receiving renewed emphasis especially in developing countries owing to recent moves to promote countries owing to recent moves to promote efficiency and redistribution of resources in urban areas. Interest in performance of cities began in the 1950s, when central government began funding large portions of city budgets [7]. The goal of local governments were then perceived as providing the services efficiently and cost effectively with high level of accountability to the tax payers. This can be attributed to corporate governance practices which impacts on effective service delivery.

In the 1990s, East African countries started adopting decentralization and most cities became local government units with Kenya adopting and implementing a more robust system of devolved government in 2013 under the new constitution of 2010.Therefore the role on the central and national government in the management of cities and in the context of devolved units changed. The national government role in County government becomes that of ensuring that prudent choices and actions are made regarding the use of public resource .This is due to increased level of funding by national government to the devolved units. In this context a complex bottom up-up inclusive approach to devolved units governance became operative as dictated by provision in constitution and other legislations. Kenya’s devolved system of governance presents county governments with the opportunity to enhance service delivery at the local level and citizens in the devolved units with numerous opportunities to engage in governance process [8].

County Governments in Kenya are independent legal entities with administrative and legal powers delegated by the Kenyan constitution and County Government Act 2013. The constitution of Kenya 2010 and CGA 2012 among other legislation, envisage a situation where citizens are actively engaging in governance at various levels. Leaders whether elected nominated or appointed should therefore facilitate participation of citizens in governance process. The senate in Kenya which is considered the upper house (legislative body) is tasked with ensuring that County Governments have the institutional and policy framework systems and capacity to effectively provide the required local services in a responsive, efficient accountable and transparent manner.

The study focused on County Government of Nakuru which was created by the Constitution of Kenya 2010 under article 176. It is the fourth largest county in Kenya in terms of population and it covers an area of about 2,328.8Km². The population of the county had about 1,603,325 based on the 2009 Kenyan census report. Nakuru has 11 sub-counties that include Nakuru Town West, Nakuru Town East, Bahati, Rongai, Subukia, Kuresoi North, Kuresoi South, Gilgil, Naivasha, Njoro, and Molo and 55 wards [9]. It is governed by the executive made up of the Governor and Deputy Governor and the executive committee member and the legislative wing made up of Elected MCAs under the leadership of County Assembly Speaker.

County government (Devolved units) is therefore the sphere of government closest to the people they are elected by citizens to represent them and are responsible to ensure that services are delivered to the community. The County Governments undertakes the collection of levies in-order to provide services to citizens within their localities. Effective corporate governance can help Devolved units to transform their local areas into a better place to live and work. Despite the fact that County residents and members of the community know what services they would like to have in their area many Devolved units, were unable to deliver services to residents. This might have be because of poor leadership, lack of proper management and lack of accountability which is a major impediment to efficient and reliable services delivery by County governments.

2. Statement of the Problem

In Kenya the aspect of governance has undergone significant changes since the promulgation of the new constitution in 2010 with introduction of two levels of Government at the National and County level. The adoption of devolved system of governance in 2013 presented the County Governments with the opportunity to enhance service delivery at the local level and the citizens in the devolved units with numerous opportunities to engage in governance processes [8]. Despite much progress, in the last five years of devolution it has been noted that many county governments in Kenya continue to ranks poorly in terms of service delivery.

County Governments’ in the current environment continue to experience increasing demands from its citizenry for provision of better services in a fair and transparent manner. The citizens have a high expectation with Kenya devolution touted as among the most ambitious in the world, transferring key functions and financing of at least 15% of National revenue to the devolved units. With Devolved units collecting over Kshs 150 billion cumulatively in form of local revenue in last five years from its residents the
Expectation is that it will be used to provide services such as health services, improved housing, safe drinking water, feeder roads, market, basic sanitation and street lighting. This is in addition disbursement to County government from national government with the 2017/2018 estimate of Kshs 302 billion and proposed increase to Kshs 314 billion in 2018/18 [10]. The above calls for accountability in the use of public resources whereas Report by auditor general has arraigned the County governments for the failure to prudently use public resources with instances where some counties have failed to comply with existing financial laws and other fiscal responsibility principles. This has led to an expectation gap between what the citizen demands and what is provided. The gap could be attributed to noncompliance with existing laws, corruption, inefficacy, misappropriation of funds and gross mismanagement.

Concerns continue to be raised on the capacity of counties to operate effective financial management systems and adopt the principles of transparency and accountability in their operations. The concerns are particularly around the expenses of County Assemblies, use and application of resources by County executives and adherence to public procurement laws [11]. In this respect a strategic perspective on corporate governance which is important for improved performance of County governments and enhanced service delivery in many instances has been overlooked with reference to accountability and transparency on resource usage.

The provision of services to residents of a County is the responsibility of the Governor and his/her executive the operational wing whose role is policy making and implementation and the county Assembly the political wing whose role is oversight and legislation. The second term of the county governments have also seen new county administrations mistreating, harassing, negative profiling and intimidating of county employees which has been threatening service delivery [12]. This being aspect corporate governance will be investigated with reference to productivity and service delivery.

Lack of cohesion among County leadership continue to herald the headlines with regular reports of delays in approving legal documents which include annual budgets and constituting executive committee, in addition to threats of impeachment of county executive within devolved units. There is a continued tense and strained relationship between the county executive and county assembly which constitute the county leadership a variable that has positive or negative effect on public service delivery [13]. The article bring to fore the delays by MCAs in Siaya County to vet and approve the nominees for cabinet positions This being a variable of study the research will seek to establish the nature of relations between the leadership of the Nakuru county, how they play their roles and the effect on service delivery.

The success of devolution and the ability of devolved governance to enhance public service delivery at county level is determined by factors such as the level of transparency and accountability by those in leadership, prudent use of public funds, adherence to laws and an informed and actively engaging citizenry [8]. In this respect, concern of the study was to establish whether CGN fulfills its corporate responsibilities with no such studies having been undertaken on devolved governments. This created a knowledge gap that the study intended to fill. It was therefore vital to carry out the research to assess the influences of cooperative governance practices on service delivery by CGN.

Research Hypotheses

1) $H_0: \mu_1 = \mu_2$; Transparency systems adopted by County Government of Nakuru does not influence service delivery.
2) $H_0: \mu_1 = \mu_2$; Stakeholder’s participation in the operations of County Government of Nakuru does not influence service delivery.
3) $H_0: \mu_1 = \mu_2$; Compliance with the financial laws and fiscal responsibility principles in the operations of County Government of Nakuru does not influence service delivery.
4) $H_0: \mu_1 = \mu_2$; Management practices of County Government of Nakuru do not influence service delivery.
5) $H_0: \mu_1 = \mu_2$; The leadership structure of County Government of Nakuru does not influence service delivery.

3. Literature Review

Both theoretical and empirical review have been presented to better understand the study.

4. Theoretical Review

Agency Theory

Agency theory is also referred to as the Principal-Agent Theory was pioneered by Stephen Ross and Barry in 1973 [14]. The theory examines organizational relationship as tension between the “Principal” who demand a service and the “Agent” who provides it. The model assumes that actors are motivated by rational self-interest. The thrust of the “principal-agency theory is about the relationship between the principal agent and its effect on services on the demand-side”

This theory therefore applies to the governance of county governments as it defines “the relationship between the principals, who are shareholders (county assembly) and agents who are the county executives. In devolved units, the stakeholders are represented by the legislative wing, the speaker and the MCAs. The county executives, headed by the Governor and the Deputy Governor who happen to be elected by the masses are the bureaucrats who perform the technical and management functions of the devolved units on behalf of the stakeholders. The theory suggests that stakeholders in institutions should have significant powers in the operations of the institutions in order to have an effect on the running of the institutions [15]. In order for county government to function effectively, these representatives of the people (county assembly) should collaborate well with the bureaucrats (county executive).
The theory is seen as problematic since it is particularly salient on the demand-side of public service delivery, “which arises from the fact that clients, politicians and frontline providers have divergent interests compounded by the fact that multiple principal-agent problems result in the delivery chain). The political leaders who include MCAs on one hand and the office of the Governor and his deputy Governor both elected but representing the different arm of the County establishment have significant powers in the running of the county. Governance problems are likely to arise in institutions because agents (county executives) are not willing to bear responsibility for their decisions unless they own a substantial amount of interests in the institution.

In this respect the theory presents the leadership structure and the challenges in service delivery in devolved units. The agency theory also advocates the setting up of governance rules and incentives to align the behavior of managers to the desires of stakeholders [16].

In this theory, shareholders who are the owners or principals (MCAs) of the devolved units, vets and approves the county executive committee members to perform work. Principals delegate the running of business to the county executive committee members, who are the shareholder’s agents. The agency theory shareholders expect the agents to act and make decisions in the principal’s interest. On the contrary, the agent may not necessarily make decisions in the best interests of the principals. In agency theory, the agent may succumb to self-interest, opportunistic behavior and falling short of congruence between the aspirations of the principal and the agent’s pursuits. Even the understanding of risk defers in its approach. Indeed, agency theory can be employed to explore the relationship between the ownership and management structure. However, where there is a separation, the agency model can be applied to align the goals of the management with that of the owners. This theory prescribes that people or employees are held accountable in their tasks and responsibilities. Employees must constitute a good governance structure rather than just providing the need of shareholders, which maybe challenging the governance structure.

The devolved units (County Governments) in Kenya continue to experience problems of service delivery [14]. This problem arises not just from conflict of interest but also from the privilege access of the agents to information and resources. The agent who has been employed to provide services to the electorate have tended to use their superior knowledge and access to resources to divert benefits in their own direction. This theory describes the situation and is relevant since it shows that the electorate (principal) is not powerless as is the public opinion but can indeed dictate the way the services are delivered. Constitutional avenues like the recall clause can be applied.

The theory into focus several variables of the study in respect to Principal (County electorate) and the Agents (county government officials and county executive ) which include relation between the two set of leadership, transparency and accountability, stakeholders involved, and adherence to rules and laws of engagement. This is for the purpose of managing the self-interest of those empowered to act on their behalf so that it will be aligned with the purposes of efficient service delivery to the public (the principal) as envisaged in the constitution.

5. Empirical Review

According to [17] on “Investigation into Corporate Governance at Moorabool Shire Council Bring to focus the role of elected leaders in local governments/County governments. It is recommended that Councilors should not be involved in day-to-day operations of the Council, nor should the Council adopt practices which limit transparency and accountability. It is important that there is no, nor any perception of, Councilors Involvement in matters where they have an interest whether pecuniary or not. He posited that the Council has robust governance processes in place but needs to ensure that its policies and procedures are consistent and not contrary to good governance and transparency. Ongoing review of governance arrangements and policies is critical to ensure currency and compliance by all Shire staff and Councilors, and it is incumbent on the Mayor and CEO to set appropriate standards, to monitor adherence and performance and to counsel those who fail to meet the agreed arrangements.

Radical political and economic reforms sweeping through developing countries are forcing them to rethink local governance and adopt structures that promote effective public service delivery [5]. A recent study in Vietnam compared the relationship between stakeholder participation and city performance across cities. The findings revealed that the contribution of stakeholder participation to city performance was better in large cities than in small cities. Owing to the fact that stakeholders in small cities were poorer and had insufficient empowerment, they participated less in planning and decision-making and city managements were not able to effectively meet their needs. While stakeholders in larger cities were seen to more organized and presented a unified voice and were able to demand accountability in terms of services from city management. This increased their access to basic public services. While the study showed that stakeholder participation, especially by citizens, had major significance in the management of current cities in developing countries, it was done among cities with centralized governance. Kampala and Kigali operate in decentralized settings and it is not clear how this affects the quantity and quality of stakeholder participation with regard to demands for better service delivery by city management.

The study by Samia and Athmen revealed the importance of human resource management practices on corporate governance and concluded that corporate governance affects human resources through several factors, the most important of which is the systems of remuneration and compensation that contribute to create the added value and to realize the professional satisfaction [18]. This interest also realizes one of the very important aspects of social responsibility, which has become recently one of the criteria of competitiveness, which is improved when the administrative board is well managed to properly exert its responsibilities and make the best strategic decisions through the consultation with its human resources. This can realize the achievement of better performance and increased productivity that lead to the
increase in profits, which means realizing advantages for all interested parties, including stakeholders and shareholder.

Behrens did a study on the influence of collaboration on city performance. Her findings revealed that collaboration among city leaders is relatively new and did not substantially contribute to city performance. She found that while collaboration produced harmonious integration, it resulted into negatively perceived agency capitulation. She suggests the need to clearly operationalize collaboration as a goal or as an objective for groups if it is to significantly contribute to better city performance [18].

6. Conceptual Framework

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Intervening Variable</th>
<th>Dependent Variable</th>
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<tbody>
<tr>
<td>Transparency</td>
<td>National Government policies and actions</td>
<td>Service delivery</td>
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<tr>
<td>- Financial reporting systems</td>
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<td>- Access to relevant plans, budgets</td>
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<td>- Citizen friendly documents</td>
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<td>- Feedback mechanism</td>
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<tr>
<td>Stakeholder participation</td>
<td>- Allocation of funds</td>
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<td>- Public consultations</td>
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<td>- Public participation policy guidelines</td>
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<tr>
<td>- Ward committees</td>
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<tr>
<td>- County budget and economic forums</td>
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<tr>
<td>Adherence to laws and fiscal responsibility, sustainability</td>
<td>- Policy requirements</td>
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<tr>
<td>- Adherence to laws i.e. PFM</td>
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<td>- Debt levels</td>
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<td>- Fiscal responsibility principles</td>
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<td>- Legal audits</td>
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<td>Management practices</td>
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<td>- Staff capacity</td>
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<td>- Succession plans</td>
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<tr>
<td>- Staff development</td>
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<tr>
<td>Leadership structure and role</td>
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<tr>
<td>- Collaboration and</td>
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<tr>
<td>- Communication</td>
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<tr>
<td>- Conflict resolution</td>
<td></td>
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<tr>
<td>- Relationship between executive and legislature</td>
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</tbody>
</table>

7. Methodology

Descriptive survey design was used for the study. It gathers quantifiable information that can be used for statistical inference on your target audience through data analysis. The target population for the study consisted of 1 representative from Office of the Controller of Budget and Commission on Revenue Allocation, 36 officials of County Workers union, 550 Stakeholder groups representing customers who receive County services, 10 Heads of Departments, 11 Non state actors who are members of County Budget and Economic Forum and 74 elected and nominated MCAs in Nakuru county who are part of county leadership which constitutes variable of study. Yamane (1967) provided a simplified formula to calculate sample sizes as:

\[ n = \frac{N}{1 + Ne^2} \]

Where  \( n \) – sample size,  
\( N \) – Sampling population,  
\( e \) – Level of significance

Given a population of 684 and significance level of 10%, then the sample size can be calculated as:

\[ n = \frac{684}{1 + 684(0.1)^2} = 87.03 \]

Therefore with a confidence level of 90% and a margin of error of 10%, the sample size constituted of 87 respondents.

The research applied both the probability and non-probability sampling techniques. The probability technique was used for the selection of MCAs, CBEF members, stakeholder groups. Using the technique, the researcher used random sampling as a basis of identifying the departments whose respondents the research instruments were administered. MCAs were stratified into Sub-counties and randomly sampled while the stakeholders were selected using multi stage sampling technique. The purposive sampling a non-probability sampling technique was applied to the clerk to county assembly OCOB and CRA due to their constitution oversight mandate. Both census and Quota sampling was applied by the researcher in choosing the period of reviewing of publication of requisite legal documents and analysis of documents.

The researcher used questionnaires and interview guide as instruments of collecting data from respondents with regard to policies and procedures of corporate governance. The researcher also applied analysis of county information platforms for review of the disclosure and transparency system. The researcher relied on document analysis in collecting data county government with regard to adherence to laws and fiscal responsibility principle on debt, wages and...
Data collected was processed and analyzed through use of both descriptive and correlation analysis. A software statistical package (SPSS) aided in data analysis. This was presented as numeric values as per the Likert scale in the questionnaires in additional to the textual form when analyzing the policy documents. Descriptive statistics such as frequency tables, pie charts and percentages were applied to describe each variable. Correlations analysis was used to check the relationship and strength of the different variables in comparison to service delivery. On the other hand, qualitative data collected were expressed in textual form where the researcher used non-statistical techniques.

### 8. Data Analysis and Presentation

Correlation and hypothesis tests have been presented in this section.

#### Correlation Analysis

A correlation analysis was thus undertaken to check whether there was a relationship and the strength of the relationship between the independent and dependent variable. A presentation of the correlation matrix is presented in Table 1 as follows:

<table>
<thead>
<tr>
<th></th>
<th>Transparency</th>
<th>Stakeholders participation</th>
<th>Adherence to law and fiscal Responsibility</th>
<th>Management Practices</th>
<th>Leadership Structures and Roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transparency</td>
<td>Pearson Correlation</td>
<td>.626**</td>
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<tr>
<td></td>
<td>Sig. (2-tailed)</td>
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<td></td>
<td>N</td>
<td>71</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stakeholders participation</td>
<td>Pearson Correlation</td>
<td>.754**</td>
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<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
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<td></td>
<td>N</td>
<td>71</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Adherence to law and fiscal Responsibility</td>
<td>Pearson Correlation</td>
<td>.554*</td>
<td>.654*</td>
<td>.648*</td>
<td></td>
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<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.000</td>
<td>.002</td>
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<tr>
<td></td>
<td>N</td>
<td>71</td>
<td>71</td>
<td>71</td>
<td></td>
</tr>
<tr>
<td>Management Practice</td>
<td>Pearson Correlation</td>
<td>.558*</td>
<td>.458*</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.002</td>
<td>.002</td>
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<td></td>
<td>N</td>
<td>34</td>
<td>34</td>
<td>34</td>
<td>34</td>
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<tr>
<td>Leadership Structures and Role</td>
<td>Pearson Correlation</td>
<td>.658**</td>
<td>.052</td>
<td>-.026</td>
<td>.402*</td>
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<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.002</td>
<td>.000</td>
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<td></td>
<td>N</td>
<td>71</td>
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**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

On transparency and service delivery, the results indicated \( r=\.626 \) indicating a positive strong correlation between transparency and service delivery. Further the relationship was significant at \( p=\.00<\alpha (.05) \). The implication deduced is that transparency in county governments has an influence on service delivery. An increase in levels of transparency increases better and efficient service delivery. This led to the rejection of the null hypothesis, it was thus concluded that transparency systems adapted by the county government had an influence on service delivery.

On stakeholders participation, it was established that \( r=\.754 \). Indicating a positive strong correlation between the two variables. The relationship was significant at \( p=\.00<\alpha (.05) \), implying increasing stakeholders participation has a positive influence on service delivery. The null hypothesis was rejected and the alternative hypothesis adapted. It was concluded that stakeholder’s participation has an influence on service delivery in Nakuru County. Stakeholder’s participation enables the citizens to be involved and further encourages ownership of projects which improves the relationship of the government and the citizens.

There was a moderate positive correlation between adherence to law and fiscal responsibility and service delivery with \( r=\.554 \) which was significant at \( p=.01<\alpha (.05) \). The null hypothesis was rejected and the alternative hypothesis adapted that fiscal responsibility has an influence on service delivery. This implied that the more the county government adhered to the set laws, the better the services would be experienced by the citizens. Noncompliance to the law leads to misplaced priorities and further encourages unethical behaviors which translate to poor services.

On management practices, the study established \( r=.558 \) indicating a positive moderate correlation between the two variables. This was significant at \( p=.00<\alpha (.05) \), an improvement in management practices leads to better service delivery at the county. The study rejected the null hypothesis and the alternative hypothesis was adapted indicating management practices had a significant influence on service delivery in Nakuru County.

Lastly, there was a positive strong correlation between leadership structure and roles and service delivery, \( r=\.658 \) which was significant at \( P=\.01<\alpha (.05) \). Improved leadership structures with defined roles leads to better services in the county. The findings led to the rejection of the null hypothesis and the alternative hypothesis was adapted indicating leadership structures had an influence on service delivery.
Compensation to employees has remained steady over the years with slight increase from the set 35%. 2014/15 experienced more employees being compensated; this was followed by 38.4% in 2017/18. Compensation to employees indicate employees welfare is taken care of which can translate to better services. Further, it points to better management practices in the County.

On development level, there has been an increase and decrease over the years. Financial year 2016/17 experienced a 30% increase in the development level. Increased development at times translates to improved service delivery. 2017/18 experienced a major development decrease and this could be attributed to the electioneering period that led to stalled development activities.

The debt level in the year 2013 – 2014 had recorded steady low levels. There has been a gradual increase from 2015 to 2018. An increase in debt level can be translated in two ways; debt level can increase if debts are used for developmental activities which might imply increase service delivery. An increase in debt on the other hand might imply a county is not able to sustain itself hence has to incur a lot of debts which might hamper service delivery.

The study established that the county government of Nakuru has a mission and vision statement. Further, there are statutory documents such as date paper, budget estimates and county fiscal strategy paper. The job adverts are present in the website. Availability of all the information on the website indicates there is disclosure and accountability at the county government.

9. Summary, Conclusion and Recommendation

9.1 Summary of Findings

There were more male respondents (59.2%) than female (40.8%). Majority of the respondents were between 31-40 years picked from different job cadres and categorization as
presented in chapter three of this study. Different people had different educational attainment but a bachelor’s degree was the most common qualification among the respondents.

On Transparency at the county government, it was established that there are a number of ways that are used to access information. Budget preparation and validation of projects was the major channel that citizens could use to access information. It was believed that the citizens understood the information provided by the county government. Use of public meetings was the most common channel of media that transmitted public communication. Other forms included community radio, newspapers, websites, T.Vs, Huduma centres and other social media channels such as the county facebook page.

The financial reports are not prepared on a timely basis for submission to the county assembly and other organs, an audit committees as per the PFM Act is either not in place or not effectively implemented, ongoing concerns by the executive on annual financial statements are not effectively reported. A policy for disclosure of gifts has not been effectively put in place by the county government.

There was moderate stakeholder’s participation in decision making concerning the county, additionally, the stakeholders had been moderately empowered to identify their needs. The views of the stakeholders were never fully implemented and avenues for stakeholder groups to fully consult had not been put in place. Ward committees that could be used to challenge the county government on wastage of resources are not effectively operational and monitoring of service delivery by stakeholders is not a common phenomenon.

One way of adhering to law and fiscal policy was through approvals of financial and planning documents done on time by the county assembly. It was also established that budgets were prepared on time. Legal adherence to statutory deadlines was moderately undertaken while laws and regulations were not timely identified, documented and observed. Further, budgetary approvals for recruitment of new employees were not considered at the county government.

Personnel at the county were not assured of retaining their current positions in case of changes in the county government. The negative aspects of management practices included lack of equal opportunity for employment and promotion, remuneration received was not considered fair to all and the promotion policy had not been approved by the workers union and county executive. On the positive, there were at least succession plans for personnel for service delivery. It was also noted that the county maintains adherence to statutory deadlines.

On leadership structure, there was a positive strong correlation between leadership structure and their roles on service delivery. Defined roles for leaders and their ability to work independently translate to better services. There have been noted interferences in Nakuru County that has had a negative impact on service delivery. Defined roles for leaders and their ability to work independently translate to better services. There have been noted interferences in Nakuru County that has had a negative impact on service delivery. Defined roles for leaders and their ability to work independently translate to better services. There have been noted interferences in Nakuru County that has had a negative impact on service delivery. Defined roles for leaders and their ability to work independently translate to better services. There have been noted interferences in Nakuru County that has had a negative impact on service delivery. Defined roles for leaders and their ability to work independently translate to better services. There have been noted interferences in Nakuru County that has had a negative impact on service delivery. Defined roles for leaders and their ability to work independently translate to better services. There have been noted interferences in Nakuru County that has had a negative impact on service delivery. Defined roles for leaders and their ability to work independently translate to better services. There have been noted interferences in Nakuru County that has had a negative impact on service delivery.

9.2 Conclusion

Transparency has a strong positive correlation with service delivery. The more a government is seen to be transparent the better its service delivery is perceived to be. The government has set mechanisms that can ensure transparency although it has not yet reached the desired levels.

Stakeholder’s participation has a strong positive correlation with service delivery. The more the stakeholders participate the better services they receive. Stakeholders in Nakuru moderately participate in key decision making processes as they have not been empowered to participate.

Adherence to law and fiscal responsibility has a moderate positive correlation with service delivery. Budgets in Nakuru County were slightly prepared on time, further there was moderate adherence to statutory deadlines.

There was a positive moderate correlation between management practices and service delivery. Management practices in Nakuru has not yet reached the desired levels as there are lack of equal opportunities for employment, unfair remuneration and promotion policy is yet to be standardized. There are improved levels of accountability coupled with presence of succession plans for service delivery.

On leadership structure, there was a positive strong correlation between leadership structure and their roles on service delivery. Defined roles for leaders and their ability to work independently translate to better services. There have been noted interferences in Nakuru County that has had a negative impact on service delivery. Leadership structure in Nakuru has not yet reached the desired threshold.

9.3 Recommendations

There is need for the county government to come up with its calendar of events on its activities. This should be availed to all the citizens at the beginning of a financial year. This will help in proper planning of its activities and ensure timely submissions of statutory requirements to both the county assembly and other organs. A calendar of events will help in promoting transparency and accountability in the county. Other ways to promote transparency is by allowing for social audit by the citizens, involving the public through a proper public participation, setting a disclosure policy of gifts among others.

The county government should encourage stakeholders to participate by incorporating their views in governance processes. Public participation should be a forum that is used to reach as many stakeholders as possible and allow them to air their views. The county needs to adopt an open door policy where stakeholders will feel valued for their
contribution. A feedback mechanism should also be delivered where stakeholders are informed of the process of their participation and the key decisions that result from the participation. Further, ward committees should be put in place that acts as watchdogs on governance matters. These committees should be independent so as they are not compromised.

There is need for the county government to implement the various laws it uses. The county government has been on the fore front of developing laws, regulation and policy framework yet Implementation of the same has not been effective.

The county government should streamline its public service board to ensure equal employment opportunity is offered to all citizens. A detailed promotional plan should be put in place and each employee should be aware of the promotional practice. There is further a need to standardize remuneration especially for employees of former county council, new devolved units and those who have been seconded from the national government. This will motivate employees towards better service delivery.

Come up with a communication policy that defines and elaborates the roles and responsibilities of all individuals in leadership position. The county government needs to encourage its employees not to interfere with roles and responsibility of others.

10. Future Scope

1) There is need to do a correlation studies of governance structures in different counties and share the success stories and learning points to counties that are lagging behind in terms of devolution and governance structures.
2) Additionally, there is need to understand the effect of work transfers on service delivery in Nakuru County.

References


Author Profile

Charles Lwanga Omondi is a certified Secretary (CS) of Certified public accountants of Kenya. He is an accredited governance auditor associate faculty Kenya School of Government (KSG). He has of a Bachelors of Arts from University of Nairobi, MBA from Jomo Kenyatta University of Agriculture and Technology. Master of Arts in project planning from University of Nairobi. He is currently the head of budget in county Government of Nakuru.