The Impact of Performance Contracts on the Children's Department

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DECLARATION

This research project is my original work and has not been	submitted for a degree in any
other university. No part of this project may be reproduc	ed without permission of the
author and / or University of Nairobi.	
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This research project has been submitted for examination	on with my approval as the
supervisor.	
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I dedicate this project paper to my husband Macharia Ndegwa for his endurance not to mention the many nights he sacrificed to stay awake keeping me company while I worked on this project paper.

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ABBREVIATIONS & ACRONYMS

PC Performance contract

PCs Performance contracts

GOK Government of Kenya

OECD Organizations for Economic Co-operation of Development

MDA Ministries Departments and Agencies

PAS Performance Appraisal Systems

OEFA European Committee for Training and Agriculture

ENNDA Ewaso Nyiro North Development Authority

KRA Kenya Revenue Authority

NPM New Public Management

ABSTRACT

Performance contract were introduced as part of a broader public sector reforms aimed at improving efficiency and effectiveness in the management of the public service. There is a general agreement within the public service that their introduction has led to some improvement in service delivery as demonstrated by increased accountability, efficiency and delivery of public services as well as a national focus and targeted results. It is however not clear if these benefits have been experienced across all ministries, departments and agencies or whether the improvements have been consistent over the years. While the gains have been made in calculating a culture of competiveness and innovation within the public service, the quantity and quality of service in most ministries, departments and agencies seems to have remained inadequate. People's satisfaction with the services does not seem to have improved much. This study therefore sought to assess the extent to which PC has an effect on the department of Children's services. The study focuses on the five statutory children institutions based in Nairobi County namely, Kabete rehabilitation school, Getathuru reception and rehabilitation school, Nairobi children's remand home, Nairobi rescue centre and Dagoretti rehabilitation school. The area of focus was on vocational skills training, guidance and counseling and reintegration. Three components of PC namely, performance targets, work plans and citizen service delivery charters were used to measure PC. Both primary and secondary data was used for the study while quantitative method was used for data collection. The findings of the study show that performance targets and work plans have significantly contributed to organizational performance in the department of children services. However, it can be argued from the findings that citizen service delivery charters have little or minimal effect in the children's department.

CHAPTER ONE

BACK GROUND OF THE STUDY

1.1 Introduction

Performance contracting (PC) is a variant of public management reforms. PC being part of the broader public sector reforms aims at improving service delivery in the public service, while at the same time improving efficiency and effectiveness in the management of public service. The problems that have inhibited the performance of government agencies are common and have been identified as excessive controls, multiplicity of principles, frequent political interference, poor management and outright mismanagement (GOK, 2005).

A performance contract is a management tool for measuring negotiated performance targets. It is a freely negotiated performance agreement between the government acting as the owner of public agency on one hand and the management of the agency on the other hand (Akaranga, 2007). The performance contract specifies the mutual performance obligations, intentions and the responsibilities of the two parties. Similarly it also addresses economic / social and other tasks to be discharged for economic or other gain. It organizes and defines tasks so that management can perform them systematically, purposefully and with reasonable probability of the achievement (Akaranga, 2007).

Several countries, the world over and in Africa have over the years continued to implement policies using performance contracts as a method of improving performance of public enterprises in their countries. This is mainly because PC's have been acclaimed to be an effective and promising means of improving the performance of public enterprises and government department (Evaluation of PC, 2010) Organizations for

Economic Co-operation of Development (OECD) countries have extensively adopted performance contracts in government departments so as to improve the delivery of public services and effectiveness of government machinery (Obong, 2009).

In Canada the government's approach to performance contracting and management were rooted in early 1990's expenditure management system designed to cut costs during periods of budget deficits (Karnaghan & Siegel, 1999). In France PC were introduced in the Directorate General for Taxes (DGI) specifically designed to respond to two main concerns (Grapinet, 1999). First as tools meant to ensure consistency in a decentralized context and second, as tools to enhance pressure on the entire service network in order to improve performance (Akaranga, 2007). In Nigeria, prior to the introduction of performance contracts there were no clear objectives and defined measurements and evaluation systems in ministries, departments and government agents (Darma, 2013).

PC originated from the fact that public sector was consistently falling below the expectations of the public. In line with this PC was introduced in Kenya in 1989 in two parastatals, National Cereals and Produce Board and Kenya Railways Corporation but unfortunately this failed due to lack of political good will to drive the process. This followed the reintroduction of PC in 2003 as it was considered an essential tool for enhancing good governance, transparency and accountability for results in the public sector (Okeno, 2011).

In implementing performance contracts, the common issues that were being addressed include performance to deliver quality and timely services to the citizens, improve productivity to maximize shareholders wealth, reduce or eliminate reliance on the

exchequer, instill a sense of accountability and transparency in service delivery and utilization of resources and lastly, give autonomy to government agencies without being subjected to the bureaucrats and unnecessary procedures (Kobia & Mohammed, 2006).

The policy decision to introduce performance contracting in the management of public resources was conveyed in the economic recovery strategy for wealth and employment creation (2003 -2007). Further, Kenya Vision 2030 has recognized PC among the key strategies to strengthen public administration and service delivery. In an effort to achieve this, on 15th January 2004, the government vide cabinet memo no, CAB (03)115, directed that all permanent secretaries/ accounting officers of ministries/departments and chief executive officers of state corporations be placed on performance contracts by June, 2004 (Evaluation of PC, 2010). Subsequently, the government of Kenya introduced performance contracts with the hope that they will provide an effective tool for managing productivity. The push factor for introduction of performance contracts in Kenya underlies the assumption that institution of performance measurements, customer orientation and an increased focus towards incremental productivity and cost reduction can lead to improvement in service delivery (GOK, 2003).

Since the introduction of performance contracts in 2004, when only a few state corporations were participating, PC has been implemented in a majority of ministries, departments and agencies (MDA's). The decision to extend its coverage to all MDA's was as result of the benefits that were beginning to be manifest in participating institutions through improved administrative and financial performance as well as service delivery. Ministries were for the first time being required to work towards set targets,

draw out service charters with their clients and compare their performance with best in the world (Panel of experts, 2010).

The introduction of PC as the national management accountability framework in Kenya was premised on the need to build the country's competitive advantage around the performance of the public service. The system redefined public sector performance to mean focusing on outputs and outcomes, not on inputs, processes or preoccupation with activities (Evaluation of PC, 2010).

Arguably, performance contracts were meant to positively transform the government and its agencies so as to improve on service delivery in the public sector. This meant improving organizational performance in relation to productivity and or increase in revenue as well as improvement in the way the public sector operates on aspects such as efficiency, effectiveness, timeliness, responsiveness and accountability leading to improved customer satisfaction.

The key objectives of the government introducing performance contracts were to improve service delivery to create an avenue for public agencies to bench mark and also enhance healthy competition among public agencies while improving service delivery. Along with that, performance contracts were meant to improve financial and administrative efficiency. PC's have at the same time played a role in instilling some discipline to public institutions by ensuring strategic plans, works plans and vision 2030 are adhered to. PC's have further been considered to be a key tool for enhancing capacity for results in the public sector and good governance while increasing transparency in operations and resource utilization.

Performance contracting is a mechanism under public sector reforms that aims at improving performance of the public sector through setting clear objectives. Simple, achievable, accurate, realistic and time bound targets, specifying agent performance in terms of results (outputs) and assigning accountability for those results. As a result PC assists in increasing the transparency of the accountability relationship in public institutions, establishing clear reporting, monitoring and evaluation mechanisms of the projects and providing a basis for assessment of performance.

As part of the performance orientation in government, the common purposes of performance contracting are to clarify the objectives of service organizations and their relationship with government, and to facilitate performance evaluation based on results instead of conformity with bureaucratic rules and regulations. The setting of specific performance targets in a format that can be monitored is intended to provide a basis for evaluating performance and improving accountability in the public enterprise sector (Economic Commission for Africa, 2003).

The government has in the recent past continued to lay great emphasis on performance contracts as it has largely transformed the management of public affairs. This includes creating a culture of competitiveness and professionalism, target setting and innovation. For example, public universities have made great strides in the area of innovation by generating internal revenue for its own operations as opposed to being dependant on government funding as has been the case in the past. More importantly government officers are increasingly being challenged to account for public resources entrusted to them (Panel of experts, 2010).

The government introduced PC in 2004 as one of the tools to improve service delivery in the public sector. Initially only a few departments were involved but owing to the benefits that were beginning to manifest itself in the participating institutions, the government extended to other ministries, departments and agencies (MDA'S). The children's department was therefore not an exception. In conformity with this, the department adopted PC's in 2006 which required the director who is the head of department to sign a performance contract with the then permanent secretary Ministry of Home Affairs under which the department was then placed.

1.2 Statement of the Problem

In an effort to meet the objectives of performance contracting, the department has since then been required to draw its targets from the ministry's strategic plan. Subsequently all officers serving in the departments' headquarters, institutions, field offices and programmes under the department draw their targets guided by the departmental work plan under which the department's targets are stated. This is further cascaded down where each officer in the department is then required to complete an individual work plan, committing him/her to meet specified targets which are measurable and achievable within a certain time frame as well as state the required resources.

Statutory Children's institutions in the Children's department are classified into three categories; the rescue centers, the remand homes and the rehabilitation schools. Some of the services provided by these institutions include vocational skills training, guidance and counseling and reintegration of children back to their communities. Prior to the implementation of performance contracts, the output of an individual officer was neither

quantified nor measured especially where officers worked in a pool. Officers were infamous for sitting all day, chatting or simply respond to issues as they arose. Actually the mere presence of an officer at his/her work station was a justification that he/she was performing their duties. This was so because the department did not set its targets and therefore neither were individual targets set nor was there a timeframe within which a specified task had to be accomplished. Consequently officers worked haphazardly, others would freely ride on the achievements of others yet no recognition was given to those who performed well in their duties. For example, in the case of guidance and counseling which is a very important component towards character formation of a child in the institution, it was upon an officer to decide whether or not to conduct guidance and counseling sessions, when and how many sessions and whether individual or group counseling. Similarly in the area of training, an officer had the leeway to decide on how many children to train and within what time frame. The reintegration process was not any different. It was well within the jurisdiction of an officer to determine when and how many children were to be reintegrated back to the community.

The implementation of PC in the children's department is certainly a big departure from the past. Officers in these institutions upon setting their targets are then required to meet their targets following which an evaluation is carried out every quarter and at the end of each year, a score is awarded. As a motivating factor rewards and sanctions are meted out to those who perform beyond their targets and those who perform poorly respectively.

While certain gains have been made in inculcating a culture of competiveness and innovation within officers working in the institutions as well as accountability for

resources, it is not clear to what extent performance contracts have played a role in terms of organizational performance in the children's department. However, as far as am concerned few studies have been conducted on the impact of PC's in the children's department - Kenya. A knowledge gap therefore exits regarding the impact of PC's in the children's department - Kenya. Therefore, the study seeks to answer whether the introduction of PC have improved operations in the institutions, specifically in vocational skills training, guidance and counseling and in reintegration.

1.3 The objectives of the study

The main objective of the study is to examine the extent to which performance contracts have improved operations in statutory children institutions. The specific objectives of the study are to examine

- (i) Whether performance contracting have improved guidance and counseling in statutory children institutions.
- (ii) Whether performance contracting have improved vocational skills training in statutory children institutions.
- (iii) Whether performance contracting have improved reintegration in statutory children institutions.

1.4 Research Question

The study seeks to answer the question;

What is the impact of performance contracts in the children's department?

1.5 Justification

The study will provide useful information to the children's department as it will build up on the existing literature on performance contracting. The department will also stand to gain as it will have a greater understanding on the role of performance contracting on organization performance. The area of guidance and counseling will certainly be of benefit to partners of the institution, especially to those who have been very instrumental in providing support to the institutions in collaboration with the department. Parents and children too will also benefit as guidance and counseling sessions play a vital role in character formation.

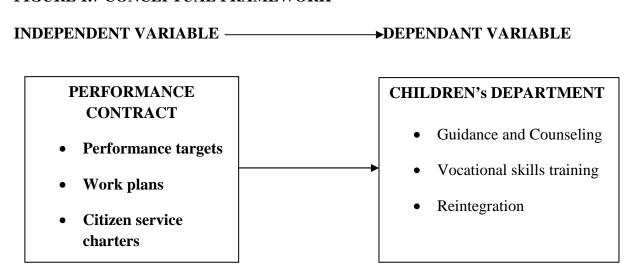
The study will also be gainful to parents/guardians, children and the society as a whole in the area of vocational skills training as the children exiting the institution are equipped with skills and thus able to either get employment or begin a small business thus making them self sustaining.

In the case of reintegration, again partners who have in the recent past provided support in this area remain a beneficiary of this study because this helps to decongest the institution. The children's department too will also benefit from this area of study as the decongestion of the institution helps in improving service delivery in the institutions and at the same time allows for more children to be processed through the system.

1.6 Scope and Limitation

The study will cover the financial year 2006/2007 which is the year the children's department introduced performance contracts to the year 2011/2012. The study is confined to five children statutory institutions situated in Nairobi County. It is also anticipated that respondents may not be readily available to undertake interviews due to commitments at work which may include meetings, trainings or such other engagements outside their work stations. Other factors may include off duty, sick off, annual leave and other personal commitments. In accuracy of information too from respondents will also have a bearing on the outcome of the study.

FIGURE 1.7 CONCEPTUAL FRAMEWORK



1.8 Definition of Concepts

Organizational performance in the children's department - this refers to operations/activities which are carried out in statutory institutions with the objective of producing results such as vocational skills training, reintegration, guidance and counseling.

Guidance and counseling - guidance is carried out at two levels, individual and group. Guidance involves the counselors having a systematic discussion with the child/children based on selected thematic areas. While counseling is carried out on an individual level, where a counselor makes a contract with the client (child) to conduct therapeutic sessions after identifying problems/ issues the child may be experiencing.

Vocational skills training - these are short courses offered to children in the rehabilitation schools which are conducted by technical instructors posted in the institutions. The courses include bakery and confectionary, hair dressing, fashion and design among others. A certificate is then awarded to every candidate upon successful completion of the course.

Reintegration - this is the process of exiting the child from the institution when his/her term has expired and returning him/her to the community upon successful identification of the parents/guardian. It also involves tracing the individual home of the child and keeping in touch with the parents while child is in the institution.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Performance contract is a variant of the New Public Management framework. The New Public management techniques and practices are mainly from the private sector and are increasingly seen as a global phenomenon informed by the idea that public service needs to be more responsive to both the preferences of beneficiaries and citizens who pay for service provision through tax. The New Public Management (NPM) is said to have developed from the belief that greater market orientation can lead to more cost efficient transactions and procedures made by the government shifting the focus from public service to service delivery.

2.2 New Public Management

NPM model strongly promotes empowerment of citizens. This is demonstrated by Osborn and Gaebler (1991) in the second principle that represents an operational definition of NPM which states that the government ought to be "community owned." Thus, the role of government is to empower citizens and communities to exercise self-governance. This notion stands in contrast to the notion that citizens are merely recipients of public services and do not have be actively engaged in the process of deciding what those services, would look like (Miller & Dunn, 2006). Enhancing public participation involves a set of ideas and steps to facilitate citizens' participation in public administration. This approach to reforming the public sector is based on the assumption

that 'governing should be about finding out what the public wants and finding ways of delivering those services' (Peters, 2001; pg.5). It tries to increase the input of citizens, customers and lower – level officers in the decision making process through empowerment. The advocates of this idea believe that the customer themselves and the street level officials have the most appropriate information and insights about services and programmes. If this information was utilized appropriately, the government would perform better (Torrisson, 2008).

Perhaps the most dominant theme of NPM is the attempt to use mechanisms to improve performance in the public sector. This includes privatization is which functions formerly provided by government are given over to public sector or business organizations (Priffner, 1999). Public managers are challenged either to find new and innovative ways to achieve results or privatize functions previously provided by government. Public managers are further urged to 'steer not row' meaning they should not assume the burden of service delivery themselves, but whenever possible should define programmes that others would carry out through contracting or such other arrangements (Denhardt & Denhardt, 2010). In taking the form of private sector delivery of goods and services that are paid for by the government referred to as contracting out, it is argued that business act more efficiently than government because of different incentives and greater flexibility and so contracting out will save the tax payers money (Priffner, 1999).

NPM also advocates for decentralization. This includes creation of autonomous agencies, devolution of budgets and financial controls (Mhina, 2008) while giving line managers in government departments and agencies greater management and authority (Polidano,

1999). Decentralization also involves taking power to lower levels of government. In this way citizens are able to benefit from closer services while the government can easily measure performance and carry out closer supervision of government activities.

Result oriented government is yet another tenet strongly promoted by NPM framework which is linked to the power of performance measurements. For too long, public sector organizations failed to concern themselves with their outputs (i.e. quality of services) rather, the focus was on inputs, given that public sector matters usually revolved around the question of resources. Under the new public management, the focus is shifted to that of result. The important question for the proactive public manager is what he/she achieves with the resources available (Falcorn, 2008). (Osborne & Gaebler, 1991) state, what gets measured gets done. If you don't measure results, you can't tell success from failure. If you can't see success, you can't reward it. If you can't reward success, you're probably rewarding failure. If you can't see success, you can't learn from it. If you can't recognize failure, you can't correct it. If you can demonstrate results, you can win public support. (Osborne & Gaebler, 1991; pg 138-154).

Performance measurement is also another variant of NPM. This is the process an organization follows to objectively measure how well its stated objectives are being met or have been met. (Binnrndyik, 2006). According to Denhardt & Denhardt, 2010 the measurement of government performance becomes more valuable when citizens are engaged in the establishment of performance, goal, objectives and indicators. In this way, the process measures what truly matters to the citizens and managers find different kinds of measures useful, so it is important to find the right balance.

2.3 Effects of performance contract on organizational performance

The government introduced performance contracts way back in 2004. Several studies have been conducted regarding performance contracts both in state corporations and in government ministries. These studies have looked at different aspects regarding PC's. For example, the impact of PC's on service delivery, factors that influence the implementation of PC's, effects of PC's on organizational performance such as ministry of education, Kenya Civil Aviation, Kenya Ports Authority, Kenya Revenue Authority among others. Other studies have focused on employee perception on performance contracts, while others have looked at the effects of PC's on employees in various organizations.

Study findings of the public sector performance management committee France (2008) established that the adoption of PC's in France's public sector had re-engineered the efforts of public service providers particularly in the transport sector of roads and railways in which the railway and road network were well maintained and improved. Also officers working in the environmental sector had ensured environmental sustainability. Performance contracting guidelines had also enabled the collection and improvement of government revenue from 45 -60% (Gekonde, Ocheing, Lokapel, 2013).

The introduction and eventual use of performance contracts in Africa and in particularly Kenya had created an atmosphere of effectiveness, transparency and accountability in the public sector, a factor which attracted donor countries to have confidence in Kenya (Trivedi, 2006). A study carried out by (Nzuve, 2010) on the impact of performance contracting on organizational performance, a case of Kenya Revenue Authority (KRA)

reported that performance contracts scheme had enabled KRA to significantly increase revenue collection, reduce customer turnaround time, define and streamline the reporting and operational structure and make employees committed to their work.

Another study (Choke, 2006) on the perceived link between strategic planning and performance contracting in State Corporations in Kenya found that most managers perceive PC's as a management tool useful in achieving set targets. (Kiboi, 2006) on the other hand studied the management perception of performance contracting in state corporations and achieved similar results. (Korir, 2005) also studied the impact of performance contracting at the East Africa Portland Cement. This study found that in the presence of PC's there is a corresponding improvement in performance (Gathai, Ngugi, Waithaka, Kamuyi, 2012). In respect to turnover, performance contracts have a negative effect (Gathai, Ngugi, Waithaka & Kamugi, 2012).

A survey carried out on participants at Kenya Institute of Administration by (Kobia & Mohammed, 2006) on the success and challenges of implementing PC's in Kenya indicate that participants' views regarding PC are positive and support the objectives of PC. They further found that performance contracting enhances job satisfaction leading to improved job performance. The survey further shows that performance contracting has induced the public service to become more oriented towards customers, markets and performance without putting the provision of essential public services to jeopardy. The study concludes that introduction of performance contracting and management by results is used to improve the performance of an organization as it emphasis better human resource management.

A further study carried out by (Matata, 2012) on Kenya Ports Authority indicate that the implementation of performance contracts has resulted in strengthening of corporate governance / reduction of accidents, improvement in revenue and enhancement of customer satisfaction index. A recent research conducted by (Letangula & Letang, 2012) concluded that performance contracting has a great effect on the improvement of quality service at the Ministry of Education. The research further states that performance contracts have enhanced ability to discharge duties and enhances consistency and creativity at the Ministry of Education.

An evaluation of performance contracts carried out by the office of the Prime Minister for the year 2008/09 reported that with the introduction of performance contracts, the overall performance of ministries/departments and state corporations has improved with regard to management of resources, service delivery, work environment and strategic management. The report also states that as a result of introduction of performance contracts there is greater accountability in the management of public resources. Implementation of performance contracts in Kenya has yielded significant benefits to Kenya. Some of the positive impacts of PC's include improved performance in the ministries, departments and agencies in regard to profitability levels particularly in the commercial state corporations, improvement in the performance of the public service particularly through the introduction of citizen service delivery charters, improvements in levels of accountability and transparency. This is according to a Panel of experts on the review of PC's, September, 2010. The report also indicates the aforementioned performance improvements have been recognized in the national customer satisfaction

survey when the overall customer satisfaction index was 6.35 (comparable to international bench marks) (Panel of experts, 2010).

A study conducted in 1999 by Rambo on factors influencing PC on Kenya public management service delivery, a case study of Ewaso Nyiro North Development Authority (ENNDA) - Kenya shows that work plans which are a component of PC's was the most significant factor in influencing service delivery at ENNDA in comparison to skills development, training, Monitoring and evaluation among others.

Another study on the influence of PC's on public service delivery in Kenya, a study of registration of persons - Kericho district conducted by (Gekonda, Ocheing & Lokape, 2013) concluded that the use and application of PC's in the public sector had a positive influence towards public service delivery particularly in terms of meeting timelines, rendering quality services to the customers and increasing work output. The same study goes on to state that PC had re-engineered the efforts of public officers by working hard to achieve the set objectives of the department in terms of transparency, effectiveness, efficiency and accountability at work place.

NPM favors loosening the structure of the traditional model to allow for more creativity and flexibility in order to achieve greater efficiency and better customer service. It gives lower - level managers more flexibility to use their own information and judgment to make decisions (that is 'let managers manage') and further encourages managers to take risks and be more entrepreneurial. NPM achieves accountability by measuring outputs rather than monitoring processes. In states with larger public sectors, NPM encourages privatizing functions, and in states with smaller public sectors it encourages contracting

with private organizations for the provision of goods and services (Pfinner, 2004). The same ideas are shared by performance contracting so as to improve organizational performance in the public sector.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter outlines the study design, study location and the target population. It will also discuss the sample size and the sampling techniques and research instruments that will be used in the study. Data collection procedures and data analysis will also be discussed as well as ethical issues in data collection.

3.2 Study Design

The study used quantitative method of data collection using questionnaires which consisted of structured closed-ended questions. The advantage of using this method of data collection was because close-ended questions are easier to analyze since they are in an immediate usable form, they are also economical to use in terms of time and money and lastly they are easier to administer because each item is provided with alternative answers, making the tool free from the bias of the researcher and the respondent. A five point lickert scale was used to measure the research objective where respondents chose one option against the following; strongly agree, agree, don't know, disagree and strongly disagree. Each option was assigned a value ranging from 1 to 5 to express the degree of the respondents' opinion. Drop and pick later approach was used in administering the questionnaires.

Three sets of questionnaires were distributed so as to collect data in line with the study's specific objectives. This includes vocational skills training, guidance and counseling and

reintegration. The purpose of categorizing the questionnaires was because one set of questionnaires could not be authoritatively be answered by all respondents. It was therefore important to design questionnaires suitable for each category of respondents.

3.3 Study Location

The study was conducted in all the five statutory children's institutions in Nairobi county. The institutions comprised of Kabete rehabilitation school, Nairobi children rescue centre, Getathuru reception and rehabilitation school, Nairobi children remand home and Dagoretti rehabilitation school. These institutions were selected because they were convenient to the researcher in terms of easy access thus saving on resources such as time and money. The institutions also represent the three classifications of children statutory institutions which include a rescue centre, a remand home and a rehabilitation school and reception centre.

3.4 Target Population

The target population comprised of technical instructors who carry out vocational skills training in rehabilitation schools as well as house mistresses / masters or any other officer responsible for reintegration. Since the target institutions do not have substantive counselors, the study targeted any officer in the institutions who carry out guidance and counseling services. This population represented the middle level and junior officers.

3.5 Sample and Sampling

The population comprised of heterogeneous group as it encompasses officers of various designations. This includes teachers, housemistress/ masters, technical instructors and

other designations depending on the institution. Therefore the population was stratified into three categories to include officers carrying out vocational skills training, guidance and counseling and reintegration.

Sampling

Data was collected from forty two respondents who consisted of all the officers who carry out reintegration, guidance and counseling and vocational skills training services in the five institutions.

3.6 Data Collection

Two major sources of data were used for data collection namely the primary source and secondary source. The primary source includes data collected from the respondents while the secondary data relies on desk research as literature review.

3.7 Data Analysis

Quantitative data analysis was used to analyze the data. After correcting any errors that may influence data analysis, data was prepared for analysis through editing, coding and entry. Data editing was done so as to ensure data is accurate and is consistent with the intent of question. The data was analyzed using statistical package for social sciences (SPSS) to generate descriptive statistics so as to enable the researcher to meaningfully describe a distribution of scores using a few statistics.

Tables, Bar graphs and other central tendencies were used to present the data.

3.8 Logical and ethical considerations

Before embarking on data collection, the researcher requested for permission to do so from the respective authorities and at the same time justify the need for data collection. The researcher explained the research in advance and thereafter conducted a debriefing session. Upon permission being granted the researcher informed respondents that confidentiality would be maintained whilst ensuring them that all information disclosed would be used exclusively for the stated study. The researcher also gave an assurance that the principle of Informed consent would be highly observed from any subject used in the study and also assured the subject's participation would be voluntarily. Openness and honesty were also observed by the researcher and research subjects. The researcher also gave assurance to take responsibility for their subjects' work and all contributions made regarding the study and any other consequence that may result from the said study. Even though participation was voluntarily, the researcher assured the subjects' it will be the obligation of the researcher to take responsible measures to protect subjects psychologically and physically while the research was under way.

CHAPTER FOUR

FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents the findings of the study based on the study's specific objectives, whether performance contracting have improved vocational skills training, reintegration, guidance and counseling in statutory children institutions.

4.2 Descriptive Statistics

Respondents were drawn from officers engaged in vocational skills training, reintegration, guidance and counseling. Fifty questionnaires were distributed and 42 of these were filled and returned representing 84% response rate. The respondents consisted of six officers in vocational skills training, eighteen in guidance and counseling and eighteen in reintegration. 40% of the respondents were male while 60% were female. Officers in job group D - G represents 55% of the respondents while job group H - K and L - M represents 40% and 5% of the respondents respectively. The respondents consisted of officers aged between twenty six and above fifty years. 21% of these respondents are aged between 26 and 30 years, 48% of the respondents were aged between 31 and 40 years, 14% were aged between 41 – 50 years while 19% are above 50 years. 45% of the respondents have served less than ten years in the civil service while those who have served between 11 and 20 years represents 31% and those who have served between 31 and 40 represent 24% of the respondents.

4.3.1 Findings on vocational skills training

Section one of the findings presents findings from respondents drawn from officers engaged in vocational skills training. One of the objectives of the study was to establish the extent to which performance contracting have improved vocational skills training in statutory children institutions. This objective was measured by administering three sets of questions focused on the three specific components of performance contracting which includes performance targets, work plans and citizen service delivery charters.

The first two questions related to performance targets. In the first question respondents were asked if setting of performance targets have increased the number of children enrolled in vocational skills training while the second one sought to establish if performance targets have improved the completion rate of children enrolled in vocational skills training. Table 4.1 and 4.2 present the findings respectively.

Table 4.1: Effects of setting performance targets on number of children enrolled in vocational skills training.

Gender	Agreed	Don't Know	Disagreed
Male	66%	-	-
Female	17%	17%	-
Total	83%	17%	-

As shown in table 4.1, 83% of the respondents agree that setting of performance targets in the vocational skills training have increased the number of children enrolled in vocational skills training. Among these respondents 66% are male and 17% are female. 17% of the female respondents were however not sure.

Table 4.2: Effects of setting performance targets on the completion rate of children enrolled in vocational skills training.

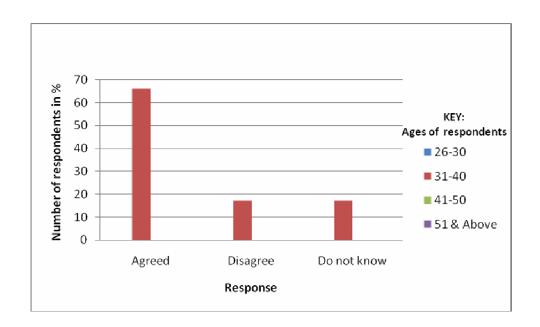
	Agree	Don't know	Disagree
Gender			
Male	50%	-	17%
Female	33%	-	-
Total	83%	-	17%

It is evident from table 4.2 that 83% of the respondents agree that setting of performance targets in vocational skills training have increased the completion rate of children enrolled in vocational skills training. 50% of these respondents compromise of male while 33% compromise of female. 17% of the respondents disagree, all of who are male.

In an effort to establish the effects of works plans on vocational skills training the study administered two questions to the respondents. One was whether work plans have an effect on the number of hours technical staff spend on training children and the subsequent was to access if work plans have an effect on the completion rate of children

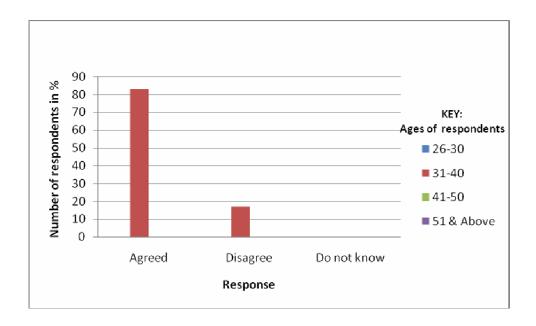
enrolled in vocational skills training. The findings are summarized in figure 4.3 and 4.4 respectively.

Figure 4.3: Effects of work plans on the number of hour's technical staff spend on training children.



It can be observed from figure 4.3 that 66% of the respondents agree that development of work plans has increased the number of hours technical staff spend on training children, 17% were not sure while 17% disagree. All the respondents were aged between 31-40 years.

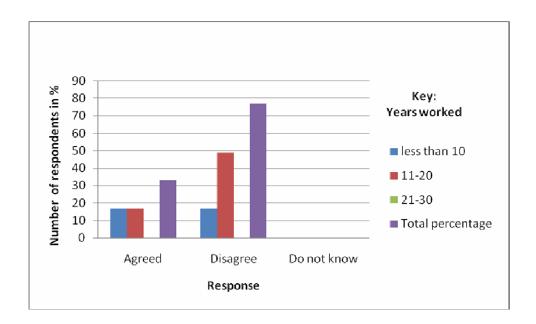
Figure 4.4: Effects of work plans on the completion rate of children enrolled in vocational skills training.



As shown in figure 4.4, 83% of the respondents agree that development of work plans have increased the completion rate of children enrolled in vocational skills training. 17% of respondents of the same age bracket disagreed.

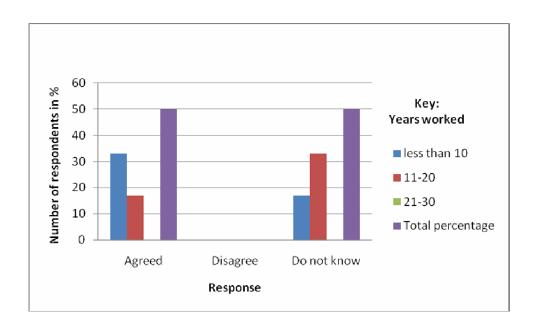
In line with citizen service delivery charters the study sought to access the extent to which citizen service delivery charters have an effect on vocational skills training. Two questions were therefore administered to the respondents. One, effects of citizen service delivery charters on the number of children enrolled in vocational skills training. Two, effects of citizen service delivery charters on the completion rate of children enrolled in vocational skills training. Figure 4.5 and 4.6 represents the findings respectively.

Figure 4.5: Effects of citizen service delivery charters on the number of children enrolled in vocational skills training.



As shown in figure 4.5, 77% of the respondents are not sure whether display of citizen service delivery charters have increased the number of children enrolled in vocational skills training, 17% of the respondents have served less than ten years in the civil service while 49% of the respondents have served between 11 and 20 years. However about 33% of the respondents were in agreement that display of citizen service delivery charters has increased the number of children enrolled in vocational skills training.

Figure 4.6: Effects of citizen service delivery charters on the completion rate of children enrolled in vocational skills training.



It is revealed from figure 4.6, that 50% of the respondents agree that display of citizen service delivery charters have increased the rate at which children are reintegrated back to the community. 33% of these respondents have served in the civil service for less than ten years while 17% of the respondents have served between 11 and 20 years. Another 50% of the respondents disagree that display of citizen service delivery charters have increased the rate at which children are reintegrated back to the community.

4.3.2: Findings on Guidance and Counseling

The second part of this study respondents were drawn from officers who conduct guidance and counseling sessions in the institutions. This represents 43% of the respondents. The respondents were asked the same questions as those asked by respondents in vocational skills training but largely focused on guidance and counseling.

This was purposely done so as to meet the second objective of the study which was to access the extent to which performance contracting has had an effect on guidance and counseling. This objective was measured by administering three sets of questions in three specific areas, mainly performance targets, work plans and citizen service delivery charters.

Both the first and second questions were to establish the extent to which performance targets have an effect on guidance and counseling. In the first question respondents were asked to state to what extent performance targets has improved the discipline level among children while in the second question respondents were asked to state to what extent performance targets has had an effect on the number of children reintegrated back to the community. Table 4.7 and 4.8 presents the findings respectively.

Table 4.7: Effects of setting performance targets on the discipline level amongst children.

Gender	Agree	Don't Know	Disagree
Male	39%	-	17%
Female	33%	-	11%
Total	72%	-	28%

As presented in table 4.7 above, 72% of the respondents agree that setting of performance targets in the guidance and counseling section have improved the discipline level among children. Male respondents represent 39 % while female respondents represent 33% of these respondents. 28% of the respondents disagree where 17% are male and 11% are female.

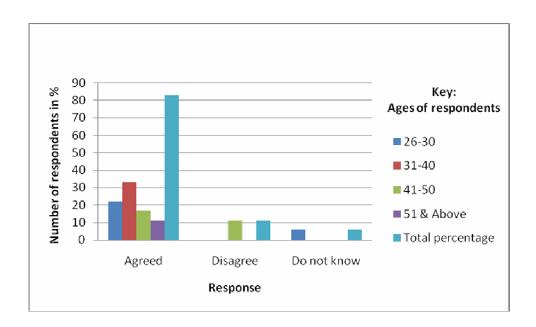
Table 4.8: Effects of setting of performance targets on the number of children reintegrated back in the community.

Gender	Agree	Don't Know	Disagree
Male	44%	-	11%
Female	39%	-	6%
Total	83%	-	17%

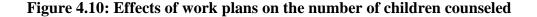
Table 4.8 reveals that 83% of the respondents agree that setting of performance targets have increased the number of children for reintegration, 44% and 39% represent male and female respondents respectively. 17% of the respondents disagree in which 11% and 6% are male and female respectively.

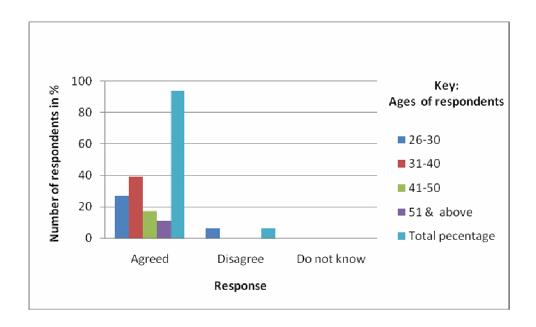
The study further administered two questions in regard to development of work plans to the respondents. The first was weather work plans have increased the numbers counselors spend on counseling children while the subsequent sought to establish the extent to which work plans had increased the number of children counseled. Figure 4.9 and 4.10 summarizes the findings respectively.

Figure 4.9: Effects of work plans on the number of hour's counselors spend on counseling children.



As indicated in figure 4.9, 83% of the respondents agree that development of work plans in the counseling section has increased the number of hours counselors spend on counseling children. These represents 30% of the respondents aged between 31-40 years, 20% of the respondents aged between 26-30 years, 16 and 10 % of the respondents aged between 41-50 and 50 years and above respectively. 10% of the respondents aged between 41-50 years disagree and another 2% of the respondents are non committal.

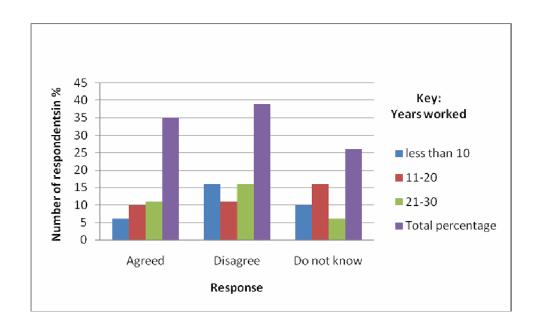




Interestingly figure 4.10 presents that 94% of the respondents agree that development of work plans in the counseling section have increased the number of children counseled. Among these respondents 27% represents respondents aged between 26 - 30 years, 39% represent respondents aged 31 - 40 years while 18% represent respondents aged between 41-50 years. 11% represent respondents who are 50 years and above. 6% of the respondents disagree which consists of respondents aged 26 - 30 years.

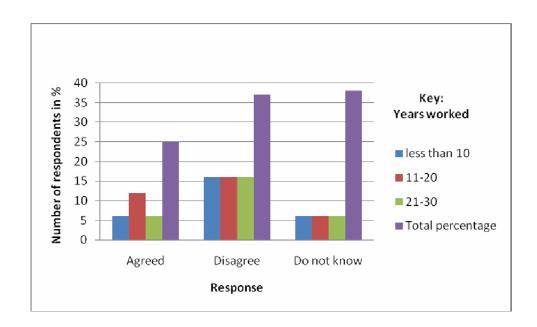
In an effort to access the extent to which citizen service delivery charters have an effect in guidance and counseling, the study administered two questions in relation to service delivery charters. In the first question respondents were asked to state to what extent citizen service delivery charters have an effect on the number of hours counselors spend on counseling children while the subsequent question respondents were asked to what extent citizen service delivery charters had increased the completion rate of children enrolled in vocational skills training. Figure 4.11 and 4.12 presents the findings.

Figure 4.11: Effects of citizen service delivery charters on the number of hours counselors spend on counseling children.



As observed in figure 4.11, 38% of the respondents disagree that citizen service delivery charters have increased the number of hours counselors spend on counseling children. 16% of these respondents have served less than 10 years in the civil service while 11% and another 16% of these respondents have served between11-20 years and 21-30 years respectively. 35% of the respondents agree while 27% are non committal.

Figure 4.12: Effects of citizen service delivery charters on the completion rate of children enrolled in vocational skills training.



It can be noted in figure 4.12 that about 38% of the respondents do not know if display of citizen service delivery charters have improved the completion rate of children enrolled in vocational skills training. About 16% of these respondents have served in the civil service for less than ten years, another 16% have served between 11 – 20 years and another 16% have served between 21-30 years in the civil service. 37% of the respondents disagree but on the other hand 25% agree.

4.3.3: Findings on Reintegration

The last part of the study targeted respondents drawn from officers who carry out reintegration in the institutions. The respondents were eighteen in total which consists of 43% of the respondents. The questions administered to these respondents were similar to those asked to respondents in Part 1 and 2 of this study but deliberately inclined to

reintegration. However the questions still focused on the three components of performance contracting which are performance targets, work plans and citizen service delivery charters. This was done in an effort to measure the third objective of the study which was to establish the extent to which performance contracting have an effect on reintegration.

The first set of questions administered to respondents was focused on performance targets in relation to reintegration. The first one was to access the extent to which performance targets have an effect on number of children reintegrated back to the community and the second the extent to which performance targets has had an effect on the rate at which children are reintegrated. Table 4.13 and 4.14 presents the findings.

Table 4.13: Effects of setting performance targets in reintegration section has increased the number of children reintegrated back to the community.

Gender	Agreed	Don't Know	Disagreed
Male	17%	5%	5%
Female	56%	17%	-
Total	73%	22%	5%

As displayed in table 4.13 about 73% of the respondents agree that setting of performance targets in the reintegration section has increased the number of children

reintegrated back to the community. Among these 17% are male and 56% are female. 22% of the respondents remained non-committal, among these 17% are female and 5% male. Nevertheless 5% male respondents disagree.

Table 4.14: Effects of performance targets on the rate at which children are reintegrated back to the community.

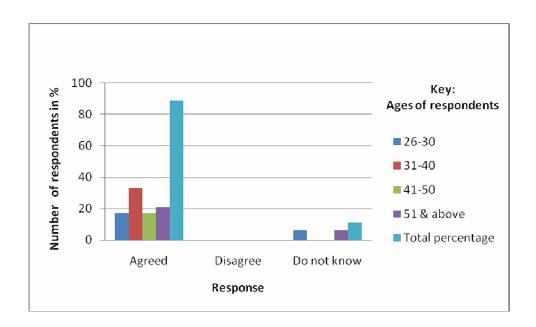
Gender	Agreed	Don't Know	Disagreed
Male	89%	-	11%
Female	84%	16%	-
Total	86%	8%	6%

It is evident from table 4.14 that 86% respondents agree that setting of performance targets in the reintegration section have increased the rate at which children are reintegrated back to the community, 89% and 84% of these respondents are male and female respectively. 8% of the respondents are not sure, 16% of who are female. However 6% of the respondents disagree.

The study sought to know the effects of work plans on reintegration. Consequently two questions in relation to work plans were administered to each respondent. One was the effect of work plans on the timeliness of reintegration of children and the other on the

number of children reintegrated back to the community. Figure 4.15 and 4.16 summarizes the findings.

Figure 4.15: Effects of work plans on the timeliness of reintegration of children back to the community.



As shown in figure 4.15 about 89% the respondents agree that development of work plans in the reintegration section have improved the timeliness of reintegration of children back to the community. Among these respondents about 17% represent respondents aged 26 - 30 years, 33% represent respondents aged 31 - 40 years, 17% represent respondents aged 41 - 50 years while 21% of the respondents are 50 years and above. 11% of the respondents are not sure.

Figure 4.16: Effects of work plans on reintegration of children back to the community.

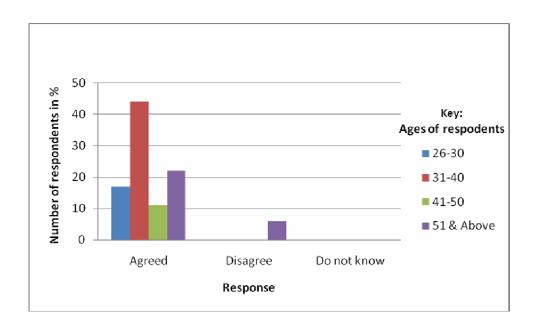
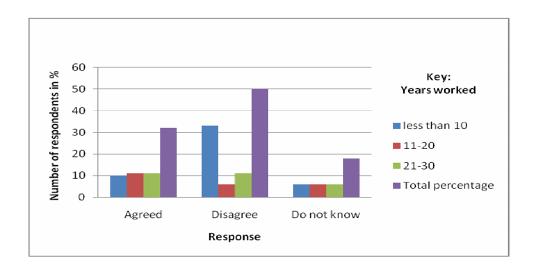


Figure 4.16 indicates that 44% of the respondents agree that development of work plans in the reintegration section have increased the number of children reintegrated back to the community. About 18% of those who agree are aged between 26-30 years, 33% between 31-40 years, 17% and 21% between 41-50 years and 50 years and above respectively. About 11% of the respondents were not sure.

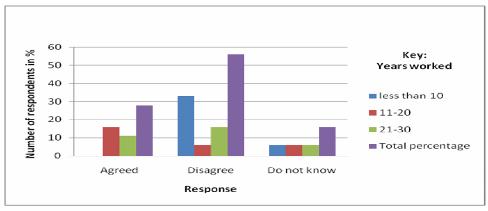
The study sought to establish if citizen service delivery charters have increased the number of children reintegrated back to the community. In order to measure this, two questions regarding citizen service charters were administered to the respondents. In the first question respondents were to state the extent to which citizen service delivery charters have an effect on the number of children reintegrated while the second was on the effect of citizen service delivery charters on the rate at which children are reintegrated back to the community. Figure 4.17 and 4.18 respectively.

Figure 4.17: Effects of citizen service delivery charters on the number of children reintegrated back to the community.



Interestingly figure 4.17 shows that about 50% of the respondents disagree that the display of citizen service delivery charters have increased the number of children reintergrated back to the community. 33% of these respondents have served in the civil service for less than 10 years, 6% between 11 - 20 years and 11% between 21 - 30 years. However 32% agree and another 18% are not sure.

Figure 4.18: Effects of citizen service delivery charters on the rate at which children are reintegrated back to the community.



It is not surprising that figure 4.18 presents about 56% of the respondents disagree that the display of citizen service delivery charters have increased the rate at which children are reintegrated back to the community. Among these respondents 33% have served less than 10 years in the civil service, 6% have served between11 – 20 years and 18% between 21 – 30 years. 28% of the respondents agree while 16% of the respondents remain unsure.

4.4 Discussions of findings

From the findings of the study it is worth noting that setting of performance targets have played a positive role in the children's department. This is so because out of the six questions administered to respondents in regard to performance targets, average of 80% of the respondents agrees that setting of performance contracts has played a positive role in their work performance. This supports the findings of (Kobia and Mohammed, 2006) which concluded that performance contracts enhanced job satisfaction leading to improved job performance.

The findings also suggest that about 76% of the respondents agree that development of work plans have improved in the performance of the duties. This finding is based on the six questionnaires which were linked to development of work plans. This therefore suggests that development of work plans in vocational skills training, guidance and counseling and reintegration has had a great effect on the organizational performance in the children's department. This supports a study by (Rambo, 1999) which concluded that work plans were the most significant factors in influencing service delivery in comparison to skills development training, monitoring and evaluation among others.

Further to this the findings indicate that 89% of the respondents agree that development of work plans in the reintegration section have improved the timeliness of reintegration of children back to the community. This is similar to the findings of (Gekondi, Ocheing and Lokape, 2013) which concluded that PC had a positive influence toward public service delivery particularly in terms of meeting timeliness, rendering quality services to the customers and increasing work out put.

Another set of six questions administered to respondents in regard to citizen service delivery charters suggest that display of citizen service delivery charters have a minimal effect in the children's department. Indeed it is therefore not surprising that 77% of the respondents are not sure if citizens service delivery charters have an effect on the number of children enrolled in vocational skills training. The findings also indicate that about 76% of the respondents either disagree or do not know whether the display of citizen's service delivery charters have an effect on the number of hours counselors spend on counseling children or on the completion rate of children enrolled in vocational skills training. In the area of reintegration, this is not any different because more than 50% of the respondents said they disagree that citizen service delivery charters has increased the number of children reintegrated or the rate at which they are reintegrated.

The findings on performance targets on performance targets and work plans confirm the theory of New Public Management which is said to lead to more cost efficient transactions, result oriented government and shifting focus from public service to service delivery.

CHAPTER FIVE: SUMMARY AND RECOMMENDATIONS

5.1 Introduction

The overall objective of the study was to establish the extent to which performance contracts have an impact in the children's department. The interest was on statutory children's institutions. Organizational performance may be defined as improvement in vocational skills training, guidance and counseling and reintegration. Based on the overall findings it appears a performance contract has played a role on the improvement of organizational performance in statutory children institutions.

5.2 Conclusion

One of the specific objectives of the study was to access the extent to which performance contracts have an effect on vocational skills training. It is evident that performance contracts have largely contributed on the number of children enrolled in vocational skills training as well as their completion rate. The number of hours technical staff spends on training children has also been seen to have increased since the introduction of performance contracts. This suggests that PC has a significant impact on vocational skills training which has indeed resulted in children benefiting from vocational skills training. However, PC has had minimal effect on vocational skills training in regard to display of citizen service delivery charters; this includes the enrollment and completion rate of children enrolled in vocational skills training.

Another specific objective of the study was to establish the extent to which performance contracts have had an effect on guidance and counseling. Based on the findings of the study it is obvious that PC has a positive effect on guidance and counseling. This can observed be in the discipline level of the children. Further, to this development of work plans in guidance and counseling has increased the number of hours counselors spend on counseling children. This has subsequently increased the number of children counseled. This therefore suggests that PC has continued to play a great role on guidance and counseling which in effect has improved the character formation of children whilst in the institution among other factors. Moreover the findings also suggest that PC has had an insignificant effect on citizen service delivery charters. This is supported by the low ratings both in the hours counselors spend on counseling children as well as completion rate of children enrolled in vocational skills training.

In the third and last objective of the study, the study sought to access the extent to which performance contracts have an effect on reintegration. It is evident from the findings that performance contracts have an effect on the number and rate of children reintegrated back to the community. Similarly the introduction of work plans in the reintegration section has also improved on the timeliness of children reintegrated and also increased the number of children reintegrated back to the community. This finding suggests that performance contracts play a great role on reintegration of children. Development of work plans in the reintegration section has also been seen to have a great effect on the timeliness on reintegration of children back to the community. This in effect has helped decongest the institutions. However it can be argued from the findings that performance contracts insignificantly have an effect on citizen service charters. This is so because the ratings on reintegration as seen on the findings are very low in relation to the number and rate at which children are reintegrated.

5.3 Recommendations

- I. Director Children services should ensure performance contracts are streamlined.
- II. Supervisors together with their respective supervisees should work together to strengthen work plans in regard to their activities, time frame and resources.
- III. Director Children services to consider sensitizing staff, clients and other stake holders on the usefulness of citizen service charters as this will provide direction on whether to revise or do away all together with citizen service charters.

5.4 Suggestion for further Research

Further studies need to be under taken on other areas of organizational performance in statutory children institutions since time, scope and resources were a constraint to the researcher thereby limiting the researcher. This may include but not limited to areas such as academics programmes, assessment and classification and rehabilitation programmes.

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APPENDICES

APPENDIX I: DATA COLLECTION QUESTIONNAIRE

QUESTIONNAIRE FOR ASSESSING THE ROLE OF PERFORMANCE CONTRACTS ON ORGANIZATIONAL PERFORMANCE:

Please answer the following questions by ticking the appropriate box.

Bio	Data

1) What is your Gender?
Male Female
2) Age
Below 25 26 - 30 31- 40
41-50
3) What is your current Job Group?
A - C D - G
H - K N and above
5. How long have you served in the civil service?
Less than ten years $\boxed{ 11-20 \text{ years }} \boxed{ 21-30 \text{ years }} \boxed{ 31-40 \text{ years }} $
41 – 50 years 51 and above
6. Please state which of the following services you provide to children in the
institution?
Counseling Vocational Training Reintegration

APPENDIX II: This Questionnaire seeks to establish the role of performance contracting on organizational performance with specific focus on the children's department – Kenya. The information provided will be treated with utmost confidentiality and shall be used only for the purpose of this research.

Please tick the appropriate choice/answer in relation in to the statement below.

Key: SA = Strongly Agree A = Agree DN = Don't Know D = Disagree SD = Strongly Disagree

	DESCRIPTION					
	PERFORMANCE TARGETS	SA	A	DN	D	SD
1	Setting of performance targets has increased the number of					
	children enrolled in vocational skills training.					
2	Setting of performance targets has increased the completion rate					
	of number of children enrolled in vocational skills training.					
	WORK PLANS					
3.	Development of work plans has increased the number of hours					
	technical staff spends on vocational training.					
4.	Development of work plans has increased the completion rate of					
	children enrolled in vocational skills training.					
	CITIZEN SERVICE DELIVERY CHARTERS					
5.	Display of service charters has increased the number of children					
	enrolled in vocational skills training.					
6.	Display of service charters has increased the completion rate of					
	children enrolled in vocational skills training.					

APPENDIX III: This Questionnaire seeks to establish the role of performance contracting on organizational performance with specific focus on the children's department – Kenya. The information provided will be treated with utmost confidentiality and shall be used only for the purpose of this research.

Please tick the appropriate choice/answer in relation in to the statement below.

Key: SA = Strongly Agree A = Agree DN = Don't Know D = Disagree SD = Strongly Disagree

	DESCRIPTION	SA	A	DN	D	SD
	PERFORMANCE TARGETS					
1.	Setting of performance targets has improved the discipline level					
	amongst the children.					
2.	Setting of performance targets has increased the number of children					
	for reintegration.					
	WORK PLANS					
3.	Development of work plans has increased the number of hours					
	counselors spend on counseling children.					
4.	Development of work plans has increased the number of children					
	counseled.					
	CITIZEN SERVICE DELIVERY CHARTERS					
5.	Display of service charters has increased the hours counselors					
	spend on counseling children.					
6.	Display of service Charters has improved the completion rate of					
	children enrolled in vocational skills training.					
L		L	1	l	l	1

APPENDIX IV: This Questionnaire seeks to establish the role of performance contracting on organizational performance with specific focus on the children's department – Kenya. The information provided will be treated with utmost confidentiality and shall be used only for the purpose of this research.

Please tick the appropriate choice/answer in relation in to the statement below.

Key: SA = Strongly Agree A = Agree DN = Don't Know D = Disagree

SD = **Strongly Disagree**

	DESCRIPTION	SA	A	DN	D	SD
	PERFORMANCE TARGETS					
1.	Setting of performance targets has increased the number of					
	children reintegrated back to the community.					
2.	Setting of performance targets has increased the rate at which					
	children are reintegrated back to the community.					
	WORK PLANS					
3.	Development of work plans has improved the timeliness of					
	reintegration children back to the community.					
4.	Development of work plans has increased the rate at which					
	children are reintegrated back to the community.					
	CITIZEN SERVICE DELIVERY CHARTERS					
5.	Display of service charters has increased the number of children					
	reintegrated back to the community.					
6.	Display of service charters has increased the rate at which					
	children are reintegrated back to the community.					

APPENDIX V: REQUEST FOR RESEARCH DATA

Dear Sir/Madam,

RE: Request for Research Data

I am a student at the University of Nairobi currently undertaking a Research project in

Partial fulfilment for the requirement of a Masters Degree in Public Administration

(MPA). The topic of my research project is "The impact of performance contract in the

Children's department''.

The data collected will be used purposely for this research project while outmost

confidentiality will be maintained.

Your's Faithfully,

Anne W. Thiong`o

V