

**PERFORMANCE CONTRACTING AND EMPLOYEE SERVICE
DELIVERY AT KIRINYAGA UNIVERSITY, KENYA**

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DECLARATION

This research project is my original work and has not been submitted for the degree in any other University.

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DEDICATION

This study is dedicated to my beloved husband Chibole for his support and continuous encouragement and my two sons Andy and Randy, even though they may not understand my long hours of absence.

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TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
LIST OF APPENDICES	viii
LIST OF FIGURES	ix
LIST OF TABLES	x
ABBREVIATIONS AND ACRONYMS	xi
ABSTRACT	xii
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the Study	1
1.1.1 Performance Contracting	2
1.1.2 Service Delivery	2
1.1.3 The Concept of Performance Contracting and Service Delivery	3
1.1.4 Performance Contracting and Service Delivery at Kirinyaga University	3
1.2 Problem Statement	4
1.3 General Objective	5
1.3.1 Specific Objectives	5
1.4 Research Questions	5
1.5 Scope of the Study	5
1.6 Justification of the Study	5
1.7 Limitations of the Study	6
CHAPTER TWO	7
LITERATURE REVIEW	7
2.1 Introduction	7
2.2 Theoretical Review	7
2.2.1 Goal Theory	7
2.2.2 Expectancy Theory	7
2.3 Conceptual Frame Work	8
2.3.1 Target Setting	10
2.3.2 Target Implementation	10
2.3.3 Target Evaluation	11
2.3.4 Service Delivery	11

2.4 Empirical Review.....	11
2.5 Summary of Reviewed Literature	13
2.6 Research Gaps.....	16
CHAPTER THREE.....	17
RESEARCH METHODOLOGY.....	17
3.1 Introduction.....	17
3.2 Research Design.....	17
3.3 Study Population	17
3.4 Sampling Technique and Sample Size.....	17
3.5 Data Collection Instruments	18
3.6 Data Collection Procedures.....	18
3.7 Pre- Testing of Research Instruments	18
3.7.1 Validity Test	19
3.7.2 Reliability Test	19
3.8 Data Processing and Analysis	19
CHAPTER FOUR	21
RESEARCH FINDINGS AND DISCUSSIONS.....	21
4.1 Introduction.....	21
4.2 Response rate	21
4.3 Pre-testing Results for Research Instruments	21
4.4 Demographic information.....	22
4.4.1 Gender of the respondents	22
4.4.2 Age of the respondents	22
4.4.3 Academic qualification of the respondents	23
4.4.4 Performance target setting.....	24
4.4.5 Performance target implementation	25
4.4.6 Monitoring and evaluation	26
4.4.7 Service Delivery	28
4.4 Inferential findings.....	29
4.4.1 Relationship between service delivery and performance target setting ...	29
4.4.2 Relationship between service delivery and performance target implementation.....	30
4.4.3 Relationship between service delivery and performance target monitoring and evaluation.....	31

4.4.4 Regression analysis and ANOVA	32
4.4.5 Analysis of variance	32
4.4.6 Overall regression model.....	33
CHAPTER FIVE	35
SUMMARY, CONCLUSION AND RECOMMENDATIONS	35
5.1 Introduction.....	35
5.2 Summary of Findings.....	35
5.2.1 Performance target setting	35
5.2.2 Performance target implementation	35
5.2.3 Monitoring and evaluation	36
5.3 Conclusion	36
5.3.1 Performance target setting.....	36
5.3.2 Performance target implementation	36
5.3.3 Monitoring and evaluation	37
5.4 Recommendations of the Study	37
5.4.1 Performance target setting.....	37
5.4.2 Performance target implementation	37
5.4.3 Monitoring and evaluation	38
5.5 Suggested areas for further research	38
REFERENCES	39
APPENDICES.....	41

LIST OF APPENDICES

Appendix I: Staff Questionnaire	41
Appendix II: Introduction Letter to Kirinyaga University.....	45
Appendix III: Authority Letter from Kirinyaga University.....	46

LIST OF FIGURES

Figure 2.1: Conceptual framework for effect of PC on employee service delivery at Kirinyaga University, Kenya.....	9
Figure 4.1: Gender of the respondents	22
Figure 4.2: Age of the respondents	23
Figure 4.3: Academic qualification of the respondents.....	24

LIST OF TABLES

Table 2.1: Summary of Empirical Review	13
Table 3.1: Sample Selection	18
Table 3.2: Statistical Analysis	20
Table 4.1: Cronbach Alpha for Reliability Assessments.....	21
Table 4.2: Descriptive statistics for performance target setting	25
Table 4.3: Descriptive statistics for performance target implementation.....	26
Table 4.4: Descriptive statistics for performance monitoring and evaluation.....	27
Table 4.5: Descriptive statistics for performance service delivery	29
Table 4.6: Correlation between service delivery and performance target setting	30
Table 4.7: Correlation between service delivery and performance target implementation	31
Table 4.8: Correlation between service delivery and performance target monitoring and evaluation.....	31
Table 4.9: Regression analysis model	32
Table 4.10: Analysis of variance	33
Table 4.11: Regression coefficients.....	34

ABBREVIATIONS AND ACRONYMS

AAPAM	African Association of Public Administration and Management
DPCA	Directorate of Performance Contracting and Appraisal
KyU	Kirinyaga University
GPRA	Government Performance and Results Act
IMF	International Monetary Fund
IPPD	Integrated Payroll and Personnel Database
OECD	Organization for Economic Co-operation and Development
PC	Performance Contracting
PSA	Public Service Award
PSR	Public Service Report
SAP	Structural Adjustment Program
UK	United Kingdom
UN	United Nations
USA	United States of America
VER	Voluntary Early Retirement
WB	World-Bank

ABSTRACT

The potential to increase service performance and delivery through performance contracting have seen accelerated effort in research in this relatively new concept of management in Kenya. Most studies have focused on performance management, performance measurement, commitment, and target meeting. The identified problem in this study was the changing roles of employees, yet the targets to measure their performance were static, measure and evaluation procedures were not standardized from one evaluator to another, and the lack of reward scheme to motivate high performers. The research sort to understand effects of performance contracting on employee service delivery at Kirinyaga University. The study adopted descriptive cross-sectional research design. The study population was 272 staff members of Kirinyaga University. Primary data was collected using a structured questionnaire that included both closed and open-ended questions. Pilot study was conducted in order to determine validity and reliability of research instruments. The Statistical Package for Social Science package was used in the data analysis. Descriptive statistical tools including the mean, mode standard deviation, and variance were used to analyze qualitative data. Inferential statistics was done by use of correlation and multiple linear regression analysis in order to establish the relationship between independent variable and the dependent variable. Analyzed data was presented inform of frequency tables, charts and graphs. The results revealed that performance contacting parameters significantly ($t = 3.407, p < 0.05$) affected service delivery of the University. It was also revealed that target implementation significantly ($t = 2.633, p < 0.05$) influenced service delivery. However, it was established that target setting ($t = -1.816, p < 0.05$), monitoring and evaluation ($t = 0.617, p < 0.05$) did not significantly influence service delivery at Kirinyaga University. In conclusion, proper target setting, monitoring and evaluation, and target implementation are necessary in achieving employees and organizations' goals as well as satisfactory delivery of services to customers.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

According to Lin and Lee (2011), the private sector was the first to embrace performance contracting (PC) as a management tool before the public sector. In the 1980s and early 1990s, the 360-degree appraisal systems were introduced. Performance management is categorized as a control mechanism used by organizational management to control, guide, and monitor the work activities of their juniors in ensuring that they contribute to the strategy of the organization (Mackie, 2008). The limited resources of the private sector was a key contributor to their adoption of performance contracting as a means of innovation to achieve higher performance. Performance within the private sector is much easy because they are mainly concerned with measurable profits as opposed to the public sector, which often has many not easy to measure, and sometimes conflicting objectives. The research used the Goal theory to analyze the target variable and the Expectancy theory for the service delivery variable.

Since late 1980s, the rapid global changes across the entire world were observed, where almost all the sectors of the world economies were affected. These changes have affected the education institutions around a great way in the world, which radically altered the performance and working environment, by introducing rapid dynamics characterized by very stiff competition in the educational institution. Subsequently, as the world continues to be more and more competitive; universities and the private sector have realized the need for improved service delivery as the only avenue for remaining competitive.

The introduction of performance measurement in most organizations is influenced by the presence of tangible outputs that are measurable and a conducive organizational environment, including support by stakeholders for private entities and political class for the public sector (Dooren, 2006). Mackie (2008) argues that the objective of performance contracting management system and strategies is to introduce systematic controls and regulate activities of an organization to attain agreed objectives. To this end, this research is concerned with the effects of

performance contracting on service delivery. Two theories, the Goal Theory and the Expectancy Theory, were used to describe the two study variables of target and service delivery respectively.

1.1.1 Performance Contracting

According to Obong'o (2009), virtually all Organization for Economic Co-operation and Development (OECD) nations practice some form of performance contracts in the management of their public sector. Views on performance contracting conclude that it is promising and effective means of improving performance in public enterprises all over the world. Scholars have been attracted to the concept of performance contracting because of its potential to improve service delivery. The available literature mostly focuses on employee participation and awareness, the association between individual targets and PC, link between reward systems and PC, effects of PC on performance, theories, and training that support the concept.

In United Kingdom (UK), performance contracting in public sector was introduced in 1998 as Public Service Agreement (PSA) system and outlined a set of performance targets which all government agencies were to report on (Metawie and Gilman, 2005). Grapinet (1999) noted that in Finland, major public service reforms were introduced during 1987-1997 according to study on Public Sector Performance Contracting and the aim was to make public agencies more responsible and accountable. In Denmark according to May (2005), performance contract played a major role in improving efficiency and increasing policy control and in United State of America (USA) according to Government Performance and Results Act of 1993, performance contract aimed at making federal departments more productive and therefore boosts citizens' confidence in their government.

1.1.2 Service Delivery

The ultimate goal of every organization is service delivery. Employees in their own sphere are encouraged to perform optimally in their roles and duties and employers often base the productivity of employees on service delivery. Performance contracting is a tool upon which employees can measure the level of service delivery of each employee. Mauya (2015) points out that career prospect, bonuses, and promotional decisions are pegged on service delivery efforts. Employees are

therefore aware of the importance of service delivery as the end product of the performance contract initiative.

Employees' focus in ensuring that goals, objectives, activities, deliverables, and measures are well aligned and congruent. Once employees know the goals, they become aware of what is expected of them towards achieving the objectives of the organization. Employees need to be supported with tools that help them perform their responsibilities and it is vital for them to receive signals that direct them to stay on course through feedback.

1.1.3 The Concept of Performance Contracting and Service Delivery

The two Bretton Woods Institutions (BWI) the World Bank (WB) and the International Monetary Fund (IMF) in the 1990s started to demand for accountability and effective utilizations of resources through the structural adjustment programs (SAPs) in most African countries (Mutahaba, 2011). Most countries complied in order to receive funding from these institutions. With accountability having been fixed, the shift was currently on the productivity of employees and whether their pay corresponded to what they produced. Private sector started it all by offering contractual employment to staff and only extend their contract or increase their pay upon successful performance.

The same was extended to permanent employees who were continually be appraised on their performance before they were promoted or added a salary. According to Lin and Lee (2011) performance contracting is a management tool that was first used by private enterprises before the public sector also got involved. The perception that performance within the public sector was below expectation fueled performance contracts (Kobia & Mohammed, 2006).

1.1.4 Performance Contracting and Service Delivery at Kirinyaga University

The research looked at the effect of implementing performance contracting at Kirinyaga University. Kirinyaga University was established in the year 2012, with its first students getting enrollment in the year 2012. Currently, the student population stands at 2,480. It has a staff population of 272 members comprising of 140 non-teaching and 132 are lecturers and instructors.

Among the teaching staff, 18 also double up as administrators, that is, they either are chairpersons, deans or hold other responsibilities apart from teaching. Kirinyaga University has a department dedicated to performance contracting and it always liaises with heads of departments in formulation contractual targets for each staff under them.

1.2 Problem Statement

Kirinyaga University is a public institution meaning it is part of the government efforts in ensuring that its agencies and institutions are part of the broader public sector reform with the aim of improving effectiveness and efficiency. Problems resulting from poor performance of government bodies are largely common and have been identified as multiplicity of principles, outright mismanagement, poor management, excessive control, and frequent political interference. Despite the various efforts to address these challenges, it is anticipated that effective application of performance contracts at KyU will go a long way in managing productivity. In reality, however, performance contracting has had its challenges, making its effectiveness questioned in some quotas.

One major problem in PC is in the monitoring and evaluation systems and how to make them bias proof. Employees are motivated if evaluation criteria are standardized and not prone to personal judgment. PC is threatened by the realization that not all targets are measurable and are subject to the evaluator's opinion. While performance contracts are formulated to be linear, the work responsibility is non-linear in nature. One limitation of PC is that its aim is to look at the outcome and the target, while in the real sense; the nature of work entails many convoluted activities that may affect the overall outcome. Issues like staff movements, transfers, holding in for a colleague who is absent and other non-target activities, may affect the performance of an employee's PC, yet during evaluation such factors are not considered. The outcome is the dissenting voices from employees that they are involved in activities that are not within their target bracket, or the responsibilities do not contribute to the attainment of their targets. This hinders work performance because employees will only be concerned with responsibilities that add to their target, in the process hindering service delivery. This research was looking at Performance contracting and employee service delivery at Kirinyaga University.

1.3 General Objective

The general objective of this study is to assess the effect of performance contracting on employee service delivery at Kirinyaga University, Kenya.

1.3.1 Specific Objectives

The specific objectives of the study are;

- i) To determine the effect of target setting on employee service delivery.
- ii) To evaluate the influence of target implementation systems on employees service delivery.
- iii) To establish the effect of target evaluation and monitoring system for employees service delivery.

1.4 Research Questions

The research questions of the study are;

- i) What is the effect of target setting on employee service delivery at Kirinyaga University, Kenya?
- ii) What is the effect of target implementation systems on employee service delivery at Kirinyaga University, Kenya?
- iii) What is the effect of target evaluation and monitoring system on employees' service delivery at Kirinyaga University, Kenya?

1.5 Scope of the Study

The study scope was limited to Kirinyaga University, which was then a constituent college of the Jomo Kenyatta University of Science and Technology. Participants were also limited to all the staff at Kirinyaga University. The research limited itself to target setting, target implementation, and target evaluation as an independent variable against performance contracting as a dependent variable.

1.6 Justification of the Study

The study is of great importance to the management of Kirinyaga University, policy makers, researchers, and scholars. Management of Kirinyaga University especially the heads of sections and the top management will have an insight on how to

balance between target setting, implementation, monitoring, and evaluation. This study would equip the management with desirable working relations and employee relations on how to manage employee challenges. The government and policy makers will also be able to come up with policies that will enhance management employee rewards at the University. Researchers and scholars who are intending in performance contracting also may benefit from this work because the study will enable them to understand the effect of performance contracting on employee service delivery. The study also will contribute to the existing literature in the area of performance contracting which may open up more areas for further research.

1.7 Limitations of the Study

The study assumed that only three variables – target setting, target implementation and evaluation and monitoring – are the only ones that affect service delivery at Kirinyanga University. In reality, however, there may be other factors affecting service delivery, but because of time constrains and maybe not even knowing them in advance, contributed to the justification of this limitation. However, the three offers a standing point to understand how much they contribute to service delivery in order to direct future research to incorporate other factors to reduce the limitation.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses the theoretical review, the conceptual framework, and empirical review, summary of reviewed literature and research gaps identified.

2.2 Theoretical Review

Two theories effectively explained the chosen variables of PC study in this research at Kirinyaga University. The two were the Goal theory and the Expectancy theory and they were conceptualized in studying performance contract as a tool for management concerning the target setting, implementation, evaluation, and employee service delivery.

2.2.1 Goal Theory

Performance Contracting was explained by the Goal Theory which was developed by Locke in 1968. This theory states that employees are motivated by clear goals and appropriate feedback. It further asserts that performing responsibilities aimed at achieving a specific goal offers motivation. Feedback leads help to direct specific and challenging towards many high levels of group and individual performance.

Latham (1990), assert that the main axiom underpinning the theory is the fact that specific and difficult goals to accomplish often lead higher to performance than when employees simply strive to do their best. The direct individual efforts and energies are positively influenced by such goals towards a particular direction. There is, therefore, a direct relationship between how specific and difficult a goal is and the performance of a task by an individual.

2.2.2 Expectancy Theory

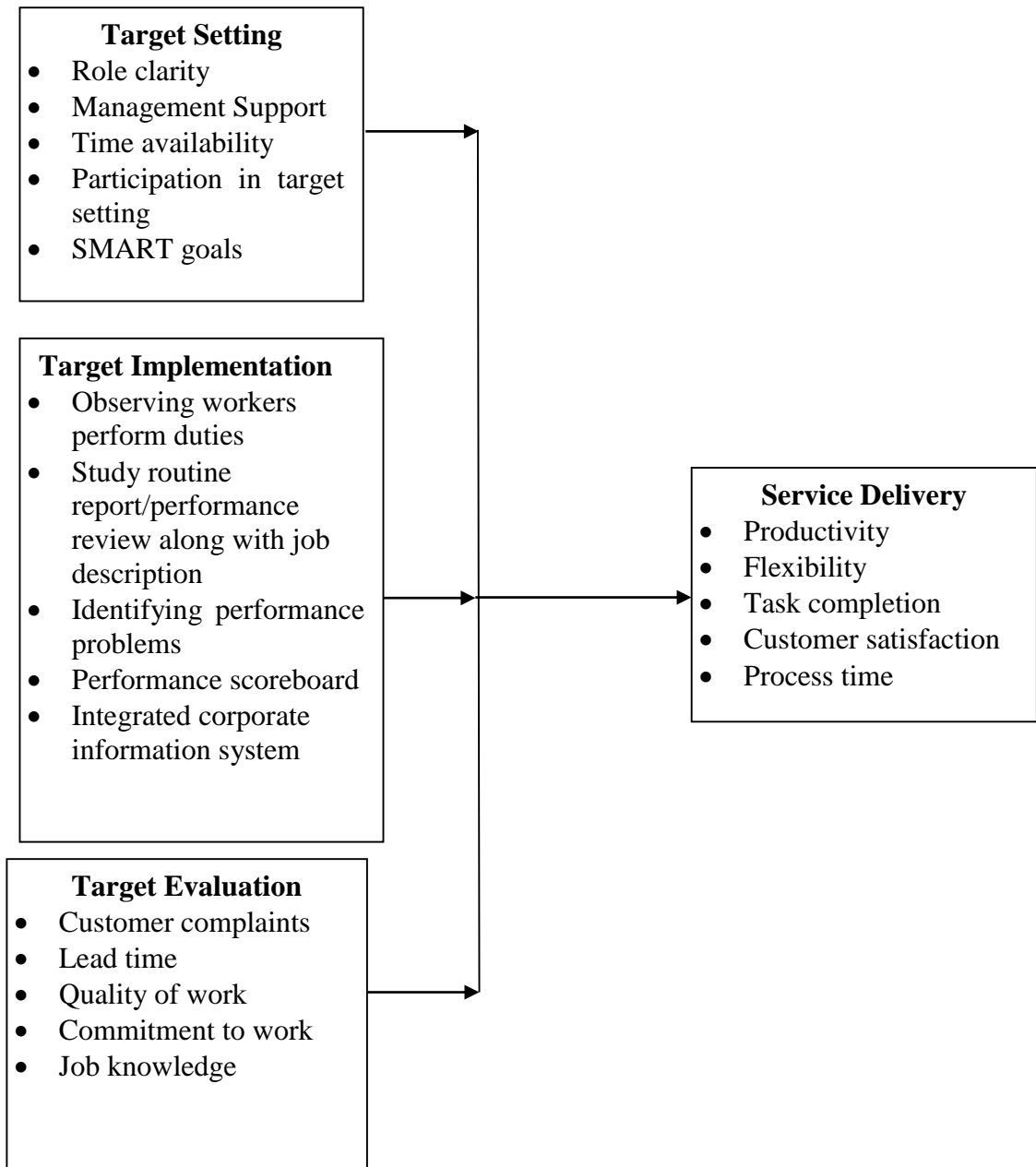
Performance Contracting was explained by the Expectancy Theory which was developed by Locke in 1968. The theory was based on the components performance-outcome expectancy, valence and effort-performance expectancy. Performance- outcome concerns a person's expectation that remuneration is closely tied to the level of performance (Sloof & Praag, 2005). For example, a local authority employee who is thinking of doubling the output may expect that doubling

the output would result in praise, more pay, or perhaps no reward at all; the employee may even expect hostility from other employees.

Expectancy Theory argues that the efforts of an individual to perform in a certain way is dependant on the strength of the expectation that such performance will be followed by an outcome and on the attractiveness of such an outcome to the individual (Robbins & Judge, 2007). The expectancy theory is applicable at Kirinyaga University because it motivates employees to exert a high level of effort when they believe that the effort will lead to a good performance evaluation, leading to rewards such as bonus, promotion, salary increase and that the reward will satisfy the employees' personal goals.

2.3 Conceptual Frame Work

A conceptual framework is a graphical representation that shows the relationship between dependent variable and independent variables (Young, 2009). The independent variables stand-alone but bear great significance to the analysis of the effect of PC at Kirinyaga University. They are important in the study because they will trigger and affect the independent variable, that is service delivery or productivity. The study will, therefore aim to find out how the independent variable of target setting, target implementation and target evaluation affect service delivery or productivity of employees at Kirinyaga University.



Independent variable

Dependent Variable

Figure 2.1: Conceptual framework for effect of PC on employee service delivery at Kirinyaga University, Kenya

2.3.1 Target Setting

Dooren (2006) argues that the participation of citizens in the setting of targets for organizations within the public sector ensures that what is measured is of importance to the citizens and managers who in any case have a stake to ensure that data is not corrupt. Mackie (2008), on the other hand, is of the opinion that target setting in public institution offers the government the much needed ammunition to prove to the citizens that the public resources are spent prudently.

Target setting in the entire performance-contracting ecosystem is important because it ensures that there is focus on each employee, and in the broader public service level, target setting may help in aligning different organizations that would ordinarily be reluctant to cooperate (Mackie, 2008).

2.3.2 Target Implementation

During implementation, PC contracts are formulated to be linear, while in reality the work responsibility is non-linear in nature. One limitation of PC during implementation is that the nature of work entails many convolved activities that may affect the overall outcome, and which cannot be effectively measured. Issues like staff movements, transfers, holding in for a colleague who is absent, and other non-target activities, may affect the implementation of targets.

The effective implementation of performance contracting mandates individuals to focus on the outcome or change that they are looking for, the measure and evaluation of the result if it has been achieved and how the contract performance will affect employee management decisions (AAPAM, 2005). The outcome is the dissenting voices from employees that they are involved in activities that are not within their target bracket, or the responsibilities do not contribute to the attainment of their target. This hinders service delivery because employees will only concern themselves to responsibilities that add to their target.

2.3.3 Target Evaluation

Performance evaluation is carried out to understand the extend of the measure to which an employee achieves negotiated performance set targets (DPCA, 2015). It is grounded on a few fundamental principles and it entails the comparison of the achievement to the targets.

The achievement score is based on evidence provided. Every indicator is assessed on the basis of targets, weights and units of measurement and notes provided in the performance contract (DPCA, 2015). After the achievements are confirmed with respect to targets, the scores are computed using a formula.

2.3.4 Service Delivery

Service delivery is the performance carried out to achieve a given goal. It refers to accomplishment of a given task measured against present standards of accuracy, completeness, cost and speed. Service delivery also means successful execution of a contract, or fulfillment of a responsibility in a manner that releases the performer from any liabilities thereafter under the contract (Rotich, *et.al.*, 2014).

Service delivery or performance provides Key Performance Indicators (KPIs) that help companies monitor efficiency, projects and employees against operational targets (Rotich *et.al.*, 2014). In this research, service delivery will be analyzed in the contest of achieved goals, reduced complains, work perceptions and achievable workload.

2.4 Empirical Review

Target setting are used in determining career prospects, bonuses to be paid and promotion decisions in motivating service delivery and in retaining of employees (Mauya, 2015). The aim of Mauya (2015) study was to understand how targets are set to contract with managers and how they enhance service delivery. The study used a descriptive survey design for a target population of 164 employees at the Ministry of Tourism headquarters. The conclusion from this study is that standards and performance targets have a positive impact in enhancing performance.

Nganyiet.al., (2014) acknowledge that performance contracting is difficult to implement, but that it definitely leads to higher performance through periodic setting of targets and monitoring and evaluation. In addressing this challenge, their study is

geared towards improving PC implementation and measurements within Kenyan universities. Just like the study by Mauya (2015) Nganyi *et al.*, 2014 used descriptive survey design with questionnaires forming the basis of their data collection tool. Their study reveals that there was low level coordination of PC resulting in a few employees embracing it fully (Nganyi *et al.*, 2014). Lack of ownership of PC is the key theme in the findings of Kiprop *et al.*, (2014), yet the same study concludes that employees at the Ministry of Lands acknowledge the importance of PC in service delivery (Kiprop *et al.*, 2014).

In a case study why performance contracting failed in Uganda, Freddie *et al.*, (2012), noted that there was no enough time for employees to select and set their performance targets forcing them to be “locked-in” on those choices. In the context of evaluation of the targets, the workload and learning curve among performance evaluators resulted in a weakened validity of the audit results (Freddie *et al.*, 2012). In an earlier study in an organization in Ghana, Larbi (2010) findings are in agreements with those of Freddie *et al.*, (2012), where the monitoring personnel were found to be overwhelmed. Similarly, Korir *et al.*, (2015), posit that the contributing factor on the poor performance of PC is the limited human resource capacity and expertise. For example, staff members were found to be overstretched with workload requiring them to approve PC for more than 400 public institutions and at the same time give feedback reports on quarterly, mid-term and annually (Korir *et al.*, 2015).

The lessons drawn from the study was that PC requires enormous considerations of the responses from various actors both outsider and insider to the expected change process (Freddie *et al.*, 2012). Kosgei *et al.*, (2013), concluded that involving stakeholders in setting targets would be crucial in ensuring greater transparency and accountability. Nzuve and Njeru (2013) study on PC in Nairobi County in Kenya found that 82 percent of employees believed that stakeholders have not been involved in performance contracting. Another study found out that there was agreement on the need for greater participation by employees and stakeholders in setting targets and monitoring of performance (Cheche & Muathe, 2014). It is extremely difficult to find studies that are purely linked to service delivery or employee productivity and which stand on their own. Most of them had a connection

between target setting and service delivery. Kinanga and Partoip (2013) in their study offered a linkage between employee productivity and participation in target setting by concluding that most employees associate improved performance with performance target setting.

2.5 Summary of Reviewed Literature

From the empirical studies above, it is clear that target setting, implementation, and evaluation play a critical role in the perception that employees will have on PC, in effective implementation of PC and their service delivery and productivity. The reviewed literature directly or otherwise have demonstrated the central role of ensuring that employees and other stakeholder are involved in target setting to create ownership and by extension, commitment to the process.

Table 2.1: Summary of Empirical Review

Author(s) and year	Focus/Title of study	Methodology used	Key findings	Knowledge Gaps	Focus of current study
Mauya (2015)	The importance of setting performance targets on service delivery in performance contracting at the ministry of tourism, Kenya	Descriptive survey design using questionnaire for a target population of 164.	Target standards have positive impact on enhancing performance	Generalizations without specifics on how targets affects service delivery.	Specifics on how target setting, affects service delivery
Nganyi, Shigogoli, & Owano (2014)	The Effectiveness of Performance	Descriptive study survey using questionnaires	Target setting viewed in the context of poor coordination of	No specific methods or variable of study for	Consideration for target setting and

	Contracting in Service Delivery in Public Universities in Kenya.		PC implementation.	consideration in enhancing the coordination of PC.	implementation as a variable to measure the levels of service delivery in filling the coordination problem identified.
Kiprop, Oketh-Yogo, & Charagu, (2014).	Analysis of employees' perceptions of performance contracting in the ministry lands, Kenya	Descriptive study survey using questionnaires	Despite participants acknowledging the importance of PC, they blame lack of its ownership.	Understanding how target, setting, implementation and evaluation is not covered.	In steady of looking at the overall PC, the study will look for specific a variable of target and how it affects service delivery.
Freddie, Barbar & Natasha (2012)	Why performance-based contracting failed in Uganda -- An "open-box" evaluation of	Case study of past implementation of PC at a health facility.	Inadequate time for employees to participate in target setting and weak validity of audit results because of heavy workload of	Target setting and service delivery not covered.	The research will cover targets and how they affect overall service delivery.

	a complex health system intervention		reviewers.		
Cheche and Muathe (2014)	A review of literature on performance contracting with emphasis on stakeholder's role.	Review of existing literature on PC	Despite the positive reception of performance contracting, it is evident that its implementation has not been without challenges.	Despite the claim that the research is a review, the methodology talks of collecting primary data through face to face and questionnaire, raising serious question on the credibility of this source.	The research looks at evaluation of targets as a main variable as opposed to simple review of literature.
Korir, Rotich and Bengat (2015)	Performance management and public service delivery in Kenya.	Operational effectiveness of organizations through performance management.	Lack of clarity in public institutions is attributed to multiple principals they have to handle with multiple interests leading to fuzziness in what is expected.	The research did not handle variables that are related to PC, but it dwelt on workload and how it affects PC. Service delivery is also not covered.	The research will look at specific PC variables of target setting and how it affects service delivery.
Nzuve and Njeru	Perceived factors	Alignment of PC	Organizations need flexibility	The study does not cover the	This study will look at

(2013)	affecting performance management among local authorities in Kenya; A case of the City council of Nairobi.	expectations and employee behaviour to the culture and business needs of the organization.	to changes in the internal and external environment, improve quality and service delivery, reduce cost and fully use their intellectual capacity.	specifics of PC but rather the human behaviour and culture that affect it.	PC in the context of target and service delivery variables.
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2.6 Research Gaps

Studies concerning performance contracting have been conducted locally and internationally. The local studies include Cheche and Muathe, (2014); Obong'o, (2009); Cheche and Muathe (2014), among others. The international studies include Mackie (2008); Lin and Lee (2011), among others. However, these studies lack the explicit relationship between target setting, implementation, and evaluation to the outcomes of productivity or service delivery. A closer look at the studies reveal that their intentions was not specifically on target as a variable, but in the process of evaluating their questionnaires and cases studies, a theme of target in regard to service delivery was discovered. No single study has compared the relationship between target setting, target implementation, and target evaluation as a single component to service delivery. It was therefore an objective of this study to fill this gaps by specifically targeting target setting, implementation, and evaluation to service delivery at Kirinyaga University.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter provided the step-by-step procedures that actualized the research and measured the identified variables. The chapter explained the research design, the target population, Sampling techniques and sample size, methods of data collection and pilot testing.

3.2 Research Design

The research employed a descriptive cross-sectional survey research design. The design was preferred for this study because it offered the researcher the methodology to investigate the perceived effect of performance contracting on employee service delivery at Kirinyaga University in the natural setting. The method was chosen since it was more precise and accurate because it involved description of events in a carefully planned manner.

3.3 Study Population

The target population for the study was permanent employees at Kirinyaga University in Kenya. On the other hand, the accessible population was a subset of the target population from which the sample was derived. The study accessible population was 272 permanent employees at Kirinyaga University. It is mandatory that all permanent staff at the university participate in PC activities. The permanent staff comprises of 272 of which 132 are teaching and 140 non-teaching employees.

3.4 Sampling Technique and Sample Size

Kothari (2008) states that when the population (N) is equal or exceed 100, sampling is necessary. Given that accessible population is relatively large (205) a representative sample was determined using Slovin's formula (Ellen, 2012) as shown in equation 3.1.

$$n = \frac{N}{1 + N(e)^2} = \frac{272}{1 + 272(0.05)^2} = 162 \quad (3.1)$$

Where: n was the sample size, N is total population, e and was the margin error of 0.05 based on 95 percent confidence level.

Slovin’s formula gives a sample size of 100 respondents. Because the population of the university staff is not homogenous, the research employed stratified random sampling. The staff were stratified into two categories teaching and non-teaching staff then simple random sampling selection was used in the selection of the respondents as shown in Figure 3.1.

Table 3.1: Sample Selection

Target Group	Population	Sample Size
Permanent Non-teaching	132	79
Permanent – teaching	140	83
Total	272	162

3.5 Data Collection Instruments

The research used a semi-structured questionnaire to control responses and at the same time offer an opportunity for respondents to give narrations when collecting data. The questionnaire had two (2) parts. Part A sought personal data of the respondent and general data. Part B sought information regarding the variables of target setting, target implementation, target evaluation about employee service delivery.

3.6 Data Collection Procedures

Primary data was collected from Kirinyaga University staff (teaching and non-teaching) using self-administered semi-structured questionnaire. The researcher self-administered the questionnaire. Self-administered questionnaire usually had a higher response rate. The respondents were given instructions and were assured of confidentiality before filling in the questionnaires.

3.7 Pre- Testing of Research Instruments

A pilot study was conducted before carrying out the main study. The aim of the pilot study was to determine whether the instrument contained any potential weaknesses regarding clarity of questions therein and in addressing the study objectives (Kothari, 2004). This was determined through both reliability and validity tests. Only the research questionnaire was to be pilot tested since it was the tool that was used to collect primary data. University of Embu was a chosen location to carry out

the pilot study, which was not part of the main study as they had similar functions including PC.

3.7.1 Validity Test

This study focused on content validity that was well determined by the expert opinion of the university supervisor. Content validity, ensured that the instrument is designed according to the study variables and its respective indicators of measurement.

3.7.2 Reliability Test

This study employed the Cronbach alpha coefficient which was the most widely used and recommended test of reliability. Using the Cronbach alpha coefficient, reliability ranged from 0 to 1 with higher values indicating greater reliability. The reliability threshold was alpha coefficient 0.7 for each study construct (Kimberlin & Winterstein, 2008).

3.8 Data Processing and Analysis

The Statistical Package for Social Sciences (SPSS) Version 24 software was used to analyze the collected data. Data analysis was captured in both descriptive and inferential statistics. Descriptive statistics included frequencies, percentages, modes, medians, means, standard deviations, and variances. Inferential statistics included Pearson's correlation and multiple regression analysis. The results of the analysis were presented in form of tables, graphs, and charts. Equation (3.2) is a multiple regression model to be used.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon \dots \dots \dots (3.2)$$

where Y is the service delivery at Kirinyaga University. β_0 is the constant or coefficient of intercept, X_1 is the performance target setting, X_2 is the performance target implementation, X_3 is performance monitoring and evaluation. $\beta_1 \dots \beta_3$ are the corresponding coefficients for the respective independent variables and ϵ is the error term (disturbance factors), which represents residual or values that are not captured within the regression model. The data will then be analyzed using descriptive statistics by use of Statistical Package for Social Sciences (SPSS) as shown in Table 3.2

Table 3.2: Statistical Analysis

Objectives	Independent variables	Dependent variables	Statistical tools	Means of data collection
To determine the effect of target setting on employee service delivery	Target Setting	Employee Service Delivery at Kirinyaga University	Mean,mode, standard deviation and variance	Questionnaire
To evaluate the influence of target implementation systems on employees service delivery	Target Implementation	Employee Service Delivery at Kirinyaga University	Mean, mode, standard deviation and variance	Questionnaire
To establish the effect of target evaluation and monitoring system for employees service delivery	Target Evaluation	Employee Service Delivery at Kirinyaga University	Mean, mode, standard deviation and variance	Questionnaire

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents results of the study based on the research objectives. The purpose of this study was to determine whether performance target setting, performance target implementation and performance target monitoring and evaluation affected service delivery to the organization. The study used performance target setting, performance target implementation and performance monitoring and evaluation as independent variables and service delivery as the dependent variable. This chapter explains the response rate and the demographic information of the respondents. The data has been analyzed for each of the specific objective by use of descriptive and inferential statistics.

4.2 Response rate

The researcher distributed 162 questionnaires of which 100 of them were filled and returned giving a response rate of 62 percent.

4.3 Pre-testing Results for Research Instruments

The study sought to determine the reliability of the research instruments. The results are as shown in table 4.1. The results of the reliability test produced overall Cronbach Alpha correlation coefficient value of the variable ranging between 0.763 and 0.842. All the instruments met threshold of 0.7 and therefore the instruments were reliable.

Table 4.1: Cronbach Alpha for Reliability Assessments

Variables	Number of items	Cronbach Alpha Values
Target Setting	5	0.814
Target Implementation	5	0.763
Target Evaluation	5	0.842

4.4 Demographic information

The study sought to determine the demographic characteristics of the respondents who participated in the survey. The demographic information of study interest was gender, age and academic qualification. The age and academic qualification were clustered to ease the response coding. Gender was directly coded since clustering was not necessary since response can only take one value.

4.4.1 Gender of the respondents

The researcher sought to determine gender distribution of the respondents in the University. The research found out that the majority (57%) of the respondents were females while males composed of the remaining 43%. The finding indicated that most female employees participated in the study than men. This demonstrates the current trend in organizations where female employees are taking active role in organizations. The results are shown in Figure 4.1.

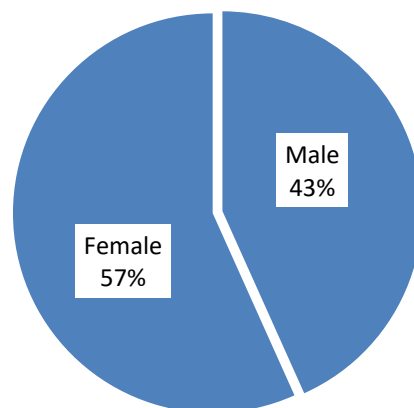


Figure 4.1: Gender of the respondents

4.3.2 Age of the respondents

The research sought to determine the age of the respondents in the institution of interest. Four clusters of age were used in the study, 0-25 years, 26-35, 36-45 and above 45 years. The results are shown in Figure 4.2 below. Study revealed that most of the people who responded to the questionnaires were aged between 26-35 (45%) followed by those aged between 36 and 45 (36%) years (Fig. 4.2). Fifteen percent (15%) of the respondents were above 40 and just (5%), who were below 25 years in

age responded. The findings imply that the majority of the staffs in Kirinyaga University are middle-aged.

Figure 4.2 below shows the Age of the respondents

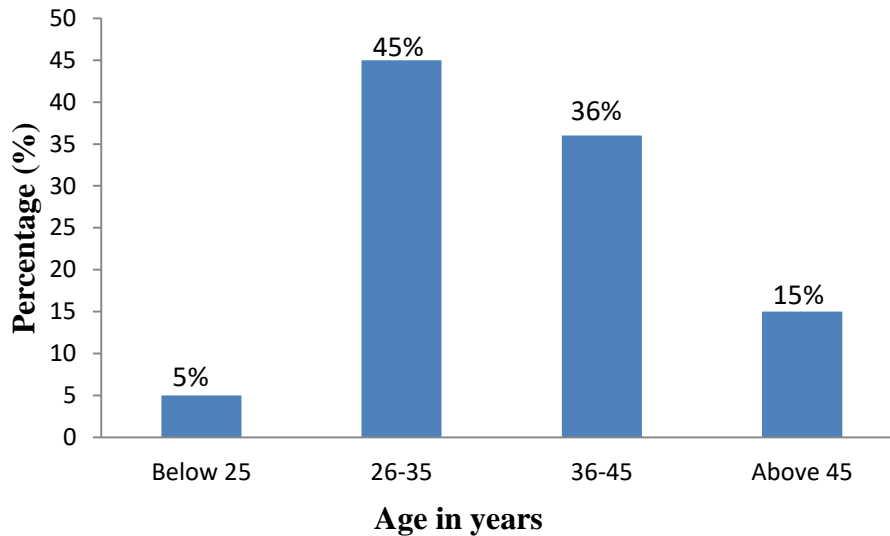


Figure 4.2: Age of the respondents

4.3.3 Academic qualification of the respondents

The study also sought to determine academic qualification of the Kirinyaga University staffs. Academic qualifications were classified as Certificate, Diploma, Degree, Masters and PhD holders. The results are shown in Figure 4.3. The study revealed that the majority (51%) of the respondents were Degree holders. Masters holders and Diploma were 22% and 15% respectively. Certificate holders were 8% while the highest academic qualification, which is a PhD, accounted for (5%) which formed the minority. The results imply that the University engaged qualified staffs. The result could be supported by the fact that most institutions prefer learned employees and always support academic development of their employees.

Figure 4.3 below shows the Academic qualifications of the respondents

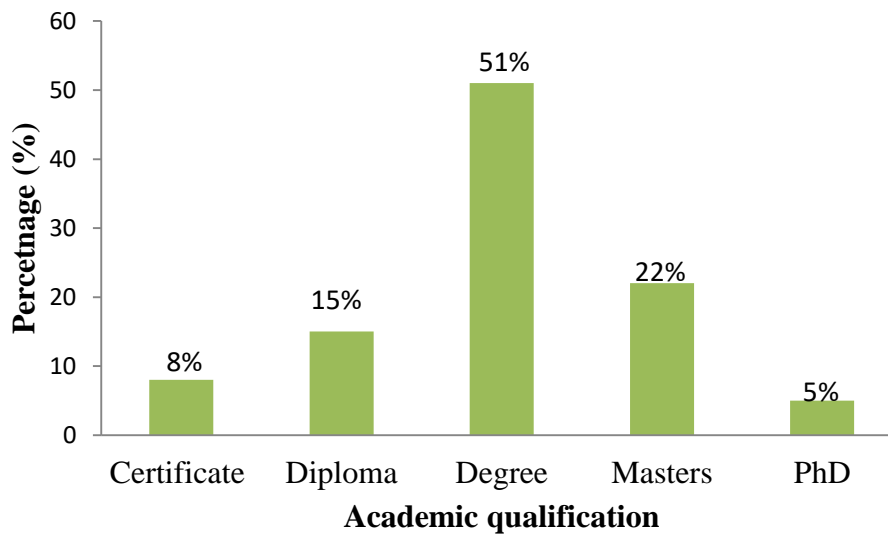


Figure 4.3: Academic qualification of the respondents

The studies seek to assess the opinion of the University staffs regarding target setting, target implementation, monitoring and evaluation and service delivery. For each parameter, five different indicators were used. Responses for each of the indicators were evaluated based on 5 points coded as 5,4,3,2 and 1, respectively. The responses were then analyzed using descriptive statistics such as means, standard deviation, and variances.

Descriptive statistics were extracted through, SPSS version 24, for purposes of describing and comparing the variables under study.

4.3.4 Performance target setting

The study evaluated opinions of the respondents regarding performance target setting. The results of the study are presented in Table 4.1. The study noted that the majority of the respondents agreed ($Mean = 4.4776$; $Std Dev = 0.61196$) that clear role clarity of employees enables high staff productivity. They also supported ($Mean = 4.3881$; $Std Dev = 0.67319$) that management support is crucial to job flexibility. The respondents admitted ($Mean = 4.3134$; $Std Dev = 0.6789$) that employee's participation in target setting is critical to customer satisfaction. They also agreed ($Mean = 4.2985$; $Std Dev = 0.75908$) that smart goals enable effective and faster time processing. It was also revealed ($Mean =$

4.1194; *Std Dev* = 0.8965) that the respondents feel that time availability enables staff to complete their tasks. The results implied that staffs identify with clear performance target setting with the Institution. Clear performance target setting has been found to identify with the needs of employees hence improving productivity (Nzuve & Njeru, 2013). Table 4.2 below shows the descriptive statistics for performance target Setting

Table 4.2: Descriptive statistics for performance target setting

Performance target setting parameters	N	Mean	Max	Min	Std. Dev	Variance
Clear role clarity of employees enables high staff productivity	67	4.4776	5	2	0.61196	0.374
Management support is crucial to job flexibility	67	4.3881	5	2	0.67319	0.453
Time availability enables staff to complete their tasks	67	4.1194	5	1	0.8965	0.804
Employee's participation in target setting is critical to customer satisfaction	67	4.3134	5	2	0.67888	0.461
Smart goals enable effective and faster time processing	67	4.2985	5	1	0.75908	0.576

4.3.5 Performance target implementation

The study assessed views of the respondents regarding target implementation parameters on service delivery. The results of the study are illustrated in Table 4.2. The study revealed that most respondents concurred (*Mean* = 4.1791; *Std Dev* = 0.6947) that identification of performance problem is important to task completion. The respondents also accepted (*Mean* = 4.1194; *Std Dev* = 0.8442) that supporting that integrated corporate information system enables faster processing time. It was also revealed (*Mean* = 3.9104; *Std Dev* = 0.9331) that study routine report or performance review along with job description were crucial to job flexibility while it was also noted (*Mean* = 3.7791; *Std Dev* = 0.8316) that performance scoreboard enables customer satisfaction. The respondents, however, did not agree (*Mean* = 3.1045; *StdDev* = 1.1695) that observing workers perform their duties enables high productivity. The findings implied that while staffs appreciate the importance of target implementation; they do not prefer supervision,

performance review, and scorecards. The results of this study are in line with the findings of past studies that revealed that current employees are self-motivated and need minimum supervision the challenges of supervision revealed in this study is supported by earlier findings of (Mbua & Sarisar, 2013). Performance contracting has been backed as a measure to improve service delivery in both service and non-service industries (Cheche & Muathe, 2014).

Table 4.3 below shows the descriptive statistics for performance target implementation.

Table 4.3: Descriptive statistics for performance target implementation

Performance target implementation	N	Mean	Max	Min	Std. Dev	Variance
Observing workers perform their duties enables high productivity	67	3.1045	5	1	1.16949	1.368
Study routine report or performance review along with job description is crucial to job flexibility	67	3.9104	5	1	0.93308	0.871
Identification of performance problem is important to task completion	67	4.1791	5	2	0.69468	0.483
Performance scoreboard enables customer satisfaction	67	3.7791	5	2	0.83159	0.692
Integrated corporate information system enables faster processing time	67	4.1194	5	1	0.84427	0.713

4.3.6 Monitoring and evaluation

The study assessed views of the respondents regarding target implementation parameters on service delivery. They were asked whether customers complaints enables high employee productivity, lead time results into faster processing time frame, good quality work enables staff to complete their tasks in time, commitment to work by the staff enables good customer satisfaction and whether they feel that job knowledge enables flexibility of duties among the staff. The results of the study are illustrated in Table 4.3. The findings revealed that most respondents supported (*Mean* = 4.3731; *Std Dev* = 0.7753) the idea that commitment to work by the

staff enables good customer satisfaction. The respondents were also in agreement ($Mean = 4.2388$; $Std Dev = 0.79942$) that job knowledge enables flexibility of duties among the staff. It was also found out that the respondents agreed ($Mean=4.1642$; $Std Dev= 0.8275$) that good quality work enables staff to complete their tasks in time. The respondents were also in agreement ($Mean = 3.7612$; $Std Dev = 0.7404$) that lead time results into faster processing time frame. However, they did not agree ($Mean = 3.4030$; $Std Dev = 1.2439$) that customer's complaints enable high employee productivity. The findings imply that employees prefer internal motivation and are reluctant to external motivation stimuli. Monitoring is one of the primary factors affecting performance management (Nzuve & Njeru, 2013).

Table 4.4 below shows the descriptive statistics for performance Monitoring and evaluation

Table 4.4: Descriptive statistics for performance monitoring and evaluation

	N	Mean	Std. Dev	Variance	Minimum	Maximum
Customers complaints enables high employee productivity	67	3.4030	1.24389	1.547	1.00	5.00
Lead time results into faster processing time frame	67	3.7612	0.74038	0.548	2.00	5.00
Good quality work enables staff to complete their tasks in time	67	4.1642	0.8275	0.685	1.00	5.00
Commitment to work by the staff enables good customer satisfaction	67	4.3731	0.77530	0.601	1.00	5.00
Job knowledge enables flexibility of duties among the staff	67	4.2388	0.79942	0.639	1.00	5.00

4.3.7 Service Delivery

The study sought to determine effect of performance contracting on service delivery. The respondents were given five parameters to use in assessing their effects on service delivery. The findings are illustrated in Table 4.4. The study established that most respondents agreed (*Mean* = 4.000; *Std Dev* = 0.7588) that performance contracting enables adequacy in process time. The respondents also agreed (*Mean* = 3.9552; *Std Dev* = 0.7674) that performance contracting enhances productivity. They were also in agreement (*Mean* = 3.7910; *Std Dev* = 1.0081) that performance contracting enhances customer satisfaction. Moreover, the respondents agreed (*Mean* = 3.7612; *Std Dev* = 0.9549) that performance contracting is critical to task completion for employees while also agreeing (*Mean* = 3.7164; *Std Dev* = 1.0121) that performance contracting enables work flexibility among employees. The results imply that respondents have not been actively involved in service delivery evaluation and are likely to be negatively impacted if the Institution was to implement the ideas of this study. Nganyi and Owano (2014) found out that performance contracting could significantly improve service delivery if proper coordination system is put in place.

Table 4.5 below shows the descriptive statistics of performance service delivery

Table 4.5: Descriptive statistics for performance service delivery

	N	Mean	Std. Dev	Variance	Minimum	Maximum
Performance contracting enhances productivity	67	3.9552	0.76738	0.589	1.00	5.00
Performance contracting enables work flexibility among employees	67	3.7164	1.01214	1.024	1.00	5.00
Performance contracting is critical to task completion for employees	67	3.7612	0.95488	0.912	1.00	5.00
Performance contracting enhances customer satisfaction	67	3.7910	1.00811	1.016	1.00	5.00
Performance contracting enables adequacy in process time	67	4.0000	0.75879	0.576	1.00	5.00

4.4 Inferential findings

The study sought to establish the relationship between dependent variable (service delivery) and each of the independent variables (target setting, target implementation and monitoring and evaluation. The association between dependent variable and independent variables were determined using Pearson correlation coefficient. The data were subjected to multiple regression analysis and analysis of variance after associations were established.

4.4.1 Relationship between service delivery and performance target setting

Relationship between service delivery and performance target setting was established. The results of the association are illustrated in Table 4.6. The study results showed that there is a significant effect of target setting on service

delivery ($r = 0.417, p < 0.009$). The result implies that performance target setting an almost average affect on service delivery among employees. The results are in agreement with the results of Ellen (2012).

Table 4.6 below displays the correlation between service delivery and performance target setting.

Table 4.6: Correlation between service delivery and performance target setting

		Service delivery
Target setting	Pearson Correlation	0.417**
	Sig. (2-tailed)	0.009
	N	67

** . Correlation is significant at the 0.01 level (2-tailed).

4.4.2 Relationship between service delivery and performance target implementation

Relationship between service delivery and performance target implementation was assessed. The results of the association are illustrated in Table 4.6. The study established that there is a positive and significant ($r = 0.306, p < 0.012$) association between service delivery and performance target implementation that performance target implementation positively influenced service delivery among Kirinyaga University staffs. The finding of this study is in contrast to the results of a study conducted at Moi Teaching and Referral Hospital by Kosgeiet *al.* (2016) that revealed that employees are not motivated by target implementation since they are forced to do work without their terms of employment.

Table 4.7 below displays the correlation between service delivery and performance target implementation.

Table 4.7: Correlation between service delivery and performance target implementation

		Service delivery
Target implementation	Pearson Correlation	0.306*
	Sig. (2-tailed)	0.012
	N	67

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

4.4.3 Relationship between service delivery and performance target monitoring and evaluation

The study sought to establish association between service delivery and performance target implementation was assessed. The result of the relationship is illustrated in Table 4.8. The study found a positive significant relationship between service delivery and monitoring and evaluation ($r = 0.467$, $p < 0.045$) implying that monitoring and evaluation positively influenced service delivery among staffs. This means that when effective monitoring and evaluation strategy is put in place, staffs will deliver well. The results are in line with the findings of Nganyi *et al.*, (2014) that found that target evaluation is important in motivating employees to achieve negotiated performance set targets.

Table 4.8 below displays the correlation between service delivery and performance target monitoring and evaluation as obtained from the analysis.

Table 4.8: Correlation between service delivery and performance target monitoring and evaluation

		Service delivery
Monitoring and Evaluation	Pearson Correlation	0.467
	Sig. (2-tailed)	0.045
	N	67

4.4.4 Regression analysis and ANOVA

The study established existence of relationships between dependent variable and independent variables. It therefore sought to evaluate the joint effects of performance target setting, target implementation and monitoring, and evaluation on service delivery. The independent variables were assessed as multiple variables in the regression analysis and as sources of variation in the ANOVA.

Table 4.9 shows the results of regression performed between dependent and independent variables. The findings indicate that there is a positive but relatively weak ($r = 0.6595$) relationship. It was also revealed that ($R^2 = 0.4349$) 43.5% of the service delivery could be attributed to performance target setting, target implementation and monitoring and evaluation. The remaining 56.5% influence on service delivery is attributable to other factors that were not of interest in this study.

Table 4.9 below displays the regression analysis model obtained after the study.

Table 4.9: Regression analysis model

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
	0.6595 ^a	0.4349	0.364	1.16309

a. Predictors: (Constant), Monitoring and evaluation, Targetsetting, Targetimplementation

4.4.5 Analysis of variance

The findings of the ANOVA are presented in Table 4.9. The calculated F -value was 3.507 and a p -value of 0.020. The finding implied that the regression model was significant in predicting the relationship between dependent variable (service delivery) and independent variables (performance target setting, target implementation, as well as, monitoring and evaluation) since p -value of 0.020 was less than the conventional p -value of 0.05.

Table 4.10 below shows the analysis of variance for the dependent variable; service delivery, predictors which are constant, monitoring, and evaluation, target setting and target implementation.

Table 4.10: Analysis of variance

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	12.730	3	1.396	3.507	.020 ^b
	Residual	16.542	63	.398		
	Total	29.272	66			

a. Dependent Variable:Service delivery, b. Predictors: (Constant), monitoring and evaluation, target setting, target implementation

4.4.6 Overall regression model

The results of overall test statistics of the model are presented in Table 4.10. Model of the study was presented as an equation that equates the dependent (service delivery) to independent variables (monitoring and evaluation, target setting and target implementation). The regression model was expressed as;

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \epsilon \dots \dots \dots (4.1)$$

Therefore,

$$Y = 3.356 + 0.343X_1 + 0.419X_2 + 0.163X_3 \dots \dots \dots (4.2)$$

It is notable from the equation that holding all independent variables constant, service delivery of the University would be 3.356 units. This would be because of other factors within the Institution but not investigated in the study. On the other hand, a unit increase in service delivery would be because of 0.343 unit increase in target setting assuming all other factors are held constant. From the model, it can be predicted that a unit increase in service delivery would be explained by 0.419 units increase in target implementation, all other factors held constant. Furthermore, holding all other factors constant, a unit increase in service delivery would be attributed to 0.163 units increase in monitoring and evaluation.

The results of the regression analysis showed a positive relationship between service delivery and all the performance-contracting indicators. It was indicated that

performance contracting indicators significantly ($t = 3.407, p < 0.05$) affected service delivery of the University. Performance target setting had a positive association with service delivery. This implies that comprehensive and clear target setting within an organization improves service delivery among employees. It was also revealed that target implementation significantly ($t = 2.633, p < 0.05$) influenced service delivery. It had a positive relationship with service delivery implying that an institution stands a better chance to improve its service delivery capacity through implementing its set targets. The relationship could be explained by the increasing call by organization managers to involve all employees in target implementation thereby creating a sense of belonging among employees (Kiprop et al., 2014). However, it was established that target setting ($t = 1.816, p < 0.05$), and, monitoring and evaluation ($t = 0.617, p < 0.05$) did not significantly influence service delivery at the Kirinyaga University.

Table 4.11 below displays the regression coefficients, Unstandardized Coefficients and standardized coefficients.

Table 4.11: Regression coefficients

Mode	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.356	0.985		3.407	0.001
Targetsetting	0.343	0.189	0.216	1.816	0.074
Targetimplementation	0.419	0.159	0.326	2.633	0.011
Target monitoring and evaluation	0.163	0.121	0.075	0.617	0.054

a. Dependent Variable: Servicedelivery

b. Independent Variable: Monitoring and evaluation, target setting and target implementation

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter consist of a summary of the findings of the research, conclusions relating to the research objectives, suggestions and recommendations on the Performance Contracting and Employee Service Delivery at Kirinyaga University, Kenya.

5.2 Summary of Findings

In summary, performance contracting is a new concept with Kenyan workers but has their support. Many employees interviewed supported all the five parameters of the three independent variables to be important in enhancing service delivery in different institutions. However, proper coordination of performance contracting was admitted to be inadequate.

5.2.1 Performance target setting

The majority of the respondents agreed that clear role clarity of employees enables high staff productivity. They also supported that management support is crucial to job flexibility, employee's participation in target setting is critical to customer satisfaction; smart goals enable effective and faster time processing. It was also revealed that the respondents feel that time availability enables staff to complete their tasks.

5.2.2 Performance target implementation

The study revealed that most respondents concurred that identification of performance problem is important to task completion and another supporting that integrated corporate information system enables faster processing time. Study routine report or performance review along with job description is crucial to job flexibility, performance scoreboard enables customer satisfaction and observing workers perform their duties enables high productivity were not very popular with most of the respondents.

5.2.3 Monitoring and evaluation

The findings noted that most respondents supported the idea that commitment to work by the staff enables good customer satisfaction while job knowledge enables flexibility of duties among the staff and good quality work enables staff to complete their tasks in time were also supported by a the majority of the respondents. On the other hand, the study also revealed that the majority of the respondents were also in support of the ideas that lead time results into faster processing period and customers' complaints enables high employee productivity.

5.3 Conclusion

Overall the combined independent variables had positive but week relationship ($r = 0.6595$). It is important to note that service delivery is affected by 43.5% of the independent variables ($R^2 = 4 = 0.4349$). While 56.5% is attributed to other factors not within study scope. Each of the variables conclusions is given below.

5.3.1 Performance target setting

Target setting has a positive effect on service delivery. Clear target setting motivates employees to offer better service deliverables. Role clarity also positively relates to service delivery and enables high staff productivity. Additionally, management support is crucial to job flexibility while employee's participation in target setting is critical to customer satisfaction. It is also empirical to note that smart goals enable effective and faster time processing. Moreover, time is of primary importance in job completion.

5.3.2 Performance target implementation

Performance target implementation as a positive relationship with service delivery and it is crucial to the improvement of institution's service delivery capacity. Identification of performance problem is important to task completion. This is particularly in the case where the institution deals with complex job descriptions. Furthermore, integrated corporate information system enables faster processing time. Similarly, introduction of study routine report or performance review along with job description is crucial to job flexibility. The ability of an organization to effectively use performance scoreboard would increase customer satisfaction. Additionally, observing workers perform their duties enables high productivity.

5.3.3 Monitoring and evaluation

Performance target monitoring and evaluation are positively related to service delivery. The ability of an organization to motivate its employees to be committed to their work leads to good customer satisfaction. On the other hand, employees' knowledge on task expectations promotes flexibility of duties among them. In addition, good quality work enables staff to complete their tasks in time. It is also worth noting that lead time results into faster processing time frame while customers' complaints enables high employee productivity.

5.4 Recommendations of the Study

The study conclusively addressed the set objectives of the study and recommends the following;

5.4.1 Performance target setting

Organizations should encourage their employees to embrace target setting so as to improve in service delivery. Also, managers should endeavor to promote clear target setting that motivates employees to offer better services. Institutions should put in place role clarity in their job descriptions to obtain high staff productivity. Additionally, management should offer support to their employees which would in turn promote job flexibility. Furthermore, organizations should create enabling environment to allow for employee's participation in target setting as a measure to enhance customer satisfaction. Additionally, management team should ensure that goals of the organization are smartly crafted to enable effective and faster time processing. And, time is of primary importance job completion therefore organizations should set realistic time frames for the allocated tasks.

5.4.2 Performance target implementation

An employee-inclusive performance target implementation should be promoted in organizations because it is crucial to the improvement of institution's service delivery capacity. Managers should ensure effective identification of performance problem strategies to enhance task completion. Furthermore, integrated corporate information system should be introduced in staggering basis in institutions that are yet to embrace the new technology to enable faster processing time. In addition, introduction of study routine report or performance review along with job

description should be made a priority as external motivation factors to promote job flexibility. The use of scoreboards should be introduced in organizations to promote customer satisfaction. Additionally, managers should come up with effective ways of observing workers perform their duties to enable high productivity.

5.4.3 Monitoring and evaluation

Performance target monitoring and evaluation should be promoted among employees with the support of the management to improve on service delivery. Managers should develop cost effective measures to motivate their employees to be committed to their work to realize good customer satisfaction. Again, organizations should put in place effective staff training strategies to ensure that employees are well versed with task expectations to improve on flexibility of duties among them. In addition, institutions should develop good quality work to enable staff to complete their tasks in time. Managers should formulate attainable lead-time that promotes faster processing time.

5.5 Suggested areas for further research

The study aim was to find out how much of an influence are the independent variables of target setting, target implementation, monitoring and evaluation have on the dependent variable of service delivery. It turns out that only 43.5 % of service delivery is attributed to the independent variables under this study. It, therefore, means that there are other variables comprising 56.5% of service delivery influences that need to be studied, in order to have a comprehensive understanding of performance contracting. The research recommends for further study to unearth the 56.5% factors that contribute to service delivery. The starting point for further study is to compare performance contracting at individual level to that set at a unit or departmental level for teamwork. This is informed by many organizations embracing teamwork in the workplace, where achievements are tagged at a unit or departmental levels while performance-contracting emphasizes setting targets at individual levels. Perhaps, a study to understand this conflict might be the answer to understanding the 56.6% factors that influence service delivery through the performance contracting initiative.

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APPENDICES I: QUESTIONNAIRE

Appendix I: Staff Questionnaire

Kindly answer the following questions by ticking the appropriate box or filling the spaces provided. Information obtained will be used for academic purposes only and will therefore be handled with the highest level of confidentiality. Your corporation will be highly appreciated.

SECTION A: DEMOGRAPHIC INFORMATION (TICK ONE) (√)

1) What is your gender? Male Female

2) Age in years Below 25 26 – 35 36 – 45 Above 45

3) What is your highest academic qualification?

Certificate Diploma Degree Masters

Others(specify) _____

SECTION B: EFFECT OF PERFORMANCE CONTRACTING ON SERVICE DELIVERY

Performance target setting

What is your opinion of the following statements about performance target setting with respect on service delivery at Kirinyaga University? (Indicate the appropriate variable by putting a tick [√]. 1=Strongly Disagree, 2=Disagree, 3=Not sure, 4=Agree, 5=Strongly agree)

S/No.	Target Setting Statements	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1.	Clear role clarity of employees enables high staff productivity					
2.	Management support is crucial to job flexibility					

3.	Time availability enables staff to complete their tasks					
4.	Employee participation in target setting is critical to customer satisfaction					
5.	SMART goals enables effective and faster time processing					

Performance Target Implementation

To what extent does performance contracting enhance the following at Kirinyaga University?

Indicate the extent to which you agree or disagree with the following statements.

	Target Implementation Statement	Strongly Agree	Agree	Not Sure	Agree	Strongly Disagree
1.	Observing workers perform their duties enables high productivity					
2.	Study routine report or performance review along with job description is crucial to job flexibility					
3.	Identification of performance problems is important to task completion					
4.	Performance scoreboard enables customer satisfaction					
5.	Integrated corporate information systems enables faster processing time					

Monitoring and Evaluation

What is your opinion of the following statements about monitoring and evaluation with respect to service delivery at Kirinyaga University? (Indicate the appropriate variable by putting a tick [√]. 1=Strongly disagree, 2=Disagree, 3=Not sure, 4=Agree, 5=Strongly agree)

S/No	Monitoring and Evaluation Statement	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1.	Customer complaints enables high employee productivity					
2.	Lead time results into faster processing time frame					
3.	Good quality work enables staff to complete their tasks in time					
4.	Commitment to work by the staff enables good customer satisfaction					
5.	Job knowledge enables flexibility of duties among the staff					

Service Delivery

What is your opinion of the following statements about service delivery with respect to performance contracting at Kirinyaga University? (Indicate the appropriate variable by putting a tick [√]. 1=Strongly disagree, 2=Disagree, 3=Not sure, 4=Agree, 5=Strongly agree)

S/No	Service Delivery Statement	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
1.	Performance contracting enhances productivity					
2.	Performance contracting enables work flexibility among employees					
3.	Performance contracting is critical to task completion for employees					
4.	Performance contracting enhances customer satisfaction.					
5.	Performance contracting enables adequacy in process time.					

Kindly give some suggestions on what can be done on PC to improve service delivery at Kirinyaga University.

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THANK YOU!!