

**UNIVERSITY OF NAIROBI FACULTY OF ARTS AND
SOCIAL SCIENCES DEPARTMENT OF POLITICAL
SCIENCE & PUBLIC ADMINISTRATION**

**THE INFLUENCE OF CENTRALIZATION ON RESOURCE
MOBILIZATION IN THE MINERAL SECTOR IN KENYA**

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Declaration

I the undersigned declare that this project is my original work and has not been presented in any other University for any academic credit.

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SIGNED  DATE: 17/8/2011

This project has been submitted with my approval as the University first Supervisor.

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Abstract

Kenya has diverse minerals deposits which all have enormous economic potentials to contribute significantly to the growth and development of the economy. The minerals sector which is a highly capital intensive sector requires vast quantities of diverse resources to facilitate the exploitation of the minerals deposits and it is through the process of resource mobilization that the acquisition of those resources can be achieved. However, resource mobilization efforts need to be consistently and continuously undertaken and this can only be possible if the management approach adopted by the government has both the capacity and ability to sustain effective resource mobilization efforts.

In the Kenyan case, the government manages the mineral sector through the Mines and Geological Department. However, much as it may be arguable that there is particularly no one good form of management, it nonetheless cannot be assumed that the inherent challenges within a centralized system cannot affect the organization's ability to execute its mandates. Therefore, the purpose of this study was to establish why centralization is likely to influence resource mobilization in the minerals sector in Kenya.

Therefore, the study was guided by two objectives namely; to establish the influence of centralization on the creation of resource mobilization opportunities in the minerals sector and secondly to establish the influence of the centralization on the scope of resource mobilization in the mineral sector. In this regard, the first hypothesis assumed that centralization influences the creation of resource mobilization opportunities at the institutional levels in the minerals sector and the second hypothesis assumed that centralization influences the expansion of the scope of resource mobilization in the minerals sector.

In this regard, the study relied on the Structural Contingency Theory mainly associated with Joan Woodward (1958) which argues that the organization structure is shaped by three contingencies of the environment, size and strategy which it needs to fit them to avoid loss of performance. Thus, the theory guided the study to establish whether there is a linkage between centralization and resource mobilization. Consequently, the research was conducted in Nairobi and strategically targeted a sample size of sixty (60) respondents of both genders from two (2) categories of respondents namely; the Department's technical officers and the Department's clients who are the direct beneficiaries of the Department's services. The study therefore relied on both primary and secondary sources of data. Primary data comprised of questionnaires and responses from the face to face interviews conducted on selected respondents while the secondary data involved the review of books, journals and published reports on the minerals sector.

From, the analyses of the empirical findings, the study established that centralization influences the ability of the Mines and Geological Department to facilitate consistent and holistic resource mobilization in the mineral sector. As a result, its ability to facilitate diverse resource mobilization opportunities and expansion of existing resource mobilization opportunities is constrained by the inadequacy of resources which therefore impacts on the levels, frequency, intensity and scope of resource mobilization in the mineral sector. Therefore, the study findings suggest that effective resource mobilization in the minerals sector is dependent on the ability of the organization to overcome the challenges presented by the centralized management system. Thus, the evidence gathered by the study findings therefore confirmed the study hypotheses.