

**PERFORMANCE CONTRACTING AND ITS RELATIONSHIP TO
PRINCIPALS' PERFORMANCE OF MANAGEMENT FUNCTIONS IN
TECHNICAL TRAINING INSTITUTES IN MOUNT KENYA REGION IN
KENYA**

By

Janet Muthoni Kinyua

**A Thesis Submitted to the Institute of Post Graduate Studies and Research in
Partial Fulfillment of the Requirements for the Degree of Doctor of Philosophy in
Economics and Planning of Education of Kabarak University.**

JULY, 2016

COPY RIGHT

All rights reserved. No part of this thesis may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without either prior written permission of the author or Kabarak University.

©2015 Janet Muthoni Kinyua

DECLARATION

This thesis is my original work and has not previously been published or presented for a degree or diploma in this or any other university.

Janet Muthoni Kinyua

Date

GDE/M/1244/09/11

Kabarak University, Private Bag – 20157, Kabarak, Kenya.

RECOMMENDATION

To the Institute of Post Graduate Studies and Research:

The thesis entitled “ Performance Contracting and its Relationship to Principals’ Performance of Management Functions in Technical Training Institutes in Mount Kenya Region, Kenya” written by Janet Muthoni Kinyua is presented to the Institute of Post Graduate Studies and Research of Kabarak University. We have reviewed the thesis and recommend it be accepted in partial fulfillment of the requirements for the Degree of **Doctor of Philosophy in Economics and Planning of Education.**

Prof. T. M. O. Ayodo,

School of Theology, Education and Arts,

Kabarak University.

Date

Prof. James O. Awino,

School of Theology, Education and Arts,

Kabarak University.

Date

DEDICATION

This work is dedicated to: my father, the late John Kinyua Wachira; my mother, Teresia Wambui Kinyua; and the Almighty God of Glory.

ACKNOWLEDGEMENTS

This study would not have been accomplished without the support and valuable contributions of key individuals. First and foremost, I owe a lot of scholarly debt to my supervisors, Prof. M. O. Ayodo and Prof. James O. Awino, of the School of Theology, Education and Arts of Kabarak University, for the immeasurable patience and keenness with which they read and discussed the drafts. Without their tireless guidance, support, comments and encouragement, coming up with this work would have been difficult. My thanks are also due to Dr. Betty Tikoko, Dr. John Ochola and Dr. Benard Chemwei of Kabarak University, for reading and making helpful comments on parts of the thesis. My special thanks also goes to all those who attended defenses of this work for their contributions, which greatly improved the writing of this thesis.

I would also like to extend my deep appreciation and gratitude to the Principals of sampled TTIs for granting me permission to undertake the study in their institutions, and the valuable information they provided for this study. In addition, I wish to acknowledge Administrators, Heads of Departments and Class-teachers of the sampled institutes who participated in this study, for their assistance in providing valuable information needed. This study would not have been completed without the cooperation of the Principal of Nyeri Technical Training Intitute, Mr Francis M. Mbogo, who on various occasions granted me leave of absence during the study period to accomplish this work. This study depended greatly on the work of Mr. Albert Makori also of Nyeri TTI, who contributed significantly, particularly in the editorial work. The production of this thesis also profited

enormously from the data analysis advice of Mr. Ogola Leo of the Department of Curriculum and Instructions of Egerton Universty.

I am deeply indebted to my family, without whose sacrifice it would have been impossible for me to achieve educational success. My most sincere thanks and appreciation go to my father, the late John K. Wachira, who ensured strong and unwavering foundation for my education and my mother, Teresia W. Kinyua, without whose love, prayer, support and encouragement this study would not have been accomplished. I am also grateful to organizations and other people who contributed to the success of this study but unable to list all of them. Finally, I wish to thank the Almighty God for His love and inspiration that gave me strength and hope throughout the study period.

ABSTRACT

Performance contracting is a freely negotiated agreement between a government, acting as the owner of a public agency, and the management of the agency and it is used in the Kenyan public institutions to enhance efficiency. Technical Training Institutes face pressure to improve efficiency in management practices. Before the study was conducted it was unclear whether the introduction of performance contracting had enhanced efficiency in management practices in Technical Training Institutes. The study, therefore, intended to determine relationship between performance contracting and Principals' performance of management functions in Technical Training Institutes in Mount Kenya Region. For the purposes of conceptualization of the study: Douglas MacGregor Theory X and Theory Y; Goal Setting Theory; McClelland's Needs Theory and a conceptual frame work showing the relationship between the variables were used. Using descriptive research design, data were collected from 6 Technical Training Institutes out of 7 in Mount Kenya Region. The respondents included 6 Principals, 31 Administrators (7 Deputy Principals, 6 Registrars, 6 Deans of Students, 6 Finance Officers and 6 Performance Contracting Coordinators), 66 Heads of Departments and 165 Class-teachers. A census approach was used to include all the Principals and the Administrators in the study. The stratified random sampling technique and the simple random sampling technique were used to select the Heads of Departments and Class - teachers. A total of 268 respondents participated in this study. An interview schedule for Principals, Administrators' questionnaire, and Heads of Departments and Class – teachers' questionnaire were used to collect data from the respondents. A pilot study was conducted to ensure validity and reliability of data collection instruments using one Technical Training Institute which was not included in the main study. In this regard, test- retest method was applied to estimate the reliability of the instruments. All the reliability estimates were above 0.9 (90%). Descriptive statistics such as means, standard deviations, percentages and inferential statistics such as Pearson's Correlation Coefficients were generated and analyzed through Statistical Package for Social Science computer package. The results indicated that the extent of target's achievement in Technical Training Institutes was high. Pearson's Correlation Coefficient ($r = 0.166$) generated indicated that there was a positive and significant relationship between performance contracting and Principals' performance of management functions at 0.05 level of significance, $p - \text{value} = 0.017$. The results also indicated that performance contracting enhanced service delivery, academic performance and procurement procedures. It also reduced corruption cases. However, performance contracting in Technical training institutes is faced with constraints which included delay in disbursement of funds by the Government, lack of trained staff on performance contracting, targets being imposed by the Government, lack of reward and lack of sanctions. The study concluded, among others, that the greater the extents of targets' achievement the higher the level at which the Principals performed the management functions.

Key words: Performance Contracting, Principals, Relationship, Performance, Management functions, Mount Kenya Region.

TABLE OF CONTENTS

| | |
|--------------------------------------|----------|
| TITLE..... | i |
| COPYRIGHT..... | ii |
| DECLARATION | iii |
| RECOMMENDATION..... | iv |
| DEDICATION..... | v |
| ACKNOWLEDGEMENTS..... | vi |
| ABSTRACT..... | viii |
| TABLE OF CONTENTS..... | ix |
| LIST OF TABLES..... | xviii |
| LIST OF FIGURES..... | xxi |
| LIST OF ACRONYMS..... | xxiii |
| OPERATIONAL DEFINITION OF TERMS..... | xxv |
| | |
| CHAPTER ONE..... | 1 |
| INTRODUCTION..... | 1 |
| 1.1 Background of the Study..... | 1 |
| 1.2 Statement of the Problem..... | 8 |
| 1.3 Purpose of the Study..... | 10 |
| 1.4 Objectives of the Study..... | 10 |
| 1.5 Hypotheses..... | 11 |
| 1.6 Research Questions..... | 13 |
| 1.7 Scope of the Study..... | 13 |

| | | |
|-------------------------------|---|-----------|
| 1.8 | Limitations of the Study | 13 |
| 1.9 | Significance of the Study..... | 14 |
| 1.10 | Assumptions of the Study | 16 |
| CHAPTER TWO..... | | 17 |
| LITERATURE REVIEW..... | | 17 |
| 2.1 | Introduction..... | 17 |
| 2.2 | TVET Institutions: A Service Delivery Perspective..... | 17 |
| 2.3 | Targets of Performance Contracting: Setting and Achievement | 24 |
| 2.4 | Performance Contracting..... | 29 |
| 2.4.1 | Meaning and Application of Performance Contracting..... | 29 |
| 2.4.2 | Origin of Performance Contracting..... | 32 |
| 2.4.3 | Process of Performance Contracting..... | 40 |
| 2.4.4 | Evaluation of Performance Contracting..... | 42 |
| 2.5 | Principals' Performance of Management Functions..... | 44 |
| 2.5.1 | Formulation of Policies, Goals and Objectives Function..... | 46 |
| 2.5.2 | Procuring of Resources Function..... | 50 |
| 2.5.3 | Organizing and Coordinating Function..... | 53 |
| 2.5.4 | Controlling Function..... | 59 |
| 2.5.5 | Influencing and Stimulating Human Resource Function..... | 60 |
| 2.5.6 | Integrating Function..... | 63 |
| 2.5.7 | Evaluating Function..... | 65 |
| 2.6 | Relationship between Performance Contracting and Principals' | |

| | | |
|------|---|-----------|
| | Performance of Management Functions | 66 |
| 2.7 | Strengths of Performance Contracting..... | 69 |
| 2.8 | Constraints of Performance Contracting..... | 73 |
| 2.9 | Theoretical Framework..... | 79 |
| | 2.9.1 Douglas McGregor Theory X and Theory Y | 80 |
| | 2.9.2 Goal Setting Theory | 84 |
| | 2.9.3 McClelland' Needs Theory..... | 90 |
| 2.10 | Conceptual Framework..... | 96 |
| | CHAPTER THREE..... | 99 |
| | RESEARCH METHODOLOGY..... | 99 |
| 3.1 | Introduction..... | 99 |
| 3.2 | Research Design..... | 99 |
| 3.3 | Area of Study | 101 |
| 3.4 | Study Population..... | 101 |
| 3.5 | Sampling Techniques..... | 101 |
| 3.6 | Sample Size | 103 |
| 3.7 | Instrumentation..... | 106 |
| | 3.7.1 Principals' Interview Schedule..... | 107 |
| | 3.7.2 Administrators' Questionnaire..... | 107 |
| | 3.7.3 Heads of Departments and Class-teachers' Questionnaire..... | 107 |
| | 3.7.4 Validity..... | 108 |
| | 3.7.4.1 Content validity..... | 109 |

| | | |
|---------|---|------------|
| 3.7.4.2 | Face Validity..... | 110 |
| 3.7.4.3 | Construct Validity..... | 110 |
| 3.7.5 | Reliability..... | 112 |
| 3.7.5.1 | Equivalency Reliability..... | 112 |
| 3.7.5.2 | Stability Reliability..... | 113 |
| 3.7.5.3 | Internal Consistency Reliability..... | 114 |
| 3.8 | Data Collection Procedures..... | 118 |
| 3.9 | Data Analysis..... | 120 |
| 3.10 | Ethical Considerations..... | 125 |
| 3.10.1 | Objectivity..... | 125 |
| 3.10.2 | Permission to Conduct the Study..... | 126 |
| 3.10.3 | Voluntary and Informed Consent..... | 126 |
| 3.10.4 | Confidentiality, Privacy and Anonymity..... | 127 |
| 3.10.2 | Plagiarism and Fraud..... | 127 |
| | CHAPTER FOUR..... | 128 |
| | RESULTS AND DISCUSSION..... | 128 |
| 4.1 | Introduction..... | 128 |
| 4.2 | Questionnaires' Return Rate..... | 128 |
| 4.3 | Respondents' Bio - data | 129 |
| 4.3.1 | Respondents' Gender | 130 |
| 4.3.2 | Respondents' Age | 133 |
| 4.3.3 | Respondents' Level of Formal Education..... | 136 |

| | | |
|-------|--|-----|
| 4.3.4 | Respondents' Working Experience | 139 |
| 4.3.5 | Respondents' Attendance to Workshops and Seminars on Performance Contracting..... | 143 |
| 4.3.6 | Principals' Attendance to Workshops and Seminars on Institutional Management..... | 147 |
| 4.3.7 | Administrators' Designation..... | 148 |
| 4.3.8 | Heads of Departments and Class - teachers' Designation..... | 150 |
| 4.4 | Extent of Principals' Performance of Management Functions..... | 151 |
| 4.4.1 | Introduction..... | 151 |
| 4.4.2 | Function of Formulating Policies, Goals and Objectives | 151 |
| 4.4.3 | Function of Procuring of Resources | 154 |
| 4.4.4 | Function of Organizing and Coordinating | 157 |
| 4.4.5 | Function of Influencing and Stimulating Human Resource | 160 |
| 4.4.6 | Function of Integrating | 163 |
| 4.4.7 | Function of Evaluating..... | 165 |
| 4.4.8 | Summary of Extent of Principals' Performance of Management Functions..... | 168 |
| 4.5 | Extent of Targets' Achievement of Performance Contracting..... | 170 |
| 4.5.1 | Introduction..... | 170 |
| 4.5.2 | Finance and Stewardship's Targets..... | 171 |
| 4.5.3 | Service Delivery's Targets..... | 173 |
| 4.5.4 | Non - financial Targets..... | 175 |
| 4.5.5 | Operation's Targets..... | 177 |

| | | |
|-------|---|-----|
| 4.5.6 | Dynamic/Qualitative Targets..... | 180 |
| 4.5.7 | Summary of Extent of Targets’ Achievement of Performance Contracting..... | 183 |
| 4.6 | Performance Contracting and Principals’ Performance of Management Functions..... | 186 |
| 4.6.1 | Introduction..... | 186 |
| 4.6.2 | Relationship between Performance Contracting and Principals’ Performance of Formulating Policies, Goals and Objectives Function..... | 186 |
| 4.6.3 | Relationship between Performance Contracting and Principals’ Performance of Procurement of Resources Function..... | 187 |
| 4.6.4 | Relationship between Performance Contracting and Principals’ Performance of Organizing and Coordinating Function..... | 188 |
| 4.6.5 | Relationship between Performance Contracting and Principals’ Performance of Function of Influencing and Stimulating Human Resource..... | 190 |
| 4.6.6 | Relationship between Performance Contracting and Principals’ Performance of Integrating Function..... | 191 |
| 4.6.7 | Relationship between Performance Contracting and Principals’ Performance of Evaluating Function..... | 192 |
| 4.6.8 | Relationship between Performance Contracting and Principals’ Performance of Management Functions..... | 193 |
| 4.7 | Perceptions of Strengths of Performance Contracting..... | 195 |

| | | |
|--|--|------------|
| 4.7.1 | Introduction..... | 195 |
| 4.7.2 | Principals’ Perceptions of Strengths of Performance Contracting..... | 195 |
| 4.7.3 | Administrators’ Perceptions of Strengths of Performance Contracting..... | 198 |
| 4.8 | Perceptions of Constraints of Performance Contracting..... | 201 |
| 4.8.1 | Introduction..... | 201 |
| 4.8.2 | Principals’ Perceptions of Constraints of Performance Contracting..... | 201 |
| 4.8.3 | Administrators’ Perceptions of Constraints of Performance Contracts..... | 204 |
| CHAPTER FIVE | | 208 |
| SUMMARY, CONCLUSIONS AND RECOMMENDATIONS..... | | 208 |
| 5.1 | Introduction..... | 208 |
| 5.2 | Summary..... | 208 |
| 5.3 | Conclusions..... | 216 |
| 5.4 | Recommendations..... | 228 |
| 5.5 | Suggestions for Further Research..... | 232 |
| REFERENCES..... | | 235 |
| APPENDICES..... | | 253 |
| APPENDIX | I: Interview Schedule for the Principals | 253 |

| | | | |
|-----------|--------|---|-----|
| APPENDIX | II: | Questionnaire for the Administrators..... | 255 |
| APPENDIX | III: | Questionnaire for the Heads of Departments and Class - teachers..... | 260 |
| APPENDIX | IV: | Sample Size from a Given Finite Population..... | 264 |
| APPENDIX | V: | List of Institutes..... | 265 |
| APPENDIX | VI: | Distribution of Respondents by Institute..... | 266 |
| APPENDIX | VII: | Distribution of Respondents by Gender..... | 267 |
| APPENDIX | VIII: | Pearson’s Correlation Coefficient (r)..... | 268 |
| APPENDIX | IX: | Map of Nyeri County | 269 |
| APPENDIX | X: | Map of Meru County..... | 270 |
| APPENDIX | XI: | Map of Murang’a County..... | 271 |
| APPENDIX | XII: | Map of Embu County..... | 272 |
| APPENDIX | XIII: | Map of Kirinyaga County..... | 273 |
| APPENDIX | XIV: | Map of Nyandarua County..... | 274 |
| APPENDIX | XV | Map of Counties of Kenya..... | 275 |
| APPENDIX | XVI: | Indicators and Targets Matrix..... | 276 |
| APPENDIX | XVII: | Authorization Letter from the University..... | 277 |
| APPENDIX | XVIII: | Research Clearance Permit..... | 278 |
| APPENDIX | XIX: | Research Authorization..... | 280 |
| APPENDIX | XX | Paper Presentation in International Conference | 281 |
| APPEDNDIX | XXI | Paper Presentation in International Conference | 282 |
| APPENDIX | XXII | Paper Presentation in International Conference | 283 |
| APPENDIX | XXIII | Paper Publication | 285 |

APPENDIX XXIV Paper Publication..... 286

LIST OF TABLES

| | | |
|-----------|---|-----|
| Table 1: | Distribution of Sampled Population by Designation..... | 105 |
| Table 2: | Reliability of Research Instruments..... | 118 |
| Table 3: | Study Variables and Analytical Techniques..... | 124 |
| Table 4: | Distribution of Respondents by Response Rate..... | 129 |
| Table 5: | Distribution of Respondents by Gender..... | 132 |
| Table 6: | Distribution of Respondents by Age..... | 135 |
| Table 7: | Distribution of Respondents by Level of Formal Education..... | 138 |
| Table 8: | Distribution of Respondents by Work Experience..... | 141 |
| Table 9: | Distribution of Respondents by Attendance to Workshops and Seminars on Performance Contracting..... | 146 |
| Table 10: | Distribution of Principals by Attendance to Workshops and Seminars on Institutional Management..... | 148 |
| Table 11: | Distribution of Administrators by Designation..... | 149 |
| Table 12: | Distribution of HODs and Class - teachers by Designation..... | 150 |
| Table 13: | Extent to which Principals Performed Function of Formulation of Policies, Goals and Objectives | 153 |
| Table 14: | Extent to which Principals Performed Function of Procurement of Resources..... | 156 |
| Table 15: | Extent to which Principals Performed Function of Organizing and Coordinating | 159 |
| Table 16: | Extent to which Principals Performed Function of Influencing and Stimulating Human Resources | 162 |

| | | |
|-----------|---|-----|
| Table 17: | Extent to which Principals Performed Function of Integration..... | 164 |
| Table 18: | Extent to which Principals Performed Function of Evaluating..... | 167 |
| Table 19: | Summary of the Extent of Principals' Performance of Management Functions..... | 169 |
| Table 20: | Extent of Achievement of Finance and Stewardship's Targets..... | 172 |
| Table 21: | Extent of Achievement of Service Delivery's Targets | 174 |
| Table 22: | Extent of Achievement of Non-financial Targets | 176 |
| Table 23: | Extent of Achievement of Operation's Targets | 179 |
| Table 24: | Extent of Achievement of Dynamic/Qualitative Targets | 182 |
| Table 25: | Summary of Extent of Achievement of Performance Contracting Targets..... | 185 |
| Table 26: | Relationship between Performance Contracting and Formulation of Policies, Goals and Objectives Function..... | 187 |
| Table 27: | Relationship between Performance Contracting and Procuring of Resources Function..... | 188 |
| Table 28: | Relationship between Performance Contracting and Function of Organizing and Coordinating..... | 189 |
| Table 29: | Relationship between Performance Contracting and Influencing and Stimulating Human Resources Function..... | 191 |
| Table 30: | Relationship between Performance Contracting and Integrating Function..... | 192 |
| Table 31: | Relationship between Performance Contracting and Evaluating Function..... | 193 |

| | | |
|-----------|--|-----|
| Table 32: | Relationship between Performance Contracting and Principals’ Performance of Management Functions..... | 195 |
| Table 33: | Principals’ Perceptions of Strength of Performance Contracting..... | 197 |
| Table 34: | Administrators’ Perceptions of strength of Performance Contracting | 200 |
| Table 35: | Principals’ Perceptions of Constraints of Performance Contracting | 203 |
| Table 36: | Administrators’ Perceptions of Constraints of Performance Contracting..... | 206 |

LIST OF FIGURES

| | | |
|------------|---|-----|
| Figure 1: | Douglas McGregor Theory X and Theory Y for Staff..... | 84 |
| Figure 2: | Elements of Goal Setting Theory and High Performance | 89 |
| Figure 3: | Qualities of SMART goals | 90 |
| Figure 4: | McClelland's Needs Theory..... | 96 |
| Figure 5: | Conceptual Framework..... | 97 |
| Figure 6: | Distribution of Respondents by Gender..... | 133 |
| Figure 7: | Distribution of Respondents by Age..... | 136 |
| Figure 8: | Distribution of Respondents by Level of Formal Education..... | 139 |
| Figure 9: | Distribution of Administrators, and HODs and Class - teachers by Work Experience..... | 142 |
| Figure 10: | Distribution of Principals by Headship Experience..... | 143 |
| Figure 11: | Distribution of Respondents by Attendance to Workshop and Seminars on Performance Contracting..... | 147 |
| Figure 12: | Distributions of Principals by Attendance to Workshops and Seminars on Institutional Management..... | 148 |
| Figure 13: | Distribution of Administrators by Designation..... | 149 |
| Figure 14: | Distribution of HODs and Class-teachers by Designation..... | 150 |
| Figure 15: | Extent to which Principals Performed Function of Formulation of Policies, Goals and Objectives | 154 |
| Figure 16: | Extent to which Principals Performed Function of Procurement of Resources..... | 157 |
| Figure 17: | Extent to which Principals Performed Function of Organizing and | |

| | | |
|------------|---|-----|
| | Coordinating | 160 |
| Figure 18: | Extent to which Principals Performed Function of Influencing and Stimulating Human Resource | 163 |
| Figure 19: | Extent to which Principals Performed Integrating Function | 165 |
| Figure 20: | Extent to which Principals Performed Function of Evaluation | 168 |
| Figure 21: | Summary of Extent of Performance of Management Functions..... | 170 |
| Figure 22: | Extent of achievement of Finance and Stewardship’s Targets | 173 |
| Figure 23: | Extent of Achievement of Service Delivery’s Targets | 175 |
| Figure 24: | Extent of Achievement of Non-financial Targets | 177 |
| Figure 25: | Extent of Achievement of Operation’s Targets | 180 |
| Figure 26: | Extent of Achievement of Dynamic/Qualitative Targets | 183 |
| Figure 27: | Summary of Extent of Targets’ Achievement of Performance Contracting..... | 185 |
| Figure 28: | Principals’ Perceptions of Strength of Performance Contracting.... | 197 |
| Figure 29: | Administrators’ Perceptions of Strength of Performance Contracting..... | 201 |
| Figure 30: | Principals’ Perceptions of Constraints of Performance Contracting. | 203 |
| Figure 31: | Administrators’ Perceptions of Constraints of Performance Contracting..... | 207 |

LIST OF ACRONYMS

| | |
|-----------------------|---|
| AAPAM | African Association for Public Administration and Management |
| ADMINISTRATORS | Deputy Principals, Registrars, Deans of Students, Finance Officers and Performance Contracting Officers |
| ADQ | Administrators' Questionnaire |
| AMPs | Achievement Motivated People |
| AT | Agency Theory |
| CTs | Class - teachers |
| ERS | Economic Recovery Strategy |
| FPLTS | Five Point Likert Type Scale |
| GST | Goal Setting Theory |
| HODs | Heads of Departments |
| HODCQ | Heads of Departments and Class-teachers' Questionnaire |
| ISO | International Organization for Standards |
| KATTI | Kenya Association of Technical Training Institutes |
| MDP | Ministry of Devolution and Planning |
| MKR | Mount Kenya Region |
| MS | Mean Score |
| NPM | New Public Management |
| PC | Performance Contracting |
| PECOCO | Pearson Correlation Coefficient |
| PSC | Performance Contracting Secretariat |

| | |
|--------------|--|
| PIS | Principals' Interview Schedule |
| PSR | Public Sector Reforms |
| RoK | Republic of Kenya |
| SMART | Specific, Measurable, Assignable, Realistic and Time - bound |
| SRST | Simple Random Sampling Technique |
| TVET | Technical and Vocational Education and Training |
| TTIs | Technical Training Institutes |

OPERATIONAL DEFINITION OF TERMS

The following terms are defined as they were used in the study:

Constraints are factors that could inhibit institutes from reaping the benefits of performance contracting. According to Simiyu (2012), key challenges of performance contracting included: inadequate resources such as human, financial, material and information; and weak administrative structures, policies and processes.

Contract refers to performance contract. A performance contract is a freely negotiated performance agreement between the government, acting as the owner of a government agency, and the management of the agency. It establishes general goals for the agency, sets targets for measuring performance and provides incentives for achieving these targets (Kobia & Muhammed, 2006). Performance Based Contracting is a results-oriented contracting method that focuses on the outputs, quality, or outcomes that may tie at least a portion of a contractor's payment, contract extensions, or contract renewals to the achievement of specific, measurable performance standards and requirements (AAPAM, 2006).

Efficiency signifies a level of performance that describes a process that uses the lowest amount of inputs to create the greatest amount of outputs. Efficiency relates to the use of all inputs in producing any given output, including personal time and energy. Efficiency is a measurable concept that can be determined by determining the ratio of useful output to total input. It minimizes the waste of resources such as physical materials, energy and time, while successfully achieving the desired output. An efficient society is better able to

serve its citizens and operate in a healthy manner. When goods are produced efficiently, they are often able to be sold at a lower price (Koontz & Weihrich, 1998).

Efficiency in educational institutions concern not only with resources (materials, labour, equipment and the costs associated with them), but also with what is produced (courses, study materials or student enrolments) (Hanushek, 2015). It also highlights two different ways of achieving greater efficiency. On the one hand, we can try to reduce the costs incurred to provide the same level of educational services for a given number of students; this is referred to as economic efficiency. On the other hand, the term production efficiency is used to refer to producing more goods or services without incurring additional costs or, at least, without increasing costs at the same rate (Riggan, 2012). Is the ability to do things right- is an “input-output” concept. An efficient manager is one who achieves outputs, or results, that measure up to the inputs (labour, materials and time) used to achieve them. Managers who are able to minimize the cost of resources needed to achieve goals are acting efficiently (Koontz & Weihrich,1998).

Functions refer to Principals’ Management functions that aimed at achieving the Institutional goals. Those roles include formulation of policies, goals, and objectives, procurement of resources, influencing and stimulating human resources, integration and evaluation (Okumbe , 1998). The functions of management uniquely described managers' jobs. The most commonly cited functions of management were planning, organizing, leading, and controlling, although some writers identified additional functions (Lunenburg, 2010).

Okumbe (1998) observes that there six function of management which includes: formulation of policies, goals and objectives; procuring of resources; organizing and coordinating; influencing and stimulating the human resources; integrating and evaluating. These functions provide a useful way of classifying information about management, and most basic management texts since the 1950s have been organized around a functional framework (Knootz & Weihrich, 1998). These functions are universal, in the sense that all managers performed them in the course of their jobs, whether the managers worked in education, business, military, government, religious, or philanthropic undertakings (Gardiner 2011).

Implementation is the execution of performance contracts in TTIs. According to Fixsen *et al* (2013), implementation processes are purposeful and are described in sufficient detail such that independent observers can detect the presence and strength of the specific set of activities related to implementation. They further states that, the Active Implementation Frameworks help define what needs to be done (effective interventions), how to establish what needs to be done in practice and who will do the work to accomplish positive outcomes in typical human service settings (effective implementation), and where effective interventions and effective implementation will thrive (enabling contexts) (Fixen, Blasé, Metz & Dyke, 2013).

Institutes are Technical Training Institutes established under the Ministry of Education, Science and Technology to offer range of programmes that impart skills, knowledge and attitudes to individuals preparing to take middle level professional positions in the world

of work particularly in engineering and scientific discipline (RoK, 2003b). Technical training, which is offered in TTIs, is the process of teaching employees how to more accurately and thoroughly perform the technical components of their jobs. The training can include technology applications, products, sales and service tactics, and more. Technical skills are job-specific as opposed to soft skills, which are transferable (Joyce, Weil & Calhoun, 2003).

Management is the effective and efficient attainment of organizational goals through: planning; organizing; leading; evaluating; and controlling organizational resources. Management is the process of reaching organizational goals by working with and through people and other organizational resources (Witzel, 2003). Management has the following three characteristics: it is a process or series of continuing and related activities; it involves and concentrates on reaching organizational goals; and it reaches these goals by working with and through people and other organizational resources (Robert, 2015).

Principal is a chief executive professional in an institute's setting. He or she is expected to be in the front line in performance contracting and to perform various duties which include communicating the mission and objectives of the institute, allocating duties to staff, organizing and coordinating staff activities, evaluating institute's performance and establishing working relationships between the governing board and the staff among others (RoK, 2003b).

Region refers to Mount Kenya Region. The region has, according to the Kenya Association of Technical Training Institutes (KATTI) (2014), the following Technical

Training Institutes: Nyeri, Mathenge, Meru Nkabune, Kiirwa, Rwika and Michuki. The association further states that Technical Training Institutes in Kenya are categorized into five regions, namely; Mount Kenya, North Rift, Coast, Western and Nairobi. However, KATTI also indicates that Mount Kenya region is composed of six counties which include Nyeri, Murang'a, Meru, Embu, Kirinyaga and Nyandarua (see Appendices IX, X, XI, XII, XIII and XIV).

Strengths are benefits Technical Training Institutes could achieve by using performance agreements as a tool of management. Some of these benefits include improvement on: trust and understanding; communication and feedback; achievement of targets; objectivity and fairness in evaluation of performance; accountability; and cost reduction (RoK, 2001a).

Target is the expected or predicted success level of an organization. Targets are frequently used as a motivational technique. Founded on well established theories of achievement and motivation, targets that are specific and perceived achievable can help to focus managerial action, encourage people to succeed and drive superior performance. But setting the right target is tricky and has become a real issue for many organizations. Performance targets are also called indicators and can be written in general terms or on a more specific level. Meeting important targets gives you an indication of your organization current success and future growth (Redmond, 2014).

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The primary development goal for any country is to achieve broad-based, sustainable improvement in the quality of life for its citizens. African Association for Public Administration and Management (AAPAM) (2006) indicates that Public Sector plays an indispensable role in the efficient delivery of public services that are the key to the functioning of an economy. The Association further states that when delivery of services is constrained, it affects the quality of life of the people and the nation's development process. Lienert (2003) observes that public services in many countries and especially developing countries are confronted with many challenges, which constrain their delivery of services capacities. According to AAPAM (2005) the constraints includes shortages of manpower, finance and materials. AAPAM (2005) further indicates that the gradual erosion of the ethical practices and accountability has also continued to bedevil public sectors in delivering public service to the people efficiently. This therefore has made governments of many countries to introduce PSR.

Public sector reforms have been around since the World financial crises of the 1980s. These reforms have been characterized by adoption of prudent management of resources through introduction of financial and non-financial controls. One of the key pillars of PSR is the introduction of performance contracting (Lienert, 2003). A Performance Contract (PC) is a freely negotiated performance agreement between the government,

acting as the owner of a government agency, and the management of the agency (Performance Contracting Secretariat (PCS, 2008a). In Kenyan context, a performance contract is a written agreement between Government and state agency (local authority, state corporation or central government ministry) delivering services to the public, wherein quantifiable targets are explicitly specified for a period of one financial year (July to June) and performance measured against agreed targets (Republic of Kenya[RoK], 2010). In many countries, performance contracting is part of the broader Public Sector Reforms (PSR) aimed at improving efficiency in the management of the public service, since it ensures accountability for results by public officials (Republic of Kenya, 2013). Cheche and Muathe (2014) and RoK (2013) argue that performance contracting clearly specifies the intentions, obligations and responsibilities of two contracting parties. Early performance management systems were fairly simple and they mainly focused on employees' ranking. In the 1970s, most countries in Europe and America adopted the Japanese systems of Total Quality Management which emphasizes on teams rather than individuals as the focus of productivity improvement. In the 1980s and early 1990s, the 360 degree appraisal systems were introduced. More recently, the balanced score card performance management system that link individual targets with organizational strategy have been adopted by many organizations (Smith, 2014).

Performance contracting in the public service emerged with adoption of New Public Management (NPM) theory which originated from the Public Choice Theory (Gruening, 2001). New Public Management is viewed as a more efficient means of attaining the same product or service; however, citizens are viewed as customers and public

administrators hold the title of Public Manager. Under NPM, Public Managers have incentive-based motivation and have greater discretion. NPM relies heavily on disaggregation, customer satisfaction and entrepreneurial spirit. Public Managers under the New Public Management reforms can provide a range of choices from which customers can choose, including the right to opt out of the service delivery system completely (Smith, 2014). The two sets of issues that precipitated the emergence of NPM included the global economic crises of the 1970s and 1980s that resulted from the unprecedented surge in oils prices. This eroded the ability of many countries to provide goods and services which had been extended to citizenry during times of abundance (Mutahaba, 2011). He also state that the second set of issues arose due to the collapse of the centrally planned economic systems of what was then referred to as the eastern bloc. This led to most governments to reassign the role of state in provision of public goods and services. The first practitioners of NPM emerged in United Kingdom, New Zealand and Australia, the United States of America and eventually to the rest of the world (Gruening, 2001). According to Gruening (2001) and Mutahaba (2011), NPM was identified as having the following characteristics: budget cuts, separation of politics and administration, improved financial management, and accountability. However, despite introduction of PSR by many governments, achievement of efficiency in service delivery has been elusive. Public Service Commission of South Africa (2011) observes that the quality of content of the reforms is poor in South Africa, resulting in them not being an effective management tool.

Performance contract system first emerged in France in the late 1960s and was later developed with a great deal of elaboration in Pakistan, Bangladesh, Sri Lanka and Korea, and thereafter introduced in India and China (Kobia & Mohammed, 2006). A survey conducted in 25 public enterprises in Korea indicates that there was a substantial improvement in overall management. China's performance contracting in the public sector was one of the largest experiments affecting hundreds of thousands of state firms, and offered a rare opportunity to other countries to explore how performance contracts worked. On average, performance contracts did not improve performance in China and might have made it worse (Shirley & Xu, 2001). In Latin America, performance contracting had been used at different times in Argentina, Brazil and Chile, among others (Kobia & Mohammed, 2006).

In Africa, the end of colonialism brought with it tremendous expansion of public service. Employment in the public service was used by leaders to reward cronies for royalty and as a way of ensuring that crucial services were not left in the hands of foreigners (Mutahaba, 2011). This situation led to ballooning of wage bill relative to Gross Domestic Product leading to governments to borrow from multi-lateral lenders to meet operational costs (Lienert, 2003). The inability of governments to meet operational costs leading to borrowing from multi-lateral donors was the trigger to public service reforms as the leader, specifically the World Bank and the International Monetary Fund, forced most governments to reform their public service under structural adjustment programmes (Mutahaba, 2011). Larbi (2010) argues that the World Bank has been responsible for introduction of performance contracting in several countries. The focus of most reforms

initiated by the World Bank in public sector management was targeted at cost containment.

Swaziland enacted The Public Enterprise Act of 1989 to focus on control of semi-autonomous state agencies sector following public outcry that they were a drain to the economy. However, Swaziland performance agreement of 1990's failed to achieve its stated objective of improving the performance of the public service because of widespread use of consultants in the formulation of contract plans (Kobia & Mohammed, 2006). Ghana introduced Civil Service Performance Improvement Programme in 1996 in which staff were to engage their clients and agree on performance improvement programme which would then form the basis on performance agreement. However, PC in Ghana had transformed the structure and strategy of its rural water supply sector, it had also attracted extra funds and work was accelerating (Mutahaba, 2011; Kobia & Mohammed, 2006).

The Kenya Government also responded to public service constraints by formulating and implementing Public Sector Reforms in 1993. The programme implementation was in three phases. The first phase focused on cost containment, which entailed staff rightsizing initiatives and rationalization of government functions and structures. Under the first phase, a voluntary early retirement scheme was introduced that targeted civil servants in Job Groups A to G in which 42,132 civil servants retired. The second phase of the reform programme focused on rationalization of government ministries to determine appropriate structures and optimal size of the civil service for effective performance of the

government's core functions within budgetary limits. As a result of the rationalization, 23,448 civil servants who were occupying posts that were no longer required were retrenched by the year 2000 (Opiyo, 2006). While there was a reduction in the size of the civil service, productivity and performance in the public service was not as expected (Shirley & Xu, 2001).

As a result, more reform initiatives targeting performance improvement and management in the public service were required, thus introducing the third phase of the public sector reforms guided by Economic Recovery Strategy (ERS) direction (Republic of Kenya, 2004). In the ERS for Wealth and Employment Creation policy document covering the 2003 to 2007 period, the government accorded high priority to economic recovery and improving the performance of public service to deliver results to the people. Up to this point, the goal of PSR was restored so as to equip it well in order to play a vital role in national development. This called for fundamental changes in the way the sector operated in institutional organization and relationships, and in the individual and collective behavior of those serving in the sector. The aim was to enhance efficiency together with probity and integrity (RoK, 2004). In an effort to achieve the objectives of ERS and to manage performance challenges in public service, the government adopted Performance Contracting (PC) in public service (AAPAM, 2006).

The first two parastatals to be on performance contract in Kenya were Kenya Railways Corporation in April 1989 and the National Cereals and Produce Board in November 1990. The two agreements failed due to lack of political goodwill, adequate resources and

proper performance targets (Shirley & Xu, 2001). However, the system was reintroduced in 2003 in state corporations, and then extended to public service. In April 2005, the government decided to place the management of 175 local authorities on performance contracts (Kobia & Muhammed, 2006). Simiyu (2012) indicates that the contracts have enhanced performance of local authorities in areas of customer satisfaction, employee satisfaction and revenue generation. According to Gichohi (2013), introduction of PC in Coffee Board of Kenya resulted in great improvement in service delivery to customers who are the various value chain players in the industry. Mutunga (2008) also states that contracting had upped efficiency and improved service delivery in many parastatals in Kenya: there is increased profitability in organizations, annual electricity connection had risen from fourty thousand to over one twenty thousand because of the improved tax collection.

In recognition of the role that performance contracting plays to improve performance of public service, the system was introduced in Technical Training Institutes in 2008 by the Government (PCS, 2008a). In each institute, the contract is entered into between the Government of Kenya through the Ministry of Devolution and Planning on one part, and the Board of Governors of the institutes on the other. All the institutes have signed performance contracts since then with the Principal Secretary of the Ministry. If an institute achieved targets as per the contract, the Principals are deemed to have improved on efficiency in performance of management functions (Performance Contract Secretariat, 2008a). Principals' Management functions include formulation of policies, goals, and objectives, procurement of resources, influencing and stimulating human

resources, integration and evaluation (Okumbe, 1998). He further states that Principals are expected to perform these roles effectively and efficiently so that the goals of the institutions they head can be achieved.

Based on the achievements of targets, each institute is rated and categorized in terms of excellent, very good, good, fair, poor and very poor. However, despite some institutes in Mount Kenya Region being rated excellent and good in targets' achievement, concerns have been raised about poor service delivery in those institutions. Records of those institutes indicate that there are downward trends in students' enrolment, completion rate and performance in national examinations, and increase in drug and substance abuse, among students in the past five years. Though studies have been conducted in various government parastatals to determine the state of performance contracts in those organizations, none had been conducted in Technical Training Institutes since performance agreements were introduced in 2008. Therefore, the study sought to determine the relationship between performance contracting and Principals' performance of management functions in Mount Kenya Region (MKR) in Kenya.

1.2 Statement of the Problem

Public sector reforms have become a common phenomenon around the globe, especially in developing countries. These have become the way of responding to the needs of the tax payers. Since 1993, one of the key priorities of the Kenya Government has been to introduce, implement and institutionalize public sector reforms that would lead to an efficient delivery of services to the citizens. One such intervention is performance

contracting, in the state corporations and government ministries, which remains a viable and important tool for improving public sector performance as a key element of the on-going public sector transformation strategy for achieving the country's long term development goals. Despite the use of performance contracting as a management tool to enhance public service delivery, the gradual erosion of the ethics and accountability has continued to bedevil some public institutions in delivering services to the people effectively. This indicates that there is a knowledge gap between performance contracting and management of public sector in terms of ethics and accountability. Should the gap persist then the costly and long time efforts of the Government in the introduction and implementation of different types of reforms to address the menace will have achieved minimal results.

Previous studies (Simiyu, 2012; Gichohi, 2013; & Mutunga, 2008) on performance contracting concentrated on implementation in individual organizations and as such cannot be used to make generalization. Since the introduction of performance contracting in 2008, Technical Training Institutes have been assessed and ranked many times. According to the assessment results, some institutes are doing very well while others are performing poorly. Ranking shows order in performance but does not show whether there is a relationship between PC and Principals' performance of management functions. Situations have arose where some Technical Training Institutes in Mount Kenya Region have been rated very good or excellent but stake holders have complained of poor service delivery in these institutions. There is downward trend in students' enrolment,

completion rate and performance in national examinations, and drug and substance abuse among students is on the increase in these institutions.

From the foregoing, Technical Training Institute continues to perform dismally, in spite of the introduction of performance contracting. Furthermore, no study has been conducted to establish relationship between performance contracting and Principals' performance of management functions. It is therefore on the basis of the above premises that this study sought to establish the relationship between performance contracting and Principals' performance of management functions in Technical Training Institutes in Mount Kenya Region.

1.3 Purpose of the Study

The main objective of this study was to establish the relationship between performance contracting and Principals' performance of management functions in Technical Training Institutes in Mount Kenya Region in Kenya.

1.4 Objectives of the Study

The specific objectives of the study were to:

- (i). Determine the relationship between performance contracting and Principals' performance of formulating policies, goals and objectives function in Mount Kenya Region.
- (ii). Find out the relationship between performance contracting and Principals' performance of procuring of resources function Mount Kenya Region.

- (iii). Establish the relationship between performance contracting and Principals' performance of organizing and coordinating function in Mount Kenya Region.
- (iv). Assess the relationship between performance contracting and Principals' performance of influencing and stimulating human resource function in Mount Kenya Region.
- (v). Find out the relationship between performance contracting and Principals' performance of integrating function in Mount Kenya Region.
- (vi). Determine the relationship between performance contracting and Principals' performance of evaluating function in Mount Kenya Region.
- (vii). Examine the relationship between the targets' achievement and Principals' performance of Management functions in Technical Training Institutes in Mount Kenya Region.
- (viii). Establish the strengths of performance contracting in Technical Training Institutes in Mount Kenya Region.
- (ix). Assess the constraints that affected implementation of performance contracting in Technical Training Institutes in Mount Kenya Region.

1.5 Hypotheses

In order to achieve the above objectives, the study was guided by the following hypotheses:

Ho₁: There is no statistically significant relationship between performance contracting and Principals' performance of formulating policies, goals and objectives function in Technical Training Institute in Mount Kenya Region.

- Ho₂: There is no statistically significant relationship between performance contracting and Principals' performance of procuring of function in Technical Training Institute in Mount Kenya Region.
- Ho₃: There is no statistically significant relationship between performance contracting and Principals' performance of organizing and coordinating function in Technical Training Institute in Mount Kenya Region.
- Ho₄: There is no statistically significant relationship between performance contracting and Principals' performance of influencing and stimulating human resource function in in Technical Training Institute in Mount Kenya Region.
- Ho₅: There is no statistically significant relationship between performance contracting and Principals' performance of integrating function in Technical Training Institute in Mount Kenya Region.
- Ho₆: There is no statistically significant relationship between performance contracting and Principals' performance evaluating function in Technical Training Institutes Mount Kenya Region.
- Ho₇: There is no statistically significant relationship between targets' achievement and Principals' performance of Management functions in Technical Training Institutes in Mount Kenya Region.

1.6 Research Questions

- (i). What were the strength of performance contracting in Technical Training Institute in Mount Kenya Region
- (ii). What were the constraints that affected performance contracting in Technical Training Institute in Mount Kenya Region

1.7 Scope of the Study

The study was conducted in Technical Training Institutes in Mount Kenya Region in Kenya. The study focused on performance contracting and its relationship to Principals' performance of management functions. The respondents included Principals, Administrators (Deputy Principals, Registrars, Deans of Students, Finance Officers and Performance Contracting Coordinators), Heads of Departments (HODs) and Class-teacher.

1.8 Limitations of the Study

(i)The participants represented a narrow range of ethnicity. A larger sample with more diversity could have benefited the results. Including more regions and multiple Technical Training Institutions could have diversified the results of this study. Generalization of results to the whole country therefore needs to be done with caution. However, the results could still be widely applicable as they help with the relationship between performance contracting and Principals' performance of management functions in Technical Training Institutes in all parts of Kenya and the world.

(ii) Although qualitative methodology was used to a limited extent, the study relied largely on quantitative methodology of data collection and was therefore restrictive. For this reason, more of qualitative methodology of data collection could have been undertaken to provide wider perspective to the present study. For instance, the research design could have employed case study methodology or content analysis to provide a holistic picture to the given subject.

(iii) A greater depth of information could have been obtained by conducting focus groups comprised of Administrator, HOD and Class-teacher respondents. Discussion could have included one topic per focus group meeting, during which each topic area could have been the focus of discussion such as extent of targets' achievement, strengths and constraints of performance contracting and also extent of performance of management functions. A focus group could have allowed the researcher to conduct a group interview of participants to evaluate their attitudes, negative or positive, and to identify recommendation for the services provided in the institutes.

1.9 Significance of the Study

Since the introduction of performance contracting in 2008, Technical Training Institutes have been assessed and ranked many times. According to the assessment results, some institutes are doing very well while others are performing poorly. Ranking shows order in performance but does not show whether PC has enhanced efficiency in Principals' performance of management functions. Furthermore, apparently no study has been conducted to establish relationship between performance contracting and Principals'

performance of management functions. In view of this, the study provides information on the relationship between performance contracting and Principals' performance of management.

The study contributes to knowledge by extending the economic and motivational theories to examine problems in education systems. In particular, the study demonstrates the use of the Agency theory, McGregor theory X and theory Y, and goal setting theory in the analysis of the linkage between performance contracting and Principals' performance of management functions. Furthermore, the study generate data on the extent to which targets of performance contracting are achieved; the strengths of performance contracting and; the constraints that affects performance contracting in Technical Training Institutes in Mount Kenya Region.

It was hoped that the data would provide the Ministry of Devolution and Planning (MDP) with information for providing the performance contracts workshops and seminars for Managers and Administrators of Technical Training Institutes. It was also hoped that the findings would be of benefits to the managers and administrators of Technical Training Institutes as it would provide them with information on how their institutes are performing. Although the study was limited to Technical Training Institutes in MKR in Kenya, specific lessons could be drawn for applications to TTIs in other regions in Kenya, and institutions of higher learning in the country, for example, universities. It was also hoped that the study would be useful to the Teachers' Service Commission in the

selection, training and promotion of the Administrators. Finally, the study would provide data for researchers, which they would use as a reference material for their studies.

1.10 Assumptions of the Study

The study was based on the following assumptions:

- (i). The inclusion criteria of the sample would be appropriate and therefore, assure that the respondents had all experienced the same or similar phenomenon of the study.
- (ii). The respondents would have a sincere interest in participating in the study and would not have any other motives, such as impressing their Principal because they agreed to be in the study.
- (iii). The respondents would be willing to readily give honest and truthful information.
- (iv). The respondents of the study would avail all the adequate data.
- (v). The Principals performed management functions to the best of their ability.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews relevant literature to the topic. Information was drawn from publications accessed in print and electronic media libraries and via the internet. The review focused on: service delivery in TVET institutions; targets' setting and achievement of performance contracting; Strengths of Performance Contracting; Constraints of Performance Contracting; and relationship between Performance Contracting and Principals' Performance of Management Functions. The chapter also presents theoretical frameworks which include: Agency Theory, Douglas McGregor Theory X and Theory Y and Goal Setting Theory of performance. Finally, a conceptual framework is presented.

2.2 TVET Institutions: A Service Delivery Perspective

Technical and Vocational Education and Training (TVET) is that part of the education system that provides courses and training programmes related to employment with a view to enable the transition from secondary education to work for young trainees and supply the labor market with competent apprentices (Haan, 2006). The TVET in most of the Developing Countries is expected to play two roles in the national sustainable development. The first role is to provide training opportunities and career advancement avenues for the increased school leavers. The second role is to provide skilled man power

that is needed at all levels of the economy. The skills so developed should be able to lead to self - reliance in the absence of salaried employment and enhance the industrialization process (Mulder & Sloane, 2004).

Okaka (1996) states that TIVET programmes are designed to achieve the national aims and also be in line with the recommendations of the Republic of Kenya [RoK] (1988) on Education and Manpower Training for the Next Decade and Beyond. The national aims include to: provide increased training opportunities for the increasing number of school leavers to enable them to be self-supporting; develop practical skills and attitudes, which will lead to income generating activities in the urban and rural areas through self-employment; provide practical education and training skills which are responsive and relevant to Kenya's agricultural, industrial, commercial and economic needs; provide the technical knowledge and vocational skills necessary to enhance the pace of this nation's development; and encourage self-employment while at the same time producing skilled artisans, technicians and technologists for both formal and informal sectors at the ratio of one technologist to 5 technicians to 30 craftsmen / artisans (1:5:30) (Okaka, 1996). However, despite the sound and logically crafted aims, the impact of TVET on socio – economic lives of the citizen is marginal (Kinyua, 2015).

Although TVET has been used by several Developing Countries as an instrument of sustainable development, TVET has been still left to the periphery and its significance has not really been embraced. This could indicate that stakeholders of TVET, including parents and governments do not take keen interest in proper functioning of TVET

institutions, however considering the importance of TVET in stimulating economic growth and development, the stake holder perspective need to change (Mulder & Sloane, 2004).

TVET subsector is critical to the development of industry and required human capacities. High quality training services must therefore be delivered by the subsector to enhance productivity and required competencies. Good and competitive technical, vocational education and training systems in developing and emerging economies provide highly skilled labor to attract direct foreign investment (Afolabi, 2004). Every year, thousands of students leave the regular formal educational institutions in the world, but they cannot progress to higher levels of formal education (Onsomu, Wambugu & Wamalwa, 2009). The TVET subsector offers programmes that target those students who do not progress to higher levels of formal education. In this way, they too can acquire skills and competencies for engagement in wage employment or self-employment (Haan, 2006). A survey conducted on public vocational education systems in Europe and Central Asia shows that most of the people are either satisfied or very satisfied with the quality and efficiency of the services offered in TVET institutions (Tripney et al., 2013).

However, in 1971, the World Bank invested in Technical Schools around the world and in the late 1990s it conducted a number of surveys to find out what was happening with the Technical and Vocational Schools. The results showed that these schools were a failure (Haan, 2006). In United Kingdom, vocational education is characterized by high drop-out rate and low transition rate. A study conducted in Netherlands indicates that over 30 % of students leave school without a certificate or a Diploma due to poor and

ineffective service delivery in these institutions (Molders & Sloane, 2004). This suggests that a large proportion of students in TVET do not complete their courses and consequently the time, money and energy expended on such students is sheer wastage.

Additionally, their curricula of technical Schools in Latin America tend to be perfunctory and out- dated at and not sufficient to prepare skilled workers. In Brazil, as in many parts of the world- Latin America, the Arab World and Sub- Saharan Africa- technical schools are unstable solution as they are suppose to be a combination of academic and practical training but in most cases, are something else that is less than satisfactory(Tripney et al., 2013). Industrial training while considered as an integral and important part of the student's training does not form part of the overall assessments in Uganda. This leads to lack of seriousness by students during their training, leading to absenteeism or irregular attendance and often presenting poor industrial report. Major stakeholders are not fully involved in the development and implementation of curricula and their assessment (Lugujjo & Manyindo, 1996). This could mean that the skills offered in Technical Training Institutes do not match with the requirements of the work place. The governments and other stakeholders should therefore ensure that industrial training is conducted effectively and efficiently and that it conforms to the industries' standards.

Most of the teachers in technical education in Africa are inadequately trained and the mechanisms for quality assurance are weak due to lack of adequate support to inspection and supervision service (UNESCO-UNEVOC (2013). Ayonmike *et al* (2013) states that attaining quality TVET programmes is elusive in Nigeria due to tertiary institution's factors which include poor teaching methods employed by teachers, poor preparation of

lessons by teachers, poor use of teaching aid by teachers, poor evaluation of students' academic performance and poor students' teacher relationship . Between 1970 and 1985 in Uganda, a large number of well educated and trained people left the country and this reduced the availability of needed skills for the country's rehabilitation and reconstruction process, as the trainers in the tertiary institutions reduced by a very big margin (Lugujjo & Manyindo, 1996).

Equipment and physical facilities also constrains the achievement of quality TVET programmes. African Economic Outlook (2014) indicates that in many countries including China, Indonesia and Finland formal TVET is underfunded: as a result, there is obsolescence of the equipment and weak managerial capacity, which affects the quality of training programmes. observes that tertiary institution programmes in Nigeria are adversely affected by lack of: classrooms, conducive staff offices, adequate electricity supply, water supply, adequate workshop spaces, textbook, machines and tools, among others. Republic o Kenya (2004) outlines that most of the training, reference materials and textbooks are sourced from overseas, which make them costly, and therefore unaffordable. This has for years handicapped service delivery in Technical Training Institutes especially in Africa (Ayonmike, Okwelle & Okeke, 2013).

Enrolment in TVET institutions in Africa is low, in comparison to the countries in South East and East Asia. In North Africa, enrolment is high averaging 22.95% of total secondary school enrolment between 2001 and 2005, in Sub - Saharan Africa is 5.2% with a falling trend since 2003. In other developing regions such as Latin America and

South East Asia records enrolment of 11.6 and 9.5% respectively. The percentages of enrolment of high-growing South East and East Asian countries Czech Republic is 65% while Belgium is 68%. The low proportion of students enrolled in technical vocational programmes signals stagnation and overall poor public training capacity (African Economic Outlook, 2014). In Kenya, enrolment increased from 40,622 in 1999 to over 66,500 in 2004 in TVET Institutions, with females constituting 49.1% of the total enrolment. However, female students' enrolment has been highest in youth polytechnics and lowest in national polytechnics. Between 1999 and 2004, female enrolment in youth polytechnics was over 50% of the total number of students enrolled (RoK, 2007). Low enrolment is partly due to the perception that it leads only to low - status occupations and forecloses access to higher levels of education. Pupils who enroll in this kind of education are considered to be those who have failed in general education. These results in a contradiction between the general negative public image of TVET and strategic role it is suppose to play in economic and social development (African Economic Outlook, 2014). To increase enrolment, retention, transition and achievement in TVET, the Ministry in charge of education should ensure that management structure, boards and human resources for TVET institutions are engendered. The Ministry should provide a framework to ensure more opportunities and infrastructure.

Due to the many problems facing TVET institutions, many governments in the world have come up with programmes meant to reverse the sad situations in these institutions. According to Nuding (2013), the South African Government has put in place a programme that works together with governmental, non-governmental and private sectors

at all levels with regard to issues such as provision of public services in TVET institutions. The African Economic Outlook (2014) points out that, seventeen countries in Sub - saharan Africa have presented comprehensive sector - wide education plans for 2015. The African Economic Outlook further states that selected country including Ethiopia, Gambia, Tanzania and South Africa, among others, have selected country's main targets and policies for 2015 regarding the expansion of vocational education and skills development.

From the foregoing, TVET institutions in many countries are confronted with enormous constraints while delivering services. Onsomu et al. (2009) argues that given these challenges, improvements in planning, financing, proper utilization of resources and delivery of TVET programmes are necessary. Onsomu et al. (2009) concurs that Kenya's TVET system needs to be reformed in order to bring about professionalism amongst TVET staff and sound resource utilization mechanisms need to be put in place. These improvements can be accomplished in ways that increase capacity, enhance quality and relevance, upgrade learning and teaching facilities and modernize the training and learning environment in TIVET institutions. The government of Kenya in a bid to improve the utilization of resources in the public sector introduced the performance contracting strategy in 2004 (Obong'o, 2009).

There have been mixed reports about the success of performance contracting in improving service delivery and resource utilization in Kenya. While some reports indicate that the process has been successful, others indicate the opposite. Onsomu et al. (2009), for example, observes that the introduction of performance contracts has

evidently led to greater accountability in management of public resources and service delivery. Republic of Kenya (2012c) on the other hand indicates that the performance results announced yearly did not relate to service delivery.

In Kenya, performance contracting programme was introduced in all public technical training institutes in 2008. The issues that are being addressed in the programme include quality and timely services to the citizens, productivity, reliance on exchequer, accountability and transparency in service delivery, and utilization of resources, among others (Kobia & Muhammed, 2006).

2.3 Targets of Performance Contracting: Setting and Achievement

The ultimate objective of performance contracting is to ensure that performance is measured using international best practices and that performance indicators are drawn and targets on them grown to the extent of placing the country on the cutting edge of global competitiveness (PCS, 2008b). Performance Target is the desired level of performance for a performance indicator for a contract year (Niven, 2002). In Kenya, institutions should ensure that performance targets progressively approach or exceed the levels set out in the Medium Term Plan in order to achieve the development goals of the country; the performance targets should be cascaded to all levels of staff through the performance appraisal system. The targets will form the basis for evaluating institutional performance as well as appraising individual performance by the staff (RoK, 2014). The Republic of Kenya further asserts that Performance targets should: resonate with public expectations; demonstrate progressive achievement of the Medium Term Plans targets; fully aligned to budgets; and be Specific, Measurable, Assignable, Realistic And Time -

Bound (SMART)(PCS, 2008a). A Principal must be proactive enough to set some achievable goals and targets, and work towards realizing them. Tangible targeted results should be recorded in order to encourage persons to work harder and be more productive. This, in itself, is an incentive scheme whose results should be related to production, and for every result there must be a reason or an explanation (Simiyu, 2009).

Targets are based on performance Indicators. Performance indicator is a standard measured by which the performance of an institution is assessed (RoK, 2014). In Chile, the process of identifying indicators in tertiary institutions goes to the heart of designing a results-based funding system (World Bank, 2004). Burke, as cited by World Bank (2004), highlights the importance of indicators by stating that what gets measured is often what gets valued, and what gets funded is even more prized.

Indicators are most effective when they mirror the government's strategy for change in the higher education sector. A strategy implies the movement of the sector from its current stage to a desirable but uncertain future stage. In the Chilean Science for the Knowledge Economy Project, prioritizing outcomes and making key hypotheses explicit is an important first step in selecting indicators. Ideally, indicators should reflect the aspects of the higher education sector that, if improved, are presumed to result in the achievement of general goals such as equity, efficiency and quality (Niven, 2002). However, PSC (2011) indicates that the quality of indicators and targets of PC in South Africa are inferior and therefore do not enhance the achievement of goals in education sector.

Most states in the US use some form of performance funding or reporting based on different indicators reflecting the preferences of policy makers in different states. Burke and Minassians, as cited by the World Bank (2004), made a survey of the indicators used to evaluate performance in US higher education. According to them, some of the most commonly used indicators included: administrative costs; tuition and fees; financial aid; research sponsored by external sources; technology and distance learning; student transfers; time-to-degree; graduation and retention rate; and job placement. The World Bank (2004) observes that output indicators are relatively simple to observe and quantify but vaguely associated with societal impact, while outcome indicators are generally more relevant but less useful for assigning responsibilities. The World Bank further indicates that it is preferable to rely on a combination of indicators rather than focusing on any single measure.

Strong and effective performance indicators possess the following characteristics: accountability; verifiable; quantifiable; timely; and cost effective (RoK, 2014). Additionally, an indicator should meet the following requirements: easy to calculate, difficult to manipulate and give a reliable estimate of the institution's value added and not be subject to noise. First, it should be transparent for institutions and their employees how their performance is evaluated. If people do not know how to influence their performance, results-based funding is unlikely to work. Second, the indicator must be difficult to manipulate. For instance, test scores can be manipulated in several ways, such as teaching-to-the-exam and keeping marginal students out of the pool of tested students.

Third, students learn inside and outside tertiary institutions. The indicator should measure the performance of the institution, correcting for external influences. Finally, random factors should not have a major impact on selected indicators (World Bank, 2004).

The majority of countries in Europe such as England, Sweden, Finland and Spain make use of funding formulas to calculate the size of public grants for teaching and ongoing operational activity and, in certain cases, research. The funding drivers in the formula include input criteria (such as student enrolments, staff numbers) and performance indicators (such as credits, diplomas). Formula funding is popular for a number of reasons which include fairness and transparency (Jongbloed, 2010).

Although performance indicators for tertiary institutions in Asia have the potential to be powerful and effective modes of engendering strategic improvements and reform, their inherent weakness lies in the fact that even with the availability of repeated measures on the same students at different stages of their schooling, the outcome measures derive from assessments of performance on discrete standardized tests. In other words, since the items from each of the tests across the Performance System levels have not been calibrated on a common measurement scale, claims of ‘value-added’ progress cannot be made legitimately. Moreover, any explanatory modeling of the performance data in terms of factors affecting student ‘growth’ or ‘rates of progress’ for policy - related intervention purposes, is neither possible nor justifiable (Rowe & Lievesley, 2002). Republic of Kenya (2010) observes that there is inconsistency in the implementation of dynamic

indicators where a public agency has a baseline survey as its target and follows up on implementation is not done in the subsequent year.

In Kenya, institutions are expected to select indicators, as far as is practicable, from the Medium Term Plan. Institutions should accordingly ensure performance indicators are aligned with the ministries, departments and agencies priority programmes and aligned to the approved budget of the financial year in which the contract is signed. The performance criteria and performance indicator sub weights have been preset and should not be altered. The sub weight under the operations criteria should be distributed, in negotiated proportions to the various indicators. The indicator weight should reflect the relative importance of each indicator (RoK, 2014) (see Appendix VIII). Performance contracting of Technical Training Institutes in Kenya has five indicator categories. These include finance and stewardship, service delivery, non-financial, operations and dynamic / qualitative (PCS, 2008a).

Finance and stewardship include indicators on budgets, operational costs, sources of income, utilization of allocated funds and development index. The institutes are expected to utilize the allocated funds a hundred percent by the end of the financial year and to increase the development index by a negotiated percentage, among others. Service delivery charter, customer satisfaction and service delivery innovations were indicators under service delivery. In this regard, institutes: are to develop, implement, and comply with service delivery charter; and conduct baseline / exit survey to establish customers' satisfaction. On the non-financial, the indicators include those that are related to strategic

plans, International Organization for Standards (ISO) certification, statutory obligations, corruption, and HIV and AIDS. In performance contracting, it is mandatory for all institutions to: develop and comply with strategic plan fully; be ISO certified; and comply with statutory obligations such as income Tax Act Cap 270, Education Act Cap 211 and Occupational Health and Safety Act among others (RoK, 2012a) (see Appendix VIII).

2.4 Performance Contracting

2.4.1 Meaning and Application

Performance Contracting is a branch of management science referred to as Management Control Systems and is a contractual agreement to execute a service according to agreed-upon terms, within an established time period, and with a stipulated use of resources and performance standards. Performance contracting is one element of broader public sector reforms aimed at improving efficiency and effectiveness, while reducing total costs (Domberger, 1998). A performance contract is a range of management instructions used to define responsibilities and expectations between parties to achieve mutually agreed results (PCS, 2008a). It is a management tool for ensuring accountability for results by public officials, because it measures the extent to which achieve targeted results are achieved (Hall & Rimmer, 1994).

A performance contract is a Memorandum of Understanding (MOU). MOU is rooted in an evaluation system, which not only looks at performance comprehensively but also ensures / forces improvement of performance managements and industries by making the autonomy and accountability aspect clearer and more transparent (Hodge, 1998). A

performance contract addresses economic, social or other tasks that an agency has to discharge for economic performance or for other desired results. It organizes and defines tasks so that management can perform them systematically, purposefully, and with reasonable probability of accomplishment. It also assists in developing points of view, concepts and approaches for determining what should be done and how to go about it. Performance contracts comprise determination of mutually agreed performance targets and review and evaluation of periodic and terminal performance (Williams, 2004).

The introduction of performance contracts 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 (Odinga, 2010).

Performance contracting is a mechanism under Public Sector Reforms (PSR) that aims at improving performance of the Public Sector through: setting clear objectives; setting SMART (Simple, Measurable, Accurate, Realistic and Time - bound) targets; specifying agent performance in terms of results (outputs) and assigning accountability for those results; 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. It also provides a basis for renegotiation for the performance (the first three public institutions in every category is given presents as a reward) (Ochien'g, 2010).

Performance contracts are based on the premise that what gets measured gets done: if you cannot see and measure success, you cannot reward it: if you cannot recognize failure, you cannot correct it and if you can demonstrate results, you can win public support (Kobia & Muhammed, 2006). Governments view performance contracts as useful vehicle for articulating clearer definition of objectives and supporting new management monitoring and control methods, while at the same time leaving day- to- day management to the managers themselves (PCS, 2008b). To succeed, the relatively new system of management entails: inculcating ethics and new value system of honesty, probity, patriotism and respect for the nation's diversity; reorganizing the governance machinery to achieve higher levels of competence, transparency and accountability, and to minimize waste in government spending; enlisting the support of stakeholders from the private and other sectors to participate in growing the national economy; changing the role of the state from that of a sole provider of employment and services, to the new role of creating an enabling environment for wealth and employment creation; and creating a lean, efficient and working government; freeing resources to fund development programs and people issues, by curtailing wasteful public expenditure (Odinga, 2010).

Organizations today face turbulent and rapid changing external conditions that are translated into a complex, multifaceted and interlinked stream of initiatives. These are affecting work and organizations design, resource allocation, systems and procedures in a continuous attempt to improve performance. With these environmental changes, the public sector has come under intense pressure to improve their operations and processes

so as to reduce its reliance on exchequer funding. Further, there is need to increase transparency in operations and utilization of public resources, increase accountability for results and to deliver services more efficiently and at affordable prices to the tax payer / customer thereby, forcing governments to institute reforms in the public sector (Messiah & Kariuki, 2011).

The expected outcomes of the introduction of Performance Contracts in Kenya include: improved efficiency in service delivery to the public by ensuring that, holders of public office are held accountable for results; improvement in performance and efficiency in resource utilization and ensuring that public resources are focused on attainment of the key national policy priorities; institutionalization of a performance - oriented culture in the public service; ability to measure and evaluate performance; ability to link reward for work to measurable performance; instilling accountability for results at all levels in the Government; ensuring that the culture of accountability pervades all levels of Government; reduction or elimination of reliance on exchequer funding by public agencies; ability to strategize the management of public resources; and recreating a culture of results - oriented management in the public service (RoK, 2010).

2.4.2 Origin of Performance Contracting

Implementation of reforms to improve public service performance in many countries including Kenya followed closely on the lines of what came to be adopted by the United Nations as “The Vienna Declaration on Building Trust in Government”, at the Global Forum on Reinventing Government, held in Vienna, Australia, 2007. The Vienna

Declaration indentified the following initiatives to strengthen the confidence of citizens in their government: prioritizing service delivery and access; increasing transparency and accountability to combat corruption; improving access to information and communication technology; supporting effective civil society engagement; enabling public – private partnerships; and promoting innovations in public sector reforms (Odinga, 2010)

Performance contracting in the public service emerged with the adoption of New Public Management (NPM) theory which originated from the public choice theory (Gruening, 2001). Three set of pressure precipitated the emergency of NPM. The first was the global economic crisis of the 1970s and 1980s that resulted from the unprecedented surge in oil prices. This eroded the ability of state to provide goods and services which had been extended to citizenry during times of abundance (Mutahaba, 2011). Ayee (2008) argues that the emergency of neo -liberals in the United States of America and the West in general advocating for “rolling back of state” had a big influence in the reforms that were initiated in public service from the 1960s to date. The ultimate goal of these reforms was raising the quality of service to citizens and promotion of social - economic growth (Economic Commission for Africa, 2010). The first practitioners of NPM emerged in United Kingdom, New Zealand and Australia, the United States of America and eventually to the rest of the world (Gruening, 2001). NPM was identified as having the following characteristics: outsourcing of non - core functions, budget cuts, user charges, separation of politics and administration, improved financial management, accountability, performance auditing, privatization, use of information technology, and improved accounting (Gruening, 2001; Mutahaba, 2011).

An NPM concept incorporates the application of private sector management systems and managerial techniques into public services together with the assessment, of which services should be returned to private or non-government sectors. NPM shifts the emphasis from traditional public administration to public management and entrepreneurship, pushing the state towards managerialism (Economic Commission for Africa, 2010). The main thrust in the NPM reform wave is that more market orientation in the public sector will lead to greater cost - efficiency for governments, without having negative side effects on other objectives and considerations. The NPM type reforms as introduced were therefore allied to the functioning and the role of the state in the economic sphere (Obong'o, 2009).

Performance contracting system, as a performance management tool in the public service, originated in France in the late 1960s. It was later developed with great deal of elaboration in Pakistan and Korea and thereafter introduced in India. By 1990s, performance contracting had been adopted in management of public service in many countries (Kobia & Mohammed, 2006). China's experience with contracts was one of the largest experience with contracting in the public sector, affecting hundreds of thousands of state firms, and offered a rare opportunity to explore how performance contracts work (Shirley & Xu, 2001). In Africa, the end of colonialism brought with it tremendously expansion of public service. Employment in to the public service was used by leaders to reward cronies for royalty and as a way of ensuring that crucial services were not left in the hands of foreigners (Mutahaba, 2011).

This situation led to the ballooning of wage bill relative to gross domestic product leading to governments to borrow from multi-lateral lenders to meet operational costs (Lienert & Modi, 1997). The inability of governments to meet operational costs leading to borrowing from multi-lateral donors was the trigger to public service reforms as the lenders specifically the World Bank and the International Monetary Fund forced most governments to reform their public service under Structural Adjustment Programmes (SAP) (Mutahaba, 2011). Larbi (2010) asserts that the World Bank has been responsible for introduction of performance contracting in several developing countries. He further states that the focus of most reforms initiated by World Bank in public sector management was targeted at cost containment.

Performance contracts system has been adopted in developing countries in Africa, including Nigeria, Gambia, Ghana and now Kenya. In implementing performances contracts in Africa, the common issues that were being addressed include to: deliver quality and timely services to the citizens; improve productivity in order to maximize shareholders wealth; reduce or eliminate reliance on exchequer; instill a sense of accountability and transparency in service delivery and the utilization of resources; and give autonomy to government agencies without being subjected to the bureaucratic and unnecessary procedures (Kobia & Mohammed, 2006). Swaziland enacted the Public Enterprise Act of 1989 to focus on control of semi-autonomous state agencies sector following public outcry that they were a drain to the economy, while Gambia placed strategic State Corporation and departments under performance contracting. Ghana introduced Civil Service Performance Improvement Programme (CSPIP) in 1996 in

which staff were to engage their clients and agree on performance improvement programme, which would then form the basis on performance agreement (Mutahaba, 2011; Kobia & Muhammed, 2006).

In Ghana, a PC spans a year and defines among other things the intentions, obligations and responsibilities of all parties to the contract. In terms of content, each contract covers the following standardized themes: the mission statement; the objectives for the contract period (must be related to the stated mission); constraints and intended strategies to deal with the constraints; performance targets for the contract period, including assumptions made as well as strategies to achieve the targets set; commitments made by both parties (institution and government) during the contract period; available incentives/sanctions for performance during the contract period; the responsibilities in monitoring and evaluating performance; and other legal considerations in case of dispute (Simpson, 2013).

The government of Kenya introduced the first phase of public sector reforms in 1993, which focused on cost containment with staff right sizing and rationalization of Government functions and structures. This phase was mainly driven by donors and creditors especially by the World Bank under the Structural Adjustment Programmes (SAP). In this phase, the following activities were undertaken: employment in public service was frozen; removal of 'ghost worker' through cleaning of payrolls; voluntary retirement; early retirement; and retrenchment. The next phase focused on rationalization of government functions and structures to determine optimal structure and size in the civil service which was linked to budgetary limits (Kobia & Muhammed, 2006). In 2003,

the Government of Kenya formulated the Economic Recovery Strategy for Wealth and Employment covering the 2003 to 2007 period. This policy document recognized PC as a strategy in improving performance in the public service whose aim was to increase productivity and improve service delivery underpinned by results based management orientation (Gatere, Keraro & Gakure, 2013)

In Kenya, performance contracts have their origin in the perception that the performance of the public sector has consistently fallen below the expectations of the public due to frequent political interference, multiplicity of the principals, excessive control, poor management and outright mismanagement. The concept was introduced in the management of state corporations in 1989 (PCS, 2008a). The first two parastatals to be on performance contract were Kenya Railways Corporation (KRC) and the National Cereals and Produce Board (NCPB). However, the two agreements failed due to lack of political good will to drive this process, and it was perceived as donors - driven, among others (Kobia & Mohammed, 2006). In the bid to improve service delivery in public sector in Kenya, performance contracting was re - introduced in 2003 in the state corporations, the process was then extended to public service and finally, in April 2005, the Government decided to place the management of 175 local authorities on performance contracts (Kobia & Mohamed, 2006). The re - introduction of Performance contracting in Kenya started with the establishment of a Performance Contracts Steering Committee (PCSC) in August 2003 and the issuance of Legal Notice No. 93 for state corporations (performance contracting) regulations in August 2004. Under this framework, the initial performance contracts were introduced in 16 pilot state

corporations which signed the contracts on 1st October 2004 and 16th December 2004 respectively. The civil service, together with all the state corporations was scheduled to sign performance contracts by 30th June 2005 (RoK, 2007; Kobia & Mohammed, 2006; PCS, 2008a).

The steering committee developed tools and instruments for introducing and implementing performance contracts and evaluating the same. These included: subsidiary legislation for state corporations and local authorities; model performance contracts and matrices; training manual and information booklet; and guidelines for contracting and evaluation of ministries / departments, state corporations and local authorities. Of particular significance is the inclusion of citizens' service delivery charters and customer satisfaction surveys in the performance contract strategy. These are vital instruments for enhancing and measuring the quality of service delivery and by extension ultimately may lead to reduced incidences of corruption (Obong'o, 2009).

In Kenya, tertiary institutions' performance contract is entered into between the Government through the Ministry of Devolution and Planning (MDP) of one part, and the Board of Governors of the institutions of the other part. The parties recognizes the need for adequate and reasonable managerial and operational autonomy to facilitate achievement by the Board and management of institutions of the agreed and freely negotiated performance targets set in the contract. Whereas the government is committed to ensuring that tertiary institutions are well managed and cost less in delivering efficient and quality service to the public, the government recognizes that tertiary educational and

technical institutions play a vital key to improving performance and restoring the faith of the Kenyan people in their Government (Performance Contract Secretariat, 2008b).

In TTIs, the commitments and obligation of the government in performance contracting include approval of proposals and programmes by relevant authorities with 30 days after their presentation and subsequent support during implementation, providing monitoring and evaluation feedback within 30 days from the date of receipt of quarterly and other performance reports, and ensuring that there are effective skills development programmes for addressing the critical training needs (Okumbe, 1998). The commitments and responsibilities of the institution include reviewing and ensuring that the institutional strategic plan is linked to national policy documents, especially the Kenya Education Sector Support Programme (KESSP), National TVET Strategy, Ministry's Strategic Plan, Medium Term Plan of the Vision 2030 and the National, Science, Technology and Innovation Policy; development and adherence to the Annual Work Plan for implementing the institutional strategic plan; development of weighted indicators and comprehensive performance targets attached in; ensuring the achievement of the agreed performance targets; preparing employees in the institution for adapting desired changes in the working styles, attitudes and work ethics in order to deliver the strategic plan; and signing a performance contract with the permanent secretary, Ministry of Devolution and Planning (Performance Contract Secretariat, 2008b).

2.4.3 Process of Performance Contracting

The key elements of a performance contract include the following: performance target setting - the process of setting performance targets for ministries or departments, groups or individuals in carrying out specific assignment; performance planning - the process of establishing a shared understanding of what is to be achieved, and how is to be achieved and managing resources to ensure successful implementation; performance monitoring and reporting; and performance appraisal - the process of evaluating organization, group or individual performance against pre - determined targets (Kobia & Mohammed, 2006).

Performance contracting process include the following steps; targets formulation, negotiation, vetting, signing, implementation and reporting. In Kenya, the process of identifying performance targets is carried out after the budget process has been completed and institutions informed about their resource allocation. This ensures that targets are realistic and achievable within the available resources. The targets emanate from the institutions and are freely negotiated and not imposed arbitrarily by the Government (Obong'o, 2009). In target formulation, the institutions are expected to formulate the targets in accordance to the following categories of indicators in descending order; financial and stewardship, service delivery, non - financial, operational and finally dynamics / qualitative. The targets in most of the categories are similar for all the public institutions except the operational indicators which are basically derived based on the mandate of the institution. In this way, the wider the scope of the institution in terms of service delivery, the many targets under the operational indicators category. Before implementing the targets, the institution should develop a work – plan / implementation

schedule based on its departmental plans. The plan should indicate detailed key activities to be accomplished in order to realize the targets at the end of the contract year (it is on the basis of the steps that the targets will be evaluated at the end of every quarter)

The negotiation process is where all issues agreed upon are factored into the performance contract. In the negotiations, the targets as set by the institution are verified on the basis of available resources (such as financial, human and capital requirements); time – frame; and relevancy to the existing policy documents, which include Vision 2030, Medium Term Plan 2008 – 2012, Sector Plan and Institution’s Strategic Plan. The draft contract is then submitted to the performance contracting secretariat for vetting. The vetting process ensures among other things that the contracts comply with the guidelines and that they are linked to the strategic objectives of the institutions, anchored on the strategic plans, growth oriented and relevant to the mandate of the institution (Obong’o, 2009).

Vetting process entails re – examining and evaluating the targets, by checking their backgrounds, that is, if it a new or a continuing target. A target once started can be implemented in phases based on its time - frame in the institution’s strategic plan. The performance contract is normally signed for the sake of accountability and show of commitment by the relevant senior management authority and the institutions’ Accounting Officers. In the case of the Ministries, the Minister and the Permanent Secretary (Accounting Officer) sign. In the implementation, the institutions implement their vetted and signed contract following their commitment to each target. Public institution may realize some difficulty in achieving some targets within the prescribed

time - frame due to financial problems (beyond the control of the institution) such as the grants money in which case the institution is expected to do all that it is within its control. About reporting, the institutions normally report on quarterly basis in addition to the annual report to their reporting authorities' ministries and state corporations (Ochien'g, 2010)

2.4.4 Evaluation of Performance Contracting

Performance evaluation is the measurement of the extent to which public agencies and managers achieve their negotiated performance targets (PCS, 2008b). Performance evaluation system consists of a number of steps relating mainly to the decision making of developing criteria for evaluating performance. These include the following four main fronts: efficiency – is the government agency making the best use of its resources; dynamic efficiency – addressing decisions which entail costs in the present but whose benefits are realized in the future; project implementation – are projects being implemented efficiently; and achievement of non – commercial objectives – relates to development of system to measure achievement of non – commercial activities (PCS, 2008a).

Performance evaluation in Kenya is carried out in three stages. The first stage entails self – evaluation by respective public institutions, using the evaluation methodology in the performance contracting guidelines (Ayee, 2008). The second stage is referred to as primary evaluation, where a group of experts, drawn largely from the private sector, carries out exhaustive assessment of the performance of all public institutions in the

contract year, and signs a composite score to each institution. This constitutes the overall performance of the institution. The evaluator proceeds to adjust the score for factors outside the control of the manager during the contract year, to determine the performance of the manager. The third stage is referred to as moderator. This is the final and quality control phase, in which a team of independent experts ensure that the different evaluating groups have applied evaluation guidelines, and all pertinent tools and instruments, uniformly. In addition, the moderators deal with and sort out contentious issues, rank the institutions by excellence in performance, and prepare the final evaluation report (Lienert & Modi, 1997).

In the evaluation of the performance contracts, the parameters for performance evaluation are founded on performance criteria categories. For each cluster of public institution, the performance criteria categories and total sub - weights are preset. Under each criteria category, a set of indicators are defined. In computing the performance score, the evaluator is expected to determine the level to which the performance of an institution is affected by exogenous factors. The evaluation of the performance of public agencies entails the rating of actual achievements against performance targets negotiated and agreed upon at the beginning of the year (RoK, 2010).

The system of evaluation used in Kenya is the ex-ante approach and targets managerial performance as opposed to agency performance. Ex-ante approach involves measurement of performance against targets agreed upon at the beginning of the contract period. Evaluators are inspectorate of state corporations in collaboration with ad-hoc evaluation

task force appointed from outside the public service. Successful performance contracts are those that feature sensible targets, stronger incentives, longer terms, managerial bonds and were in more competitive (Performance Contract Secretariat, 2008a). Greiling (2006) posits that the performance contracting involves a highly structured phase of evaluating results which he considers to be an extremely rigorous technical exercise on one hand, and on the other hand a morale - boosting exercise for managers and staff. Criteria of measuring performance include the following parameters: excellent - level of achievement of target that is between 30 percent and 100 percent and above; very good - achievement of the set target; good - level of target achievement that is below the previous year's achievement; fair - level of target achievement that is equal to previous year; and poor – level of target achievement that is below previous year's (Obong'o, 2009). Okumbe (1998) argues that the fundamental function of management is to evaluate the organization's activities in accordance with the blue print. He further indicates that evaluation enables the organization to determine whether it is achieving its predetermined objectives or not and also provide the organization with the necessary feedback for improvement.

2.5 Principals' Performance of Management Functions

The functions of management uniquely describe managers' jobs. The most commonly cited functions of management are planning, organizing, leading, and controlling, although some identify additional functions (Lunenburg, 2010). According to Robert (2015), indicates that there are five functions of management, which include the following: planning, organizing, staffing, coordinating and controlling. Okumbe (1998)

observes that there six function of management which includes the following: formulation of policies, goals and objectives; procuring of resources; organizing and coordinating; influencing and stimulating the human resources; integrating; and evaluating. He further states that these are not the only functions of management. The functions of management define the process of management as distinct from accounting, finance, marketing, and other business functions. These functions provide a useful way of classifying information about management, and most basic management texts since the 1950s have been organized around a functional framework (Knootz & Weihrich, 1998).

Henri Fayol was the first person to identify elements or functions of management in his classic 1916 book 'Administration Industrielle et Generale'. Fayol was the managing director of a large French coal - mining firm and based his book largely on his experiences as a practitioner of management (Robert, 2015). Fayol defined five functions, or elements of management, which include the following: planning, organizing, commanding, coordinating, and controlling. Fayol argued that these functions are universal, in the sense that all managers performed them in the course of their jobs, whether the managers worked in education, business, military, government, religious, or philanthropic undertakings (Gardiner, 2011). Commonwealth Secretariat (1993) identifies planning, organizing, directing, supervising and evaluating to be the five main functions of school Principals. According to the secretariat, Principals are expected to perform these functions effectively and efficiently to facilitate the achievement of school objectives. The secretariat further point out that various indicators of a mismanaged

school include the following: poor public examinations results; poorly maintained and inadequate physical facilities; and high dropout rate, among others

2.5.1 Formulation of Policies, Goals and Objectives Function

Formulation of policies, goals and objectives is also known as planning. A plan is a series of steps about how a job is carried out, a blue print. It details how goals and objectives of an institution are going to be achieved. Of the five roles of management (planning, organizing, staffing, directing and control) planning is the most fundamental. It initiates the management process (BR Professional Education, 2012).

Generally, planning defines where the school wants to be in the future and how to get there (Parker, 2011). Plans and the goals on which they are based give purpose and direction to the school, its subunits, and contributing staff. For example, suppose the principal in a large, urban school district decides that the school should attempt to increase the number of students reading at grade level by 20 percent by the year 2012. This goal and the methods needed to attain it would then serve as the planning framework for the school (Gardiner, 2011). School counselors, social workers, school psychologists, library media specialists, department heads, and teachers would set and synchronize individual objectives with those of the building Principal. Planning is important because it provides staff with a sense of purpose and direction, outlines the kinds of tasks they will be performing, and explains how their activities are related to the overall goals of the school. Without this information, staff would not know precisely how to use their time

and energies efficiently and effectively. Subsequently, they would respond to their job responsibilities randomly, wasting valuable human resources (McDonnell, 2011).

The planning function of management controls all the planning that allows the organization to run smoothly. Planning involves defining a goal and determining the most effective course of action needed to reach that goal. Typically, planning involves flexibility, as the planner must coordinate with all levels of management and leadership in the organization. Planning also involves knowledge of the company's resources and the future objectives of the business (Knootz & Weihrich, 1998). Planning is important because it provides staff with a sense of purpose and direction, outlines the kinds of tasks they will be performing, and explains how their activities are related to the overall goals of the school. Without this information, staff would not know precisely how to use their time and energies efficiently and effectively. Subsequently, they would respond to their job responsibilities randomly, wasting valuable human resources (Lunenburg, 2010). A good plan has the following characteristics: goal – oriented, looking ahead, intellectual process, involve choice and decision making, primary function of management, continuous process and all pervasive (Robbins & Coulter, 2015).

Planning is also a prerequisite to other leadership functions. In particular, it becomes the basis for monitoring and evaluating actual performance. That is, plans made during the first step become benchmarks or criteria against which to measure actual performance in the monitoring step (Gardiner, 2011). Unless plans are formulated and mutually agreed on, there is relatively little value or basis for measuring the effectiveness of the educational organization's outcomes. In addition, comparing planned and actual results

provides the principal with a sound basis on which to make necessary adjustments in the institution's plan of action (McDonnell, 2011). Robbins and Coulter (2015) observes that planning facilitate management by objective, minimize uncertainties, facilitate coordination, improve employee's moral, helps in achieving economies of scale, facilitate controlling, provide competitive advantage and encourage innovation. They further indicate that disadvantages of planning include rigidity, misdirected planning, time consuming, probability in planning, false sense of security and expensive. BR Professional

Education (2012) argues that limitations of planning can be avoided if certain guidelines are followed by the managers, these guidelines include the following: planning should start at the top – top management commitment is crucial for any plan to actualize; planners should recognize the limits – planning has limits and cannot be done without absolute precision; communication – people should be left to know what is expected of them at all times; participation – managers who are involved in planning are more likely to know what is going on and therefore be motivated to contribute; integration – the long term, intermediate and short range plans must be properly integrated and the better they are integrated, the more effective the organizations overall planning system; and contingency planning – managers should develop alternative actions that a company might follow if conditions change.

According to Eraut (1994), planning is the most important function of efficient management; it is the function under which other functions of management are based. He further argues that without proper and comprehensive plans, organizations' effectiveness

cannot be achieved (Eraut, 1994). Okumbe (1998) has the same sentiments that the first and foremost function of management of education is the assurance that sound policies, goals and objectives are formulated. He further indicates that Principals, while performing this function, are expected to: determine methods for the achievement of these objectives; ensure that the policies, goals and objectives of the institution are clearly stipulated and well known to both the occupants and the society; ensure that the direction and destination of the institution's activities are patterned; and ensure that the objective of the institution are derived from the goals of education. Commonwealth Secretariat (1993) argue that the principals are expected to perform the following activities to enhance effectiveness in planning: translating national education policies into school – based teaching and learning objectives and targets; planning both long – term acquisition of relevant teaching and learning resources; preparing school syllabuses, scheme of work, timetables and schedules of activities; and preparing schedules for meeting of governing board, staff, among others.

Planning is also a prerequisite to other leadership functions. In particular, it becomes the basis for monitoring and evaluating actual performance. That is, plans made during the first step become benchmarks or criteria against which to measure actual performance in the monitoring step. Unless plans are formulated and mutually agreed on, there is relatively little value or basis for measuring the effectiveness of the school outcomes. In addition, comparing planned and actual results provides the principal with a sound basis on which to make necessary adjustments in the school's plan of action (McDonnell, 2011). A study by Kinyua (2005) indicates that majority (75.9%) of teachers perceived Principals as effective in performance of planning function while minority (18.1%) had

notion that Principals were not effective in performing planning function. This implies that Principals are generally effective in carrying out this function.

2.5.2 Procuring of Resources Function

All procurements irrespective of monetary valuation must follow a standard sequence of actions as specified in the Public Procurement and Disposal Act 2007. In order to realize the objectives of the procurement function the process has to follow the laid down procedures and this eliminates the possibility of poor performance. In the entire world, every business organization depends on conversion of inputs (raw materials) into outputs (products, goods and services) both tangible and intangible that must be put in place in an effective logistical system to ensure its operations run effectively and efficiently (Wanyonyi & Muturi, 2015).

Procurement is the act of acquiring (buying) goods, services or works from an external source. It is favourable that the goods, services or works are appropriate and that they are procured at the best possible cost to meet the needs of the acquirer in terms of quality, quantity, time, and location (Lewis & Roehrich, 2009). Public Procurement can be defined as the acquisition, whether under formal contract or not, of works, supplies and services by public bodies. It ranges from the purchase of routine supplies or services to formal tendering and placing contracts for large infrastructural projects (Caldwell, Roehrich & Davies, 2009). In procurement, corporations and public bodies often define processes intended to promote fair and open competition for their business while minimizing exposure to fraud and collusion (Lewis & Roehrich, 2009). Kabaj (2003)

concludes that an efficient public procurement system is vital to the advancement of all countries and is a concrete expression of their national commitments to making the best possible use of public resources (Lewis & Roehrich, 2009). In public institutions and organizations, a procurement process that conforms to the expected standards of integrity, uprightness and honesty is one in which clear procedures are consistent with Government policies and legislation. These procedures should have the following quality, which include the following: well established, understood and followed from the outset; consider the legitimate interests of suppliers; and ensure that all potential suppliers are treated equitably (Waters, 2004).

Procurement fraud can be defined as dishonestly obtaining an advantage, avoiding an obligation or causing a loss to public property or various means during procurement process by public servants, contractors or any other person involved in the procurement. An example is the 'kickback', whereby a dishonest agent of the supplier pays a dishonest agent of the purchaser to select the supplier's bid, often at an inflated price (Weele & Van, 2010). Other frauds in procurement include the following: collusion among bidders to reduce competition, providing bidders with advance "inside" information, submission of false or inflated invoices for services and products that are not delivered or work that is never done, intentional substitution of substandard materials without the customer's agreement, use of "sole source" contracts without proper justification, use of prequalification standards in specifications to unnecessarily exclude otherwise qualified contractors, and dividing requirements to qualify for small-purchase procedures to avoid scrutiny for contract review procedures of larger purchases (Waters, 2004).

An important and effective way to maintain ethics awareness in agencies is to provide training for employees. Ethics training and seminars can be provided, along with training in more specific areas, such as procurement procedures, record keeping, records management, and accountability and administrative law. Regular reviews or audits of procurement processes can be done to ensure probity is being considered and achieved (Amos & Worthington, 2008). Public procurement professionals have to strive to achieve three competing demands of meeting commercial interests with key themes of value for money, economy, efficiency and effectiveness; the regulatory interests with key themes of competition, transparency, equality and compliance and the social interests whose key themes include public interest, employment concerns, social exclusion, economic development and environment policy (Errigde & McIlroy, 2002)

A study by Wanyonyi and Muturi (2015) shows that use of information technology has a positive effect on performance of the procurement function. The study also indicates that information technology improved advertisement and reduction in ordering time. It also enhanced the process of effective tendering through advertising, greater awareness of new development, and enabled an institution to provide excellent service to their suppliers in a transparent manner. Chimwani, Iravo and Ibrahim (2014) Concur that failure to automate procurement systems and non-adoption of ICT systems impacted negatively on procurement performance, and further indicate that having motivated and well qualified staff and effective records management systems are crucial for enhanced public procurement performance. Okumbe (1998) states that the activities involved in procurement include ensuring the following: the necessary resources are identified in

good time, necessary resources are procured in good time; and procurement is done as per government requirements.

In Kenya, manual systems have been a source of major inefficiencies in the regulation and operations of the procurement function. Therefore, there is need to adopt information and communication technology in order to ensure proper functioning of the procurement system. To meet today's operating challenges, technical institutions are turning to information and communication technology to improve the services for suppliers and other customers in order to lower operating costs and improving performance. Online communication, online tender advertising and computerized tendering process influences performance of the procurement function. Information technology offers smoother and faster process flow, efficient distribution of information, decentralization of tasks and decisions, increased transparency, and better control (Mburu & Njeru, 2014).

2.5.3 Organizing and Co-ordinating Function

Once principals have developed workable plans and the methods for attaining them, they must design an organization that will successfully implement the plans (Lunenburge, 2010). He/she has to structure his team and resources. This important step is a great determination of an organization's success. A good structure will motivate employees, enhance efficient decision making and thus increase the organization's profit (BR Professional Education, 2012).

According to Argyris (2011), organizing involves three essential elements: developing the structure of the organization, acquiring and developing human resources, and establishing common patterns and networks. In a very basic sense, designing the structure of the organization involves creating the organizational chart for a school (Jones, 2010). The principal establishes policies and procedures for authority relationships, reporting patterns, the chain of command, departmentalization, and various administrative and subordinate responsibilities. Then the principal takes steps to hire competent personnel. When necessary, the principal establishes programs for training new personnel in the skills necessary to carry out their task assignments. Finally, the principal builds formal communication and information networks, including the types of information to be communicated, direction of communication flows, and reductions in barriers to effective communication (Lunenburg, 2010). Organizing at the upper levels of an organization usually includes designing the overall framework for the school district (Grant, 2011). He also state that the building level of organizing is usually more specific and may involve the following specific activities: developing methods to help people understand what portion of the job is their responsibility; coordinating individual efforts through work schedules to avoid unnecessary delay in task accomplishment; designing an efficient system for making day-to-day work assignments should these be necessary; and cross-training personnel or providing for substitute personnel to avoid disruptions in the flow of work caused by absenteeism.

Organizing involves putting in order of priority and preference the resources which are available. An action plan is needed in which actions and activities are scheduled. In order to give the plan “teeth” targets are set. These targets should be quite easily attainable

within a short period of time (Jiransinghe & Lyons, 1996). It is often said that good people can make organization patterns work. Some even assert that vagueness in organization is a good thing in that it forces teamwork, since people know that they must cooperate to anything done. However, there can be no doubt that good people and those who want to cooperate will work together most effectively if they know the parts they are to play in any team operation and the way their roles relates to one another. Designing and maintaining these systems of roles is basically the managerial function of organizing (Koontz & Weihrich, 1998).

Organizing plays a central role in the management process. Once plans have been formulated, the second task of the manager is to organize. To organize is to coordinate the effective and efficient use of resources in order to achieve the goals set out in the plans. The end results of the organizing function is an organization (BR Professional Education, 2012). Koontz and O'Donell (1972) define organizing as the grouping of activities necessary to attain objectives, the assignment of each grouping of activities to a manager with authority necessary to supervise it and the provision for coordination vertically and horizontally in the enterprise structure. Schermerhorn (2004) argues that organizing is the managerial function of arranging people and resources to work toward a goal. According to Fayol (1949) and Witzel (2003) , to organize a business is to provide it with everything useful for its functioning such as raw materials, tools, capital and personnel; and involves determining and providing human and non-human resources to the organizational structure. Organizing is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals (Kootz & O'Donell, 1972). Given a clear mission,

core values, objectives, and strategy, the role of organizing is to begin the process of implementation by clarifying jobs and working relationships (Schermerhorn, 2004).

Organizing identifies who is to do what, who is in charge of whom, and how different people and parts of the organization relate to and work with one another. All of this, of course, can be done in different ways (Robbins & Coulter, 2003). When organizing, managers must make decisions about the division of labor and work specialization, departmentalization, chain of command, span of management, centralization, and formalization. Collectively, these decisions are often called organizational design (Witzel, 2003).

Organizing as a process involves identification of activities, classification of grouping of activities, assignment of duties, delegation of authority and creation of responsibility and coordinating authority and responsibility relationships (Schermerhorn, 2004; Witzel, 2003). Organizing function of leadership controls the overall structure of the company. The organizational structure is the foundation of a company; without this structure, the day – to – day operation of the business becomes difficult and unsuccessful. Organizing involves designating tasks and responsibilities to employees with the specific skill sets needed to complete the tasks, developing the organizational structure and chain of command within the company, and coordinating authority and responsibility relationships to avoid unnecessary delay in task accomplishment (Grant, 2011; Okumbe, 1998; Schermerhorn, 2004). Gardiner (2011) argues that organizing is usually more specific

and may involve cross - training personnel or providing for substitute personnel to avoid disruptions in the flow of work caused by absenteeism.

There is no standard formula for the best way to organize an enterprise (Kinicki & Williams, 2013). Several factors have been shown to influence organizing decisions. Among the most important of these factors include the following: strategies (managers organize in order to achieve the objectives of the enterprise for which they work). Thus, the strategies of the enterprise affect organizing decisions. Changes in strategies frequently necessitate changes in the way the enterprise is organized); size (small enterprises tend to exhibit less formalization, centralization, and complexity in their organizational structure. Nevertheless, enterprises of the same size may be organized quite differently because of differences in strategy, environmental conditions, and technology); environmental conditions (the key factor in the external environment that is relevant to organizing is uncertainty. Some enterprises face competitive environments that change rapidly and are quite complex, while others face relatively stable conditions.

Generally, turbulent environments call for organizing decisions that lead to less formalization and centralization in the organizational structure); and technology (the processes by which an enterprise transforms inputs into outputs may also affect organizing decisions. Some research suggests that organizing decisions that lead to high degrees of formalization, centralization, and work specialization are more appropriate for routine technologies and that the converse is true for non-routine technologies). Recently many organizations have attempted to strike a balance between the need for worker specialization and the need for workers to have jobs that entail variety and autonomy.

Many jobs are now designed based on such principles as job enrichment and teamwork (Lamond, 2004). Organizing has the following tasks, which are to be performed if the Principal is to be effective: preparing up – to date job descriptions for all the employed staff; assigning roles, responsibilities and duties to staff and students; arranging for appointment of new staff; and arranging for the selection and appointment of all staff holding responsibility posts (Kinicki & Williams, 2013). Kinyua (2005) indicates that majority of teachers perceived Principals as doing a good job in organizing while minority (22.9%) felt they were not.

Coordination is the process whereby the executive develops an orderly pattern of group efforts among his subordinate and secure unity of action in the pursuit of a common goal or purpose. Success of an enterprise depends upon the efficiency of its managerial functions; therefore all the managerial functions should be well coordinated. Coordination is the essence of management functions (BR Professional Education, 2012). The coordinating function of leadership controls all the organizing, planning and staffing activities of the organization and ensures all activities function together for the good of the organization. Coordinating typically takes place in meetings and other planning sessions with the department heads of the company to ensure all departments are on the same page in terms of objectives and goals.

Coordinating involves communication, supervision and direction by management (McDonnell, 2011). Okumbe (1998) indicates that the third function of educational management is to organize and coordinate while procurement is the second function of management. According to him, Principals are expected to carry out activities of

organizing and coordinating function, these activities include the following: allocating both the staff (teaching and non-teaching) duties in accordance with their expertise and abilities; allocating students duties in accordance with their expertise and abilities; allocating materials resources in the most appropriate manner; ensure that the there is unity in diversity; and ensure that all energies of staff and students are expended towards a common goal.

2.5.4 Controlling Function

In order for organizational goals to be achieved, there has to be control in the organization so that management can assess progress and correct deviations if any (BR Professional Education, 2012). According to Koontz and O'Donnell (1972), controlling is the measurement and correction of performance activities of subordinates in order to make sure that the enterprise objectives and plans to obtain them are being accomplished. Witzel (2003) observes that controlling implies measurement of accomplishment against the standards and correction of deviation if any to ensure achievement of organizational goals. He further states that the purpose of controlling is to ensure that everything occurs in conformities with the standards, and an efficient system of control helps to predict deviations before they actually occur. Controlling is the process of checking whether or not proper progress is being made towards the objectives and goals and acting if necessary, to correct any deviation. According to Koontz and O'Donnell (1972), controlling is the measurement and correction of performance activities of subordinates in order to make sure that the enterprise objectives and plans desired to obtain them as being accomplished. Controlling has steps, which include the following: establishment

of standard performance, measurement of actual performance, comparison of actual performance with the standards and finding out deviation if any, and corrective action (Lunenburg, 2010).

The controlling function of management is useful for ensuring all other functions of the organization are in place and are operating successfully. The controlling process often leads to the identification of situations and problems that need to be addressed by creating new performance standards. The level of performance affects the success of all aspects of the organization. Controlling function is also known as evaluation. In evaluating, Okumbe (1998) argues that the Principals are expected to assess institutions' activities in accordance to the blue print, use the evaluation feedback for improvement, redesign or complete overhaul of the system for better results, and apply and implement corrective measure as necessary.

2.5.5 Influencing and Stimulating the Human Resource Function

Principals are responsible for getting things done by working with all school stakeholders. The principalship is, above all else, a social process. Principals spend a large portion of their time interacting with others, the majority of which is in face-to-face communication. Failure to interact well with others may hamper their careers (Lunenburg, 2010). A study composed of twenty effective administrators and twenty-one ineffective ones emphasizes the importance of being able to work effectively with others.

Staffing as an important element of influencing and stimulating human resource is getting people with the right skills, knowledge and abilities to fill up the positions in the

organization. It involves getting the right person for the right job (BR Professional Education, 2012). Koontz and O'Donnell (1972) assert that the managerial function of staffing involves manning the organization structure through proper and effective selection; appraisal and development of personnel to fill the roles designed in the structure.

Staffing is the function of manning the organization structure and keeping it manned. Staffing has assumed greater importance in the recent years due to advancement of technology, increase in size of business, and complexity of human behavior (Witzel, 2003). The main purpose of staffing is to put right man on right job, that is, square pegs in square holes and round pegs in round holes (Witzel, 2003). According to Koontz and O'Donnell (1972), Managerial function of staffing involves manning the organization structure through proper and effective human resource management.

The staffing function of management controls all recruitment and personnel needs of the organization. The main purpose of staffing is to hire the right people for the right jobs to achieve the objectives of the organization (Robert, 2015). Without the staffing function, the business would fail because the business would not be properly staffed to meet its goals. Staffing involves the following: manpower planning, recruitment, selection and placement, training and development, remuneration, motivation, performance appraisal, promotions and transfer (Grant, 2011). Okumbe (1998) observes that principals of institutions are expected to influence and stimulate the human resource by providing an appropriate climate which gives the staff and students the assurance that human factor is

recognized in the institutions, striving to release maximum potentials from both the staff and the students through motivating them, providing articulate leadership skills necessary for integration of both the organizational and personal goals, and recognizing that human beings are endowed with abundant potentials which should be released to ensure maximum utilization of the institution's resources. Lunenburg (2010) emphasizes the importance of Principals being able to work effectively with others. He further indicates that the ineffective Principals have the following shortcomings: Insensitive to others (abrasive, intimidating, bullying style); cold, aloof and arrogant; betrayal of trust (failure to accomplish stated intentions); over-managing: unable to delegate or build a team; unable to staff effectively; and unable to plan and organize work.

Research on performance of organizations show the most consistent factors contributing to productivity, service quality, and other aspects of organizational performance is the effectiveness of the managers who directly supervise front - line workers (McDonnell, 2011). In education, this research suggests that the effectiveness of principals in managing the recruitment and advancement of teachers will contribute to improvements in student learning. One of the key ways these managers influence performance is through human capital management (Knootz & Wehrich, 1998).

A study conducted by Mutie, Masinda & Makewa, (2015) shows that teachers evaluated the Principals' performance on professional development of teachers as good. They further indicate that the results of analysis meant that principals helped and gave teachers opportunity to grow professionally by providing them with effective learning

opportunities like sponsoring them to attend seminars, advancing their education and participating in staff discussion forums. Studies by Whitaker (1993), Whitaker (1997), Fiore (1999), Roeschlen (2002) and Turner (2002) as cited by Mutie et al. (2015) indicate that great principals develop the teachers they have, and encourage individual staff development so as to promote the effectiveness of each individual. On teacher placement, Schulz and Kelly (2010) in their study found that proper placement of teachers enables them to work comfortably.

One of the factors contributing to the attractiveness of a TVET institution is how a principal mobilizes his subordinate. A principal must be proactive enough to work towards influencing and mobilizing his staff to work with him or her. A motivated staff is one of the dividends that result from a Principal's good management of human resource; therefore Principals should apply modern approaches in human-resource management, since these are critical in changing the perceptions of the crumbling TVET institutions (Simiyu, 2009).

2.5.6 Integrating Function

Another function of management is to integrate the organization and its activities into the set – up of the society (Okumbe, 1998). Integration is the process of attaining close and seamless coordination between several departments, groups, organizations and systems, among others (Gardiner, 2011). Integrating is the act of bringing together smaller components into a single system that functions as one. It refers to the end result of a process that aims to stitch together different, often disparate, subsystems so that the data

contained in each becomes part of a larger, more comprehensive system that, ideally, quickly and easily shares information when needed (Robbins & Coulter, 2015). An organization is not an island – it is founded within a society for a noble role of serving the society. The organization’s manager does this through boards of governors, councils, parent – teachers association, board of directors, church organizations and also participation in various community activities.

The Federation for Community Schools (2010) observes that at all levels in United States of America - from government agencies to community organizations to school staff - people seek ways to combine their individual efforts into more holistic, coherent and effective strategies that cross traditional boundaries of expertise, funding, responsibility and accountability: they seek ways to integrate. The federation further indicate that integration in a school: is a strategy through which schools, community organizations, agencies, parents, and institutions bring together their organizational and human resources in pursuit of common goals that cannot be fully achieved by any one entity alone; is a way of thinking about or defining issues, problems, solutions, and goals, particularly the power of synergy; requires systemic and normative change on the part of all participants in the effort; and is as much an attitude and a belief system as it is an organizational or operational process,

The idea in integration is to strengthen the school – community relations. This is important because the school derives most, if not all, of its financial and social support from the community. For the community to provide maximum support to the

organisation, it must be seen both in words and deeds that the organisation is part and parcel of the society. It is thus imperative that the organization manager should effectively involve the various organizations, operating within and without, in the various and relevant organization's activities, so as to enhance and perpetuate the organization's operations. The image and prestige of an organization is thus shaped through this interaction between it and the society (Okumbe, 1998). Commonwealth Secretariat (1993) observes that the following activities should be performed by Principals to ensure that the performance of integrating function is enhanced: inducting new teachers, pupils and parents; communicating regularly and fully, by most appropriate means, to all those with an interest in the school about school programmes; and holding formal and informal discussions with individuals and groups, including staff and students, and those outside the school, about all aspects of school life.

2.5.7 Evaluating Function

The sixth, and fundamental, function of educational management is to evaluate the school's activities in accordance with the blueprint. Evaluation enables the school to determine whether it is achieving its predetermined objectives or not (Okumbe, 1998). Harris (1999) argues that, evaluating involves assessing the results and comparing them with the set targets and objectives. He further observes that evaluating provides the school management with the necessary feedback for improvement, redesigned or complete overhaul of the system for better results. The Principal as a school manager utilizes the formative and summative evaluating techniques and appropriate corrective or otherwise measures are applied and implemented as necessary. Through appropriate

application of the various evaluating techniques, educational management ensures maximum efficiency and effectiveness in the school (Eraut, 1994).

The Principals are expected to perform the following evaluating function's tasks: preparing the annual report of the school; analyzing examination results; reviewing the performance of the school for all in – class and out – class activities; setting new targets for individuals, departments and the school; making new requests for better qualified teachers; and presenting financial statements and reports to the Board of Governors (Commonwealth Secretariat, 1993).

2.6 Relationship between Performance Contracting and Principals' Performance Management Functions

The relationship between performance contracts and performance of management functions is that the former focuses on outcome and results while performance management is the integrating force that is concerned with what people do, how they do it and what they achieve. It is therefore concerned with both inputs and the outputs (James, 2003). A study by Khumalo (2011) indicates that educational institutions that were poor or lacking in management in South Africa would be strengthened through, among other things, the development of job descriptions for circuit managers and subject advisors and the development of performance agreements to be signed by officials, with clear targets and deliverables. He further states that performance contracting would improve the educational institutions' performance, as one would find a good institution where there was good management.

Bouckaert, Verhoest & Decorte (1999) observes that performance contracting had a direct bearing on the management of the organizations. They further state the effect performance contracting on performance of management functions could be examined from four fronts, which include human resource, financial management and cost consciousness, internal organization and external relations. The findings of the study conducted in Ghana by Simpson (2013) confirm some links between performance contracting and performance of individuals and organizations. As a result, the study concludes that performance contracting should remain a key element of any organization in order to ensure the desired outcomes. Sonja (2009) states that the new management system has improved the performance of human resource management and increased the flexibility of allocating the right person to the right job. Letangule and Letting (2012) study shows that most respondents cited that improved service delivery, job satisfaction and reduced corruption were the various impacts of various measurements in relation to performance contracting as was shown by a high mean of 4.85, 4.45 and 3.95 respectively. They also state that the least cited measurements were staff performance and employee productivity comprising a mean of 2.4. Messah and Kariuki (2011) study indicate that seventy five percent (70%) of employees were able to deliver service targeted, this could be due to the fact that performance contract document is designed to cascade the intended purpose of performance contract initiatives using relevant communication methods that were easily understood. They further state that the managers did understand performance contracts.

Kinanga and Partoip (2013) in their study concur by stating that there was a significant relationship between performance target setting and employee performance. They further indicates that correlation coefficient between the two variables of their study was 0.619 with a p-value of 0.000. These therefore could suggest that performance contracting was an important strategy in enhancing efficiency, effectiveness, service delivery and customer satisfaction in organizations. Bouckaert et al. (1999) observes that outstanding performance was rewarded through promotion, pay-increase or recognition. They further state that although various performance contracts did not clearly spell out the pejorative measures taken against mediocre performance, it was assumed that punishments were clear. A study by Letangule and Letting (2012) show that performance contracting minimized public waste to a very great extent and enhanced value – for - money. However, the study reveals that respondents disagreed that performance contracting improved input / output relationship.

According to Gakure, Muriu & Orwa (2013), performance contracting tool leads to improvement in performance effectiveness in the civil service. They also observe that, since implementation of performance contracting in the civil service in Kenya, performance effectiveness has increased significantly. They further conclude from the results presented in their study that there exists a positive and significant relationship between performance contracting and performance effectiveness and that it's a path worth investing in (Gakure et al., 2013).

From the foregoing, it is apparent that performance contracting enhances performance of management functions; however no study has been carried out to establish the association between PC and Principals' performance of management functions. Therefore this study sought to find out the relationship between PC and Principals' performance of management functions in TTIs in Mount Kenya Region.

2.7 Strengths of Performance Contracting

In implementing performance contracting in public service in Kenya and all over the world, the common issues that are being addressed include to: improve performance to deliver quality and timely services to the citizens, improve productivity in order 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 give autonomy to the government agencies without being subjected to the bureaucracies and unnecessary procedures (AAPAM, 2006). According to England, as cited by Messiah and Kariuki (2011), a performance contract: addresses economic, social or other tasks that an agency has to discharge for economic performance or for other desired results; organizes and defines tasks so that management can perform them systematically, purposefully, and with reasonable probability of accomplishment; assists in developing points of view, concepts and approaches for determining what should be done and how to go about it. Performance contract comprise determination of mutually agreed performance targets and review and evaluation of periodic and terminal performance (PCS, 2008a).

In New Zealand, performance contracting has increased transparency throughout the public service, in terms of information about what departments do and how much their activities cost. Before the development of output based appropriations and written agreements, ministers did not always know the full extent of their department's activities and the relative cost of various aspects. This clarity assists in departmental and ministerial management, and decision-making. It has also enabled staff to gain a clearer understanding of their contributions to the work of the department and to the government's wider objectives (Sonja, 2009).

Performance Contract Secretariat (2008a) states that all the chief officers in all government ministries has signed performance contracts and that there is tremendous and measurable performance arising out of these ongoing government reform initiatives. The secretariat further states that the initiatives has resulted in international recognition and wide acclaim, for instance, the United Nations Public Service Award 2007 was given to Kenya in the category of improved transparency, accountability and responsiveness in the public sector. This implies that Kenya is making great strides in the area of reforms.

Nyongesa, Sewe & Ng'ang'a (2012) observes that performance contracting has a positive influence on public service delivery as a tool of customer satisfaction by achieving service delivery timeliness, rendering of quality and effective services, increase of production in service delivery by achieving the discussed and agreed targets as well as serving as an avenue of transparency and accountability in service delivery. There is remarkable and unprecedented improvement in profit generation for commercial state

Corporations; service delivery and operations by the Government Ministries such as Immigrations and Registration of Persons, Agriculture, Provincial Administration and Internal Security, Health, finance and Water; operations and services by some local authority bodies such as Nairobi and Kisumu City Councils, and Nakuru Municipality; service delivery and operations by the bulk of state Corporations and statutory boards, among them, KenGen, Kenya Power and Lighting Company Limited, Kenya Ports Authority, Kenya Utalii College, National Oil Corporation of Kenya and Kenyatta International Conference Centre, among others (Kobia & Mohammed, 2006).

Performance Contract has refocused Ministries, Departments and Agencies on realizing their core mandates. It has improved: profitability levels particularly in the Commercial State Corporations; performance of the public service particularly through the introduction of service delivery charters; the levels of transparency and accountability where obligations of all public agencies are included in the publicly signed performance contracts and in most cases uploaded on the agencies' website for stakeholder reference (PCS, 2008a). Performance contracting system has also transformed the management of public affairs in a significant way. A culture of professionalism, competitiveness, innovation and target setting is being inculcated into the public sector. Government officers are being publicly challenged to account for public resources entrusted to them on a day – to - day basis as the bar of achievement is raised each year. The Kenyan public sector is for the first time being challenged to compare with the best of the world while various Governments within and outside Africa are expressing interest on how the PC system can be adopted and customized to suit their own individual cases (Kobia &

Mohamed , 2006). This implies that PC has inspired the organizations to bench mark with the best management practices in the world. A study by Masomi, Kindiki & Boit (2014) indicate that extra time was being utilized to teach both staff and students on proper sexual behavior in order to reduce the prevalence of HIV infections in Technical Training Institutes in Kenya. They further state that other areas that improved due to introduction of PC include access to e-learning resources and computer usage.

A study by Nganyi, Shigogodi & Owano (2014) reveals that the achievement of performance contracts objectives has been just moderate. The parameters assessed in their studies included customer complaints, utilization of resources, service delivery, revenue collection, cost containment and dependence on exchequer. They further indicate that there is need for more efforts to be made in order for organizations to realize full potential. They also assert that the management of organizations should consider more innovative ways of increasing revenue generation through strengthening of the income generating activities. A study by Birechi (2011) shows that majority (87%) of the respondents indicated that PC enhanced consistency in revenue collection at the energy corporation. The study also indicates that the employees of the state corporation, in the past one year, came up with new ideas on how to enhance revenue collection.

However, the real impact of the process of PC is yet to be fully visible (Mbua & Sarisar, 2013). Mbua and Sarisar (2013) observes that the culture of non-performance and lack of accountability was fighting back to resist performance contracting implementation. This could suggest that the benefits of performance contracting might not be realized for long before the tradition of corruption in institutions got back in the system.

2.8 Constraints of Performance Contracting

In Kenya, and all over the world, performance contracts had their origin in the perception that the performance of the public sector had consistently fallen below the expectations of the public due to frequent political interference, multiplicity of the principles, excessive control, poor management and outright mismanagement, among others (Kobia & Mohamed, 2006). According to Mutunga (2008), the main reason why performance contracting was introduced was due to the need for timely implementation of development programs with the agreed budgets. However, this objective was never achieved. A study by Bomett, Kindiki & Too (2014) reveals that the Government exaggerated its expectations particularly in relation to funding projects within a contract period. They further state that the Government funds were not released on time and that students paid fees when they were about to do their examinations, which caused delays in the achievement of set targets in the contract period. Ochien'g (2010) concurs by stating that long bureaucratic procedures of public institutions made it hard for them to realize some targets especially to institutions in the lower-stream as they waited for long to receive funds from the headquarters. He further indicates that the bureaucratic procedures delayed the execution of activities within the stipulated time. This could imply that the Government does not honor their financial obligations and commitments to the institutions as stipulated in the contracts.

Republic of Kenya (2010) observes that the Government officers were being publicly challenged to account for public resources entrusted to them on daily basis as the bar of achievement was raised each year. This implied that the Government dictated the targets

in the contract period and, raised the bar of achievement every year and did not give officers a chance to discuss the targets. A study conducted by Kinanga and Partoip (2013) reveals that majority (84.4%) of employees was involved in setting PC targets and the targets were negotiated between them and their supervisors. A study by Nganyi et al. (2014) reveals that only 48.71% of respondents had participated in performance contracting. They therefore called for the organizations' management to involve more staff in the performance contracts with their supervisors. They further states that study respondents had an opinion that all staff should participate in performance contracting. However, they also observed that employees that were involved were active and committed. Martin (2005) and Messiah and Kariuki (2011) concur by asserting that members of staff were not sufficiently involved in drawing up contracts, a task which in spite of exhortations from the Central Government was still largely a preserve of managers. However, they argue that their findings confirmed that low levels of academic qualifications resulted to less number of employees being involved in setting targets. For PC to effectively have impact on employee performance, managers must involve members of staff in development of yearly performance objectives.

Performance contracts were based on the premise that what gets measured gets done, if you cannot see and measure success, you cannot reward it, if you cannot recognize failure, you cannot correct it and if you can demonstrate results, you can win public support (Kobia & Mohamed, 2006). Lack of clear incentive and sanctions for the performers and non-performers affected the adaption of PC. Nganyi et al. (2014) indicates that the majority (41.56%) of respondents in their study felt that lack of clear

incentives and sanctions affected to a greater extent implementation of PC, while 20.78% thought the effect was to a very great extent. Ochien'g (2010) argues that challenges facing performance contracting in Kenya include lack of adequate skilled personnel in performance contracting in most of the institutions, and the long bureaucratic procedures of public institutions makes it hard for them to realize some targets especially to institutions in the lower-stream as they may have to wait long to receive funds from the headquarters (mother-institutions). A study by Masomi et al. (2014) observes that that proper utilization of learning and teaching resources was hindered by a scarcity of financial resources. They also argue that lack of finances in TTIs made some resources not to be availed hence hindering the impact of performance contracting on the ground.

A study conducted by Wambua, Ofafa, Otor and Ngonzo (2014) illustrate that the aspects of teaching workload affects the service delivery in performance contracting in learning institutions. The findings of their study indicate that 43.0% of the respondents cited heavy teaching work load led to inadequate teacher-student interaction, 11.3% felt it led to large material contents, 17.6% thought it led to compressed teaching content and 27.5% cited that it led to inappropriate marking of CATs and exams. Public Service Commission (2011) reports state that there was concern about lack of appreciation of the purpose of performance agreement in the management process, which was evident in the tendency to use Performance agreements for punitive rather than developmental process in South Africa.

In Latin America, Governments in some countries like Argentina, Brazil, Chile, Mexico and Venezuela allocated a small proportion of the total budget (about 5% or less) to tertiary institutions including universities through formula funding based on input, such as, the number of full time students, faculty, staff, infrastructure, courses and fields. The formulae of funding were also based on performance indicators such as students' dropout rate and quality of programs (Kobia & Mohamed, 2006). This could imply that presence of clear incentive and sanctions are major motivational factors in the adoption of performance contracting. However, Republic of Kenya (2010) states that there had been proposals that the Government introduces a reward / sanction scheme to boost the impact of PC on the public service delivery. It further asserts that the proposals to Government had been informed by the fact that public officials would feel more motivated in participating in an exercise that promises some reward. This could implies that the expectation of reward and the fear of punishment largely motivated staff to work hard towards smooth implementation of PC and their absence could lead to failure of the process.

A study by Public Service Commission of South Africa (2011) observes that the human resource component was not capacitated to better play their role in supporting the effective implementation of the performance management and contracting. In this regard, they should have indentified capacity challenges and address them accordingly. Chhabra (2005) asserts that one of the major limitations that made the implementation of PC difficult was of lack of training and knowledge on the part of the supervisors. Locke and Latham (2002) notes that leaders could raise the self efficacy of their subordinates by

ensuring adequate training to increase mastery that provided success experiences, role modeling or finding models with whom the person could identify with through persuasive communication that expressed confidence that a person could attain the goal. Lack of proper training of staff on PC could suggest that there is poor implementation of performance contracts and in essence low target's achievement.

A study of Nganyi et al. (2014) reveals that staff turnover affected the process of performance contracting, Majority (27.7%) felt it affected to moderate extent as opposed to 24.68% who believed that it affected to a great extent. The staff turnover might have been caused by employees looking for better terms of employment elsewhere. It is therefore important for management of institutions to improve their terms in order to retain competent staff. Kobia and Mohammed (2006) had similar notion that unplanned transfer of staff and staff turnover frustrated the implementation process. This implied that the management had to frequently train more staff on PC to take the positions of those who left, which, in essence, could be expensive. Republic of Kenya (2010) states that the Government of Kenya required that all staff in public institutions sign PC by July, 2005. However, as it further asserts, the introduction of performance management system had met some resistance within certain Government institutions.

Public Service Commission (2011) of South Africa indicates that senior management service members were sometimes reluctant to enter into performance agreements as those were perceived as hindrance rather than enablers of improved service delivery. Ochien'g (2010) notes that there was outright lack of good-will, by some institutions where the

Principals had not appreciated the process and rejection by some institutions (some institutions refused to be part of the process). He further indicates that it has been however changing with time due to the lack of universal acceptability. In Kenya, Uganda, Tanzania, Ghana and Zambia one of the major constraints on the implementation of public service reform Programme was little support to the reforms and difficulty to sustain all levels due to non-commitment by political leaders, the public at large and bureaucrats (Kiragu, 2002). He further asserts that the reforms were still stigmatized by the pains of such first wave of structural adjustment measures of retrenchment and cost sharing. Kobia and Mohammed (2006) argue that the first two parastatals in Kenya to be on performance contract were Kenya Railways Corporation and the National Cereals and Produce Board. They further state that the two agreements failed due to lack of political good will to drive this process and that it was perceived as donors - driven, among others.

In China, on average Performance contracts did not improve productivity, and might have made it worse. But China's performance contracts were not uniformly bad; in fact, performance contracts improved productivity in slightly more than half of the participants. Performance contracts effects were on average negative because of the large losses associated with poorly designed performance contracts (Shirley & Xu, 2001). However, some of the problems experienced during the implementation of the performance contract are mainly of internal in nature. But looked at on a broader perspective these however point out on the internal inefficiencies that plague many of the public agencies (Mbua & Sarisar, 2013).

2.9 Theoretical Framework

Theories are formulated to explain, predict, and understand phenomena and, in many cases, to challenge and extend existing knowledge within the limits of critical bounding assumptions. The theoretical framework is the structure that can hold or support a theory of a research study. The theoretical framework introduces and describes the theory that explains why the research problem under study exists (Swanson, 2013).

The theoretical framework strengthens the study in the following ways: An explicit statement of theoretical assumptions permits the reader to evaluate them critically; the theoretical framework connects the researcher to existing knowledge. Guided by a relevant theory, you are given a basis for your hypotheses and choice of research methods; articulating the theoretical assumptions of a research study forces you to address questions of why and how. It permits you to intellectually transition from simply describing a phenomenon you have observed to generalizing about various aspects of that phenomenon and; having a theory helps you identify the limits to those generalizations. A theoretical framework specifies which key variables influence a phenomenon of interest and highlights the need to examine how those key variables might differ and under what circumstances (Trochin, 2006; Breakwell, Fife-Schaw & Smith, 2007)).

Relevant theories that address organization performance such as Scientific Management by F.W. Taylor (1856-1915), Principles of Management: Henry Fayol (1841-1925), Bureaucracy Theory by Max Weber heavily informed the science behind performance contracting paradigm. Motivation theories such as Rational-Economic Model, Social Model, Self-Actualizing Model, Complex Model, Abraham Maslow Model, McGregory

Theory X and Theory Y, Herzberg's Two-Factor Theory, Achievement Motivation by McClelland and Vroom's Expectancy Theory among others enabled the paradigm to be sensitive on the human aspect in the civil service (Gakure et al., 2013). However, Cheche and Muathe (2014) argue that researchers do not seem to agree on the most appropriate theories to anchor studies on performance contracts. They also assert that several theories have been used, the most common being: agency, public choice, transaction cost complexity, and motivational theories. This study was therefore guided by two theories namely: the Douglas McGregor Theory X and Theory Y, Goal Setting Theory and McClelland's Needs Theory, all related to performance contracting.

2.9.1 Douglas McGregor Theory X and Theory Y

The study also used the Douglas McGregor's Theory X and Y. Theory X and Y was an idea devised by Douglas McGregor in his 1960 book "The Human Side of Enterprise". It encapsulated a fundamental distinction between management styles and has formed the basis for much subsequent writing on the subject (Ray, 2015). McGregor stands in a unique place in management history. He has one foot in the early human relations movement and another foot in the movement of scholars who advocated a heightened awareness of management's responsibility for the human side of employer-employee relations. McGregor serves as a true facilitator for growth and advancement in the field of management, in general, and human relations, in particular (Carson, 2005). His work seemed to energize the field of management and spurred a cluster of Theory Y based concepts. Theory Y bore such fruits as self-directed work teams, self-management, job enrichment, and empowerment, to name a few. Each of these concepts takes a bow to

McGregor's concept of giving employees more responsibility and watching them flourish. McGregor's work provided the impetus for the continuing momentum of the Human Relations Movement in the middle of the 20th century (Drucker, 1988).

According to Stoner, Freeman & Gilbert (2006), McGregor has distinguished two alternative basic assumptions about behaviour, which he has called Theory X and Y, which take opposite views of people's commitment to work in organizations. Cole (2004) state that McGregor saw two noticeably different sets of assumptions made by managers about their employees. The first set of assumptions regards employees as being inherently lazy, requiring coercion and control, avoiding responsibility and only seeking security. Ray (2015) observes that this attitude is what McGregor termed Theory X. To achieve organizational objectives, a business would therefore need to impose a management system of control, reward and punishment. In this study, the business was assumed to be the Ministry of Devolution and Planning and employees the staff of TTIs which include the Principals, Administrators, Heads of Departments and Class-teachers, who have the characteristics stated in Theory X. Performance contracting would act as a control to the behaviour of the staff of TTIs and the 13th salary (to be given to the best performers) will be the extrinsic rewards for the best performers. Rewards and sanctions of PC would be the motivator.

McGregor's second set of assumptions (Theory Y) sees people in a more favourable light. In this case, employees are seen as liking work, which is as natural as rest or play: they do not have to be controlled and coerced, so long as they are committed to the

organisation's objectives (Stoner et al., 2006). Under proper conditions, they will not only accept but also seek responsibility: more, rather than less, people are able to exercise imagination and ingenuity at work. These are the assumptions of Theory Y (Cole, 2004). In this study, performance contracting would provide proper conditions in which the staff of TTIs would not only accept but also seek responsibility; exercise imagination and ingenuity at work, which would eventually enhance efficiency in Principals performance of management functions. Ray (2015) state that the challenge for management with Theory Y workers is to create a working environment (or culture) where workers can show and develop their creativity.

Douglas McGregor's Theory X and Theory Y have both their strengths and weaknesses. The biggest advantage of using Theory X and Theory Y is that they are easy to understand. In addition to this, they can help a manager to focus on his thoughts on the different ways in which individuals relate to and carry out work. Although the theories are not used explicitly today, they can provide a guiding principle of positive approaches to management (Carson, 2005). McGregor's methodology was flawed and in turn his conclusions were not even representative of the material that was defective. While his theory suggests that most people fall into certain work attitude extremes, his samples did not provide the evidence to support it. Many argue that although the theories are easy to understand they are far too simplistic to be useful. The theories do not stand up to any criticism or scrutiny (Kopelman, Prottas & Falk, 2010).

McGregor felt that theory X assumptions were used in most industrial organizations but were inadequate for the utilization of each worker's potential. Theory X advocates for external motivation mainly through threat or punishment. Theory Y looks at employees as self – fulfilling and highly internally motivated. With proper environment such as one which can best achieve their own goals by committing themselves to the organizational goals, employees will exercise a large degree of internal motivation. The heavy emphasis on internal motivation (theory Y) implies that all employees will be motivated by self – esteem and self- -actualization needs while on the job. This is not always so, some people are uncomfortable with too much freedom (BR Professional Education, 2012). In real-life a blend of the two theories is more likely to provide the best prescription for effective management (Cole 2004). However, McGregor's ideas suggest that there are two fundamental approaches to managing people. Many managers tend towards theory x, and generally get poor results. Enlightened managers use theory y, which produces better performance and results, and allows people to grow and develop (Ahamed, 2014). Managers must remember that each employee is unique and should be understood and treated as such. Therefore external motivation should be flexible enough to accommodate each unique person in the organization. The people should not be forced to fit into rigid theory or into one manager's view point (BR Professional Education, 2012). Figure 1 below illustrates Macgregor theory X and Y.

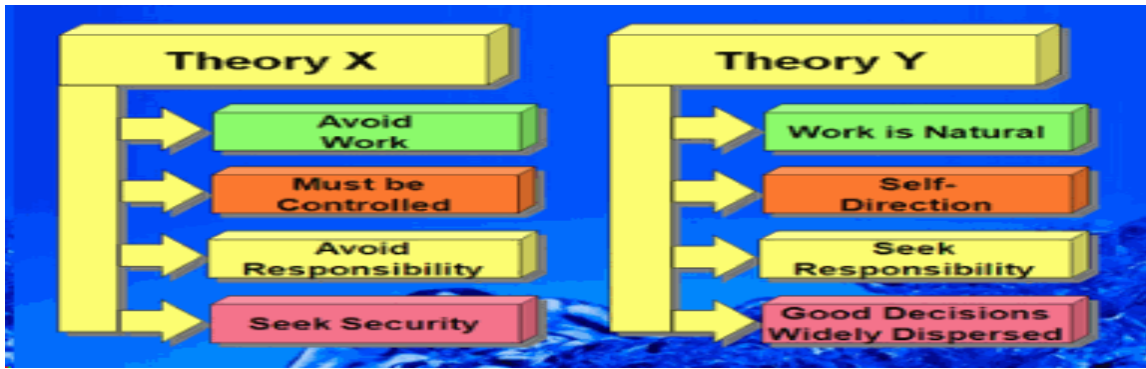


Figure 1: Douglas McGregor Theory X and Theory Y for Staff

Source: Ahamed (2014)

2.9.2 Goal Setting Theory

American psychologist Edwin A. Locke from the University of Maryland at College Park began to examine Goal Setting Theory (GST) in the mid-1960s and continued researching goal setting for over thirty years. Locke derived the idea for goal-setting from Aristotle's form of final causality. Aristotle speculated that purpose can cause action; thus, Locke began researching the impact goals have on human activity. Locke developed and refined his goal-setting theory in the 1960s, publishing his first article on the subject, "Toward a Theory of Task Motivation and Incentives", in 1968. This article established the positive relationship between clearly identified goals and performance (Grant, 2012). This theory suggests that the individual goals established by an employee play an important role in motivating him for superior performance. This is because the employees keep following their goals. If these goals are not achieved, they either improve their performance or modify the goals and make them more realistic. In case the performance improves it will result in achievement of the performance management system aims (Salaman, 2005).

Locke and Latham (2002) points out that the GST was based on the premise that much human action is purposeful, in that it was directed by conscious goals. They further state that the theory emphasized the important relationship between goals and performance in organizations. Lunenburg (2011) observes that most effective performance result when goals were specific and challenging, when they are used to evaluate performance and linked to feedback on results, and created commitment and acceptance. Sorrentino indicates that feedback was necessary in order for goals to remain effective and retain commitment. He further states that without feedback people were unaware of their progression or regression and it became difficult to gauge the level of effort required to pursue the goal effectively(as cited in Redmond, 2014 p. 113). Lunenburg (2011) also points out that if the objectives were clearly explained to the participants, determination increased and vice versa, in other words, the goals needed to be specific. He further argues that Specific goals often involve quantitative targets for improvement in a behavior of interest.

Oracle (2012) indicates that specific performance goals are much more effective than those in which a person is told to "do your best". Challenging goals are difficult but not impossible to attain. Empirical research supports the proposition that goals that are both specific and challenging are more motivational than vague goals or goals that are relatively easy to achieve (Bennett, 2009). Several factors may moderate the relationship between specific and challenging goals and high levels of motivation. The first of these factors is goal commitment, which simply means that the more dedicated the individual is to achieving the goal, the more they will be motivated to exert effort toward goal

accomplishment. A second factor relevant to GST is self-efficacy, which is the individual's belief that he or she can successfully complete a particular task. If individuals have a high degree of self-efficacy, they are likely to respond more positively to specific and challenging goals than if they have a low degree of self-efficacy (Fried & Slowik, 2004).

Some research suggests that having employees participate in goal setting will increase their level of goal commitment (Lunenburg, 2011). When mutually acceptable goals are set up between the employee and the manager, not only sets a 'finish line' flag, but also reaffirms teamwork by including the employee in the goal setting process Oracle (2012). To solidify collaboration, goals set for the team should also be a part of the performance plan so that it is clearly communicated that the employee is expected to accomplish individual goals, as well as improve interpersonal and team skills to achieve common goals which brings goal sharing into the plan as well. The multi-dimensional challenge offers numerous goals that will create motivation at some level for the reward regardless of personality, values, traits, behaviors, and specific needs. Within the plan, the employee is presented with objectives to create motivation, but is also informed of the consequences for failing to achieve objectives both individually and as a team. These two methods create the mindset for the employee: you're striving for personal success as well as success with the company. Whether the employee is seeking social motivators, physiological, recognition, promotions, or monetary compensation, this theory and technique combined covers the bases to ensure motivation and performance (Salaman, 2005).

Redmond (2014) indicates that goals were proven to be an effective inspiration tactic if difficulty was taken into consideration. However, Bennett (2009) cautions that setting goals that were too high not only jeopardized motivation and commitment but also could create a culture of corruption, dishonesty and cutting corners. Redmond (2014) also identifies other conditions for positively impacting on desire and performance which included measurable, assignable, realistic and time - based goals. Latham argues that one of the challenges that could occur in using GST as a tool of management was tunnel vision, which meant that when employees focused intently on their goals they would ignore other aspects of their job (as cited in Lunenburg, 2011 p. 207). In the work place, successful managers used the GST to clarify expectations, improve performance, and develop employees into stronger workers, which in turn made the company stronger (Fried & Slowik, 2004). Oracle (2012) states that Goal Setting Theory could function as a contract between the employee and employer that create greater opportunities for accountability and growth.

The goals of the organization are not always the same as the goals of the individual. Perhaps the company's goal is to get workers trained in new safety protocols. However, the manager's bonus depends upon the company's financial performance, not the employee's grasping of the safety procedures. Therefore, the manager may not be motivated to take employees away from their tasks to complete the training (Bargh and Williams, 2006). Learning goals do not always foster interest, and interest goals do not always facilitate learning. There also is the problem that individuals are more tempted to take risky actions in pursuit of their goals, which could potentially lead to failure rather

than success (Durbrin (2012)). In order to convey an understanding of implementation of performance contracting and its relationship to Principals performance of management functions, GST was used in this study. In performance contracting of TTIs, the individual goals established by an employee play an important role in motivating him for superior performance. This is because the employees keep following their goals. If these goals are not achieved, they either improve their performance or modify the goals and make them more realistic. In case the performance improves it result in achievement of the performance management system aims.

Performance contract is based on the salient features of goal setting theory in that the targets are specific and challenging and based on strategic plan. They also measurable, attainable, realistic and time based in nature therefore offering clarity to employee. On the aspect of challenging, targets are incremental in nature hence difficulty and complexity of achieving them is raised every cycle of the performance contracting leading to increased performance and productivity from employees. The employees are regularly provided with feedback on their performance through quarterly performance evaluation reports and the comprehensive evaluation done at the end of the contract period. The feedback enables employees to know their progression or regression and gauge the level of effort required to pursue the goal effectively. The employees are involved in the target setting and negotiations of the performance contracts with their supervisors on the performance and achievement of the goals. This leads to acceptance and ownership of the process, which in turn enhances employees' commitment and persistence towards the achievement of the targets. Performance contracting function also as an agreement between the Government, acting as the owner of a Government agency,

and the management of the agency to create opportunities for accountability and growth. It is also based on goal setting theory in that it is used to clarify expectations, improve performance and develop employees into stronger workers, which in turn makes the organization raise its productivity. The Goal Setting Theory is displayed in Figure 2 below.

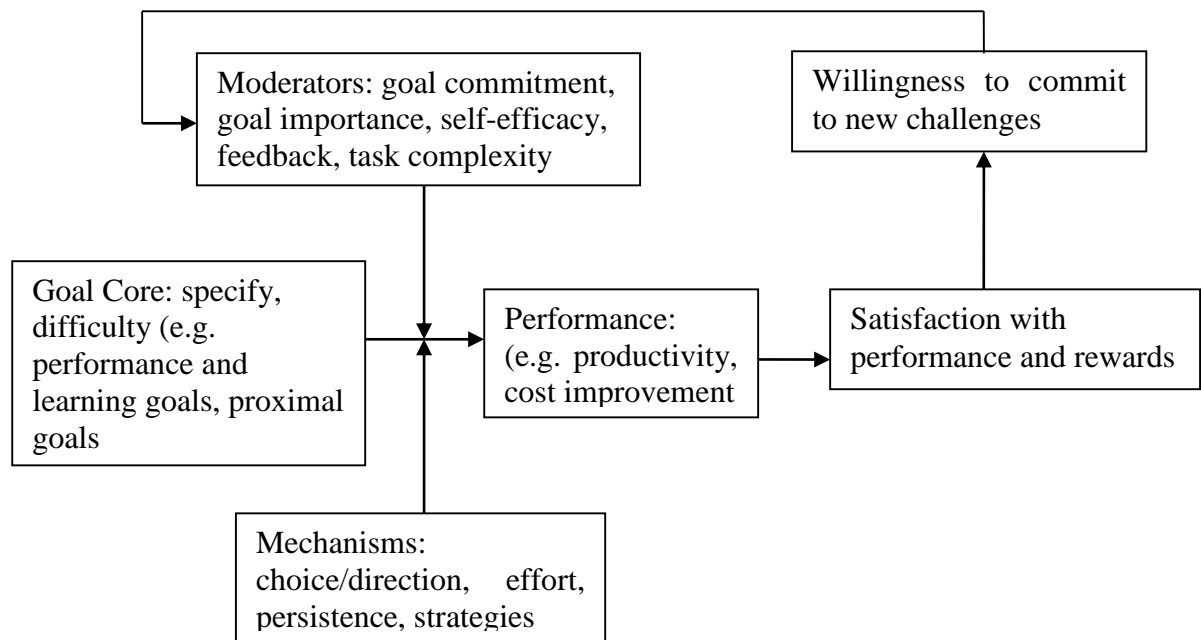


Figure 2: Elements of Goal Setting Theory and High Performance

Source: Locke and Latham (2006)

The above goal conditions for positively affecting motivation and performance have commonly been referred to as SMART objectives. A SMART goal is defined as one that is specific, measurable, assignable, realistic, and time- bound as shown in Figure 3 below:



Figure 3: Qualities of SMART Goals

Source: Redmond (2014)

2.9 3 McClelland's Needs Theory

American David Clarence McClelland (1917-98) achieved his doctorate in psychology at Yale in 1941 and became professor at Wesleyan University. He then taught and lectured, including a spell at Harvard from 1956, where with colleagues for twenty years he studied particularly motivation and the achievement need. He began his McBer consultancy in 1963, helping industry assess and train staff, and later taught at Boston University, from 1987 until his death (Draft, 2008). McClelland is chiefly known for his work on achievement motivation, but his research interests extended to personality and consciousness (Mullins, 2010). David McClelland pioneered workplace motivational thinking, developing achievement-based motivational theory and models, and promoted improvements in employee assessment methods, advocating competency-based assessments and tests, arguing them to be better than traditional IQ and personality-based

tests. His ideas have since been widely adopted in many organizations (Lussier & Achua, 2007).

In his 1961 book, "The Achieving Society", he identified three motivators that he believed we all have a need for achievement (n-Ach), a need for affiliation (n-Aff), and a need for power (n-Pow) regardless of age, sex, race, or culture. People will have different characteristics depending on their dominant motivator. That is, every person holds an aspiration for achievement, power or affiliation. Each person has a tendency to be motivated by one of these needs more so than by the other two. Consequently, a person's behavior and performance at work is strongly influenced by the most meaningful of the three needs (Draft, 2008). According to McClelland, these motivators are learned (which is why this theory is sometimes called the Learned Needs Theory or Three Needs Theory). The type of motivation by which each individual is driven derives from their life experiences and the opinions of their culture. A person's motivation and effectiveness can be increased through an environment, which provides them with their ideal mix of each of the three needs (Kreitner & Kinicki, 2007)

According to the Need for achievement, employees prefer working on tasks of moderate difficulty, work in which the results are based on their effort rather than on anything else, and to receive feedback on their work with regard to achievement and progress (Bipp & Dam, 2014). The nature of the feedback is important to achievement-motivated people. They respond favorably to information about their work (Lussier & Achua, 2007). Feedback is essential, because it enables measurement of success, not for reasons of

praise or recognition (the implication here is that feedback must be reliable, quantifiable and factual) (BR Professional Education, 2012).

Employees with need for achievement have a strong need to set and accomplish challenging goals and set goals which they can influence with their effort and ability, and as such the goal is considered to be achievable. They are also not interested in comments about their personal characteristics, such as how cooperative or helpful they are. Achieving the aim or task gives greater personal satisfaction than receiving praise or recognition (Bipp & Dam, 2014). This determined results-driven approach is almost invariably present in the character make-up of all successful managers. Achievement Motivated People (AMPs) individuals tend to avoid both high risk and low risk situations (Ray, 2015). Low risk situations are seen as too easy to be valid and the high risk situations are seen as based more upon the luck of the situation rather than the achievements that individual made. With managers, setting moderately difficult but potentially achievable goals may be translated into an attitude toward risks. Many people tend to be extreme in their attitude toward risks, either favoring wild speculative gambling or minimizing their exposure to losses. AMPs will logically favour jobs and responsibilities that naturally satisfy their needs; offer flexibility and opportunity to set and achieve goals. This personality type is motivated by accomplishment in the workplace and an employment hierarchy with promotional positions (Ahamed, 2014).

AMPs seem to be more concerned with personal achievement than with material or financial rewards of success. They do not reject rewards, but the rewards are not as essential as the accomplishment itself. They get a bigger "kick" out of winning or solving

a difficult problem than they get from any money or praise they receive. Money, to AMPs, is valuable primarily as a measurement of their performance or success, not an end in itself (Mullins, 2010). It provides them with a means of assessing their progress and comparing their achievements with those of other people. They normally do not seek money for status or economic security. AMPs constantly seek improvements and ways of doing things better (Kopelman, Prottas & Falk, 2010). Ray (2015) indicates that McClelland found that achievement-motivated people are more likely to be developed in families in which parents hold different expectations for their children than do other parents. Kreitner & Kinicki (2007) asserts that while AMPs are needed in organizations, they do not always make the best managers unless they develop their human skills. They also state that being a good producer is not sufficient to make an effective manager. Kopelman et al. (2010) argue that achievement-motivated managers are firmly focused on the Task, often to the detriment of the Individual and the Team. They further indicate that achievement-motivated people are 'D' profiles - results-driven, decisive, dominant, et cetera.

People who are strongly affiliation-motivated are driven by the desire to create and maintain social relationships. Affiliation-seekers are more interested in approval rather than recognition or power and will consequently act in ways in which they believe will earn the endorsement of others. They enjoy belonging to a group and conforming to the norms of the group, they also want to feel loved and accepted (Ahamed, 2014). It has been found out that employees with high need for affiliation have low absenteeism and perform better when their efforts are appreciated. They also tend to avoid conflict. They may not make effective managers because they may worry too much about how others

will feel about them. Therefore, managers of affiliation-seekers should provide them with the opportunities to work in a cooperative environment (Mullins, 2010).

People who are strongly power-motivated are driven by the desire to influence, teach, or encourage others. They seek agreement and compliance; approval and recognition are not of their concern. Managers of power-seekers should provide them with an opportunity to manage others. However, they must pay special attention to the type of power-seeker they are (Lussier & Achua, 2007). The need for power takes two forms: personal power and institutional power. Personal power refers to domination just for its sake. Power-seekers who are after personal power have a strong desire to control others or cause them to behave in a way that is consistent with the power-seeker's mobilization of efforts aimed at attainment of organizational goals (Ray, 2015). They enjoy work and place a high value on discipline. However, they may take a zero-sum approach to group work—for one person to win, or succeed; another must lose, or fail. If channeled appropriately, though, this can positively support group goals and help others in the group feel competent about their work (Okumbe, 1998). Employees who have a high level of achievement work within companies that offer a pay-for-performance environment. Given that adults can be trained to increase their achievement motivation, organizations should consider the benefits of providing achievement training for employees (Bipp & Dam, 2014). Individuals with a high sense of achievement would perform well with high expectations, goals, and feedback. Those within a high sense of affiliation would work best within teams. Finally, those individuals with a high sense of power would work best where they have a sense of power; examples of this can include team leaders, shift managers, or trainers (Kreitner & Kinicki, 2007).

A person's motivation and effectiveness can be increased through an environment, which provides them with their ideal mix of each of the three needs. In this study, Performance contracting is an ideal atmosphere in which employees achieve the three motivations namely, need for achievement, need for affiliation and need for power. In performance contracting, high achievers are given challenging and reachable goals, and also provided feedback of their work by the Ministry after the evaluation has been done. In this case, institutes are categorized as excellent, very good, good, fair, poor and very poor. Money is not an important motivator; it is an effective form of feedback. Performance contracting provide cooperative atmosphere, where cooperation and team work is needed to achieve the set targets, for employees with high need for affiliation to thrive and perform best. Performance contracting also is ideal for power seekers, in this context; they are able to mobilization efforts aimed at attainment of organizational goals. At the same time Principals provide them with opportunity to manage others, as in the case of performance contracting coordinators, who are appointed by the Principals to manage performance contracting committees. Conclusively, performance contracting in Technical Training Institutes enables employees with a high sense of achievement to perform well with high expectations, goals, and feedback; those with a high sense of affiliation to work best within teams; and finally those individuals, for example team leaders, with a high sense of power to work best. McClelland's Needs Theory is shown in Figure 4 Below.

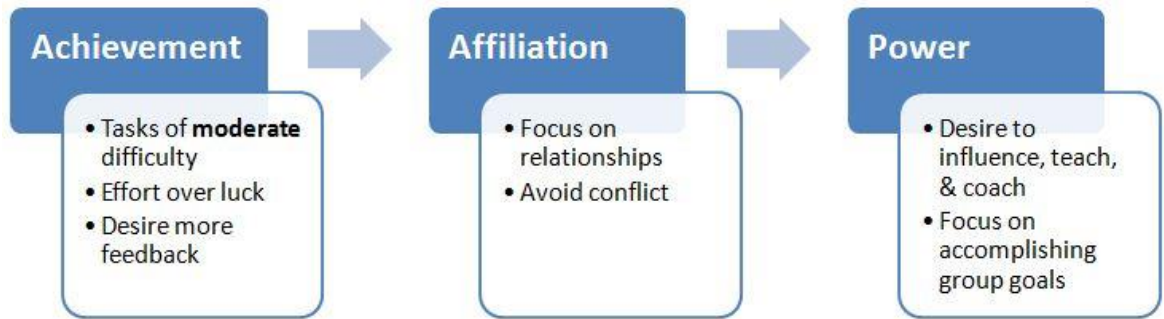


Figure 4: McClelland's Needs Theory

Source: Kreitner & Kinicki (2007)

2.10 Conceptual Framework

Performance Contracting is a results-oriented contracting method that focuses on the outputs, quality, or outcomes that may tie at least a portion of a contractor's payment, contract extensions, or contract renewals to the achievement of specific, measurable performance standards and requirements. These contracts may include both monetary and non-monetary incentives and disincentives. A conceptual framework is a structure of concepts and or theories which are put together as a map for the study and it shows the relationship of research variables. The conceptual framework is used to explain the relationship between the independent variables and the dependent variable (Mugenda & Mugenda, 1999).

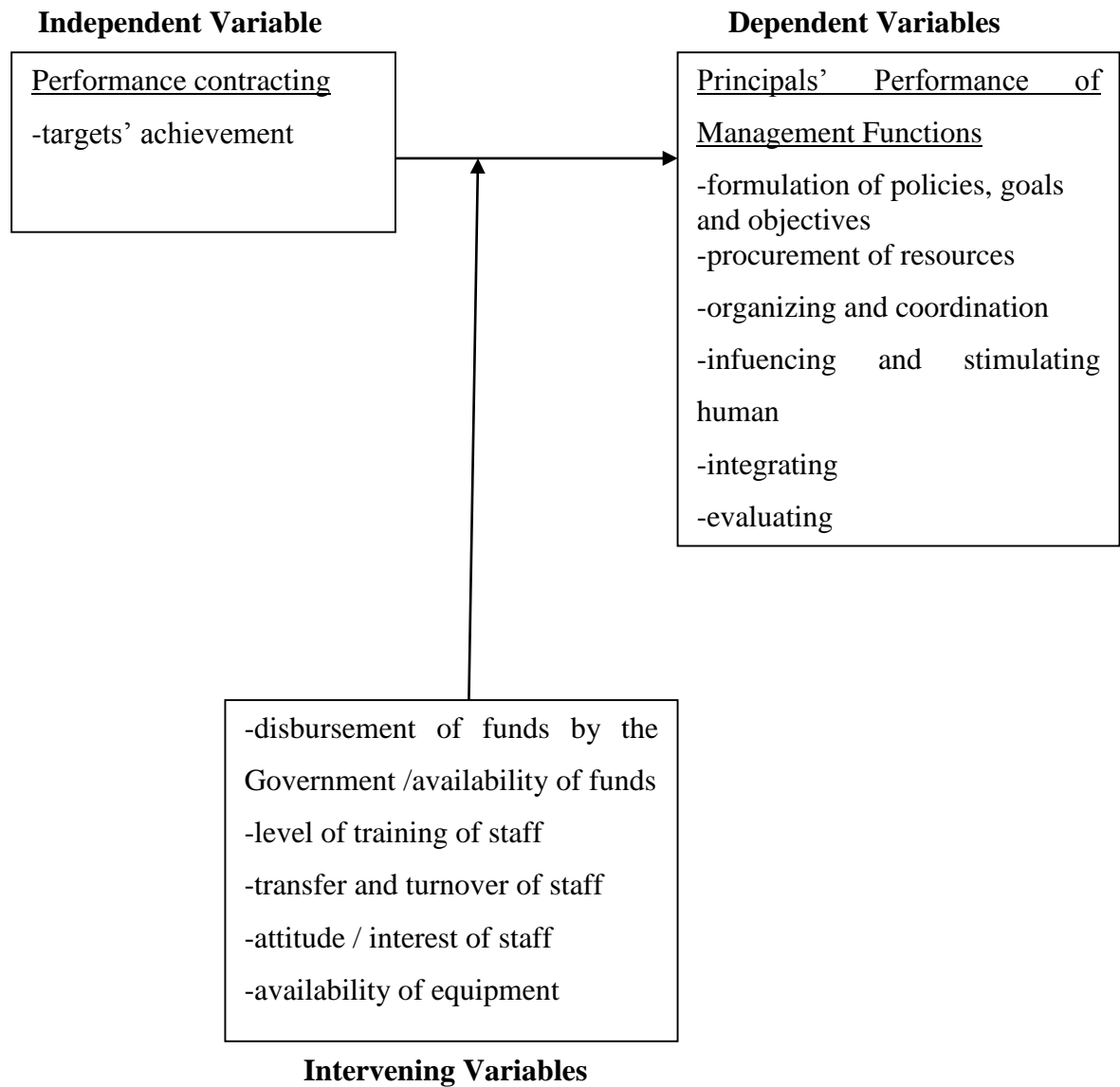


Figure 5: Conceptual Framework

Source: Researcher

Figure 5 shows the relationship between performance contracting and Principals' performance of management functions. The goal of the study was to understand and describe the independent variable which was performance contracting. The analysis of relationship between performance contracting and Principals' performance of

management functions would make it possible to find answers to the problems. According to this conceptual framework, sound performance contracting would enhance Principals' efficiency in performing management functions. The intervening variables included: disbursement of funds by the Government; level of training of staff on PC; and transfer and turnover of staff. If the Government availed funds in time; staff were trained on PC; and staff were retained, then the relationship between PC and Principals' performance of management functions would be positive.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The research methodology is the systematic, theoretical analysis of the procedures applied to a field of study (Kothari, 2004). It involves procedures of describing, explaining and predicting phenomena so as to solve a problem; it is the ‘hows’; the process or techniques of conducting research. A Methodology does not set out to provide solutions but offers the theoretical underpinning for understanding which procedure, set of procedures can be applied to a specific case (Vogt & Johnson, 2011). Research methodology encompasses concepts such as research designs, target population, sampling procedure, sample size, data collection instruments and data analysis procedure (Trochin, 2011). This chapter therefore sheds light on the research design, area of study, study population, sampling techniques and sample size. Instrumentation and data collection procedures are also documented in this chapter. Finally, a detail of data analysis is presented.

3.2 Research Design

The research design refers to the overall strategy that one may choose to integrate the different components of the study in a coherent and logical way. This is done in order to ensure that one effectively addresses the research problem. Research design constitutes the blueprint or the roadmap for the collection, measurement, and analysis of data

(Creswell, 2003). According to Kothari (2004), research design is a plan, a roadmap and blueprint strategy of investigation conceived so as to obtain answers to research questions (Kothari, 2004); it is the heart of any study. The research problem determines the type of design one should use (Trochin, 2011). A descriptive study is one in which information is collected without changing the environment, that is, nothing is manipulated. It is used to obtain information concerning the current status of the phenomena to describe what exists with respect to variables or conditions in a situation. The methods involved range from the survey which describes the status quo, the correlation study which investigates the relationship between variables, to developmental studies which seek to determine changes over time (Creswell, 2003).

The researcher used descriptive survey. The design enabled the researcher to use questionnaires and interview schedule to collect descriptive information from a broad sample and a small sample. The design also enabled the researcher to establish the variables of the study as they were at the time of data collection (Kathuri & Pals, 1993). Kombo and Tromp (2006) point out that descriptive survey was not only restricted to facts findings, but often resulted in the formulation of principles of knowledge and solution to significant problems. They further indicate that, the survey is more than just a data collection as it involved measurement, classification, analysis, comparison and interpretation of data. For these reasons, the researcher found the research design appropriate for the study.

3.3 Area of the Study

The study was conducted in Mount Kenya Region in Kenya involving seven Technical Training Institutes. MKR has seven TTIs which include Nyeri, Mathenge, Meru, Nkabune, Kiirwa, Rwika and Michuki Technical Training Institutes (KATTI, 2014). Nyeri and Mathenge Technical Training Institutes are located in Nyeri County; Meru, Nkabune and Kiirwa Technical Training Institutes are situated in Meru County; while Michuki and Rwika Technical Training Institutes are found in Murang'a and Embu Counties respectively (see Appendices IX, X, XI, XII, XIII, XIV and XV).

3.4 Study Population

The targeted population for this study was the Principals, Administrators (Deputy Principals, Registrars, Deans of Students, Performance Contracting Coordinators, and Finance Officers), Heads of Departments (HODs) and Class – teachers (CTs) of the Technical Training Institutes in Mount Kenya region in Kenya. KATTI (2014) has categorized the TTIs in Kenya into five regions, which include: Mount Kenya; North Rift; Coast; Western; and Nairobi. One of the regions, namely Mount Kenya, was randomly selected for the study.

3.5 Sampling Techniques

A sample is a set of respondents selected from a larger population for the purpose of a survey (Kombo & Tromp, 2006). The sample has many advantages over a census or complete enumeration. If carefully designed, the sample is not only considerably cheaper, but may give results which are just accurate like, and sometimes more accurate than,

those of a census technique. Hence, a carefully designed sample may actually be better than a poorly planned and executed census (Cohen, Manion & Morrison, 2011). Trochin (2011) argues that the sample technique has four important advantages over census technique of data collection. These advantages include: speed; economy; adaptability; and scientific approach. Despite several advantages of sample survey over complete count, it has some limitations too. The results of a sample survey are subject to sampling error, and on that account are less precise than those of an otherwise comparable complete enumeration. Moreover, by chance alone, a sample may seriously over-represent, under-represent or even fail to represent in frequently occurring sub-groups of a population. In such instances, the estimates provided by such surveys are liable to larger margin of errors (Singleton, 1993). Kathuri and Pals (1993), and Mugenda and Mugenda (1999) observe that Simple Random Sampling Technique (SRST) is the basic sampling technique where a group of subjects is selected for study from a larger group. They further state that the technique ensures that each individual is chosen entirely by chance and each member of the population has an equal chance of being included in the sample. They also state that stratified random sampling technique ensured that the subjects with different characteristics were included in the sample.

In this study, selection of the sample was through the stratified random sampling technique and the simple random sampling technique (SRST). The sampling techniques were used to arrive at a sample which was a representative of the population. The census technique was also used to include all the Technical Training Institutes in Mount Kenya Region, since they were few. The approach was also used to include all the Principals and

the Administrators (Deputy Principals, Registrars, Deans of Students, Finance Officers and Performance Contracting Officers) in the study. The stratified random sampling technique and the simple random sampling technique were used to select the Heads of Departments and Class - teacher. These groups of respondents were targeted for selection as they were considered to be more informed on institutes' management and administrative affairs.

3.6 Sample Size

The population of the Principals and of the Administrators comprised of 6 and 31 respectively, and all of them were included in the study. The population of HODs and of Class - teachers was 80 and 290 respectively, as shown in Table 1 below. The HODs population composed of 51 male and 29 female while that one of CTs had 159 male and 131 female. Kathuri and Pals (1993) recommend use of tables in order to determine size of a randomly chosen sample for finite populations, thus, a population of 80 Heads of Departments was represented by a sample of 66 while a population of 290 Class - teachers was represented by a sample unit of 165 (see Appendix IV). To ensure proportionate representation of the categories of gender (male and female) of the HODs sample, the researcher used the following procedure:

| | | |
|--|---|----|
| Population size (N) | = | 80 |
| Population's sample size (n) | = | 66 |
| Male population size (N ₁) | = | 51 |
| Female population size (N ₂) | = | 29 |

Male sample size (n_1) = ?

Female sample size (n_2) = ?

$$n_1 = n (N_1 \div N) = 66 (51 \div 80) = 42.075 = 42 \text{ Male HODS}$$

$$n_2 = n (N_2 \div N) = 66 (29 \div 80) = 23.925 = 24 \text{ Female HODS}$$

Total: 66 Heads of Departments

The Class - teachers' proportionate representation of gender was determined as follows:

Population size (N) = 290

Population's sample size (n) = 165

Male population size (N_1) = 159

Female population size (N_2) = 131

Male's sample size (n_1) = ?

Female's sample size (n_2) = ?

$$n_1 = n (N_1 \div N) = 165 (159 \div 290) = 90.466 = 90 \text{ Male CTs}$$

$$n_2 = n (N_2 \div N) = 165 (131 \div 290) = 74.534 = 75 \text{ Female CTs}$$

Total: 165 Class-teachers

The Heads of Departments were stratified into two groups of male and female. The SRST was used to select 42 male and 24 female. The Class - teachers were also stratified into two groups of male and female, and the SRST was again applied to choose 90 male and

75 female. To do random sampling for each stratum, the method involved giving a number to every subject, placing the numbers in a container and then picking any number at random until the number of the subjects required was obtained. The subjects that corresponded to the numbers were included in the sample. Table 1 shows the distribution of sampled population by designation. A total of 268 respondents participated in this study.

Table1: Distribution of Sampled Population by Designation

| Category | of Target | Accessible | Sample size | % |
|-------------------------|-------------------|-------------------|--------------------|--------------|
| respondents | population | population | | |
| 1. Principals | 7 | 7 | 6 | 100 |
| 2. Deputy Principals | 8 | 8 | 7 | 100 |
| 3. Registrars | 7 | 7 | 6 | 100 |
| 4. Deans of Students | 7 | 7 | 6 | 100 |
| 5. PC Coordinators | 7 | 7 | 6 | 100 |
| 6. Finance Officers | 7 | 7 | 6 | 100 |
| 7. Heads of Departments | 80 | 80 | 66 | 82.5 |
| 8. Class - teachers | 290 | 290 | 165 | 56.9 |
| Total | 413 | 413 | 268 | 64.89 |

Source: Researcher's Computation

3.7 Instrumentation

Instrumentation concerned the tools used for data collection and how they were developed. To solicit information from sample respondents, an interview schedule and two questionnaires were developed: Principals' Interview Schedule (PIS); Administrators' Questionnaire (ADQ); and Heads of Departments and Class – teachers' Questionnaire (HODCQ) (see Appendices I, II and III). Mugenda and Mugenda (1999) observe that an interview schedule is a set of questions that the interviewer asks when interviewing. They further argue that though interview schedules are more expensive, as the researchers have to travel to meet respondents, they are advantageous in that they provide in - depth data which is not possible to get using a questionnaire.

However, Kombo and Tromp (2006) assert that a questionnaire has various advantages, and these include the following: information can be collected from a large sample and diverse regions; confidentiality is upheld; and saves time. On the other hand, Mugenda and Mugenda (1999) observes that a questionnaire which is not well thought out has the following disadvantages: it may confuse respondents as the nature of the information required; it may discourage respondents to the extent of discarding the questionnaire; and it may leave out important information required in the study. The questionnaires had both open - ended and closed - ended types of items. According to Kathuri and Pals (1993), open - ended type of items allow the individual more freedom to response, which enables revelation of certain feeling or information that would otherwise not be forthcoming. They further indicate that closed – ended type of items facilitate consistency of

responses across respondents. This is because responses have to be objective and are made so by being specified.

3.7.1 Principals' Interview schedule: The closed – ended type of items on PIS sought information on their gender, age, level of education, headship experience, attendance to workshops and seminars on PC, attendance to workshops and seminars on institutional management, students 'enrolment and number of trainers. The open - ended type of items, on the other hand, gathered information on strengths and on constraints of PC.

3.7.2 Administrators' Questionnaire: The questionnaire had both closed - ended and open - ended types of items. Closed - ended type of items solicited information on administrators' gender, age, level of education, working experience, attendance to workshops and seminars on PC, extent to which targets of PC were achieved, and constraints affecting implementation of PC. A Five - Point Likert Type (FPLTS) was used to measure the extent to which targets of PC were achieved where 1 meant very low, 2 low, 3 not sure, 4 high and 5 very high. The same scale was also used to measure the constraints of PC, in this case, 1 meant strongly disagree, 2 disagree, 3 undecided, 4 agree and 5 strongly agree. Open - ended type of items collected information on the strength of performance contracting.

3.7.3 Heads of Departments and Class - teachers' Questionnaire: This questionnaire had closed - ended types of items. The questionnaire was used to solicited information on HODs and CTs' gender, age, level of education, working experience, attendance to

workshops and seminars on PC. The questionnaire was also used to obtain information on the extent to which Principals performed management functions. The FPLTS was used to gather data, where 1 meant strongly disagree, 2 disagree, 3 undecided, 4 agree and 5 strongly agree. The scales were used because attitude concerning extent of targets' achievement, extent of Principals' performance of management functions and challenges affecting implementation of PC were required.

3.7.4 Validity

Validity refers to the degree to which a study accurately reflects or assesses the specific concept that the researcher is attempting to measure (Cohen, Manion & Morrison, 2007). It is concerned with the study's success. A research instrument that measures, describes or evaluates what it sets out to measure, describe or evaluate is valid (University of Colorado State, 2012). Oliver (2010) considers validity to be a compulsory requirement for all types of studies. Wilson (2010) asserts that measures to ensure validity of a research include selection of appropriate: time scale for the study; methodology, taking into account the characteristics of the study; and sample method for the study. He further suggests that the respondents must not be pressured in any ways to select specific choices among the answer sets.

Cohen, Manion & Morrison (2000) suggest that in quantitative data validity might be improved through careful sampling, appropriate instrumentation and appropriate statistical treatments of the data; where in qualitative data validity might be addressed through the honesty, depth, richness and scope of the data achieved, the participants approached, the extent of triangulation and the disinterestedness or objectivity of the

researcher. There are different forms of research validity and main ones are specified by Cohen et al. (2007) as content validity, criterion - related validity, construct validity, internal validity, external validity, concurrent validity and face validity.

3.7.4.1 Content Validity

Content validity means the content of the test looks like the content of the job. Content validity has to do with whether or not the test ‘covered all bases’ (Cohen & Swerdlik, 2009). Content validity is based on the extent to which a measurement reflects the specific intended domain of content (Cohen et al., 2011). In designing an instrument that will yield content-valid information, the researcher must first specify the domain of indicators which are relevant to the concept being measured. Theoretically, a content-valid measure should contain all possible items that should be used in measuring the concept (Mugenda & Mugenda, 1999). For instance, a test of American history that has only items about the Civil War has inadequate content validity because the questions would not be representative of the entire subject of American history. This is because the Civil War is a significant but small part of the entire history of the United States (Vogt & Johnson, 2011). Another example of a test that is not content valid would be a depression inventory that only asks questions about feelings of sadness. Again, this illustrates inadequate content validity because there are other aspects of depression that need to be considered such as energy level, concentration ability, and weight gain / loss, among others (Barber, Korbanka, Stradleigh & Nixon, 2003).

3.7.4.2 Face validity

Face validity relates more to what a test appears to measure to the person being tested than to what the test actually measures. A test that seems, on the face of it, to measure what it claims to measure, has good face validity in the eyes and mind of the test taker / respondent. In other words, if I believe that a test I'm taking looks legitimate, it will give me confidence in the test and help keep me motivated as I'm taking it (Cohen & Swerdlik, 2009). Face validity is concerned with how a measure or procedure appears. Does it seem like a reasonable way to gain the information the researchers are attempting to obtain? Does it seem well designed? However, even if a test lacks face validity, it can still be relevant and useful, even if (without good face validity) it might be poorly received by test takers. Ultimately, face validity may be more a matter of public relations than psychometric soundness, but it seems important nonetheless (Cohen & Swerdlik, 2009).

3.7.4.3 Construct validity

Construct validity is the degree to which variables on a test accurately measure the construct (Kathuri and Pals, 1993). The validity seeks agreement between a theoretical concept and a specific measuring device or procedure (Cohen et al., 2011). According to Cohen and Swerdlik (2009), construct validity is a judgment about the appropriateness of inferences drawn from test scores regarding individual standings on a variable called a construct. A construct is an informed, scientific idea developed or hypothesized to describe or explain behavior (Wilson, 2010). Examples of constructs are intelligence, job satisfaction, self-esteem and anxiety, among others. The researcher investigating a test's

construct validity must formulate hypotheses about the expected behavior of high scorers and low scorers on the test. These hypotheses give rise to a tentative theory about the nature of the construct the test was designed to measure. If the test is a valid measure of the construct, then high scorers and low scorers will behave as predicted by the theory (Cohen & Swerdlik, 2009). To assess construct validity, a theoretical framework regarding the concept to be measured must exist. The measurements must conform to the theoretical expectations. If the measurements are consistent with theoretical expectations, then the data have construct validity. If there are inconsistencies between the measurements and theoretical expectations, then the data do not accurately represent the concept under study (Mugenda & Mugenda, 1999). Kathuri and Pals (1993) argues that construct validity is most comprehensive type of validity since it includes content and criterion-related validity as well. They further indicate that the construct validity should not be ignored.

To achieve content, face and construct validities, the researcher asked the study supervisors and other research experts in the School of Theology, Education and Arts to examine the items systematically and indicate whether or not they represented sufficiently well the subject matter of the study. By examining earlier performance contracting literature, variables and parameters used in capturing and measuring achievability of study objectives, construct validity was established. Pre - testing the instruments further enabled the evaluation of the content validity, so as to focus the assessment of the instruments as to whether the research framework and questions in the instruments covered the study objectives adequately. Any deviation was corrected and validity ascertained.

3.7.5 Reliability

Reliability is the extent to which an experiment, test or any measuring procedure yields the same results on repeated trials. Therefore, for research to be reliable it must demonstrate that if it were to be carried out on a similar group of respondents in a similar context, then similar results would be found. Without the agreement of independent observers able to replicate research procedures, or the ability to use research tools and procedures that yield consistent measurements, researchers would be unable to satisfactorily draw conclusions, formulate theories, or make claims about the generalizability of their research (Cohen et al., 2007). Any random influence that tends to make the measurement different from occasions to occasions is a source of error unless the differences are such that they maximize systematic variance. Reliability is concerned with precision and accuracy (Mugenda & Mugenda, 1999). Reliability level is increased by the following factors: greater number of items, longer test administration time, narrower range of difficulty of items, more objective scoring, and more common the experiences of the individuals tested, among others (Kathuri & pals, 1993). There are four different methods of assessing reliability in data and each deal with a different aspect of the concept. These four techniques are test – retest, equivalent – form, split – half and internal consistency (Mugenda & Mugenda, 1999).

3.7.5 .1 Equivalency Reliability

Equivalency reliability is the extent to which two items measure identical concepts at an identical level of difficulty. Equivalency reliability is determined by relating two sets of test scores to one another to highlight the degree of relationship or association (Merriam,

1995). In quantitative studies and particularly in experimental studies, a correlation coefficient, statistically referred to as r , is used to show the strength of the correlation between an dependent variable (the subject under study), and one or more independent variables, which are manipulated to determine effects on the dependent variable. An important consideration is that equivalency reliability is concerned with correlation, not casual, relationships (University, 2012). Mugenda and Mugenda (1999) asserts that the following steps are involved in the equivalent form method: Sampling different items from the domain of indicators that measure the variables; dividing the items or sampling into two groups of forms; administering one form to a group of subjects randomly selected; after a period of time, the other form of the instrument is administered to the same subjects, keeping all other conditions constant; and correlating the scores obtained from the two forms of the instrument.

3.7.5.2 Stability Reliability

Stability reliability (sometimes called test, re - test reliability) is the agreement of measuring instruments over time. To determine stability, a measure or test is repeated on the same subjects at a future date. Results are compared and correlated with the initial test to give a measure of stability (Cohen et al., 2007). Mugenda and Mugenda (1999) indicate that the correlation coefficient obtained is referred to as the coefficient of reliability or stability. They further indicate that if the coefficient is high, the data collection instrument is said to yield data that have a high test - retest reliability. When using a coefficient of stability (test - retest reliability) as a measure of reliability it is important to wait an appropriate length of between administrations. Anastasi as cited by

Kathuri and Pals (1993) suggest that the duration should be greater than zero but less than six months. The test - retest method involves the following steps: selecting of an appropriate group of subjects, administering the test to the subjects, keeping all initial conditions constant, administer the same test to the same subjects, and correlating the scores from both testing periods (Mugenda and Mugenda, 1999). They also state that the method has limitations in that the subjects may tend to remember their responses during the second testing; and if the period between the tests is too long, say one year, subjects may have changed or other extraneous factors may interfere with the variable being measured.

3.7.5.3 Internal Consistency Reliability

Internal consistency is the extent to which tests or procedures assess the same characteristic, skill or quality. It is a measure of the precision between the observers or of the measuring instruments used in a study (Wilson, 2010). Testing for internal consistency only requires the measurement procedure to be completed once, during the course of the experiment, without the need for a pre- and post-test. This may reflect post-test only designs in experimental and quasi-experimental research, as well as single tests in non-experimental research such as relationship-based research, that have no intervention / treatment (Salthouse & Hedden, 2002).

This type of reliability often helps researchers interpret data and predict the value of scores and the limits of the relationship among variables. For example, a researcher designs a questionnaire to find out about college students' dissatisfaction with a particular

textbook. Analyzing the internal consistency of the survey items dealing with dissatisfaction will reveal the extent to which items on the questionnaire focus on the notion of dissatisfaction (Cohen et al., 2011). Mugenda and Mugenda (1999) observe that internal consistency of data is determined from scores obtained from a single test administered by the researcher to a sample of subjects. They further state that a score obtained in one item is correlated with scores obtained from other items in the instruments. Reliability as internal consistency can be determined using a number of methods, which include the Split - half method and the Cronbach's alpha methods (Kathuri & Pals, 1993; Salthouse & Hedden, 2002).

Split - half reliability is mainly used for written / standardized tests, but it is sometimes used in physical / human performance tests. However, it is based on the assumption that the measurement procedure can be divided into two matched halves. Split - half reliability is assessed by splitting the measures / items from the measurement procedure in half, and then calculating the scores for each half separately. Before calculating the split - half reliability of the scores, you have to decide how to split the measures / items from the measurement procedure (Salthouse & Hedden, 2002).

One option is to simply divide the measurement procedure in half; that is, take the scores from the measures / items in the first half of the measurement procedure and compare them to the scores from those measures / items in the second half of the measurement procedure. Another option is to compare odd - and even - numbered items / measures from the measurement procedure. This helps to avoid some of the potential biases that arise from simply dividing the measurement procedure in two (Bartholomew, 2002).

After dividing the measures / items from the measurement procedure, the scores from each of the halves is calculated separately, before the internal consistency between the two sets of scores is assessed, usually through a correlation using the Spearman - Brown formula. The measurement procedure is considered to demonstrate split - half reliability, if the two sets of scores are highly correlated, that is, there is a strong relationship between the scores (Mugenda & Mugenda, 1999; Kathuri & Pals, 1993).

Cronbach's alpha coefficient, also known as the coefficient alpha technique or alpha coefficient of reliability is a test of reliability as internal consistency. It is most likely to be used in written / standardized tests such as a survey (Salthouse & Hedden, 2002). Cronbach's alpha is also used to measure split - half reliability. However, rather than simply examining two sets of scores; that is, computing the split - half reliability on the measurement procedure only once, Cronbach's alpha does this for each measure / item within a measurement procedure, for example every question within a survey. Therefore, Cronbach's alpha examines the scores between each measure / item and the sum of all the other relevant measures / items you are interested in (Bartholomew, 2002). He further asserts that Cronbach's alpha provides a coefficient of inter - item correlations, where a strong relationship between the measures / items within the measurement procedure suggests high internal consistency, for example a Cronbach's alpha coefficient of 0.80 (80%).

In this study, to give an indication of reliability, stability reliability (sometimes called test, re - test reliability), a pilot study was conducted in one of the institutes which was not included in the main study. The questionnaires were administered to the respondents.

The data was coded, entered and analyzed. A total score obtained for each respondent was called a “total test score”. A period of two weeks was allowed to elapse and the procedure repeated to the same respondents and the data entered again and the new total score called “re test total score”. The two weeks duration was allowed to elapse so that respondents would give responses not by remembering what they said the first time but because the response reflects the reality on the ground. The reliability estimates between the two sets of observations were computed using the Pearson’s Correlation Coefficient at 0.05 level of significance, and were generated using the Statistical Package for Social Science (SPSS). From Table 2 below, items in section II of Principals’ interview schedule had a reliability coefficient of 0.94 (94%), items in section two of Administrators’ questionnaire had 0.96 (96%) while items in section two of HODS and Class - teachers questionnaire had 0.91 (91%). All the coefficients (reliability estimates) obtained, as shown in Table 2, were above 0.9 (90%). Bryman (2004), and Mugenda and Mugenda (1999) indicates that a result of 0.8 (80%) or more implies an acceptable level of reliability. Bryman (2004) further observes that 0.8 (80%) is typically employed as a rule of thumb to denote an acceptable level of reliability of data collection instruments, though many writers work with slightly lower figure. The data collection instruments were adopted as they were. Finally, the instruments were appropriately administered to the selected sample.

Table 2: Reliability of Research Instruments

| Instruments | Test - retest Estimate (r) | Percentage (%) |
|--------------------|-----------------------------------|-----------------------|
| PIS (Section II) | 0.94 | 94 |
| ADQ (Section II) | 0.96 | 96 |
| HODCQ (Section II) | 0.91 | 91 |

3.8 Data Collection Procedures

In piecing together a research design, data collection procedure is one important consideration. Data collection procedures answer the; who, when, and how of research project / thesis (Kerlinger & Lee, 2000). The administration of the instruments should be conducted within minimum bias or anything that may allow the data collected to be unreliable or not valid (Kathuri & Pals. 1993). One of the considerations for data collection in quantitative study is distribution method. This point refers to how the researcher will distribute and collect the survey questionnaires. One method is personal distribution by which the researcher hands or sends a copy of the survey directly to the target participants.

A second technique is to place the survey online through Survey Monkey or some other service and allow people to randomly access the questionnaire according to convenience and interest level (Creswell, 2003). He also points out that in qualitative studies other data collection procedures would include: purposefully selecting participants and sites for interviews and observations; how best to record qualitative observations, that is, take field notes; how to conduct interviews, that is, how many interviewees at one time, what

kind of questions to ask them; what if any documents should be collected and how best to analyze them; and whether to audio and visual material. Kathuri and Pals (1993) observes that interviews should be conducted in a reasonably social and psychological environment so that the subjects are free to provide the required information. They also assert that research assistants used for administration of the instruments should be trained for the purpose. According to Kombo and Tromp (2006), the researcher, while in the field, should ensure the following: punctuality in appointments, friendliness, use of clear and simple language, and acknowledge that certain psychological factors, such as fear or low self - esteem can induce incorrect responses.

In this study, the researcher ensured that she was provided with an introductory letter by the university's Institute of Post Graduate Studies and Research. This facilitated the issuance of research permit from the National Commission for Science, Technology and Innovation. The two documents were presented to the administrators of the institutes at the time of data collection. Consent was also sought from respective County Directors of Education. In order to collect the required data, three research assistants were trained. The training involved briefing the research assistants on key terms used in the tools and the main information targeted for collection by tools. All items of the questionnaires were discussed with the research assistants and each research assistant was assigned two TTIs. The Administrators' Questionnaire (ADQ), and Heads of Departments and Class - teachers' Questionnaire (HODCQ) were hand delivered to the sampled institutes and the respondents were explained on what was expected. The instruments were collected

immediately after they were completed by the respondents. The interviews were also conducted at the appropriate places by the researcher herself.

3.9 Data Analysis

Data Analysis is the process of systematically applying statistical and / or logical techniques to describe and illustrate, condense and recap, and evaluate data. According to Shamo and Resnik (2003) various analytic procedures provide a way of drawing inductive inferences from data and distinguishing the phenomenon of interest from the statistical fluctuations present in the data.

The methods or statistics used for data analysis are influenced by the stated objectives, research questions or hypotheses, and the design used (Kathuri & Pals, 1993). To permit quantitative analysis, data must be converted to numerical codes representing attributes or measurements of variables. The conversion of data into these numerical codes is referred to as coding (Mugenda & Mugenda, 1999). Kombo and Tromp (2006) outline the importance of data analysis as follows: findings are clearly shown, gaps for further research are pointed out, and researcher can know the results without wasting time on primary and secondary data. An essential component of ensuring data integrity is the accurate and appropriate analysis of research findings. Improper statistical analyses distort scientific findings, mislead casual readers, and may negatively influence the public perception of research. Integrity issues are just as relevant to analysis of non - statistical data as well (Silverman & Manson, 2003).

In this study, the data were organized, coded and analyzed both quantitatively and qualitatively in the light of the research objectives. The Statistical Package for Social Science (SPSS) was used for data analysis. Qualitative measures were limited to descriptive statistics such as frequency counts, percentages, means and standard deviations. Inferential statistics such as Pearson Correlation Coefficient (r) was also used to establish the relationship between the variables. The study variables and analytical techniques are shown in Table 3 below.

The mean is the average of a set of scores or measurements. It is the most frequently used measure of central tendency and take into account each score or measure in the distribution (Mugenda & Mugenda, 1999; Kathuri & Pals, 1993). They also state that standard deviation is the extent to which scores in a distribution deviate from their mean or average. (Kathuri & Pals, 1993) observes that standard deviation is a number used to indicate the amount of variability in a set of test scores. They further indicate that the standard deviation provides a way of estimating the variability in a set of test scores and representing this variability with a single number. The Pearson Correlation Coefficient (PECOCO) is a measure of the strength of a linear association between two variables and is denoted by r . Basically, a Pearson correlation attempts to draw a line of best fit through the data of two variables, and the PECOCO, r , indicates how far away all these data points are to this line of best fit. PECOCO, r , can take a range of values from +1 to -1 (University of West of England, 2015). A value of 0 indicates that there is no association between the two variables. A value greater than zero indicates a positive association; that is, as the value of one variable increases, so does the value of the other

variable. A value less than 0 indicates a negative association; that is, as the value of one variable increases, the value of the other variable decreases (Mugenda and Mugenda, 1999).

The category of Likert – scale used had the following levels:

For the level at which targets are achieved in performance contracting (section II of the Administrators questionnaire), the researcher used:

1: Very low.

2: Low.

3: Not Sure.

4: High.

5: Very high.

Interpretations of the means were translated as follows:

1 – 1.8: very low

1.9 – 2.7: low

2.8 – 3.6: not sure

3.7 – 4.5: high

4.6 – 5.0: very high

For the functions of management (section II of the Heads of Departments and Class – teachers' questionnaire), the researcher used:

1: Strongly disagree.

2: Disagree.

3: Uncertain.

4: Agree.

5: Strongly agree.

Interpretations of the means were translated as follows:

1 – 1.8: Strongly disagree

1.9 – 2.7: Disagree

2.8 – 3.6: Uncertain

3.7 – 4.5: Agree

4.6 – 5.0: Strongly agree

For the constraints of performance contracting (section II of the Heads of Departments and Class – teachers' questionnaire), the researcher used:

1: Strongly disagree.

2: Disagree.

3: Uncertain.

4: Agree.

5: Strongly agree.

Interpretations of the means were translated as follows:

1 – 1.8: Strongly disagree

1.9 – 2.7: Disagree

2.8 – 3.6: Uncertain

3.7 – 4.5: Agree

4.6 – 5.0: Strongly agree

Table 3: Study Variables and Analytical Techniques

| Hypothesis | Independent Variable(s) | Dependent Variable(s) | Analytical Tool(s) |
|---|--------------------------------|---|--|
| Ho ₁ : There is no statistically significant relationship between performance contracting and formulating policies, goals and objectives. | Performance Contracting | Formulation of policies, goals and objectives | Frequency tables, percentages, means and standard deviations |
| Ho ₂ : There is no statistically significant relationship between performance contracting and procuring of resources. | Performance Contracting | Procuring of resources | Frequency tables, percentages, means and standard deviations |
| Ho ₃ : There is no statistically significant relationship between performance contracting and organizing and coordinating. | Performance Contracting | Organizing and coordinating | Frequency tables, percentages, means and standard deviations |
| Ho ₄ : There is no statistically significant relationship between performance contracting and influencing and stimulating human resource. | Performance Contracting | Influencing and stimulating human resource | Frequency tables, percentages, means and standard deviations |
| Ho ₅ : There is no statistically significant relationship between performance contracting and integrating. | Performance Contracting | Integrating | Frequency tables, percentages, means and standard deviations |
| Ho ₆ : There is no statistically significant relationship between performance contracting and evaluating. | Performance Contracting | Evaluating | Frequency tables, percentages, means and standard deviations |
| Ho ₇ : There is no statistically significant relationship between targets' achievement and performance of Management functions in Technical Training Institutes. | Performance Contracting | Management functions | Frequency tables, percentages, means and standard deviations |

3.10 Ethical Considerations

Ethics refer to moral principals or value that governs the conduct of an individual or group. Researchers have responsibilities to their profession, clients, and respondents, and must adhere to high ethical standards to ensure that both the function and the information are not brought into disrepute (Sale & Folkman, 2000; America Psychological Association, 2002). The principles of research ethics apply to all types of research. Research ethics may also inform decisions about what types of research an organization will support; these decisions concern organizational ethics (McLeod, 2015). The research should always stay within the realms of a sound, ethical study. The researcher should address ethical considerations before and during the research study (Kathuri & Pals, 1993). Ethical issue observed in a study may include: objectivity; permission to conduct the study, voluntary and informed consent, confidentiality, privacy and anonymity, and plagiarism and fraud (Sale & Folkman, 2000). However, the following ethical issues were observed in this study:

3.10.1 Objectivity

The goal of every research is not to allow personal judgments to enter into the collection, analysis and interpretation of data. Researchers should make scientific observations within a minimum of bias and still remain socially responsible. Bias can also be a problem in choosing the research topic and a research model (Kathuri & Pals, 1993). In this study, objectivity was maintained in choosing the research topic and theories. The researcher also ensured absence of personal bias in the collection, analysis and interpretation of the data.

3.10.2 Permission to Conduct the Study

As soon as the research proposal is ready, the researcher must obtain authority to conduct research from the Government (Mugenda & Mugenda, 1999). To obtain a research permit, the researcher presented the following documents to the National Commission for Science, Technology and Innovation: an introductory letter from Kabarak University, a copy of the final proposal, two passport size photographs, and an application form which was duly completed. The searcher was then issued with: a research permit bearing her name and photograph, and the title of the research study; and a research authorization by the Commission (see Appendices VIII and X). The two documents, research clearance permit and research authorization, were presented to the Principals of Technical Training Institutes and County Directors of Education of MKR.

3.10.3 Voluntary and Informed Consent

The researcher must obtain informed consent from any subjects used in the study and must ensure that all subjects participate voluntarily (Kombo & Tromp, 2006). Informed consent should be based on information regarding: the purpose of the research study; any foreseen risks; a guarantee of anonymity and confidentiality; identification of the researcher; an indication of the number of subjects involved; and benefits and compensation or lack of them (Mugenda & Mugenda, 1999). Consent was sought from the people involved in the study whose participation was voluntary. The nature and the rationale for the study were explained to the respondents by the researcher. The researcher also adhered to individuals' rights and safeguarded their personal integrity.

3.10.4 Confidentiality, Privacy and Anonymity

Confidentiality is a basic ethical principal while anonymity is one way in which confidentiality is maintained (Rees, 2011). The investigator must protect the subjects' privacy and confidentiality. Researchers must have mechanisms in place to prevent the disclosure of, or unauthorized access to data that can be linked to a subject's individual identity (Adams, 2013). Lack of confidentiality and mishandling the information provided may cause respondents physical or even psychological harm (Mugenda & Mugenda, 1999). When collecting the data for the study, the researcher remained impartial and kept respondents and their responses confidential. The participants were not expected to write their names on the questionnaires, but each questionnaire was coded for reference. This ensured that anonymity of respondents was maintained. The respondents were also assured that the information given was to be treated with utmost confidentiality and was to be used for research purpose only. The interviews were conducted in private offices where no third person could hear the conversation.

3.10.5 Plagiarism and Fraud

Plagiarism refers to situations where a researcher refers to another person's work as theirs without acknowledging the author. It also refers to stealing ideas from another scholar (Mugenda & Mugenda, 1999). They also indicate that fraud is a situation where a researcher fakes data that has not actually been collected and false presentation of research methodology and results. In this study, Plagiarism and Fraud were avoided. The researcher acknowledged the authors, went to the field and collected the data, and presented research methodology and results truthfully.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the analysis and discussions of the results of the study. The study sought to examine the relationship between performance contracting and Principals' performance of management functions in Technical Training Institute in Mount Kenya region in Kenya. In this chapter, respondents' bio-data which included gender, age, level of formal education, working experience and attendance to workshops and seminars are considered. Further, the extent of achievement of performance contracting targets, which were measured using percentages, means and standard deviations, are looked into. Strengths of performance contracting and constraints affecting performance contracting have also been presented. Finally, it has depicted the linkage between the extent of achievement of targets of performance contracting and Principals' performance of management functions. The results are presented in tabulated form, and discussions about them presented.

4.2 Questionnaire Return Rate

Return rate refers to the percentage of subjects who respond to questionnaires (Mugenda & Mugenda, 1999). In this study, data was collected within four weeks using structured questionnaires. The questionnaires were administered to 268 respondents out of which 243 questionnaires were successfully completed and collected by the researcher from the

respondents giving a response rate of 0.9067 (90.67%) as shown in Table 4 below. Mugenda and Mugenda (1999) indicate that for generalization purposes, a response rate of 0.05 (50%) is adequate for analysis and reporting, of 0.06 (60%) is good and of 0.07 (70%) and over is very good. The response rate of 0.9067 (90.67%) in this study was very good and therefore accepted.

Table 4: Distribution of Respondents by Response Rate

| Respondents' Category | Population / Sample size | Number of Respondents | Percent age |
|------------------------------|---------------------------------|------------------------------|--------------------|
| Principals | 6 | 6 | 100 |
| Administrators | 31 | 31 | 100 |
| HODs and Class - Teachers | 231 | 206 | 89.18 |
| Total | 268 | 243 | 90.67 |

4.3 Respondents' Bio - data

The respondents included Principals, Administrators (Deputy Principals, Registrars, Deans of Students, Performance Contracting Coordinators and Finance Officers), Heads of Departments and Class - teachers of Technical Training Institutes in MKR. The study proposed to have 6 Principals, 30 Administrators, 66 Heads of Departments and 165 Class - teachers. Information on respondents' characteristics was solicited in PIS, ADQ and HODCQ. The data was analyzed quantitatively to reveal the characteristics of the respondents.

4.3.1 Respondents' Gender

Analytical results on the Principals' gender are presented in Table 5 and in Figure 6. From the table, 50% of the respondents were male while 50% were female. This could suggest that there was equal opportunity for both men and women, in Technical Training Institutes in MKR, with regard to headship. This is in line with the current global themes on gender equality particularly in job opportunities and in the field of work. Obama (2015) indicates that treating women as second - class citizens is a bad tradition, it holds a nation back and that any nation that fails to employ its women and allowing them to maximize their potential is doomed to fall behind in global economy. He further observes that communities that give their daughters the same opportunities as their sons are more prosperous develop faster and are more likely to succeed. Kaplan, Wiley and Maertz (2011) argue that promoting gender equality is often associated with better organizational and financial performance.

Administrators were also asked to state their gender. From Table 5 and from Figure 4, 60.0% of administrators were male while 40.0% were female. This implied that there was unequal distribution of administrators by gender as opposed to that one of Principals. A study by Kinyua (2005) concurs with these findings that there was underrepresentation of women in administration in institutions of higher learning. Davidson (1987) asserts that under - representation of women in headship is due to women failure to put themselves forward for promotion. Overall and Sangster (2003) gave another reason of considerable degree of discrimination against women in the promotion process. However, to be in line

with the global theme of gender equality, the Teachers' Service Commission should put more women in responsibility posts.

Results on the Heads of Departments and Class - teachers' gender are presented in Table 5 and in Figure 4. From the table, 54.4% were male and 45.6% were female. This could suggest that Technical Training Institutes are gender balanced and this is in line with the world's theme of equal representation of both gender in work place and leadership. A recent major study by Kaplan, Wiley and Maertz (2011) acknowledge that well managed gender diversity brings together varied perspectives, produces a more holistic analysis of the issues a company faces and spurs greater effort, leading to improved decision-making. However, they argue that diversity in a workplace may lead to less work and even open hostility if there are people with strong contradictory opinions.

Table 5: Distribution of Respondents by Gender

| Designation | Characteristic | Frequency | Percentage (%) |
|--------------------|-----------------------|------------------|---------------------------|
| Principals | Male | 3 | 50 |
| | Female | 3 | 50 |
| | Total | 6 | 100 |
| Administrators | Male | 18 | 58.1 |
| | Female | 13 | 41.9 |
| | Total | 31 | 100 |
| HODS and CTs | Male | 112 | 54.4 |
| | Female | 94 | 45.6 |
| | Total | 206 | 100 |

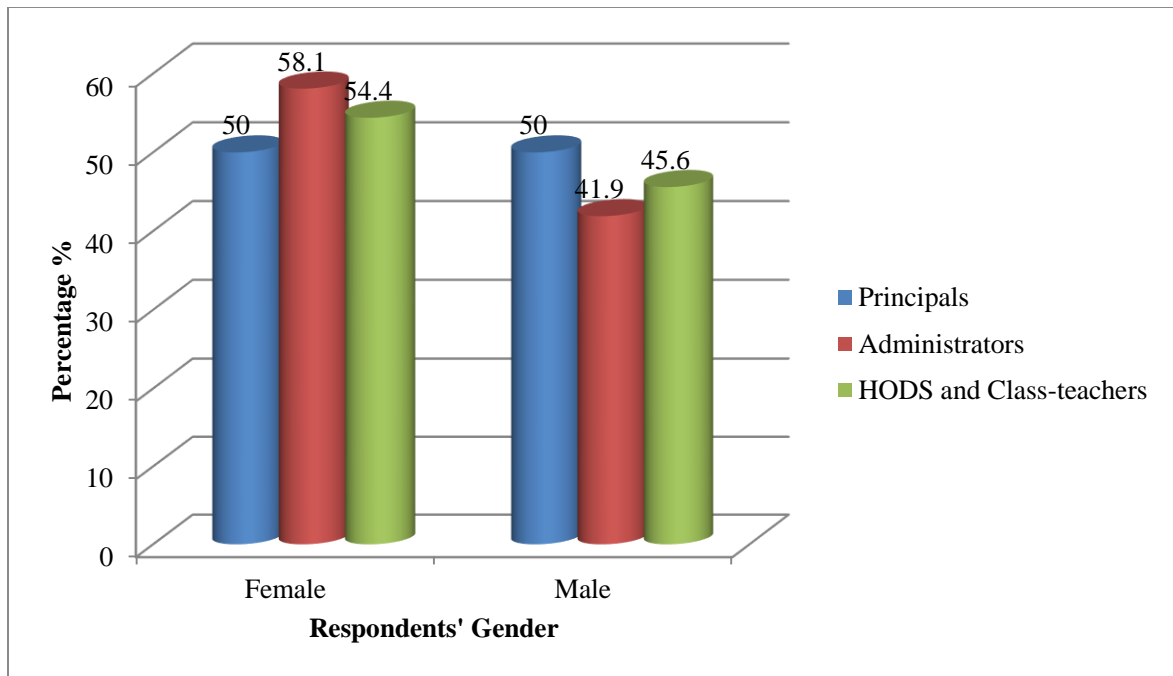


Figure 6: Distribution of Respondents by Gender

4.3.2 Respondents' Age

Principals were asked to state their age. The results of analysis are indicated in Table 6 and also in Figure 7 below. According to the table and the figure, 17% of the Principals were between 41 and 50 years of age while 83% were between 51 and 60 years of age. This could imply that the Principals of TTIs were generally old. It could also mean that the youth in Technical Training Institutes were left out in the management.

Administrators were also asked to state their age. Results in Table 6 and in Figure 7 indicate that 32.3% were between 31 – 40 years, 45.2% were between 41 – 50 years and 22.6% were between 51 – 60 years of age. This could imply that majority (45.2%) of Administrator were in the age bracket of 41 – 50 years. These findings contradicts those

of the Principals' in which majority (83.3%) were between 51 – 60 years of age. This could suggest that administration in TTIs is composed of relatively young staff.

Table 6 also shows distribution of Heads of Departments and Class – teachers by age. 10.7% were between 21 – 30 years, 41.0% were between 31 – 40 years, 38.5% were between 41 – 50 years while 9.8% were between 51 – 60 years. This information is also presented in Figure 7. These results indicate that majority (51.7%) of HODs and CTs were between 21 – 40 years. This could suggest that more than 50% of Heads of Departments and Class - teachers in TTIs were generally young. These results of analysis indicate that there is age diversity which ranges from 21 years to sixty years of age among HODs and CTs. Yeaton (2008) argues that Generational differences among employees can be advantageous to any organization, since it fosters creativity and expands an organization's approach to problem solving. He further states that an age-diverse work force also can help to ensure that a firm's talent pool is fully tapped.

When the employees of an organization are largely diversified in age, naturally a larger knowledge base and varied experience is available. This in turn affects overall organizational performance granting a greater ability to deal with varying roles and tasks. While age diversity has a considerable positive effect on the productivity of an organization, this benefit only exists when the problem or task is not structured. If dynamic situations are possible there is more scope for various opinions to come together and innovate. When events are viewed by a diverse group of employees, differing opinions and mental models come into play which can lead to ground-breaking solutions.

In these cases, the costs of an age diverse workforce pay off many times over (Backes-Gellner & Veen, 2013).

Table 6: Distribution of Respondents by Age

| Designation | Characteristic | Frequency | Percentage |
|--------------------|-----------------------|------------------|-------------------|
| Principal | 41-50yrs | 1 | 16.7 |
| | 51- 60 yrs | 5 | 83.3 |
| | Total | 6 | 100 |
| Administrators | 31- 40yrs | 10 | 32.3 |
| | 41-50yrs | 14 | 45.2 |
| | 51- 60yrs | 7 | 22.6 |
| | Total | 31 | 100 |
| HODS and CTs | 21-30yrs | 22 | 10.7 |
| | 31- 40yrs | 84 | 41 |
| | 41-50yrs | 79 | 38.5 |
| | 51- 60yrs | 20 | 9.8 |
| | Total | 205 | 100 |

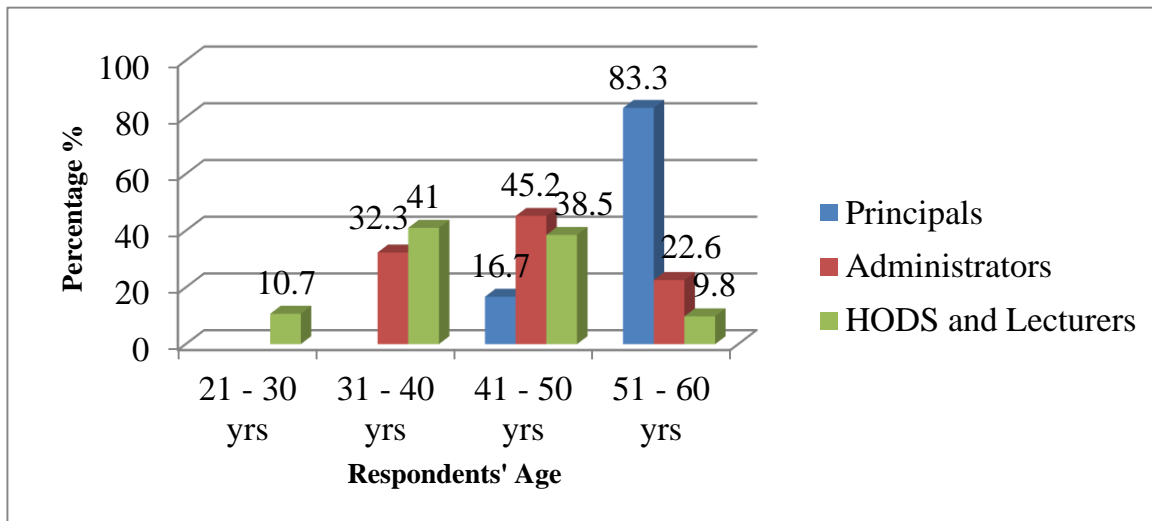


Figure 7: Distribution of Respondents by Age

4.3.3 Respondents' Level of Formal Education

Concerning the level of formal education of Principals, Table 7 shows that 33% had a Masters Degree, 33% had a Bachelors Degree and 33% had a Diploma. This could suggest that most (66%) of the Principals were qualified for the post of management. However, a considerable proportion (33%) had a Diploma and therefore not qualified for the post. This information is also presented in Figure 8. From the literature reviewed, Republic of Kenya (2001b) argues that Principals with low qualifications suffer from inferiority complex and, as a result, they lack confidence in institutional management. Lack of confidence may render them ineffective in the implementation of performance contracts.

A study by Bryson, Pajo, Mallon and Ward (2006) observe that employees applied knowledge, concepts and techniques learnt through formal education daily in the course of their work, as their learning was directly applicable to tasks they to carry out. They

further states that a majority of respondents in their study agreed that they had been able to apply their learning from tertiary study at work to improve their job performance (Mean=5.2, SD=1.5), but there was less agreement on whether it had made a difference to their organization (Mean=4.3, SD=1.7).

Distribution of Administrators by level of education showed that 26.7% had Masters Degree, 40% had Bachelors Degree, and 33.4% had Diploma. These findings are shown in Table 7 and also in Figure 8. This could imply that majority (66.7%) of administrators were qualified for the job they were doing apart from 33.4% who had a Diploma, and therefore not qualified. However, these findings are similar to those of the Principals above.

Results of analysis of the HODs and CTs' level of education shown in Table 7 and in Figure 8 indicate that 1.0% had PhD, 14.6% had Masters Degree, and 37.4% had Bachelors Degree while 47% had Diploma. The results indicate that majority (53%) had at least Bachelors degree while a considerable fraction (47%) had a Diploma. This could imply that a fairly large number of HODs and Class - teachers in TTIs had a Diploma. The minimum teaching qualification in TTIs is Diploma; therefore trainers were qualified for the work they were doing.

Table 7: Distribution of Respondents by Level of Formal Education

| Designation | Characteristics | Frequency | Percentage |
|--------------------|------------------------|------------------|-------------------|
| Principal | Diploma | 2 | 33.3 |
| | Bachelor | 2 | 33.3 |
| | Masters | 2 | 33.3 |
| | Total | 6 | 100 |
| Administrators | Masters | 8 | 26.7 |
| | Degree | 12 | 40.0 |
| | ATS | 2 | 6.7 |
| | S1/Diploma | 6 | 20.0 |
| | Others | 2 | 6.7 |
| Total | 30 | 100 | |
| HODS and CTs | PhD | 2 | 1.0 |
| | Masters | 30 | 14.6 |
| | Degree | 77 | 37.4 |
| | ATS | 11 | 5.3 |
| | S1/Diploma | 66 | 32.0 |
| | Others | 20 | 1.0 |
| Total | 206 | 100 | |

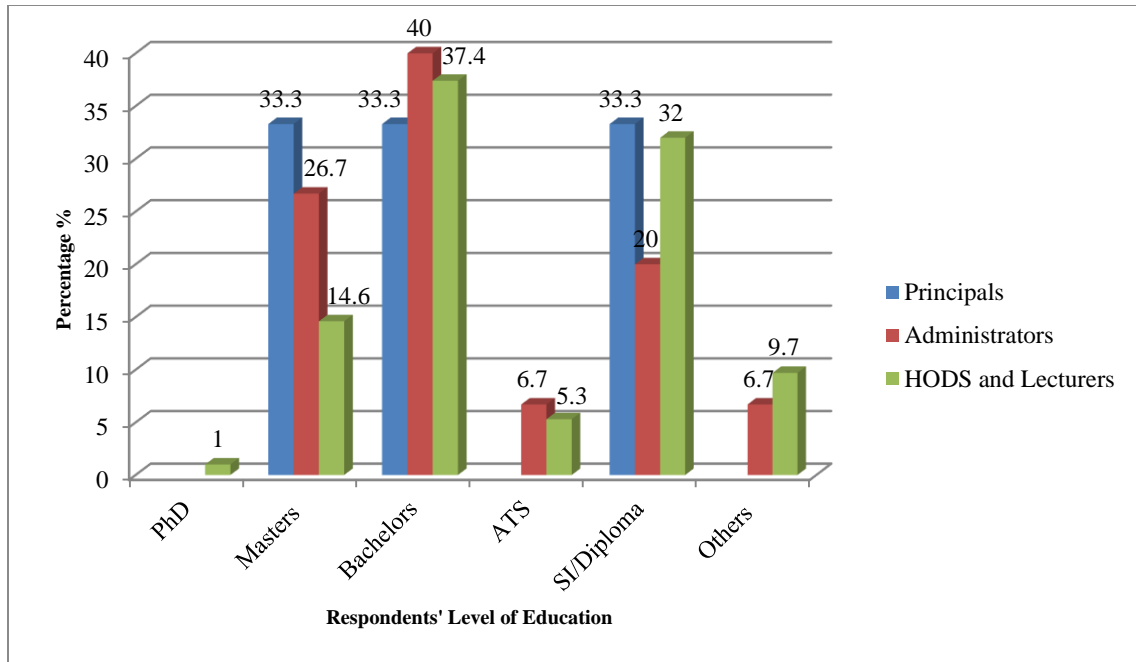


Figure 8: Distribution of Respondents by Level of Formal Education

4.3.4 Respondents' Work Experience

Principals' headship experience was measured by the number of years one had been a Principal. From Table 8, 16.7% of the Principals had worked for 0 – 4 years, 33.3% had worked for 5- 8 years and 50% indicated they had worked for 9 – 12 years. This information is also shown in Figure 10. The results implies that majority (83.3%) of the Principals had headship experience of 5 years or above. Work experience helps one build him or herself therefore avoiding trial and error approach in decision making. It gives confidence to students and junior personnel as well as community. Years of work experience is one of the indicators of Principals' efficiency and effectiveness in performing their duties. Many years of work experience improves Principals' productivity (Bishop, 1989). Work experience builds self-esteem, makes you a valued person in the community, gives a person the chance to understand how organizations

work and at the same time develops the person's own confidence and ability to work with others (Jensen, 2009).

Administrators' working experience was indicated by the number of years of they had worked in TTIs. The sampled administrators were fairly experience with 41.8% having taught for at least 21 years as indicated in Table 8 and in Figure 9. Administrators who had few years (1 – 10) of work experience constituted 22.6% of the sample while 35.5% had taught for at least 11 years and not more than 20 years. This could imply that Principals in TTIs are assisted by generally an experienced team.

The distribution of HODs and CTs by work experience, as indicated in Table 8 and in Figure 9, shows that the majority (49.8%) had worked for 1- 10 years, 31.7% had worked for 11- 20 years, 18.0% had worked for 21 – 30 years and the minority (0.5%) had worked for 30 years or above. Half (50.2%) of Heads of Departments and lecturers had worked for at least 11 years. This could suggest that majority of trainers are familiar with the tasks they perform. Years of work experience is one of the indicators of trainers' effectiveness and efficiency in the performance of their duties, hence, many years of work experience among trainers enhances their effectiveness in training of students and also management of learning institutions, through effective and appropriate support (Bishop, 1989).

Table 8: Distribution of Respondents by Work Experience

| Designation | Characteristic | Frequency | Percentage |
|--------------------|-----------------------|------------------|-------------------|
| Principals | 1 - 4 years | 1 | 16.7 |
| | 5 - 8 years | 2 | 33.3 |
| | 9 – 12 | 3 | 50.0 |
| | Total | 6 | 100 |
| Administrators | 1 - 10 yrs | 7 | 22.6 |
| | 11 – 20 | 10 | 35.5 |
| | 21 – 30 | 12 | 38.7 |
| | above 30 yrs | 1 | 3.2 |
| Total | 30 | 100 | |
| HODS and CTs | 1 - 10 yrs | 102 | 49.8 |
| | 11 – 20 | 65 | 31.7 |
| | 21 – 30 | 37 | 18.0 |
| | above 30 yrs | 1 | 0.5 |
| Total | 205 | 100 | |

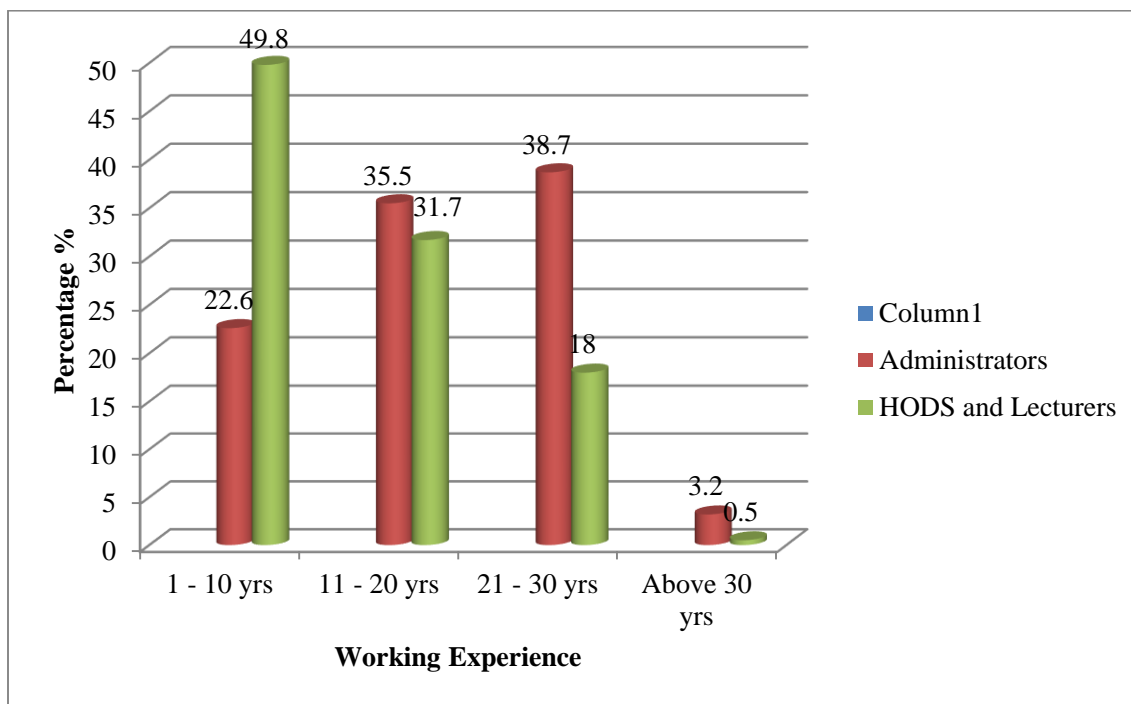
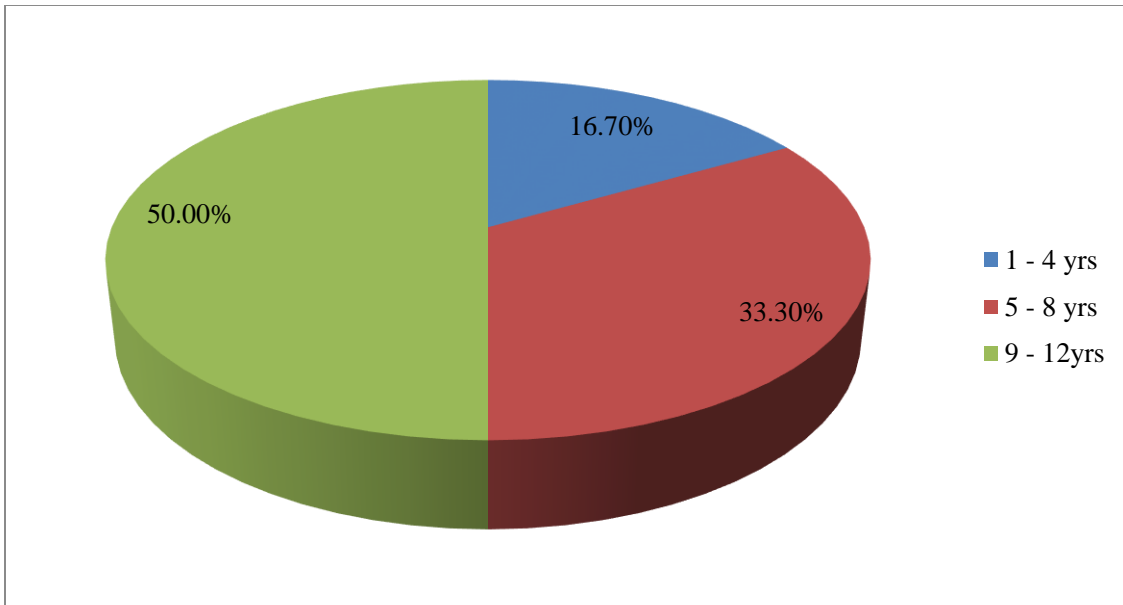


Figure 9: Distribution of Administrators, and HODs and CTs by Work Experience



FFigure 10: Distribution of the Principals by Headship Experience

4.3.5 Respondents' Attendance to Workshops and Seminars on Performance Contracting

Concerning workshops and seminars on performance contracting, Principals were asked to indicate whether they had attended any workshop or seminar in the last five years. All of them stated yes. They were further asked to indicate the number of times they had attended. The resultant analysis, as shown in Table 9 and in Figure 11, showed that all (100%) the Principals had attended workshop and seminars more than four times in the last five years. Attending workshops and seminars on performance contracting provides opportunity for trainers to upgrade their performance contracting management skills. These eventually could translate into efficiency in performance contracting. Augustsson, Tornquist and Hassan (2013) indicate that leadership development and training will lead to increased productivity among staff. They further argue that the development and

training of employees enable them to do and understand more and gain confidence within their tasks because their skills are developed.

Administrators were also asked to indicate whether they had attended any workshop and seminar on performance contracting and, if yes, how many times in the last five years. All (100%) the administrators stated yes. Table 9 shows that 20.8% of the administrators had attended workshop and seminars once in the last five years, 25% had attended twice, another 25% had attended thrice and minority (12.5%) had attended four times. This information is also shown in Figure 11. The results could imply that all administrators were trained on performance contracting. They were therefore expected to be efficient in the PC's implementation. However, a considerable percentage (20.8) had attended only once, this proportion could be a hindrance to effective implementation of PC.

Regarding Heads of Departments and Class - teachers, 85 (41.1%) indicated they had attended workshop on performance contracting in the last five years while 121 (58.8%) stated they had not attended. The results of analysis in Table 9 and also in Figure 11 shows that majority (37.5%) of lecturers had attended workshop and seminar once in the last five years, 35.2% had attended twice, 14.4% had attended thrice, 1.1% had attended four times while 11.4% had attended more than 4 times. However, a big (58.8%) proportion of HODs and CTs had not attended any workshop and seminar in the last five years. This could imply that many trainers in TTIs were ignorant about PC and, therefore, of no use and value in performance contracting implementation. The management of TTIs needs to train more heads of Departments and Class – teachers on the theme as this

would make implementation of PC a concerted effort. A study conducted by Mutie et al. (2015) contradicts these findings by stating that Principals' performance on professional development of teachers was good. They further indicate that the results of analysis meant that Principals helped and gave teachers opportunity to grow professionally by providing them with effective learning opportunities like sponsoring them to attend seminars, advancing their education and participating in staff discussion forums

Table 9: Distribution of Respondents by Attendance to Workshops and Seminars on Performance Contracting

| Designation | Characteristics | Frequency | Percentage |
|--------------------|------------------------|------------------|-------------------|
| Principals | More than 4 times | 6 | 100.0 |
| | Total | 6 | 100.0 |
| Administrators | Once | 5 | 20.8 |
| | Twice | 6 | 25.0 |
| | Thrice | 6 | 25.0 |
| | Four Times | 3 | 12.5 |
| | Total | 20 | 100.0 |
| HODs and CTs | Once | 33 | 37.5 |
| | Twice | 31 | 35.2 |
| | Thrice | 13 | 14.8 |
| | Four times | 1 | 1.1 |
| | More than 4 times | 10 | 11.4 |
| | Total | 88 | 100.0 |

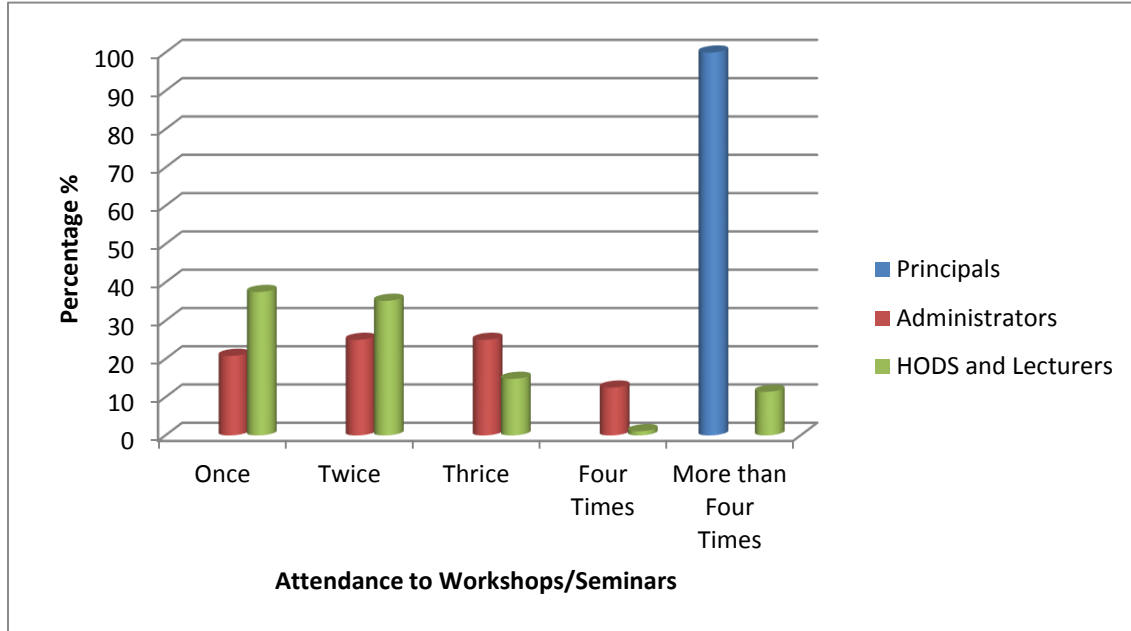


Figure 11: Distribution of Respondents by Attendance to Workshops and Seminars on Performance Contracting

4.3.6 Principals' Attendance to Workshops and Seminars on Institutional Management

Principals were also asked to state whether they had attended any workshop or seminar on institutional management and, if yes, how many times in the last five years. The result of analysis, as shown in Table 10 and in Figure 12, indicate that 33.3% had not attended any workshop and seminar on institutional management, 50.0% had attended twice while 16.7% had attended thrice. From the results, a considerable percentage (33.3) of the Principals had not attended any workshop or seminar, this could imply that this category of Principals were ignorant about management functions and therefore not effective in performing the functions.

Table 10: Distribution of Principals by Attendance to Workshop and Seminar on Institutional Management

| Workshop/Seminar Attendance | Frequency | Percentage (%) |
|-----------------------------|-----------|----------------|
| Zero | 2 | 33.3 |
| Twice | 3 | 50.0 |
| Thrice | 1 | 16.7 |
| Total | 6 | 100 |

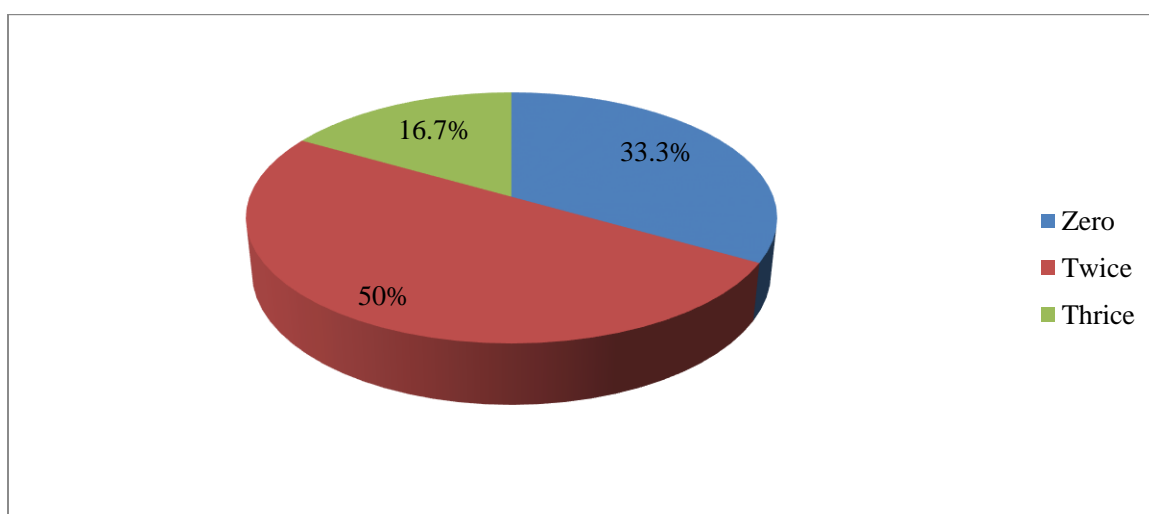


Figure 12: Distribution of Principals by Attendance to Workshops and Seminars on Institutional Management

4.3.7 Administrators' Designation

Concerning Administrators' designation, the results of analysis presented in Table 11 show that 22.6% were Deputy Principals, 19.4% Registrars, 19.4% Deans of Students, 19.4% PC Coordinators and 19.4% Finance Officers. This information is also presented in Figure 13. The equal representation was due to the fact that each institutes

had one slot for each one of them. However, the disparity between representation of the Deputy Principals and of other Administrators was that one institute had two slots for Deputy Principals.

Table 11: Distribution of Administrators by Designation

| Designation | Frequency | Percentage |
|---|------------------|-------------------|
| Deputy Principal | 7 | 22.6 |
| Registrars | 6 | 19.4 |
| Dean of Students | 6 | 19.4 |
| Performance Contracting Coordinators | 6 | 19.4 |
| Finance Officers | 6 | 19.4 |
| Total | 31 | 100 |

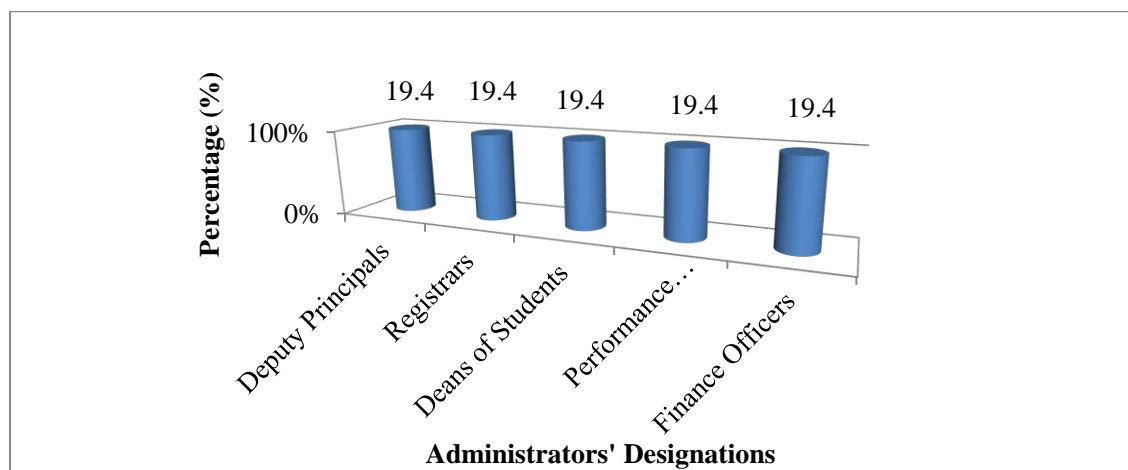


Figure 13: Distribution of Administrators by Designation

4.3.8 Heads of Departments and Class - teachers' Designation

HODs and Class - teachers responding to questionnaire were asked to indicate their designation. The results of analysis presented in Table 12 and in Figure 14 shows that 25.6% were Heads of Departments and 74.4% were Class - teachers. This could imply that 34.4% of trainers in TTIs were HODs.

Table 12: Distribution of Heads of Departments and Class - teachers by Designation

| Designation | Frequency | Percentage (%) |
|----------------------|------------------|-----------------------|
| Heads of Departments | 53 | 25.6 |
| Class-teachers | 154 | 74.4 |
| Total | 207 | 100 |

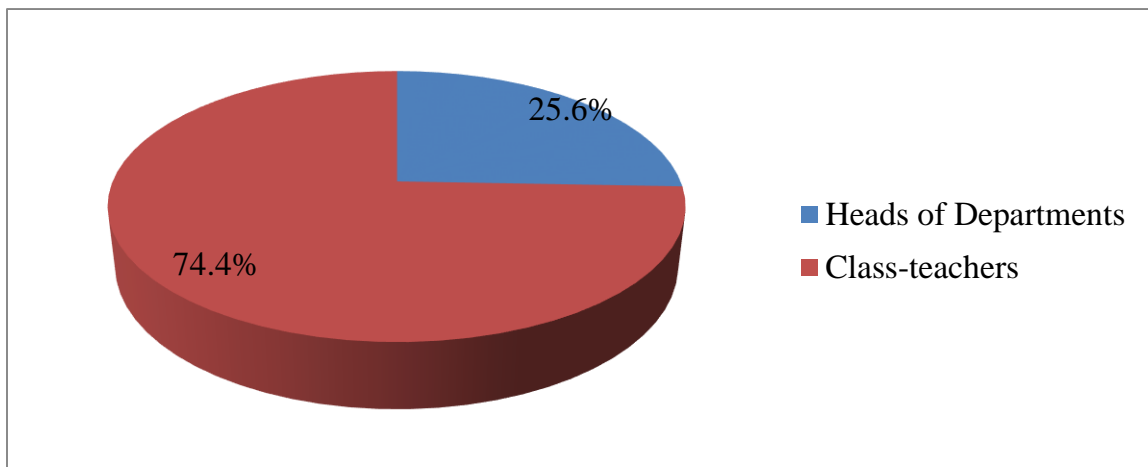


Figure 14: Distribution of Heads of Departments and Class - teachers by Designation

4.4 Extent of Principals' Performance of Management Functions

4.4.1 Introduction

Performance contracting in Technical Training Institutes became an important tool to ensure that Principals were accountable for responsibilities assigned by the Government. Therefore, this section documents information on the extent to which Principals performed management functions, which include: formulating policies, goals, and objectives; procuring resources; organizing and coordinating; influencing and stimulating human resource; integrating; and evaluating. This information was obtained in HODCQ. There are many activities associated with management functions which Principals are expected to carry out effectively and efficiently. For each management function, relevant statements / activities were provided and HODs and CTs responded by indicating the degree of agreement on the extent to which the Principals performed those activities on a FPLTS as follows: a rating value of 1 indicated strong disagreement (DS), 2 indicated disagreement (D), 3 indicated undecided (U), 4 indicated agreement (A) and 5 indicated a strong agreement (AG). The analysis involved averaging of response scores for each activity. A mean score of below 2.50 would indicate a general disagreement with a statement meaning that Principals' performance of the activity was viewed unsatisfactory. A mean score of above 2.50 would indicate a general agreement with a statement and therefore a positive notion of Principals' performance of the activity.

4.4.2 Function of Formulating Policies, Goals and Objectives

The MS ranged from 3.82 to 4.06 as shown in Table 13 and in Figure 15. The lowest MS was in activity 3 (my Principal ensures that direction and destination of the institute's activities are patterned) while the highest MS was in activity 1 (my principal ensures that

sound policies, goals and objectives are formulated). The table further indicates that majority (76.1%) of HODs and CTs either strongly agreed or agreed that Principals were effective in formulating policies, goals and objectives while the rest who were the minority (19.8%) either disagreed or strongly disagreed that the Principals were effective in formulating policies, goals and objectives. These results of analysis indicate that HODs and CTs generally perceived Principals as effective in formulating policies, goals and objectives. However, a considerable proportion (19.8%) of respondents had a view that Principals were not effective. This could imply that, in some TTIs, performance contracting did not improve Principals' performance of this function. Okumbe (1998) observes that the first and foremost function of management of education is the assurance that sound policies, goals and objectives are formulated: it is the function under which other functions of management are based. He further argues that without proper and comprehensive policies, goals and objectives, organizations' effectiveness cannot be achieved.

Table 13: Extent to which Principals Performed Function of Formulation of Policies, Goals and Objectives

| Formulation of policies, goals and objectives | N | SD | D | U | A | SA | Mean | Std Deviation |
|---|------------|------------|------------|-------------|-------------|-------------|-------------|----------------------|
| 1. My principal ensures that sound policies, goals and objectives are formulated. | 206 | 2.9 | 5.3 | 10.7 | 44.7 | 36.4 | 4.06 | 0.97 |
| 2. My principal ensures that the policies, goals and objectives of the institutes are clear and well known to both the occupants and the society. | 207 | 2.9 | 5.8 | 16.9 | 46.9 | 27.5 | 3.90 | 0.96 |
| 3. My principal ensures that direction and destination of the institute's activities are patterned. | 205 | 2.9 | 5.9 | 19.0 | 50.7 | 21.5 | 3.82 | 0.93 |
| 4. My principal ensures that the objectives of the institute are derived from the goals of education. | 206 | 3.9 | 3.9 | 11.7 | 54.4 | 26.2 | 3.95 | 0.94 |
| Average | 206 | 3.2 | 5.2 | 14.6 | 49.2 | 26.9 | 3.93 | 0.10 |

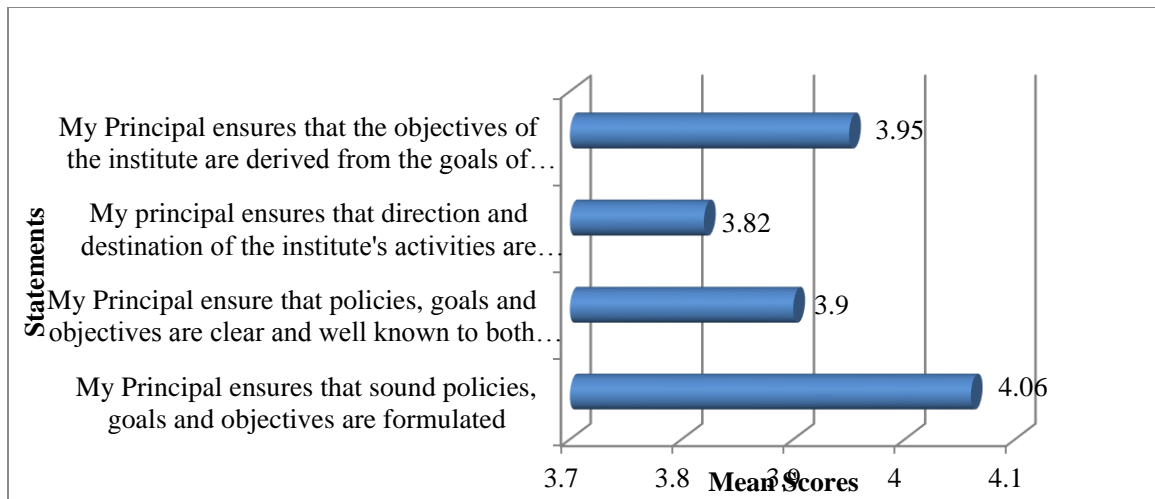


Figure 15: Extent to which Principals Performed Function of Formulation of Policies, Goals and Objectives

4.4.3 Function of Procuring of Resources

From the results in Table 14 and in Figure 16, the mean scores (MS) ranged from 3.70 to 3.94. The lowest MS was in activity 2 (my principal ensures that necessary resources are procured in good time) and the highest MS was in activity 3 (my Principal ensures that procurement is done as per Government requirements). Based on percentages, 12.3% either strongly disagreed or disagreed that Principals were effective in performing the function of procuring resources. Another 19.9% were undecided while the rest 68.2% either agreed or strongly agreed. Although majority (68.2%) had a notion that Principals were effective in procuring resources, a considerable section (12.3%) thought they were not. It was therefore likely that PC, in some institutes in Mount Kenya region, did not influence the degree to which Principals' performed this role.

In procurement, corporations and public bodies often define processes intended to promote fair and open competition for their business while minimizing exposure to fraud

and collusion (Lewis & Roehrich, 2009). Kabaj (2003) concludes that an efficient public procurement system is vital to the advancement of all countries and is a concrete expression of their national commitments to making the best possible use of public resources (Lewis & Roehrich, 2009). In public institutions and organizations, a procurement process that conforms to the expected standards of integrity, uprightness and honesty is one in which clear procedures are consistent with Government policies and legislation (Waters, 2004). Public procurement professionals have to strive to achieve three competing demands of meeting commercial interests with key themes of value for money, economy, efficiency and effectiveness; the regulatory interests with key themes of competition, transparency, equality and compliance and the social interests whose key themes include public interest, employment concerns, social exclusion, economic development and environment policy (Errigde & McIlroy, 2002).

Table 14: Extent to which Principals Performed Function of Procurement of Resources

| Procurement of resources Statement | N | SD | D | U | A | SA | Mean | Std Deviation |
|---|------------|------------|------------|-------------|-------------|-------------|-------------|---------------|
| 1. My principal ensures that necessary resources (eg funds, human and teaching) are identified in good time | 207 | 2.4 | 12.1 | 17.9 | 44.9 | 22.7 | 3.73 | 1.02 |
| 2. My principal ensures that necessary resources are procured in good time. | 207 | 3.4 | 12.6 | 20.8 | 37.7 | 26.5 | 3.70 | 1.09 |
| 3. My principal ensures that procurement is done as per government requirements. | 206 | 1.5 | 4.9 | 20.9 | 43.7 | 29.1 | 3.94 | 0.91 |
| Average | 207 | 2.4 | 9.9 | 19.9 | 42.1 | 26.1 | 3.79 | 0.13 |

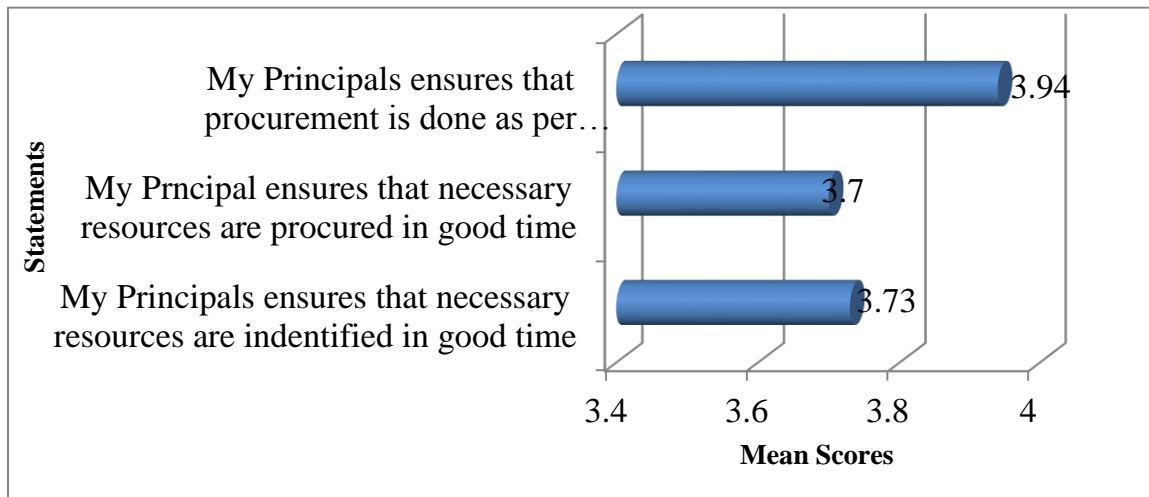


Figure 16: Extent to which Principals Performed Function of Procurement of Resources

4.4.4 Function of Organizing and Coordinating

The analyzed results on performance of organizing and coordinating function are presented in Table 15 and in Figure 17. The Table indicates that the MS ranged from 3.66 to 3.96. Activity 2 (my Principal allocates students duties in accordance with their expertise and abilities) achieved the lowest MS while the highest MS rating was for activity 5 (my Principal ensures that all energies of staff and students are expended towards a common goal). Further, from the table, the study revealed that few (10.1%) HODs and CTs either strongly disagreed or disagreed that the Principals were effective in performing the role of organizing and coordinating, 20.4% were undecided while most (69.6%) either agreed or strongly agreed that the Principals were effective in organizing and coordinating. Though there was general notion among HODs and CTs that Principals were effective, a considerable proportion of 10.1% thought otherwise. It was therefore likely that in some institutes within Mount Kenya Region, performance contracting had little effect on Principals' effectiveness in performing this function. Koontz and

Weihnrich (1998) argue that good people and those who want to cooperate will work together most effectively if they know the parts they are to play in any team operation and the way their roles relates to one another. They further state that designing and maintaining these systems of roles is basically the managerial function of organizing. However, Jiransinghe and Lyons (1996) observe that vagueness in organization is a good thing in that it forces teamwork, since people know that they must cooperate to anything done. BR Professional Education (2012) asserts that success of an enterprise depends upon the efficiency of its managerial functions; therefore all the managerial functions should be well coordinated.

Table 15: Extent to which Principals Performed Function of Organizing and Coordinating

| Organizing and coordinating | N | SD | D | U | A | SA | Mean | Std Deviation |
|--|------------|------------|------------|-------------|-------------|-------------|-------------|----------------------|
| 1. My principal allocates both the staff (teaching and non-teaching) duties in accordance with their expertise and abilities | 207 | 3.9 | 7.8 | 12.6 | 48.1 | 27.7 | 3.88 | 1.06 |
| 2. My principal allocates students duties in accordance with their expertise and abilities | 199 | 1.5 | 7.5 | 32.7 | 39.7 | 18.6 | 3.66 | 0.92 |
| 3. My principal allocates material resources in the most appropriate manner. | 205 | 2.2 | 8.8 | 25.4 | 44.4 | 19.5 | 3.71 | 0.95 |
| 4. My principal ensures that there is unity in diversity (diversity in terms of various departments). | 203 | 1.0 | 9.4 | 17.2 | 40.4 | 32.0 | 3.93 | 0.98 |
| 5. My principal ensures that all energies of staff and students are expended towards a common goal. | 205 | 1.5 | 6.8 | 14.1 | 49.8 | 27.8 | 3.96 | 0.91 |
| Average | 204 | 2.0 | 8.1 | 20.4 | 44.5 | 25.1 | 3.83 | 0.13 |

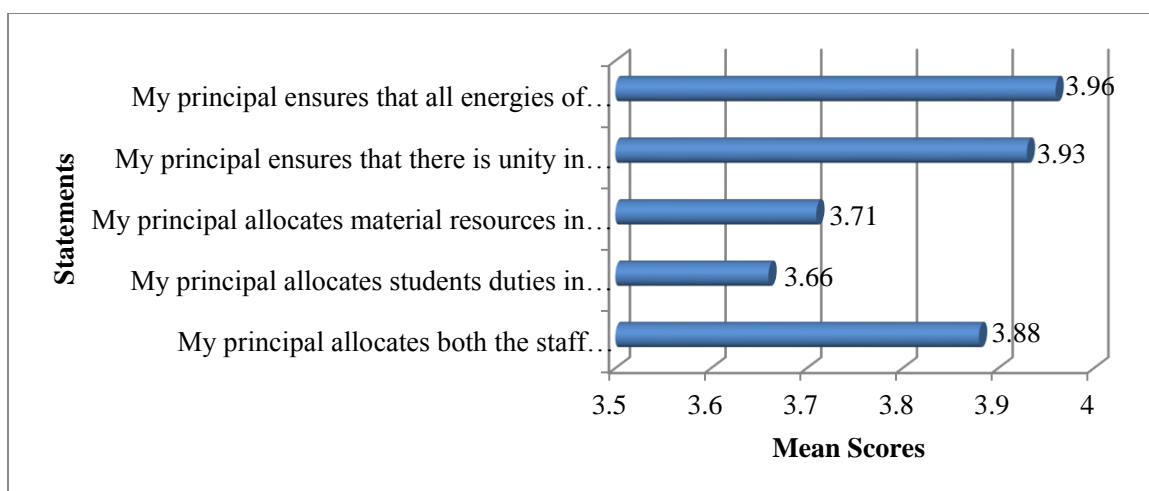


Figure 17: Extent to which Principals Performed Function of Organizing and Coordinating

4.4.5 Function of Influencing and Stimulating Human Resource

Lecturers' responses on the effectiveness of Principals in the performance of the role of influencing and stimulating human resources were analyzed and the results are presented in Table 16 and in Figure 18. From the table, it is clear that activity 2 (my Principal strives to release maximum potentials from both the staff and the students through motivating them) scored the lowest MS of 3.64 and activity 1 (my Principal provides an appropriate climate which gives the staff and students the assurance that human factor if recognized in the institute) had the highest MS of 3.92. Further, as shown in the table, the finding of the study revealed that 12.9% of HODs and CTSs either strongly disagreed or disagreed that the Principals were effective in the performance of the function of influencing and stimulating human resource, 19.2% were undecided while 68.1% either agreed or strongly agreed. In this regard, there was a general agreement among HODs and CTs that Principals were effective in influencing and stimulating human resource. It

was however evident that not all the HODs and CTs were in general agreement, as was demonstrated by the 12.2% who generally disagreed.

A study by Simiyu (2009) illustrates that one of the factors contributing to the attractiveness of a TVET institution is how a principal mobilizes his subordinate. The study further indicates that a principal must be proactive enough to work towards influencing and mobilizing his staff to work with him or her. Studies by Whitaker (1993), Whitaker (1997), Fiore (1999), Roeschlen (2002) and Turner (2002) as cited by Mutie et al. (2015) indicate that great principals develop the teachers they have, and encourage individual staff development so as to promote the effectiveness of each individual. According to Knootz and Weihrich (1998), effectiveness of principals in managing the recruitment and advancement of teachers will contribute to improvements in student learning. Simiyu (2009) argues that a motivated staff is one of the dividends that result from a Principal's good management of human resource; therefore Principals should apply modern approaches in human-resource management, since these are critical in changing the perceptions of the crumbling TVET institutions.

Table 16: Extent to which Principals performed functions of Influencing and Stimulating Human Resource

| Influence and stimulate human resource | N | SD | D | U | A | SA | Mean | Std Deviation |
|--|------------|------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| 1. My principal provides an appropriate climate which gives the staff and students the assurance that human factor is recognized in the institute | 206 | 1.0 | 9.2 | 19.9 | 36.9 | 33.0 | 3.92 | 0.99 |
| 2. My principal strives to release maximum potentials from both the staff and the students through motivating them. | 205 | 5.4 | 13.7 | 17.6 | 38.0 | 25.4 | 3.64 | 1.16 |
| 3. My principal provides articulate leadership skills necessary for integration of both the organizational and personal goals. | 202 | 1.5 | 9.4 | 21.3 | 37.6 | 30.2 | 3.86 | 1.00 |
| 4. My principal recognizes that human beings are endowed with abundant potentials which should be released to ensure maximum utilization of the institute's resources. | 206 | 1.9 | 9.2 | 18.0 | 43.7 | 27.2 | 3.85 | 0.99 |
| Average | 205 | 2.5 | 10.4 | 19.2 | 39.1 | 29.0 | 3.82 | 0.12 |

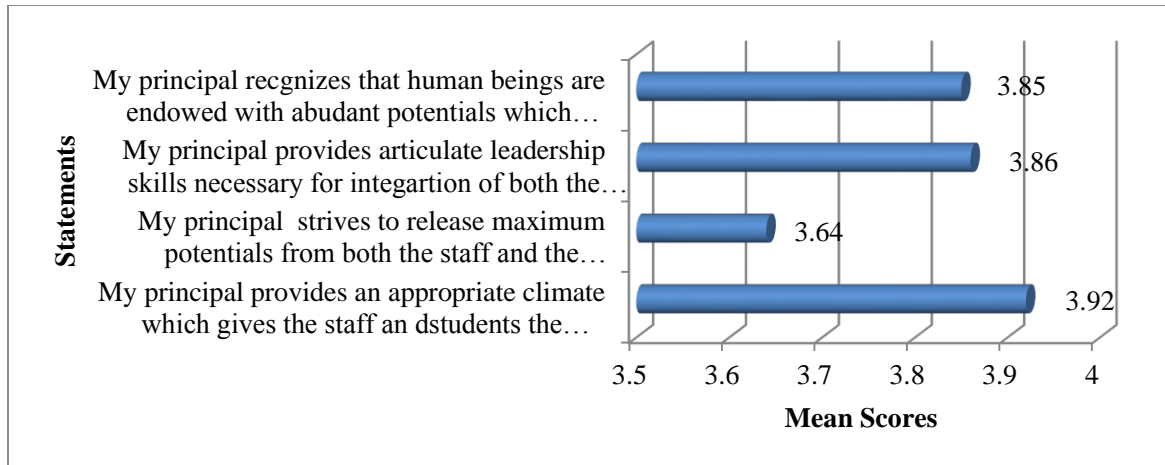


Figure 18: Extent to Which Principals Perform Function of Influencing and Stimulating Human Resource

4.4.6 Function of Integrating

Principals were also assessed on the effectiveness with which they performed integrating function. From Table 17 and Figure 19, results of analysis indicate that the MS ranged from 3.67 to 3.92. The lowest MS was in activity 3 (my Principal effectively involves the various organizations operating within in the institute's activities) and the highest MS was in activity 1 (my principal ensures participation of the institute in various community activities). The table, also indicate that the minority (6.2%) of the HODs and CTs either strongly disagreed or disagreed that the Principals were effective in integrating, 24.5 were undecided while most (69.1%) either agreed or disagreed. The results show that there was a general agreement that Principals were effective in performing the role of integrating. This, in essence, could suggest that PC influenced Principals' performance of integrating function. Managers should effectively involve the various organizations, operating within and without, in the various and relevant organization's activities, so as to enhance and

perpetuate the organization's operations. The image and prestige of an organization is shaped through this interaction between it and the society (Okumbe, 1998).

Table 17: Extent to which Principals Performed Function of Integration

| Integration | N | SD | D | U | A | SA | Mean | Std Deviation |
|---|------------|------------|------------|-------------|-------------|-------------|-------------|--------------------------|
| 1. My principal ensures participation of the institute in various community activities. | 184 | | 5.4 | 21.2 | 48.9 | 24.5 | 3.92 | 0.82 |
| 2. My principal effectively involves the various organizations operating within in the institute's activities. | 204 | 2.5 | 3.4 | 21.6 | 49.5 | 23.0 | 3.87 | 0.89 |
| 3. My principal effectively involves the various organizations operating without in the institute's activities. | 201 | 2.0 | 6.0 | 30.8 | 45.8 | 15.4 | 3.67 | 0.88 |
| Average | 196 | 1.3 | 4.9 | 24.5 | 48.1 | 21.0 | 3.82 | 0.13 |

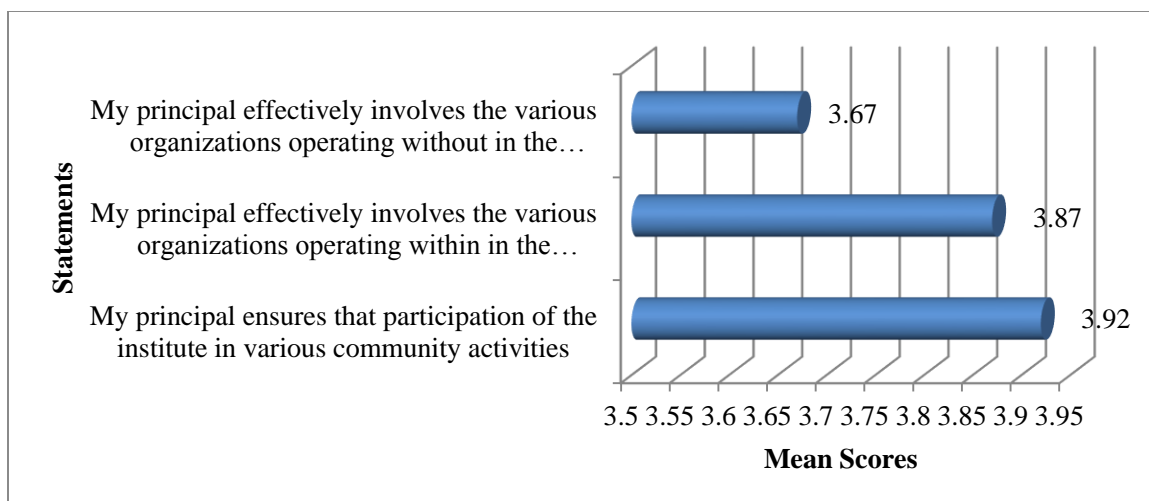


Figure 19: Extent to which Principals Performed Integrating Function

4.4.7 Function of Evaluating

Lecturers who responded to the questionnaire were asked to indicate their degree of agreement in relation to the Principals performance of evaluating function. Resultant responses are given in Table 18 and in Figure 20. From the table, Principals performance of evaluating function varied from one activity to another. This is indicated by the mean scores, which ranged from 3.88 to 4.14. The lowest MS was in activity 2 (my Principal uses evaluation feedback for improvement, redesign or complete overhaul of the system for better results) while the highest MS was in activity 1 (my Principal evaluates institute's activities in accordance with the blue print e.g. ISO standards, performance contracts, among others). Based on percentages, 7.2% of HODs and CTs either strongly disagreed or disagreed, 15.6% were undecided while 76% either agreed or strongly agreed that Principals were effective in the performance of evaluating function, though the majority of HODs and CTs had an impression that the Principals were effective in performing evaluating function, 7.2% of them generally disagreed with that notion. It was

therefore likely that some Principals of TTIs in MKR were not effective. Evaluation enables the school to determine whether it is achieving its predetermined objectives or not (Okumbe, 1998). Through appropriate application of the various evaluating techniques, educational management ensures maximum efficiency and effectiveness in the school (Eraut, 1994).

Table 18: Extent to which Principals Performed the Function of Evaluating

| Evaluation | N | SD | D | U | A | SA | Mean | Std Deviation |
|---|------------|------------|------------|-------------|-------------|-------------|-------------|--------------------------|
| 1.My principal evaluates institute's activities in accordance with the blue print(eg ISO standards and performance contracts) | 207 | 1.0 | 5.3 | 13.5 | 39.6 | 40.6 | 4.14 | 0.91 |
| 2.My principal uses the evaluation feedback for improvement, redesign or complete overhaul of the system for better results. | 207 | 1.9 | 8.7 | 16.4 | 45.4 | 27.5 | 3.88 | 0.98 |
| 3.My principal applies and implements corrective measures as necessary | 207 | 1.0 | 7.2 | 16.9 | 46.9 | 28.0 | 3.94 | 0.91 |
| Average | 207 | 2.3 | 4.9 | 15.6 | 44.0 | 32.0 | 3.99 | 0.14 |

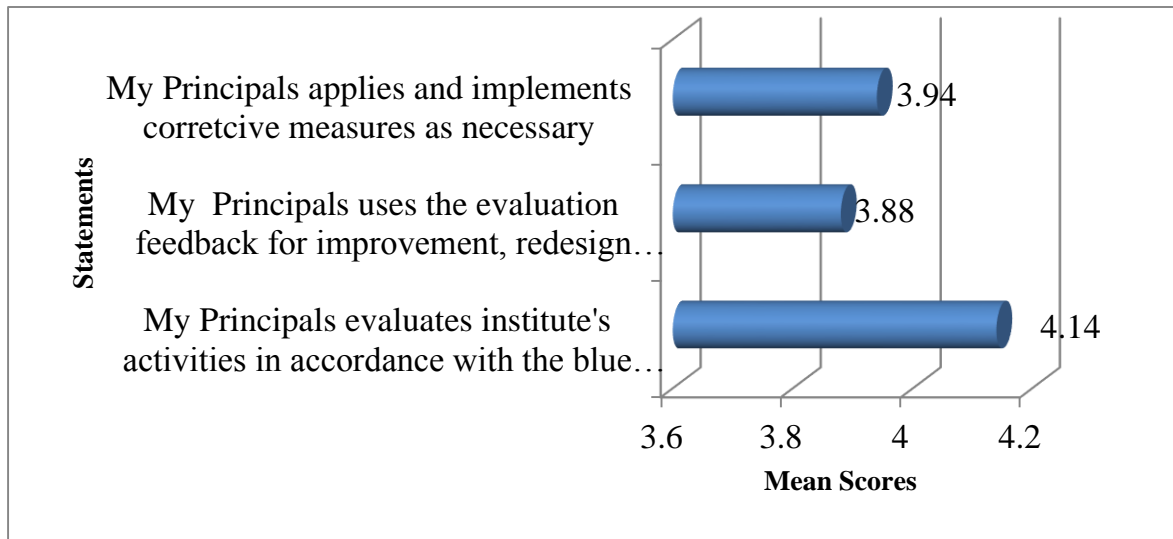


Figure 20: Extent to which Principals Performed Function of Evaluation

4.4.8 Summary of Extent of Principals' Performance of Management Functions

Table 19 and Figure 21 has a summary of the overall percentages and mean scores (MS) of Heads of Departments and Class - teachers' opinions on the extent to which management function are performed in TTIs. From the table and the figure, evaluating was viewed as the best performed function with a MS of 3.99, formulation of policies, goals and objectives function was viewed as second with a MS of 3.79, organizing and coordinating function scored the third position with a MS of 3.83. Influencing and stimulating human resource, and integrating functions tied in the fourth position with each scoring a MS of 3.82. Finally, procuring function was viewed as last (sixth) in the ranking. This, in essence, could suggest that greater positive influence of performance contracting was on evaluating function. This could also imply that Principals in TTIs regarded evaluating function as the most important role of management. However, Eraut

(1994) asserts that formulation of policies, goals and objectives (planning) function is the most important function of effective school management. He further states that it is the function under which other functions of management are based and that without proper and comprehensive planning, the level of performance of an institution would be marginal.

Table 19: Summary of Extent of Principals' Performance of Management Functions

| Management Functions | Strongly Disagree | Undecided | Agree/Strongly Agree | Mean Score | Rank of Management Function |
|--|--------------------------|------------------|-----------------------------|-------------------|------------------------------------|
| 1. Formulation of Policies, Goals and Objectives | 8.4 | 14.6 | 76.1 | 3.93 | 2 |
| 2. Procuring Resources | 12.3 | 19.9 | 68.2 | 3.79 | 6 |
| 3. Organizing and Coordinating | 10.1 | 20.4 | 69.6 | 3.83 | 3 |
| 4. Influencing and Stimulating Human Resource | 12.9 | 19.2 | 68.1 | 3.82 | 4 |
| 5. Integrating | 6.2 | 24.5 | 69.1 | 3.82 | 4 |
| 6. Evaluating | 7.2 | 15.6 | 76.0 | 3.99 | 1 |
| Overall | 10.87 | 19.03 | 71.18 | 3.86 | |

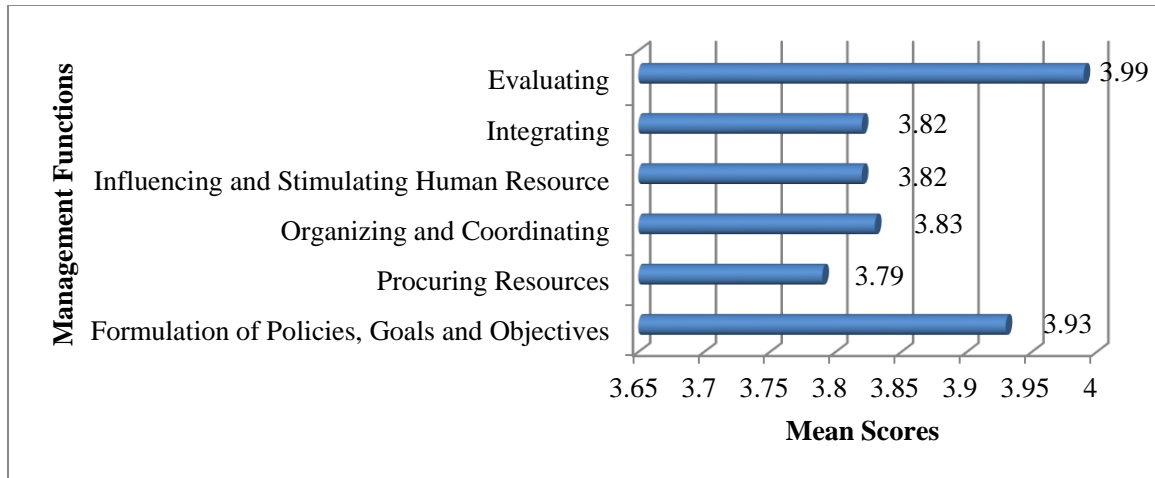


Figure 21: Summary of Extent of Performance of Management Functions

4.5 Extent of Targets' Achievement of Performance Contracting

4.5.1 Introduction

This section documents information on the extent to which targets of performance contracting were achieved in Technical Training Institutes in Mount Kenya Region. The responses were solicited in the ADQ. Performance contracting had five categories of indicators, on which targets were set. These categories included: finance and stewardship; service delivery; non-financial; operational; and dynamic / qualitative. In order to establish the level at which targets of performance contracting were achieved, relevant statements were provided, where administrators responded by indicating on a five point likert scale (FPLTS) as follows: a rating value of 1 indicated Very Low (VL); 2 indicated Low (L); 3 indicated Not Sure (NS); 4 indicated High (H) and; 5 indicated Very High (VR). A mean score of below 2.50 would mean that the extent to which targets were achieved in performance contracting was generally low, while a mean score of above 2.50 would indicate that the extent of targets achievement was generally high.

4.5.2 Finance and Stewardship's Targets

Administrators' responses on the extent to which targets of performance contracting were achieved in relation to finance and stewardship indicators were analyzed, and the results are presented in Table 20 and also in Figure 22. According to the table, the mean scores (MS) ranged from 4.00 to 4.23. Statement 3 (level of achievement of targets on increase in sources of income) scored the lowest mean of 4.00 while statement 4 (level of achievement of targets on utilization of allocated funds) scored the highest mean of 4.39. The table further indicates that 6.7% of administrators either stated very low or low with regard to the extent to which targets of PC in relation to finance and stewardship category were achieved, 10.5% were not sure and 88.2% stated that the extent was generally high. This could imply that there was a general agreement among administrators that the extent to which the targets, of finance and stewardship indicators, were achieved was high in Technical Training Institutes in MKR. However, it was likely that targets in this category of indicators of performance contracting were poorly achieved in some Technical Training Institutes, since a considerable proportion (6.7%) of administrators were in disagreement. The findings of this study contradicts the findings of Nganyi et al. (2014) which indicates that majority of respondents stated that targets on utilization of resources, increase in revenue collection and cost containment were achieved at moderate extent. Redmond (2014) observes that goals that are too easy or too difficult negatively affected inspiration and performance.

Table 20: Extent of Achievement of Finance and Stewardship’s Targets

| Finance and Stewardship Statements | N | VL | L | NS | H | VH | Mean | Std Deviation |
|---|-----------|-----------|------------|-------------|-------------|-------------|-------------|----------------------|
| 1. Targets on compliance with the set budgetary levels. | 31 | | | 9.7 | 54.8 | 35.5 | 4.26 | 0.63 |
| 2. Targets on reduction in operational cost. | 31 | | | 12.9 | 51.6 | 35.5 | 4.23 | 0.67 |
| 3. Targets on increase in sources of income. | 30 | | 6.7 | 13.3 | 53.3 | 26.7 | 4.00 | 0.83 |
| 4. Targets on utilization of allocated funds. | 31 | | | 9.7 | 41.9 | 48.4 | 4.39 | 0.67 |
| 5. Targets on improvement in development index. | 30 | | | 6.7 | 63.3 | 30.0 | 4.23 | 0.57 |
| Average/Mean | 31 | | 6.7 | 10.5 | 53.0 | 35.2 | 4.22 | 0.14 |

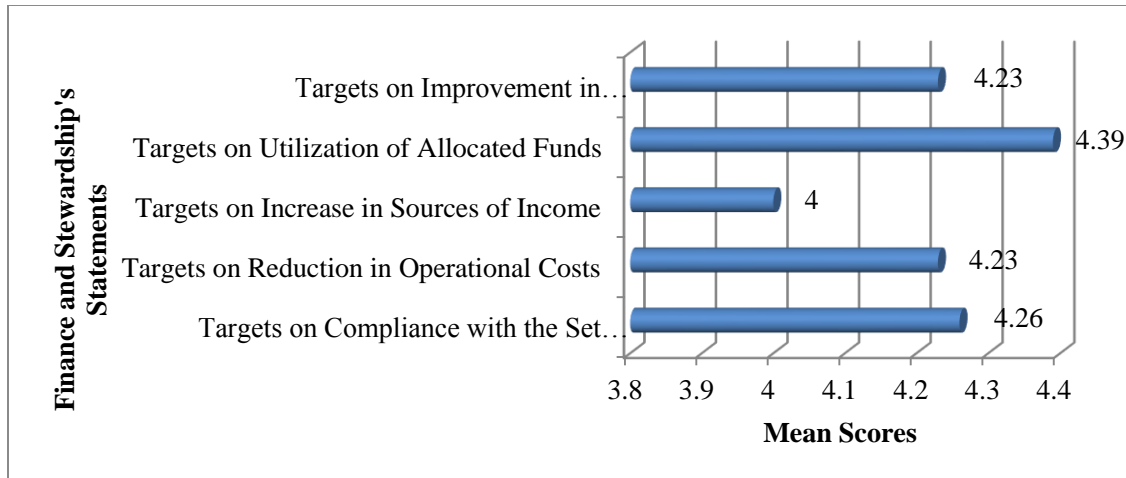


Figure 22: Extent of Achievement of Finance and Stewardship's Targets

4.5.3 Service Delivery's Targets

Results of analysis on the extent to which targets of performance contracting were achieved with regard to service delivery indicators are presented in Table 21 and in Figure 23. The table indicates that the mean scores (MS) ranged from 4.24 to 4.71. The lowest MS was for the statement 3 (level of achievement of targets on improvement in service delivery innovations) and the highest MS rating was for the statement 1 (extent of achievement of targets on preparation and implementation of service delivery charter). Based on percentages, none of the administrators either indicated very low or low, 3.3% stated not sure while 96.2% either indicated high or very high. This implied that there was general perception among administrators that the level at which performance contracting was practiced, in relation to service delivery, was high in TTIs in Mount Kenya region. The fact that the lowest mean score, in this category of indicators, was high (4.24) could suggest that the targets were too easy and / or performance contracting teams were hardworking, well trained and had light teaching load. A study by Wambua, Ofafa, Otor and Ngonzo (2014) illustrate that heavy teaching workload is a hindrance to

effective and efficient service delivery in learning institutions. Their findings indicate that heavy teaching workload led to inadequate teacher-student interaction, compressed teaching content inappropriate marking of CATs and exams. The findings of the study of Nganyi et al. (2014) are not in line with these findings, since it shows that the targets on service delivery were achieved at moderate level.

Table 21: Extent of Achievement of Service Delivery’s Targets

| Service Delivery | N | VL | L | NS | H | VH | Mean | Std Deviation |
|---|-----------|----|---|------------|-------------|-------------|-------------|---------------|
| 1. Targets on preparation and implementation of service delivery charter. | 31 | | | | 21.0 | 71.0 | 4.71 | 0.46 |
| 2. Targets on improvement in customer satisfaction. | 30 | | | 3.3 | 63.3 | 33.3 | 4.30 | 0.53 |
| 3. Targets on improvement in service delivery innovations. | 29 | | | | 75.9 | 24.1 | 4.24 | 0.44 |
| Average/Mean | 30 | | | 3.3 | 53.4 | 42.8 | 4.42 | 0.26 |

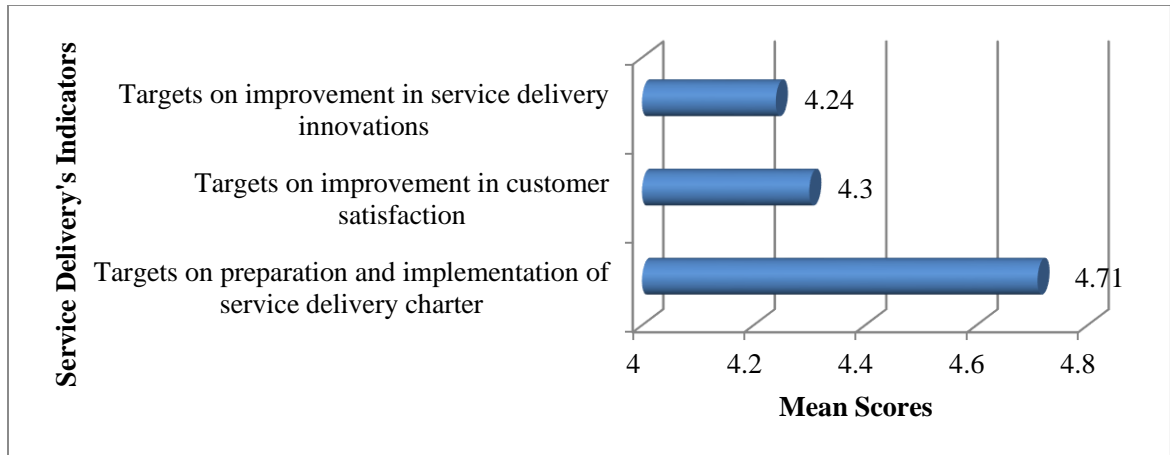


Figure 23: Extent of Achievement of Service Delivery's Targets

4.5.4 Non - financial's Targets

Administrators who responded to the questionnaire were asked to indicate the degree to which the targets of performance contracting were achieved, in relation to non-financial indicators. Resultant responses are given in Table 22 and in Figure 24. From the table, the degree to which targets of PC, with regard to non-financial indicators, were achieved varied from one activity to another. This is indicated by the MS which ranged from 3.93 to 4.87. The lowest MS was for statement 4 (the level of achievement of targets on corruption eradication) while the highest MS was for statement 2 (the level of achievement of targets on ISO certification). Based on percentages, 3.4% of administrators either indicated very low or low level of targets' achievement, 7.7% were not sure about the level of targets' achievement while 93.1% stated either high or very high. This indicates that there was a general agreement that the level of target achievement of PC, in relation to non-financial indicators, was high. The results of analysis could imply that fight against corruption is not a priority in TTIs. However, the

fact that it achieved a mean score of (3.98), which is above average, meant that it was not completely ignored.

Table 22: Extent of Achievement of Non-financial's Targets

| Non-financial | N | VL | L | NS | H | VH | Mean | Std |
|--|-----------|-----------|------------|------------|-------------|-------------|-------------|------------------|
| Statements | | | | | | | | Deviation |
| 1. Targets on implementation and compliance with strategic plan. | 30 | | | 3.3 | 70.0 | 26.7 | 4.23 | 0.50 |
| 2. Targets on ISO certification. | 30 | | | 3.3 | 6.7 | 90.0 | 4.87 | 0.43 |
| 3. Targets on compliance with statutory obligations. | 30 | | | | 23.3 | 76.7 | 4.77 | 0.43 |
| 4. Targets on corruption eradication. | 29 | | 3.4 | 20.7 | 55.2 | 20.7 | 3.93 | 0.75 |
| 5. Targets on sensitization of students and staff on HIV and AIDS. | 30 | | | 3.3 | 20.0 | 76.7 | 4.73 | 0.52 |
| Average/Mean | 30 | | 3.4 | 7.7 | 35.0 | 58.1 | 4.51 | 0.41 |

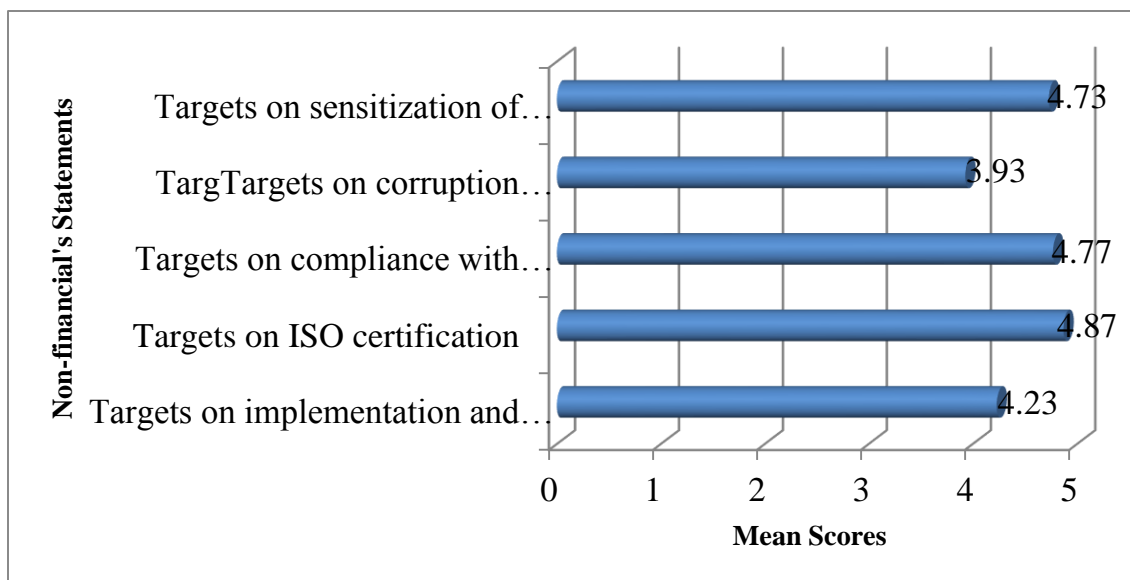


Figure 24: Extent of Achievement of Non-financial's Targets

4.5.5 Operation's Targets

Table 23 and Figure 25 give resultant responses of the level at which targets of performance contracting, in relation to operational indicators, were achieved. The mean scores ranged from 4.40 to 4.57. The lowest mean scores were for statements 1 (the extent of achievement of targets on increase in students' enrolment), 4 (the extent of achievement of targets on increase in students' completion rate) and 5 (the extent of achievement of targets on participation in co-curriculum activities). The highest mean scores were for statements 2 (the level of achievement of targets on improvement in industrial attachment) and 6 (the extent of achievement of targets on improvement in project implementation). The table further indicates that none of the administrators indicated either very low or low in regard to target achievement, 5.0% of respondents were not sure while 96.6% stated either high or very high. This implied that administrators generally perceived the level of achievement of target, in relation to operational indicators, to be high. Further, all the indicators in this category scored a

mean score of above 4.40 which could mean that performance contracting team found the objectives important and believed they could achieve them. Locke and Latham (2002) indicate that two primary factors that help to enhance goal attainment are importance and self- efficacy. They further indicate that importance refers to the factors that make attaining a goal important, including the expected outcomes, and self-efficacy which is the belief that one can attain their goal.

Table 23: Extent of Achievement of Operation's Targets

| Operation Statements | N | VL | L | NS | H | VH | Mean | Std Deviation |
|---|-----------|-----------|----------|------------|-------------|-------------|-------------|--------------------------|
| 1. Targets on improvement in students' enrolment. | 30 | | | | 60.0 | 40.0 | 4.40 | 0.49 |
| 2. Targets on improvement in industrial attachment. | 30 | | | | 43.3 | 56.7 | 4.57 | 0.50 |
| 3. Targets on compliance with curriculum delivery quality assurance and standard. | 30 | | | 3.3 | 46.7 | 50.0 | 4.47 | 0.57 |
| 4. Targets on improvement in students' completion rate. | 30 | | | 3.3 | 53.3 | 43.3 | 4.40 | 0.56 |
| 5. My institute participate more in co-curriculum activities e.g. regional, national etc. | 30 | | | 10.0 | 50.0 | 40.0 | 4.40 | 0.67 |
| 6. Targets on improvement in projects' implementation. | 30 | | | 3.3 | 36.7 | 60.0 | 4.57 | 0.57 |
| Average/Mean | 30 | | | 5.0 | 48.3 | 48.3 | 4.47 | 0.08 |

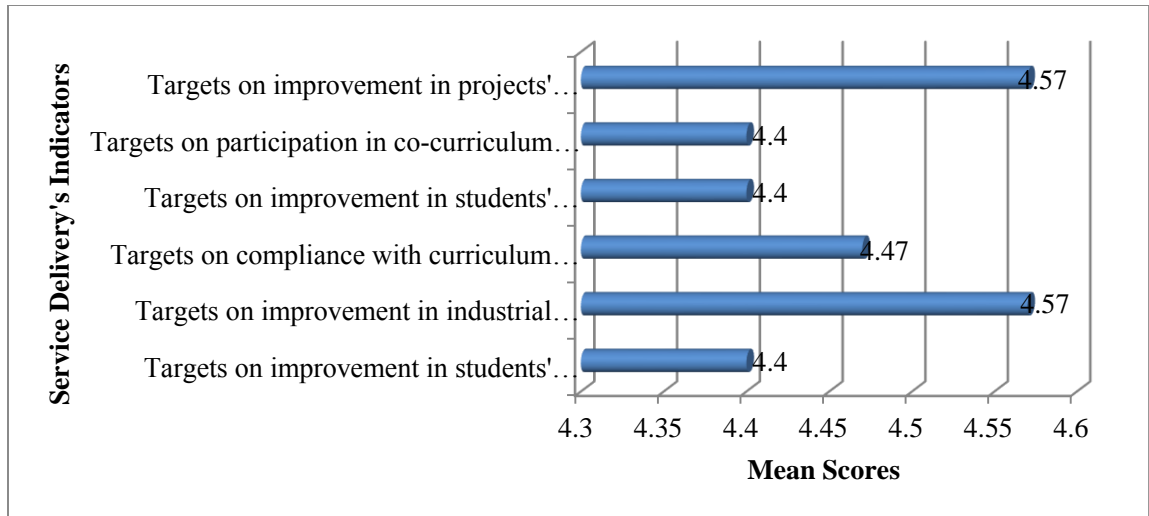


Figure 25: Extent of Achievement of Operation's Targets

4.5.6 Dynamic and Qualitative Targets

Institutes were also assessed on the level at which targets of performance contracting, in relation to dynamic/ qualitative indicators were achieved. Results of analysis in Table 24 indicate that the mean scores ranged from 3.79 to 4.63. The findings are also presented in Figure 26. The lowest MS was in the statement 7 (the extent of achievement of targets on improvement in research and development). The highest MS was in the statement 4 (the extent of achievement of targets on clearance of staff on transfer and those retiring). Further, the table indicates that 4.5% of the administrators stated either very low or low in relation to the level of targets' achievement in this category of indicators of performance contracting, 10.6% were not sure about the level of targets' achievement and 87.5% indicated either high or very high. This implied that administrators generally perceived the level at which targets were achieved, in relation to dynamic / qualitative indicators, to be high. As stated above, research and development scored the last position in this category of indicators. This could suggest that conducting investigative activities with the intention of making a discovery that can either lead to the development of new

products or procedures or to improvement of existing products or procedures was not a priority in Technical Training Institutes. Research and development is one of the means by which organizations can experience future growth by developing new products or processes to improve and expand their operations (McDonnel, 2011).

Table 24: Extent of Achievement of Dynamic / Qualitative's Targets

| Dynamic/Qualitative Statements | N | VL | L | NS | H | VH | Mean | Std Deviation |
|--|-----------|-----------|------------|-------------|-------------|-------------|-------------|----------------------|
| 1. Targets on improvement in skills development of staff | 30 | | 3.3 | 13.3 | 50.0 | 33.3 | 4.13 | 0.78 |
| 2. Targets on improvement in automation's (IT). | 30 | | | 3.3 | 46.7 | 50 | 4.47 | 0.57 |
| 3. Targets on fight against drug and substance abuse. | 30 | | | 6.7 | 46.7 | 46.7 | 4.40 | 0.62 |
| 4. Targets on clearance of staff on transfer and those retiring. | 30 | | | 3.3 | 30.0 | 66.7 | 4.63 | 0.56 |
| 5. Targets on repairs and maintenance of equipment. | 30 | | 3.3 | 6.7 | 50.0 | 40.0 | 4.267 | 0.74 |
| 6. Targets on safety measures | 30 | | | 6.7 | 30.0 | 63.3 | 4.57 | 0.63 |
| 7. Targets on improvement in research and development. | 29 | | 6.9 | 31 | 37.9 | 21.4 | 3.79 | 0.90 |
| Average/Mean | 30 | | 4.5 | 10.6 | 41.6 | 45.9 | 4.32 | 0.29 |

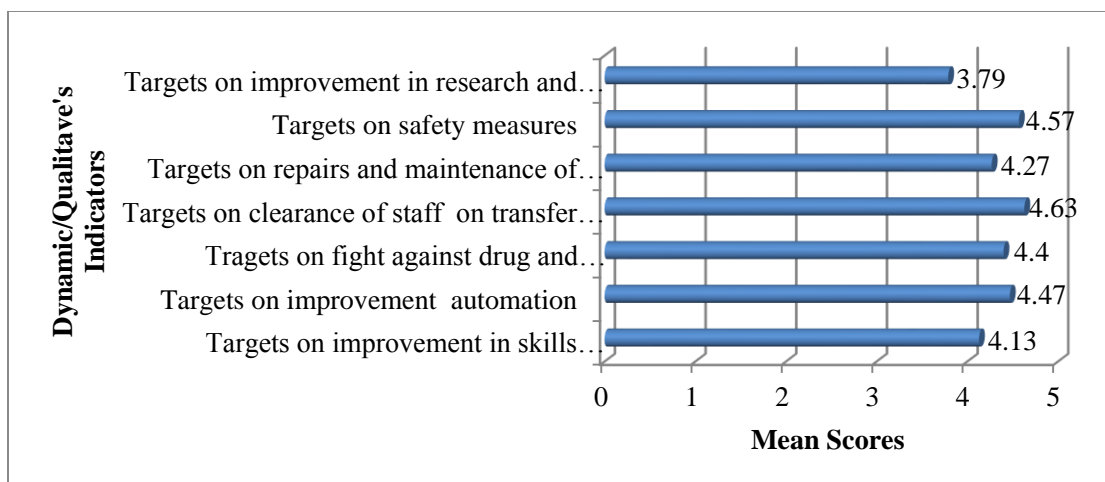


Figure 26: Extent of Achievement of Dynamic and Qualitative's Targets

4.5.7 Summary of Extent of Targets' Achievement of Performance Contracting

Table 25 has a summary of overall percentages and mean scores of Administrators' knowledge of the level at which targets of performance contracting were achieved in TTIs. This information is also presented in Figure 27. From the table and the figure, non-financial indicators' category was position one with a MS of 4.51. This could suggest that administrators perceived targets that were set in this category of indicators as the highest achieved. Objectives to be accomplished in non-financial indicators' included: compliance with strategic plan, International Organization for Standards (ISO) certification, compliance with statutory obligations, eradication of corruption and sensitization of students and staff on HIV and AIDS. On the other hand, finance and stewardship category of indicators was the last (position five) in the ranking with a mean score of 4.22. This could mean that targets that were set in this category of indicators (compliance with set budgetary levels, increase in sources of income, utilization of allocated funds and improvement in development index) were perceived as the least achieved. Indicators of operations were ranked second with a MS of 4.77. Service

delivery's indicators were ranked third with a means score of 4.42 and finally, dynamic / qualitative indicators were ranked fourth. The overall MS (4.39) was above average (2.50), which could suggest that performance contracting objectives were generally achieved in Technical Training Institutes. A study by Mbuthia, Ngari and Mwangi (2014) supports these results by illustrating that the respondents agreed that the contents of the PCs were achievable. The majority (58%) of the respondents of their study agreed or strongly agreed to this statement, 41.7% either disagreed or strongly disagreed and the remaining 17.8% were not sure. However, a study by Nganyi et al. (2014) points out institutions of higher learning achieved these objectives to a moderate (average) extent.

A principal must be proactive enough to set some achievable goals and targets, and work towards realizing them. Tangible targeted results should be recorded in order to encourage persons to work harder and be more productive. This, in itself, is an incentive scheme whose results should be related to production, and for every result there must be a reason or an explanation (Simiyu, 2009).

Table 25: Summary of Extent of Achievement of Performance Contracting Targets

| PC Categories | Indicators' | Strongly Disagreed/ Disagreed | Undecided | Agree/ Strongly Agreed | Mean Score | Rank of Categories |
|-------------------------|-------------|-------------------------------|-------------|------------------------|-------------|--------------------|
| Finance and Stewardship | | 6.7 | 10.5 | 88.2 | 4.22 | 5 |
| Service Delivery | | 0.0 | 3.3 | 96.2 | 4.42 | 3 |
| Non-financial | | 3.4 | 7.7 | 93.1 | 4.51 | 1 |
| Operations | | 0.0 | 5.0 | 96.6 | 4.47 | 2 |
| Dynamic/Qualitative | | 4.5 | 10.6 | 87.5 | 4.32 | 4 |
| Overall | | 2.92 | 7.42 | 92.32 | 4.39 | 0.24 |

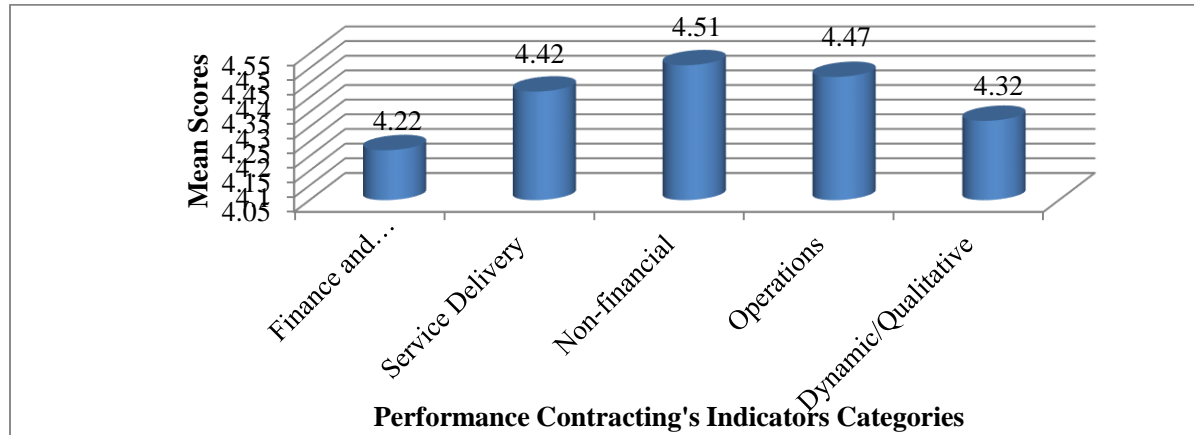


Figure 27: Summary of Extent of Targets' Achievement of Performance Contracting

4.6 Performance Contracting and Principals' Performance of Management Functions

4.6.1 Introduction

This section documents information on the relationship between performance contracting and Principals' performance of management functions. The management functions include: formulating policies, goals, and objectives; procuring resources; organizing and coordinating; influencing and stimulating human resource; integrating; and evaluating. It has also information on the relationship between performance contracting and Principals' performance of management function.

4.6.2 Relationship between Performance Contracting and Principals' performance of Formulating Policies, Goals and Objectives Function

The first objective of this study was to determine the relationship between the targets' achievement of performance contracting (independent variable) and Principals' performance of the function of formulation of policies, goals and objectives (independent variable). The resultant Pearson Correlation Coefficient ($r = 0.188$), as illustrated in Table 26 indicates that there was a positive and significant connection between the two variables at 0.05 level of significance, $df = 204$, $P - \text{value} = 0.007$ (also, see Appendix VIII). This meant that the greater the extent to which targets of performance contracts were achieved the greater the degree to which Principals performed the function of formulation of policies, goals and objectives. On the basis of these results, the first hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the

function of formulating policies, goals and objectives was rejected. The independent variable was measured by FPLTS that sought the overall MS that measured the degree of targets' achievement, while the dependent variable was measured by the overall MS of another FPLTS that measured the degree to which Principals performed the function.

Table 26: Relationship between Performance Contracting and Formulation of Policies, Goals and Objectives Function

| Scale | Formulation of Policies, Goals and Objectives |
|-------------------------|---|
| | Pearson Correlation Coefficient (r) 0.188* |
| Performance contracting | P - value 0.007 |
| | N 206 |

*Significant at 0.05 level

4.6.3 Relationship between Performance Contracting and Principals' Performance of Procurement of Resources Function

The second objective of this study was to find out the relationship between performance contracting and Principals' performance of procurement of resources function. Therefore, the data was analyzed to indicate the PECOCO (r) between the targets' achievement of performance contracting (independent variable) and Principals' performance of procuring of resources function (dependent variable). According to the data in Table 27, Pearson Correlation Coefficient ($r = 0.067$), demonstrate that there was a positive and insignificant link between the two variables at 0.05 level of significance, $df = 204$ p –

value = 0.336 (also, see Appendix VIII). This indicates that the higher the level of targets' achievement the greater the degree to which the Principals' performed procuring of resources function. On the basis of these results, the second hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of procuring of resources was accepted. The independent variable was measured by FPLTS that sought the overall MS that measured the degree of targets' achievement of performance contracting, while the dependent variable was measured by the overall MS of another FPLTS that measured the extent to which Principals performed procuring function.

Table 27: Relationship between Performance Contracting and Procuring of Resources Function

| Scale | Procuring of resources |
|-------------------------------------|------------------------|
| Pearson Correlation Coefficient (r) | 0.067 |
| Performance contracting P - value | 0.336 |
| N | 206 |

*Significant at 0.05 level

4.6.4 Relationship between Performance Contracting and Principals' Performance of Organizing and Coordinating Function

The third objective of this study was to establish the relationship between performance contracting and Principals' performance of organizing and coordinating function. Pearson's Correlation Coefficient ($r = 0.117$) as shown in Table 28 reveals that there was a positive and insignificant alliance between performance contracting (independent

variable) and Principals' performance of organizing and coordinating function (dependent variable) at 0.05 level of significance, $df = 204$, $p - value = 0.093$ (also, see Appendix VIII) . This shows that the higher the level of target' achievement of performance contracting the greater the level of Principals' performance of this function. On the basis of these results, the third hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of organizing and coordinating was accepted. The independent variable was measured by the overall means core of the FPLTS that measured the level of achievement of targets of performance contracting. The independent variable was measured by the overall MS that measured the extent of Principals' performance of the organizing and coordination function.

Table 28: Relationship between Performance Contracting and Function of Organizing and Coordinating

| Scale | Organizing and Coordinating |
|-------------------------------------|-----------------------------|
| Pearson Correlation Coefficient (r) | 0.117 |
| Performance contracting P - value | 0.093 |
| N | 206 |

*Significant at 0.05 level

4.6.5 Relationship between Performance Contracting and Principals' Performance of Function of Influencing and Stimulating Human Resource

The fourth objective of this study was to assess the relationship between performance contracting and Principals' performance of the function of influencing and stimulating human resource. Therefore the data was analyzed to show the PECOCO (r) between the degree of targets' achievement of performance contracting (independent variable) and extent of Principals' performance of the function of influencing and stimulating human resource (dependent). According to the statistics ($r = 0.126$) demonstrated in Table 29, there was a positive and insignificant correspondence between the two variables at 0.05 level of significance, $df = 204$, $p - \text{value} = 0.071$ (also, see Appendix VIII). This was a demonstration that the magnitude of targets' achievement positively and insignificantly enlarged the extent to which Principals' performed the function of influencing and stimulating human resource. On the basis of these results, the fourth hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of influencing and stimulating human resource was accepted. The independent variable was measured by FPLTS that sought the overall MS that measured the extent of targets' achievement of PC, while the dependent variable was measured by the overall MS of another FPLTS that measured the degree to which the Principals' performed the function of influencing and stimulating human resource.

Table 29: Relationship between Performance Contracting and Influencing and Stimulating Human Resource Function

| Scale | Influencing and Stimulating Human Resource |
|-------------------------------------|--|
| Pearson Correlation Coefficient (r) | 0.126 |
| Performance contracting P - value | 0.071 |
| N | 206 |

*Significant at 0.05 level

4.6.6 Relationship between Performance Contracting and Principals' Performance of Integrating Function

The fifth objective of this study was to find out the relationship between performance contracting and Principals' performance of integrating function. The PECOCO ($r = 0.136$), as shown in Table 30, show that there was a positive and insignificant bond between the targets' achievement of performance contracting (independent variable) and the Principals' performance of integration function (dependent Variable), at 0.05 level of significance, $df = 204$, $p - value = 0.052$ (also, see Appendix VII). This was a sign that greater target' achievement led to higher level of Principals' performance of integration function. On the basis of these results, the fifth hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of integrating was accepted. The independent variable was measured by FPLTS that sought the overall MS that measured

the targets' achievement of PC, while the dependent variable was measured by the overall MS of another FPLTS that measured the degree to which the Principals' performed the function of integrating.

Table 30: Relationship between Performance Contracting and Integrating Function

| Scale | Integrating |
|-------------------------------------|-------------|
| Pearson Correlation Coefficient (r) | 0.136 |
| Performance contracting P - value | 0.052 |
| N | 206 |

*Significant at 0.05 level

4.6.7 Relationship between Performance Contracting and Principals' Performance of Evaluating Function

The sixth objective of this study was to determine the relationship between performance contracting and Principals' performance of evaluating function. The linkage between the targets' achievement of performance contracting (independent variable) and the Principals performance of evaluating function (independent variable) was, therefore, analyzed. The resultant PECOCO ($r = 0.207$) as illustrated in Table 31 demonstrate that there was a positive and significant alliance between the two variables at 0.05 level of significance, $df = 204$, $p\text{-value} = 0.003$ (also, see Appendix VIII). This is as an indication that the higher the extent of target' achievement the greater the magnitude of Principals' performance of evaluating function. On the basis of these results, the sixth hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of

integrating was rejected. The independent variable was measured by FPLTS that sought the overall MS that measured the level of targets' achievement of PC, while the dependent variable was measured by the overall MS of another FPLTS that measured the degree to which the Principals' performed the function of evaluating.

Table 31: Relationship between Performance Contracting and Evaluating Function

| Scale | Evaluating |
|-------------------------------------|------------|
| Pearson Correlation Coefficient (r) | 0.207 |
| Performance contracting P - value | 0.003 |
| N | 206 |

*Significant at 0.05 level

4.6.8 Relationship between Performance Contracting and Principals' Performance of Management Functions

The seventh objective of this study was to examine the relationship between performance contracting and Principals' performance of management functions. The relationship between the extents to which targets of performance contracting were achieved (independent variable) and Principals' performance of management functions (independent variable) was, therefore, analyzed and presented in Table 32. The resultant Pearson Correlation Coefficient ($r = 0.166$) indicates that there was a positive and significant relationship between the two variables at 0.05 level of significance, $df = 204$, $p - \text{value} = 0.017$. This was an indication that the greater the extent to which targets of performance contracts were achieved the higher the level at which the Principals performed management functions. On the basis of these results, the seventh hypothesis

which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the management functions was rejected. Independent variable was measured by the overall mean score (MS) of the FPLTS that measured the extent to which targets of performance contracts were achieved in Technical Training Institutes. Dependent variable was measured by the overall MS of the FPLTS that measured the extent to which Principals performed management functions.

The findings of this study concur with a study conducted in Ghana by Simpson (2013) which confirms some links between performance contracting and performance of individuals and organizations. As a result, Simpson study concludes that performance contracting should remain a key element of any organization in order to ensure the desired outcomes. The findings of this study are also similar to Kinanga and Partoip's (2013), Messiah and Kariuki's (2011) and Kinyua's (2005) who in their studies observed that there was a significant strong positive correlation between performance target setting and employee performance. This could suggest that performance contracting is a valuable asset in organizations and therefore institutions should accept it positively and fully as a tool of management.

Table 32: Relationship between Performance Contracting and Principals' Performance of Management Functions

| Scale | Principals' Performance of Management Functions |
|-------------------------|---|
| | Pearson Correlation Coefficient (r) 0.166* |
| Performance Contracting | P - value 0.017 |
| | N 206 |

*Significant at 0.05 level

4.7 Perceptions of strengths of Performance Contracting

4.7.1 Introduction

This section documents information on objective two of this study, which was to find out the strengths of performance contracting in Technical Training Institutes. In open ended items, the information was solicited in PIS and ADQ.

4.7.2 Principals' Perceptions of Strengths of Performance Contracting

Principal respondents were asked to state the strengths of PC in their institutes. Table 33 and Figure 28 have the summary of this information. From the table and the figure, all the six (100%) Principals stated that performance contracting improved: efficiency in service delivery, utilization of resources and delegation of duties; 50% of the Principals observed that performance contracting enhanced: accountability, transparency, coordination, cooperation among staff and implementation of International Organization of Standard (ISO); 33.33% of the Principals indicated that PC improved: implementation

of quality management systems, use of funds, implementation of projects and achievements of targets; and lastly, 16.67% of the Principals observed that PC had improved academic performance and purchase of goods and services. This could imply that performance contracting was an effective force that ensured that managers were accountable for their responsibilities.

These findings are in line with Nganyi et al. (2014) argument that introduction of performance contracts had reduced customer complaints as performance contracting made officers more responsible to the needs of customers. Their study also reveals that performance contracting improved utilization of resources and revenue collection, and reduced operating costs. Kinanga and Partoip (2013) in their study concurs that performance contracting had reduced costs and increased productivity of organizations. Furthermore, Simiyu (2012) agrees that customer satisfaction and revenue generation were improved.

Table 33: Principals’ Perceptions of strengths of Performance Contracting

| Strengths of Performance Contracts | Frequency | Percentage |
|--|------------------|-------------------|
| 1.Improved academic performance | 1 | 16.67 |
| 2.Introduction of quality management systems | 2 | 33.33 |
| 3.Efficient service delivery | 6 | 100.00 |
| 4.Accountability and transparency | 3 | 50.00 |
| 5.Optimal utilization of resources | 6 | 100.00 |
| 6.Enhances delegation of duties | 6 | 100.00 |
| 7.Boost coordination and cooperation among staff | 3 | 50.00 |
| 8.Improved purchase of goods and services | 1 | 16.67 |
| 9.Prudent use of funds | 2 | 33.33 |
| 10.Enhanced Targets’ Achievement | 1 | 16.67 |
| 11.Enhanced Implementation of ISO | 3 | 50.00 |
| 12.Improved implementation of projects | 2 | 33.33 |
| Average | 3 | 50 |

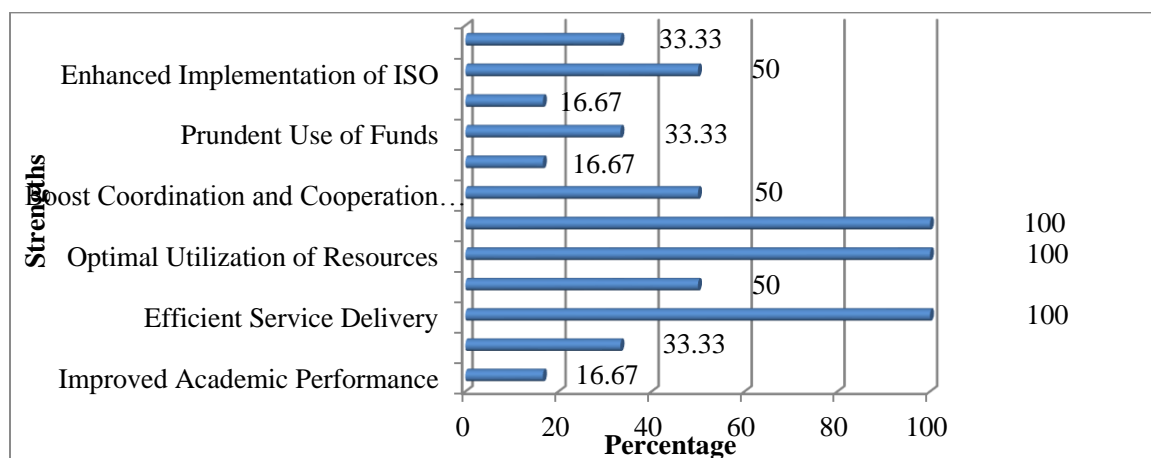


Figure 28: Principals’ Perceptions of Strengths of Performance Contracting

4.7.3 Administrators' Perceptions of Strengths of Performance Contracting

When administrator respondents were asked to state the strength of PC, the results in Table 34 and in Figure 29 shows that 45.16% stated that it enhanced service delivery, 90.68% indicated that it improved targets' achievement and still another 90.68% observed that it provided opportunity to evaluate work done. The table and the figure also indicate that 62.45% of the respondents pointed out that performance contracting improved: corruption cases reduction; wastage reduction; academic performance; and acquisition of teaching and learning materials. Further, as shown in the table and in the figure, 33.23% of the respondents stated that PC improved institutes' image and that more clients were attracted by better quality of services offered. Therefore, the results of analysis imply that the benefits of performance contracts are varied and weighty, particularly that one of academic performance, since the core mandate of the institutes is to impart skills among the trainees. In this study, Administrators' responses and those of the Principals' concur that PC enhances: accountability, resource utilization and academic performance.

Chhabra (2005) concurs with this study by stating that when management by objective is introduced in organizations, it leads to greater satisfaction, more agreement, greater comfort and less tension and hostility between the superiors and subordinate. A study by Bomett et al. (2014) reveals that the introduction of PC improved: service delivery, efficiency in resources utilization, measurement and evaluation and exchequer funding reduction. This could suggest that the three are the major strengths of PC in TTIs. The findings of the study by Masomi et al. (2014) indicate a general improvement in the

utilization of available teaching and learning resources. They further state that the improvement though not radical had led to change in the way resources were being utilized compared to the era before the advent of performance contracting. These findings are in agreement with argument of Ayonmike (2013) that TVET institutions usually conducted ongoing planning and resource allocation based on their missions, goals, objectives and structures to achieve them and utilized the results of the assessment activities for institutional renewal.

A study by Letangule and Letting (2012) shows that most respondents cited that improved service delivery, job satisfaction and reduced corruption were the various impacts of various measurements in relation to performance contracting as was shown by a high mean of 4.85, 4.45 and 3.95 respectively. They also state that the least cited measurements were staff performance and employee productivity comprising a mean of 2.4. However, Sifuna and Karugu (1988) argues that educational systems in developing countries, especially in Sub - Saharan Africa, exhibit high levels of inefficiency which is evidenced by poor performance in national examinations and lack of skills by learners. They further states that the poor academic performance leads to educated unemployment and high wastage rates (repeating and dropping out).

Table 34: Administrators' Perceptions of strengths of Performance Contracting

| Strength | Frequency | Perception |
|--|------------------|-------------------|
| 1.Enhanced efficiency/service delivery | 14 | 45.16 |
| 2.Improved ability to set targets | 2 | 90.68 |
| 3.Reduced corruption cases | 2 | 62.45 |
| 4.Improved utilization of resources | 5 | 16.13 |
| 5.Reduced wastage | 2 | 62.45 |
| 6.Meet timelines | 3 | 9.68 |
| 7.Provided opportunity to evaluate work done | 3 | 90.68 |
| 8.Improved accountability | 1 | 3.23 |
| 9.Improved projects development/completion rates | 9 | 29.03 |
| 10.More clients attracted by quality services | 1 | 3.23 |
| 11.Recognition of the institute | 1 | 33.23 |
| 12.Improved academic performance | 2 | 62.45 |
| 13.Acquisition of better teaching-learning materials | 2 | 62.45 |
| 14.Better staff-administration relationship | 4 | 12.90 |
| Average | 4 | 41.70 |

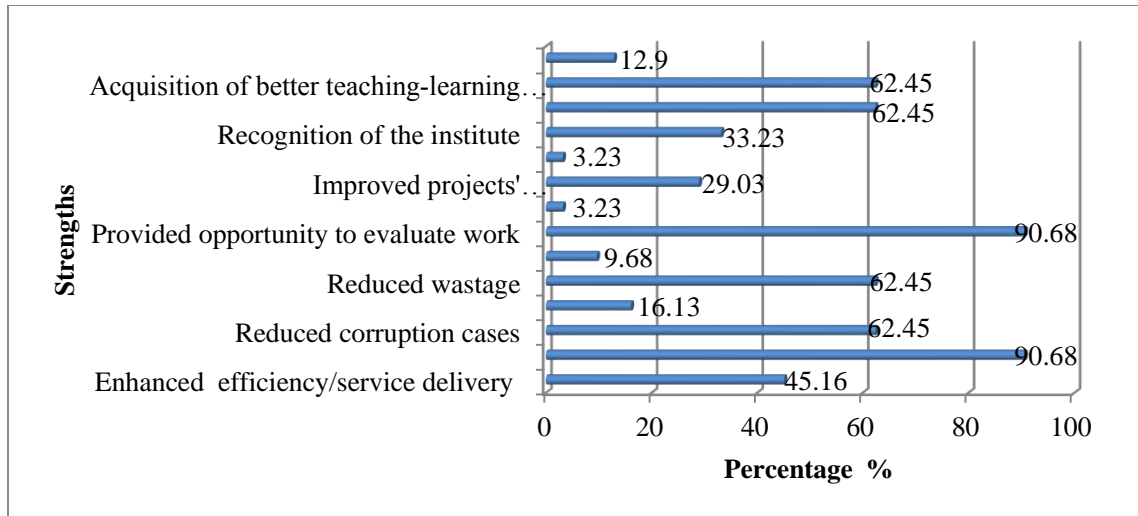


Figure 29: Administrators' Perceptions of Strength of Performance Contracting

4.8 Perceptions of Constraints of Performance Contracting

4.8.1 Introduction

Objective three of this study sought to find out the constraints of performance contracting in Technical Training Institutes. The information was solicited in PIS in an open ended item, and ADQ in a closed ended item whereby a FPLTS was used.

4.8.2 Principals' Perceptions of Constraints of Performance Contracting

Principals responding to the interview schedules were asked to indicate the constraints of performance contracting in their institutes. The results of analysis are presented in Table 35 and also in Figure 30. According to the table, 83% of the Principals indicated delays in disbursement of funds by the Government, 100% observed lack of expertise, another 100% stated reduced financial support from the exchequer, 50% indicated delays in release of guidelines of PC by the government, 100% observed heavy workload on the staff, 83% indicated unfair ranking criteria and another 83% stated that the Government

imposed targets on institutes, 33.3% observed that PC created avenues for corruption due to the fear of being exposed as non-performance when results of evaluation were out while 100% indicated that it was an expensive activity. This could suggest that lack of expertise; delays in disbursement of funds and reduced financial support from exchequer were the main constraints since they were stated by the majority of respondents.

However, from the literature reviewed, Siddiquee (2013) observes that although performance reforms were steps in the right direction, their impacts have been modest. He further states that despite reforms and a few improvements they had made in service provisions, the public bureaucracy in Malaysia continues to suffer from inefficiency, corruption and a host of other problems. Nganyi et al. (2014) asserts that there were some elements of dishonesty and cheating in the reporting and valuation of performance contracting. Ochien'g (2010) states that the long bureaucratic procedures of Public Institutions made it hard for them to realize some targets especially to institutions in the lower-stream as they waited for long to receive funds from the headquarters (mother - institutions). He further observes that the bureaucratic procedures could delay the execution of activities within the stipulated time. On reduced support from exchequer, the Boards of management of institutes should consider more ways of increasing income generation through improving income generating units as sources of revenue.

Table 35: Principals' Perceptions of Constraints of Performance Contracting

| Constraints | Frequency | Percentage |
|--|------------------|-------------------|
| 1.Delay in disbursement of funds by Government | 5 | 83.33 |
| 2.Lack of expertise/capacity | 6 | 100.00 |
| 3.Reduced financial support from the exchequer | 6 | 100.00 |
| 4.Delayed in release of guidelines from the Government | 3 | 50.00 |
| 5.Heavy workload on staff | 6 | 100.00 |
| 6.Unfair evaluation/ranking criteria | 5 | 83.3 |
| 7.Targets imposed by the Government | 5 | 83.3 |
| 8.Creates avenues for corruption | 2 | 33.3 |
| 9. An expensive process | 6 | 100.0 |
| Average | 5 | 81.5 |

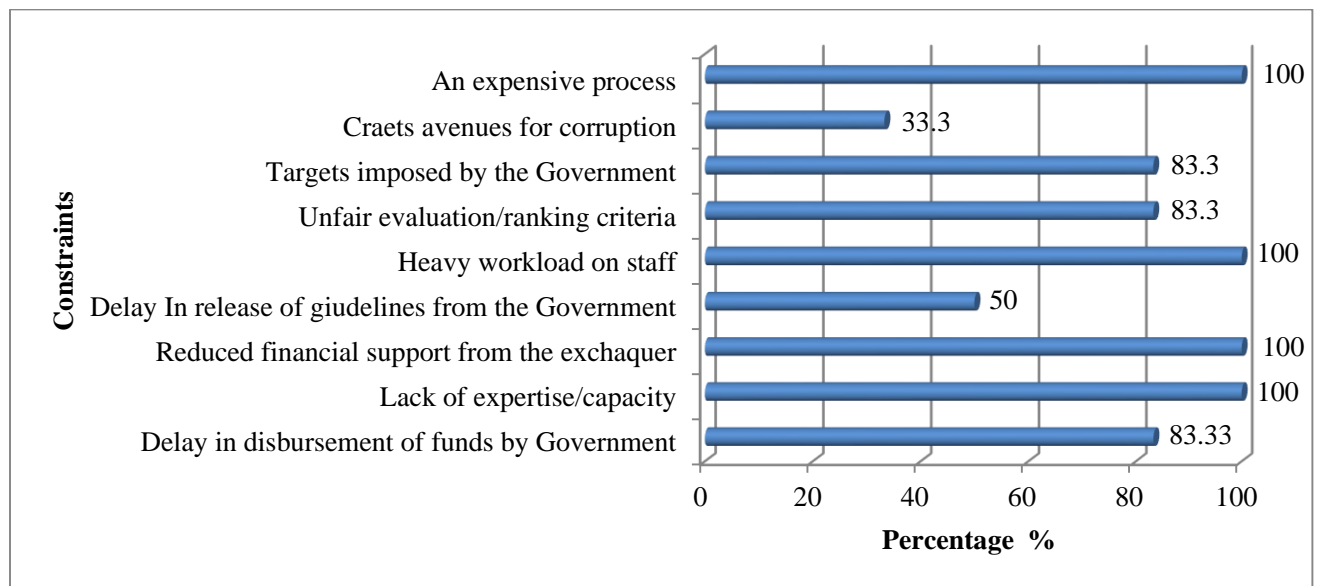


Figure 30: Principals' Perceptions of Constraints of Performance Contracting

4.8.3 Administrators' Perceptions of Constraints of Performance Contracting

Administrators' responses on constraints of performance contracting were analyzed and the results are presented in Table 36 and in Figure 31. The results of analysis indicate that the mean scores ranged from 2.13 to 3.68. The lowest MS was in constraint 4 (in my institute, implementation of performance contracting is affected by the Ministry failure to release the funds in good time). The highest MS was in constraint 6 (in my institute, implementation of performance contracts is affected by unexpected transfer of teachers / staff turnover). Table 21 further shows that 45.13% of the administrators either strongly disagreed or disagreed that institutes were affected by the stated constraints in the implementation of PC, 8.55% undecided while 47.33% either agreed or strongly agreed that institutes were affected by the outlined challenges in the implementation of the performance contracting. Though there was a general notion that the outlined constraints did not affect the implementation of performance contracts in Technical Training Institutes, a considerable section (47.33%) of the Administrator respondents agreed that those constraints affected the implementation of PC. This could suggest that implementation of performance contracting in some TTIs was not adequate, due to the outlined constraints.

The findings of the study conducted by Bomett et al. (2014) shows that the Government exaggerated its expectations in relation to funding projects within a contract period. They further indicate that funds were not released on time and that students paid fees when they were about to do examinations which affected the implementation of PC. It is therefore important that the Government improve on its funding systems in order for

implementation of PC to be successful. Unexpected transfer of trainers / staff turnover could have been due to greener pastures. This could suggest that institutes do not improve on their terms of employment in order to retain staff.

From the literature reviewed, the findings of the study are in line with African Association for Public Administration and Management (AAPAM) (2006) argument that some of the problems experienced by organizations during implementation of PC included lack of adequate resources, resources not being released on time, highly ambitious performance targets and unplanned transfers of staff. Nganyi et al. (2014) study indicates that majority of respondents asserted that staff turnover affected the process of performance contracting. However, AAPAM (2006) suggested continuous training on PC, allocation of adequate resources by the Government and availing the resources on time as ways of ensuring performance contracting is successful in work place.

Table 36: Administrators' Perceptions of Constraints of Performance Contracting

| Constraints' Statements | N | SD | D | U | A | SA | Mean | Std Deviation |
|--|-------------|--------------|--------------|-------------|--------------|--------------|-------------|----------------------|
| 1. PC is affected by inadequate finance. | 31 | 16.1 | 9.7 | 3.2 | 38.7 | 32.3 | 2.39 | 1.45 |
| 2. PC is affected by inadequate equipment. | 31 | 19.4 | 25.8 | 6.5 | 41.9 | 6.5 | 3.10 | 1.33 |
| 3. PC is affected by inadequate human resource. | 31 | 22.6 | 22.6 | 3.2 | 38.7 | 12.9 | 3.03 | 1.45 |
| 4. PC is affected by Ministry not releasing funds in time. | 31 | 9.7 | 3.2 | 12.9 | 38.9 | 35.5 | 2.13 | 1.23 |
| 5. PC is affected by highly ambitious targets. | 28 | 17.9 | 42.9 | 7.1 | 21.4 | 10.7 | 3.36 | 1.31 |
| 6. PC is affected by transfer/turnover of staff | 31 | 32.3 | 32.3 | 12.9 | 16.1 | 6.5 | 3.68 | 1.28 |
| 7. PC is affected by lack of training of staff. | 31 | 12.9 | 38.7 | 9.7 | 29.0 | 9.7 | 3.16 | 1.27 |
| 8. PC is affected by the Ministry's unfair evaluation of PC. | 31 | 22.6 | 35.5 | 12.9 | 19.4 | 9.7 | 3.42 | 1.31 |
| 9. PC is affected by poor attitude of staff. | 31 | 19.4 | 22.6 | | 45.2 | 12.9 | 2.90 | 1.42 |
| Average | 30.7 | 19.21 | 25.92 | 8.55 | 32.12 | 15.21 | 2.98 | 0.83 |

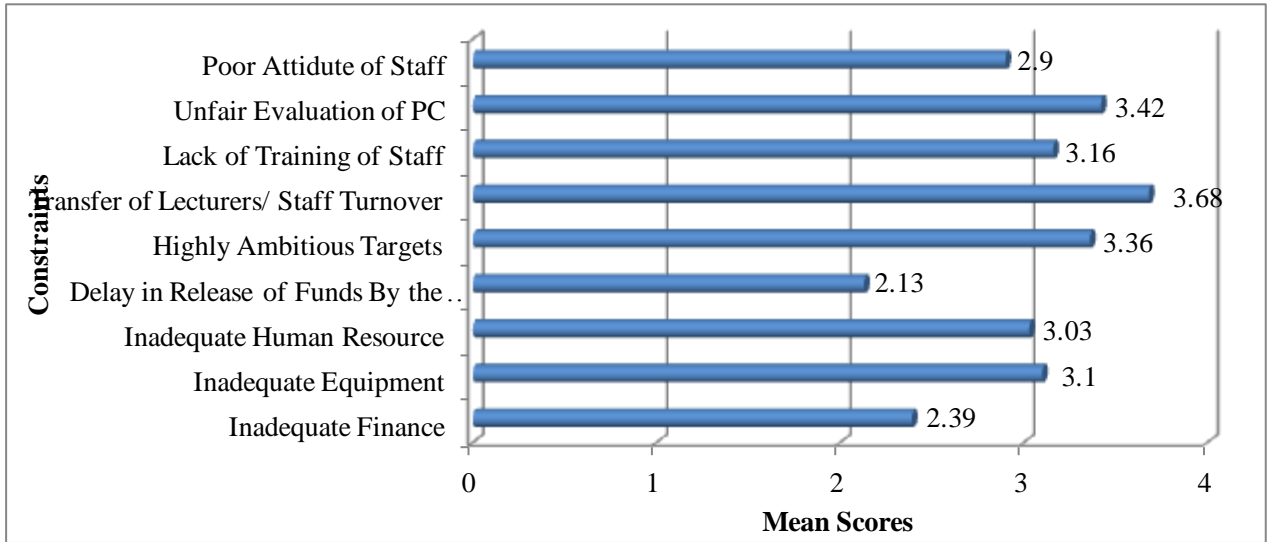


Figure 31: Administrators' Perceptions of Constraints of Performance Contracting

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The primary purpose of this study was to establish the relationship between performance contracting and Principals' performance of management functions in Technical Training Institutes in Mount Kenya Region. In chapter one, the problem investigated as well as objectives of the study, research questions and other issues related to the problem are presented. Reviews of related Literature alongside with theoretical frameworks and conceptual framework for the study have been presented in chapter two. Methods and procedures used to select the sample, collect and analyze data have been presented in chapter three, where both qualitative and quantitative data analysis techniques have been used. The results and discussions have been presented in chapter four. This final chapter presents summary and conclusions drawn from the findings of the study. The conclusions are also based on research objectives and hypothesis. Recommendations based on the conclusions and researcher's professional backgrounds are also presented in this final chapter.

5.2 Summary

Administrators' responses on the extent to which targets of performance contracting were achieved in relation to finance and stewardship indicators were analyzed. The mean scores (MS) ranged from 4.00 to 4.23. The lowest MS was for statement 3 (level of

achievement of targets on increase in sources of income) scored the lowest mean of 4.00 while statement 4 (level of achievement of targets on utilization of allocated funds) scored the highest mean of 4.39. The table further indicates that 6.7% of administrators either stated very low or low with regard to the extent to which targets of PC in relation to finance and stewardship category were achieved, 10.5% were not sure and 88.2% stated that the extent was generally high. This could imply that there was a general agreement among administrators that the extent to which the targets, of finance and stewardship indicators, were achieved was high in Technical Training Institutes in MKR. However, it was likely that targets in this category of indicators of performance contracting were poorly achieved in some Technical Training Institutes, since a considerable proportion (6.7%) of administrators were in disagreement.

Results of analysis on the extent to which targets of performance contracting were achieved with regard to service delivery indicators. The mean scores (MS) ranged from 4.24 to 4.71. The lowest MS was for the statement 3 (level of achievement of targets on improvement in service delivery innovations) and the highest MS rating was for the statement 1 (extent of achievement of targets on preparation and implementation of service delivery charter). Based on percentages, none of the administrators either indicated very low or low, 3.3% stated not sure while 96.2% either indicated high or very high. This implied that there was general perception among administrators that the level at which performance contracting was practiced, in relation to service delivery, was high in TTIs in Mount Kenya region. The fact that the lowest mean score, in this category of indicators, was high (4.24) could suggest that the targets were too easy and / or

performance contracting teams were hardworking, well trained and had light teaching load.

The resultant responses on the degree to which the targets of performance contracting were achieved, in relation to non-financial indicators, indicated that the MS ranged from 3.93 to 4.87. The lowest MS was for statement 4 (the level of achievement of targets on corruption eradication) while the highest MS was for statement 2 (the level of achievement of targets on ISO certification). Based on percentages, 3.4% of administrators either indicated very low or low level of targets' achievement, 7.7% were not sure about the level of targets' achievement while 93.1% stated either high or very high. This indicates that there was a general agreement that the level of target achievement of PC, in relation to non-financial indicators, was high. The results of analysis could imply that fight against corruption is not a priority in TTIs. However, the fact that it achieved a mean score of (3.98), which is above average, meant that it was not completely ignored.

The resultant responses of the level at which targets of performance contracting, in relation to operational indicators, were achieved shows that the mean scores ranged from 4.40 to 4.57. The lowest mean scores were for statements 1 (the extent of achievement of targets on increase in students' enrolment), 4 (the extent of achievement of targets on increase in students' completion rate) and 5 (the extent of achievement of targets on participation in co-curriculum activities). The highest mean scores were for statements 2 (the level of achievement of targets on improvement in industrial attachment) and 6 (the

extent of achievement of targets on improvement in project implementation). The table further indicates that none of the administrators indicated either very low or low in regard to target achievement, 5.0% of respondents were not sure while 96.6% stated either high or very high. This implied that administrators generally perceived the level of achievement of target, in relation to operational indicators, to be high. Further, all the indicators in this category scored a mean score of above 4.40 which could mean that performance contracting team found the objectives important and believed they could achieve them.

The results of analysis of the level at which targets of performance contracting, in relation to dynamic/ qualitative indicators, were achieved in TTIs indicate that the mean scores ranged from 3.79 to 4.63. The lowest MS was in the statement 7 (the extent of achievement of targets on improvement in research and development) and the highest MS was in the statement 4 (the extent of achievement of targets on clearance of staff on transfer and those retiring). Further, the table indicates that 4.5% of the administrators stated either very low or low in relation to the level of targets' achievement in this category of indicators of performance contracting, 10.6% were not sure about the level of targets' achievement and 87.5% indicated either high or very high. This implied that administrators generally perceived the level at which targets were achieved, in relation to dynamic / qualitative indicators, to be high. As stated above, research and development scored the last position in this category of indicators. This could suggest that conducting investigative activities with the intention of making a discovery that can either lead to the development of new products or procedures or to improvement of existing products or

procedures was not a priority in Technical Training Institutes. Research and development is one of the means by which organizations can experience future growth by developing new products or processes to improve and expand their operations.

The overall percentages and mean scores of Administrators' knowledge of the level at which targets of performance contracting were achieved in TTIs reveal that non-financial indicators' category was position one with a MS of 4.51. This could suggest that administrators perceived targets that were set in this category of indicators as the highest achieved. Objectives to be accomplished in non-financial indicators' included: compliance with strategic plan, International Organization for Standards (ISO) certification, compliance with statutory obligations, eradication of corruption and sensitization of students and staff on HIV and AIDS. On the other hand, finance and stewardship category of indicators was the last (position five) in the ranking with a mean score of 4.22. This could mean that targets that were set in this category of indicators (compliance with set budgetary levels, increase in sources of income, utilization of allocated funds and improvement in development index) were perceived as the least achieved. Indicators of operations were ranked second with a MS of 4.77, service delivery's indicators were ranked third with a means score of 4.42 and finally, dynamic / qualitative indicators were ranked fourth. The overall MS (4.39) was above average (2.50), which could suggest that performance contracting objectives were generally achieved in Technical Training Institutes.

With regard to the relationship between the targets' achievement of performance contracting (independent variable) and Principals' performance of the function of formulation of policies, goals and objectives (independent variable), the resultant Pearson Correlation Coefficient, ($r = 0.188$) indicates that there was a positive and significant connection between the two variables at 0.05 level of significance, $df = 204$, $P - \text{value} = 0.007$. This meant that the greater the extent to which targets of performance contracts were achieved the greater the level at which Principals performed the function of formulation of policies, goals and objectives. On the basis of these results, the first hypothesis which stated that there is no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of formulating policies, goals and objectives was rejected.

The relationship between performance contracting (independent variable) and Principals' performance of procurement of resources function (dependent variable) was also analyzed. The resultant PECOCO ($r = 0.067$) shows that there was a positive and insignificant link between the two variables at 0.05 level of significance, $df = 204$, $p - \text{value} = 0.336$. This indicates that the higher the level of targets' achievement the greater the degree to which the Principals' performed procuring of resources function. On the basis of these results, the second hypothesis which stated that there is no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of procuring of resources was accepted. With regard to the establish the relationship between performance contracting (independent variable) and Principals' performance of organizing and coordinating function

(dependent variable), the Pearson's Correlation Coefficient ($r = 0.117$) reveals that there was a positive and insignificant alliance between performance contracting (independent variable) and Principals' performance of organizing and coordinating function (dependent variable) at 0.05 level of significance, $df = 204$, $p - \text{value} = 0.093$. This meant that the higher the level of target' achievement of performance contracting the greater the level of Principals' performance of this function. On the basis of these results, the third hypothesis which stated that there is no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of organizing and coordinating was accepted.

The relationship between performance contracting (independent variable) and Principals' performance of the function of influencing and stimulating human resource (dependent variable) was also analyzed. The resultant PECOCO ($r = 0.126$) pointed out that there was there was a positive and insignificant correspondence between the two variables at 0.05 level of significance, $df = 204$, $p - \text{value} = 0.071$. This was a demonstration that the magnitude of targets' achievement positively and insignificantly enlarged the measure at which Principals' performed the function of influencing and stimulating human resource. On the basis of these results, the fourth hypothesis which stated that there is no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of influencing and stimulating human resource was accepted.

The data was also analyzed to show the relationship between performance contracting (independent variable) and Principals' performance of integrating function (dependent variable). The resultant PECOCO ($r = 0.136$) illustrate that there was a positive and insignificant bond between the two variables at 0.05 level of significance, $df = 204$, $p - value = 0.052$. This was a sign that greater target' achievement led to higher level of Principals' performance of integration function. On the basis of these results, the fifth hypothesis which stated that there is no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of integrating was accepted.

Relating to the relationship between performance contracting (independent variable) and Principals' performance of evaluating function (dependent variable), the resultant PECOCO ($r = 0.207$) demonstrate that there was a positive and significant alliance between the two variables at 0.05 level of significance, $df = 204$, $p - value = 0.003$. This is as an indication that the higher the extent of target' achievement the greater the magnitude of Principals' performance of evaluating function. On the basis of these results, the sixth hypothesis which stated that there is no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of integrating was rejected.

The relationship between the extents to which targets of performance contracting were achieved (independent variable) and Principals' performance of management functions (independent variable) was, therefore, analyzed. The resultant Pearson Correlation

Coefficient ($r = 0.166$) indicates that there was a positive and significant relationship between the two variables at 0.05 level of significance, $df = 204$, $p - \text{value} = 0.017$. This was an indication that the greater the extent to which targets of performance contracts were achieved the higher the level at which the Principals performed management functions. On the basis of these results, the seventh hypothesis which stated that there is no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the management functions was rejected.

5.3 Conclusion

Base on the findings, the following conclusions were made:

The first objective of this study was to determine the relationship between the targets' achievement of performance contracting and Principals' performance of the function of formulation of policies, goals and objectives .The resultant Pearson Correlation Coefficient ($r = 0.188$) between performance contracting (independent variable) and Principals' performance of the function of formulation of policies, goals and objectives (independent variable) indicates that there was a positive and significant connection between the two variables at 0.05 level of significance, $df = 204$, $P - \text{value} = 0.007$. This study therefore conclude that the greater the extent to which targets of performance contracts were achieved the greater the level at which Principals performed the function of formulation of policies, goals and objectives. On the basis of these results, the first hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of formulating policies, goals and objectives was rejected.

The second objective of this study was to find out the relationship between performance contracting and Principals' performance of procurement of resources function. The resultant PECOCO ($r = 0.067$) of the relationship between performance contracting (independent variable) and Principals' performance of procurement of resources function (dependent variable) shows that there was a positive and insignificant link between the two variables at 0.05 level of significance, $df = 204$ $p - value = 0.336$. This led to the conclusion that the higher the level of targets' achievement the greater the degree to which the Principals' performed procuring of resources function. On the basis of these results, the second hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of procuring of resources was accepted.

The third objective of this study was to establish the relationship between performance contracting and Principals' performance of organizing and coordinating function. The Pearson's Correlation Coefficient ($r = 0.117$) of the relationship between performance contracting (independent variable) and Principals' performance of organizing and coordinating function (dependent variable) reveals that there was a positive and insignificant alliance between performance contracting (independent variable) and Principals' performance of organizing and coordinating function (dependent variable) at 0.05 level of significance, $df = 204$, $p - value = 0.093$. This study therefore concluded that the higher the level of target' achievement of performance contracting the greater the level of Principals' performance of this function. On the basis of these results, the third hypothesis which stated that there was no statistically significant relationship between

targets' achievement of performance contracting and Principals' performance of the function of organizing and coordinating was accepted.

The fourth objective of this study was to assess the relationship between performance contracting and Principals' performance of the function of influencing and stimulating human resource. The resultant PECOCO ($r = 0.126$) of the relationship between performance contracting (independent variable) and Principals' performance of the function of influencing and stimulating human resource (dependent variable) pointed out that there was there was a positive and insignificant correspondence between the two variables at 0.05 level of significance, $df = 204$, $p - \text{value} = 0.071$. The conclusion of the study was that the magnitude of targets' achievement positively and insignificantly enlarged the measure at which Principals' performed the function of influencing and stimulating human resource. On the basis of these results, the fourth hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of influencing and stimulating human resource was accepted.

The fifth objective of this study was to find out the relationship between performance contracting and Principals' performance of integrating function .The resultant PECOCO ($r = 0.136$) of the relationship between performance contracting (independent variable) and Principals' performance of integrating function (dependent variable) illustrate that there was a positive and insignificant bond between the two variables at 0.05 level of significance, $df = 204$, $p - \text{value} = 0.052$. Therefore, this study concluded that that greater

target' achievement led to higher level of Principals' performance of integration function. On the basis of these results, the fifth hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of integrating was accepted.

The sixth objective of this study was to determine the relationship between performance contracting and Principals' performance of evaluating function. The resultant PECOCO ($r = 0.207$) of the relationship between performance contracting (independent variable) and Principals' performance of evaluating function (dependent variable) demonstrate that there was a positive and significant alliance between the two variables at 0.05 level of significance, $df = 204$, $p\text{-value} = 0.003$. This led to the conclusion that the higher the extent of target' achievement the greater the magnitude of Principals' performance of evaluating function. On the basis of these results, the sixth hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the function of integrating was rejected.

The seventh objective of this study was to examine the relationship between the extents to which targets of performance contracting were achieved and Principals' performance of management functions. The resultant Pearson Correlation Coefficient ($r = 0.166$) of the relationship between the extents to which targets of performance contracting were achieved (independent variable) and Principals' performance of management functions (independent variable) indicates that there was a positive and significant relationship

between the two variables at 0.05 level of significance, $df = 204$, $p - value = 0.017$. This study, therefore, concluded that the greater the extent to which targets of performance contracts were achieved the higher the level at which the Principals performed management functions. On the basis of these results, the seventh hypothesis which stated that there was no statistically significant relationship between targets' achievement of performance contracting and Principals' performance of the management functions was rejected. The findings of this study concur with the findings of a study conducted in Ghana by Simpson (2013) which confirms some links between performance contracting and performance of individuals and organizations. As a result, Simpson study concludes that performance contracting should remain a key element of any organization in order to ensure the desired outcomes. The findings of this study are also similar to Kinanga and Partoip's (2013), Messiah and Kariuki's (2011) and Kinyua's (2005) who in their studies observed that there was a significant strong positive correlation between performance target setting and employee performance. This could suggest that performance contracting is a valuable asset in organizations and therefore institutions should accept it positively and fully as a tool of management.

Administrators' responses on the extent to which targets of performance contracting were achieved in relation to finance and stewardship indicators were analyzed. The mean scores (MS) ranged from 4.00 to 4.23. The lowest MS was for statement 3 (level of achievement of targets on increase in sources of income) scored the lowest mean of 4.00 while statement 4 (level of achievement of targets on utilization of allocated funds) scored the highest mean of 4.39. This study therefore concluded that Principals in Mount

Kenya Region did not increase their sources of income as expected; however, they utilized the allocated funds adequately. The analysis also indicates that 6.7% of administrators either stated very low or low with regard to the extent to which targets of PC in relation to finance and stewardship category were achieved, 10.5% were not sure and 88.2% stated that the extent was generally high. This led to the conclusion that there was a general agreement among administrators that the extent to which the targets, of finance and stewardship indicators, were achieved was high in Technical Training Institutes in MKR. However, targets in this category of indicators of performance contracting were poorly achieved in some Technical Training Institutes, since a considerable proportion (6.7%) of administrators were in disagreement. The findings of this study contradicts the findings of Nganyi et al. (2014) which indicates that majority of respondents stated that targets on utilization of resources, increase in revenue collection and cost containment were achieved at moderate extent. Redmond (2014) observes that goals that are too easy or too difficult negatively affected inspiration and performance.

Results of analysis on the extent to which targets of performance contracting were achieved with regard to service delivery indicators shows that the mean scores (MS) ranged from 4.24 to 4.71. The lowest MS was for the statement 3 (level of achievement of targets on improvement in service delivery innovations) and the highest MS rating was for the statement 1 (extent of achievement of targets on preparation and implementation of service delivery charter). This study therefore concluded that the targets on improvement in service delivery innovations were not adequately achieved; however,

targets on preparation and implementation of service delivery charter were achieved to a great extent. Based on percentages, none of the administrators either indicated very low or low, 3.3% stated not sure while 96.2% either indicated high or very high. This led to the conclusion that Administrators generally perceived the level at which performance contracting was practiced, in relation to service delivery, was high in TTIs in Mount Kenya region. The fact that the lowest mean score, in this category of indicators, was high (4.24) meant that the targets were too easy and / or performance contracting teams were hardworking, well trained and had light teaching load. A study by Wambua, Ofafa, Otor and Ngonzo (2014) illustrate that heavy teaching workload is a hindrance to effective and efficient service delivery in learning institutions. Their findings indicate that heavy teaching workload led to inadequate teacher-student interaction, compressed teaching content inappropriate marking of CATs and exams. The findings of the study of Nganyi et al. (2014) are not in line with these findings, since it shows that the targets on service delivery were achieved at moderate level.

The resultant responses on the degree to which the targets of performance contracting were achieved, in relation to non-financial indicators, indicated that the MS ranged from 3.93 to 4.87. The lowest MS was for statement 4 (the level of achievement of targets on corruption eradication) while the highest MS was for statement 2 (the level of achievement of targets on ISO certification). This study therefore concluded that the degree to which the targets of corruption eradication were achieved was insufficient; however targets on ISO certification were highly achieved. Based on percentages, 3.4% of administrators either indicated very low or low level of targets' achievement, 7.7%

were not sure about the level of targets' achievement while 93.1% stated either high or very high. This led to the conclusion that there was a general agreement among administrators that the level of target achievement of PC, in relation to non-financial indicators, was high. The results of analysis implied that fight against corruption is not a priority in TTIs. However, the fact that it achieved a mean score of (3.98), which is above average, meant that it was not completely ignored.

The resultant responses of the level at which targets of performance contracting, in relation to operational indicators, were achieved shows that the mean scores ranged from 4.40 to 4.57. The lowest mean scores were for statements 1 (the extent of achievement of targets on increase in students' enrolment), 4 (the extent of achievement of targets on increase in students' completion rate) and 5 (the extent of achievement of targets on participation in co-curriculum activities). The highest mean scores were for statements 2 (the level of achievement of targets on improvement in industrial attachment) and 6 (the extent of achievement of targets on improvement in project implementation). This study therefore concluded that the level at which targets on students' enrolment, students' completion rate and participation in co-curriculum activities were not achieved to a great extent, however targets on improvement in industrial attachment and in project implementation were highly achieved. Based on percentages, none of the administrators indicated either very low or low in regard to target achievement, 5.0% of respondents were not sure while 96.6% stated either high or very high. This led to the conclusion that administrators generally perceived the level of achievement of target, in relation to operational indicators, to be high. All the indicators in this category scored a mean score

of 4.40 and above which meant that performance contracting team found the objectives important and believed they could achieve them. Locke and Latham (2002) indicate that two primary factors that help to enhance goal attainment are importance and self-efficacy. They further indicate that importance refers to the factors that make attaining a goal important, including the expected outcomes, and self-efficacy which is the belief that one can attain their goal.

The results of analysis of the level at which targets of performance contracting, in relation to dynamic/ qualitative indicators, were achieved indicate that the mean scores ranged from 3.79 to 4.63. The lowest MS was in the statement 7 (the extent of achievement of targets on in research and development improvement) and the highest MS was in the statement 4 (the extent of achievement of targets on clearance of staff on transfer and those retiring). This study therefore concluded that achievement of targets on improvement in research and development was not adequate; however, achievement of targets on clearance of staff on transfer and those retiring were achieved to a great extent. Based on percentages, 4.5% of the administrators stated either very low or low in relation to the level of targets' achievement in this category of indicators of performance contracting, 10.6% were not sure about the level of targets' achievement and 87.5% indicated either high or very high. This led to the conclusion that that administrators generally perceived the level at which targets were achieved, in relation to dynamic / qualitative indicators, to be high. As stated above, research and development scored the last position in this category of indicators. Research and development is one of the means

by which organizations can experience future growth by developing new products or processes to improve and expand their operations (McDonnel, 2011).

The overall percentages and mean scores of Administrators' knowledge of the level at which targets of performance contracting were achieved in TTIs, reveal that non-financial indicators' category was position one with a MS of 4.51. This study therefore concluded that administrators perceived targets that were set in this category of indicators (compliance with strategic plan, International Organization for Standards (ISO) certification, compliance with statutory obligations, eradication of corruption and sensitization of students and staff on HIV and AIDS) as the highest achieved. On the other hand, finance and stewardship category of indicators was the last (position five) in the ranking with a mean score of 4.22. This led to the conclusion that targets that were set in this category of indicators (compliance with set budgetary levels, increase in sources of income, utilization of allocated funds and improvement in development index) were perceived as the least achieved. The overall MS (4.39) was above average (2.50), which meant that that performance contracting objectives were generally achieved in Technical Training Institutes. A study by Mbuthia, Ngari and Mwangi (2014) supports these results by illustrating that the respondents agreed that the contents of the PCs were achievable. The majority (58%) of the respondents of their study agreed or strongly agreed to this statement, 41.7% either disagreed or strongly disagreed and the remaining 17.8% were not sure. However, a study by Nganyi et al. (2014) points out institutions of higher learning achieved these objectives to a moderate (average) extent. A principal must be proactive enough to set some achievable goals and targets, and work towards realizing them.

Tangible targeted results should be recorded in order to encourage persons to work harder and be more productive. This, in itself, is an incentive scheme whose results should be related to production, and for every result there must be a reason or an explanation (Simiyu, 2009).

The eighth objective of this study was to establish the strengths of performance contracting in Technical Training Institutes. Principals and Administrators pointed out that performance contracting enhanced utilization of resources, delegation of duties, accountability, transparency, implementation and completion of projects, achievement of departmental targets, procurement of goods and services, corruption cases reduction, wastage reduction, academic performance and public image among others. This led to the conclusion that performance contracting is of benefit to TTIs; these advantages could have been realized in almost every aspect of institutional management, such as in: formulation of policies, goals and objectives; procuring of resources; organizing and coordinating; influencing and stimulating human resource; integration; and evaluation. Chhabra (2005) concurs with this study by stating that when management by objective is introduced in organizations, it leads to greater satisfaction, more agreement, greater comfort and less tension and hostility between the superiors and subordinate. A study by Bomett et al. (2014) reveals that the introduction of PC improved: service delivery, efficiency in resources utilization, measurement and evaluation and exchequer funding reduction. This could suggest that the three are the major strengths of PC in TTIs. The findings of the study by Masomi et al. (2014) indicate a general improvement in the utilization of available teaching and learning resources. They further state that the

improvement though not radical had led to change in the way resources were being utilized compared to the era before the advent of performance contracting. These findings are in agreement with argument of Ayonmike (2013) that TVET institutions usually conducted ongoing planning and resource allocation based on their missions, goals, objectives and structures to achieve them and utilized the results of the assessment activities for institutional renewal.

A study by Letangule and Letting (2012) shows that most respondents cited that improved service delivery, job satisfaction and reduced corruption were the various impacts of various measurements in relation to performance contracting as was shown by a high mean of 4.85, 4.45 and 3.95 respectively. They also state that the least cited measurements were staff performance and employee productivity comprising a mean of 2.4. However, Sifuna and Karugu (1988) argues that educational systems in developing countries, especially in Sub - Saharan Africa, exhibit high levels of inefficiency which is evidenced by poor performance in national examinations and lack of skills by learners. They further states that the poor academic performance leads to educated unemployment and high wastage rates (repeating and dropping out).

The ninth objective of this study was to assess the constraints that affected performance contracting in Technical Training Institutes. Principals and Administrators indicated that performance contracting is affected by the following constraints: delays in disbursement of funds by the Government, lack of training of staff on PC, reduced financial support from the exchequer, delays in release of PC guidelines by the government, heavy

workload of the staff, unfair ranking criteria, imposed targets by the Government and lack of involvement of staff in PC, among others. This led to the conclusion that performance contracting in TTIs is affected by many constraints; this could have hindered full achievement of the targets. However, from the literature reviewed, Siddiquee (2013) observes that although performance reforms were steps in the right direction, their impacts have been modest. He further states that despite reforms and a few improvements they had made in service provisions, the public bureaucracy in Malaysia continues to suffer from inefficiency, corruption and a host of other problems. Nganyi et al. (2014) asserts that there were some elements of dishonesty and cheating in the reporting and valuation of performance contracting. Ochien'g (2010) states that the long bureaucratic procedures of Public Institutions made it hard for them to realize some targets especially to institutions in the lower-stream as they waited for long to receive funds from the headquarters (mother - institutions). He further observes that the bureaucratic procedures could delay the execution of activities within the stipulated time. On reduced support from exchequer, the Boards of management of institutes should consider more ways of increasing income generation through improving income generating units as sources of revenue.

5.4 Recommendations

Based on the conclusions, the following recommendations were made:

The results of analysis indicated that there was a positive and significant relationship between the extent to which targets of performance contracting were achieved (independent variable) and Principals' performance of management functions

(independent variable) .This meant that the greater the extent to which targets of performance contracts were achieved the higher the level at which the Principals performed management functions. Additionally, Principals and Administrators pointed out that performance contracting enhanced utilization of recourses, delegation of duties, accountability, transparency, implementation and completion of projects, achievement of departmental targets, procurement of goods and services, corruption cases reduction, wastage reduction, academic performance and public image among others. This led to the conclusion that performance contracting is of benefit to TTIs; these advantages could have been realized in almost every aspect of institutional management, such as in: formulation of policies, goals and objectives; procuring of resources; organizing and coordinating; influencing and stimulating human resource; integration; and evaluation. This study therefore recommends that the performance contracting should be retained as a tool for improving Principals' performance of management functions.

Results of analysis on the Administrators' responses on the extent, to which targets of performance contracting were achieved, in relation to finance and stewardship indicators, indicated that the targets on increase in sources of income achieved the lowest mean score. However, it was concluded that the Principals in Mount Kenya Region did not increase their sources of income as expected. It was therefore recommended that Principals should increase sources of institutes' income through such ventures as introduction of more production units and looking for more donors to meet the thresholds of PC.

With regard to service delivery, the study established that the targets on improvement in service delivery innovations recorded the lowest mean score. This study therefore concluded that the targets on improvement in service delivery innovations were not adequately achieved. The study therefore recommended that the TTIs in MKR to improve on service delivery innovations as it will ensure that the customers got quality and timely services. The resultant responses on targets achievement of non-financial indicators pointed out that targets on corruption eradication achieved the lowest mean score. The conclusion was that the degree to which the targets on corruption eradication achieved was insufficient. The study therefore recommended that fight against corruption should be intensified in TTIs.

The resultant responses of the level at which targets of performance contracting, in relation to operational indicators, were achieved shows that targets on increase in students' enrolment and students' completion rate, and improvement in participation in co-curriculum activities scored the lowest mean score. This study therefore concluded that the level at which targets on students' enrolment, students' completion rate and participation in co-curriculum activities were not achieves to a great extent. The study therefore recommended that the Principals of TTIs should ensure the following: students' enrolment to be increased through more promotions of the institutes, completion rate of the students to be improved through advising students to apply for bursaries and also institutes should look for donors to sponsor students from poor background, to improve participation in co-curriculum activities through seeking for donors' help, the Government also to increase funding to enable the institutes to participate.

The results of analysis in regard to dynamic/ qualitative indicators of PC revealed that targets on improvement in research and development recorded the lowest mean score. This study therefore concluded that achievement of targets on improvement in research and development was not adequate. The study therefore recommends that institutes should improve on research and development. The overall percentages and mean scores of Administrators' knowledge of the level at which targets of performance contracting were achieved in TTIs, reveal that , finance and stewardship category of indicators was the last (position five) in the ranking. This led to the conclusion that targets that were set in this category of indicators (compliance with set budgetary levels, increase in sources of income, utilization of allocated funds and improvement in development index) were perceived as the least achieved. This implied that financial management in TTIs is wanting. The Government through the Ministry of Devolution and Planning should consider organizing short courses for TTIs' Principals and Finance Officers. The courses should cover financial management aspects such as budgeting, operational costs, sources of income, utilization of funds, implementation of development projects and entrepreneurship. Entrepreneurial skills would enable Principals to generate more income from production units.

With regard to constraints of performance contracting, the respondents indicated that delays in disbursement of funds by the Government, lack of training of staff on PC, reduced financial support from the exchequer, delays in release of PC guidelines by the government, heavy workload of the staff, unfair ranking criteria, imposed targets by the

Government and lack of involvement of staff in PC, among others, were the main constraints of PC. This led to the conclusion that performance contracting in TTIs is affected by many constraints; this could have hindered full achievement of the targets. This study therefore recommends that the performance contracting should be improved by addressing the challenges cited by the respondents. This include, among others, putting measures in place to entrench performance contracting in departments of TTIs and if possible to the smallest units of operation. The Principals should also ensure that all members of staff are involved in performance contracting particularly setting of targets. This would focus all the members of staff on organizational objectives and hence increase employees' productivity. There should be a discussion between the government and the Technical Training Institutes' management on targets set for every contract period before signing the performance contracts. This would ensure that targets are not imposed on TTIs by the government. The Government should also provide funds in time for starting and accomplishing the projects meant for the contract period, this would ensure that institutional goals are achieved.

5.5 Suggestions for Further Research

A number of useful research areas, which may require further examination, were identified while carrying out the study. They include the following:

The participants represented a narrow range of ethnicity. A larger sample with more diversity could have benefited the results. Including more regions and multiple Technical Training Institutions could have diversified the results of this study. Generalization of results to the whole country therefore needs to be done with caution. However, the results

could still be widely applicable as they help with the relationship between performance contracting and Principals' performance of management functions in Technical Training Institutes in all parts of Kenya and the world.

Although qualitative methodology was used to a limited extent, the study relied largely on quantitative methodology of data collection and was therefore restrictive. For this reason, more of qualitative methodology of data collection could have been undertaken to provide wider perspective to the present study. For instance, the research design could have employed case study methodology or content analysis to provide a holistic picture to the given subject. Study therefore suggests that another study be conducted to include more of qualitative methodology.

A greater depth of information would have been obtained by conducting focus groups comprised of Administrator and Class - teacher respondents. Discussion would have included one topic per focus group meeting, during which each topic area would have been the focus of discussion. The topics would have included areas such as: extent of targets' achievement; strengths and constraints of performance contracting; and extent of Principals' performance of management functions. A focus group would have allowed the researcher to conduct a group interview of participants to evaluate their attitudes, negative or positive, and to identify recommendation for the services provided in the institutes. Additionally, the participants of this study represented a narrow range of ethnicity. A larger sample with more diversity would have benefited the results. Including more regions and multiple Technical Training Institutions would have diversified the

results of this study. Therefore, a research similar to this one but which include focus groups and cover more regions, or the whole country, should be conducted.

To attain high level of academic performance is one of the core objectives of Technical Training Institutes; therefore a correlation study should be conducted to establish the relationship between the performance contracting and academic performance in Technical Training Institutes in Kenya. Factors that determine the level at which the principals perform management functions include employees' motivation, and organizational culture, organizational structure and government policy. Therefore, relationship studies between performance contracting and these factors need to be conducted.

REFERENCES

- AAPAM (2005). *The Enabling State and the Role of the Public Service in Wealth Creation: Problems and Strategies for Development in Africa*. The Report of the 26th Roundtable Conference, Mombasa, Kenya.
- AAPAM (2006). *Towards an Effective Delivery of Public Services in Africa: The Kenyan Experience with Performance Contracting*. The Report of the 28th Roundtable Conference, Arusha, Tanzania.
- Adams, L. A. (2014). *Research Ethics*. University of Washington School of Medicine. Retrieved on 24 /10/ 2015 from:
<https://depts.washington.edu/bioethx/topics/resrch.html>.
- Afolabi, S. O. (2004). *Influence of Resource Utilization on Organizational Effectiveness in Kwara State Government Owned Tertiary Institutions*. Unpublished Thesis, Ph.D. Retrieved online on 10 /11/ 2014.
- African Economic Outlook (2014). *Access to Technical and Vocational Education in Africa*. Retrieved on 15 /7/ 2014 from: <http://www.african-economic-outlook.org/theme/developing-technical-v>.
- African Press Organisation (2007): *Data Base of Press Releases Related to Africa*. Retrieved: on 2 /4/ 2014 from: <http://appablog.wordpress.com/2008/12/8/kenya>.
- Ahamed, G. (2014). *McGregor Theory X and Theory Y for Staff and Employees Motivation*. Retrieved on 18 /9/ 2015 from:
<http://www.studylecturenotes.com/management/mcgregortheory-x-and-theory-y-for-staff-and-employees-motivation>.
- American Psychological Association (2002). *Ethical Principles of Psychologists and Code of Conduct*. *American Psychologist*, 57 (12).
- Amos, E. & Worthington, B. (2008). An Analysis of the Relation between Employee-Organization Value Congruence and Employee Attitudes. *Journal of Psychology*. Vol. 142, No. 6, pp. 615 - 32.
- Argyris, C. (2011). *Organizational Traps: Leadership, Culture, Organizational Design*. New York, NY: Oxford University Press.
- Asplund, J. & Blacksmith, N. (2013). Strength-based Goal Setting. Retrieved on 6 /8/ 2015. from: *Gallup Business Journal*: <http://businessjournal.gallup.com/content/>

- 152981/ strength- based- goal- setting. aspx.
- Augustsson, H. , Törnquist, A. and Hasson, H. (2013). How Can Effects of a Workplace Learning Intervention be Understood?, *Journal of Health Organization and Management* , Vol. 27 No. 1, pp. 67 – 92.
- Ayee, J. (2008). Reforming the African Public Sector: Retrospect and Prospect. *Council for the Development of Social Science Research*. ISBN: 2 – 86976 – 186 – 5.
- Ayonmike, C. S., Okwelle, P. C. & Okeke, B. C. (2013). *Towards Quality Technical Vocational Education and Training (TVET) Programmes in Nigeria: Challenges and Improvement Strategies*. Retrieved on 22 /6/ 2015 from:
[www. iveta. org/ Resources/ Documents/ about/... Ayomike. pptx](http://www.iveta.org/Resources/Documents/about/...Ayomike.pptx).
- Backes-Gellner, U. & Veen, S. (2013). Positive Effects of Ageing and Age Diversity in Innovative Companies – Large Scale Empirical Evidence on Company Productivity. *Human Resource Management Journal*, Vol. 23, Issue 3, pp 279 – 295.
 DOI: 10.1111/1748-8583.12011
- Barber, A., Korbanka, J., Stradleigh, N., & Nixon, J. (2003). *Research and Statistics for the Social Sciences*. Pearson: Boston.
- Bargh, J., & Williams, E. (2006). The automaticity of social life. *Current Directions in Psychological Science*, 15, 1 – 4.
- Barnes, O. R. (2007). *Career Paths and Performance Management in Higher Education*. Session ITS User Group, Unpublished.
- Bartholomew, D. J. (2002). *Measuring Intelligence: Facts and Fallacies*. Cambridge: Cambridge University Press.
- Bennett, D. (2009). *Why Setting Goals can Backfire*. Retrieved on 23 /8/ 2014 from:
[www.boston.com/bostonglobe/ideal/articles/ 2009/03/15/ready_am_fail/?page= full](http://www.boston.com/bostonglobe/ideal/articles/2009/03/15/ready_am_fail/?page=full).
- Birech, K. W. (2011). *Effect of Performance Contracting Strategy on the Performance of State Corporations in the Energy Sector in Kenya*. Retrieved on 14 /11/ 2015 from:
[erepository. uonbi. ac.ke/ bitstream/ handle/ 11295/13583/ Birech_The effect of performance contracting strategy.pdf?sequec](http://erepository.uonbi.ac.ke/bitstream/handle/11295/13583/Birech_The%20effect%20of%20performance%20contracting%20strategy.pdf?sequence=).
- Bipp, T., & Dam, K.V.(2014). Extending hierarchical achievement motivation models: the role of motivational needs for achievement goals and academic performance. *Journal of Psychology*, 64, 157-162.

- Bishop, I. G. (1989). *Alternative Strategies for Education*. London: Macmillan Education Ltd.
- Bomett, E. J., Kindiki, J. N. & Too, J. K. (2014). Employee Perception towards Signing Performance Contract in Public Univesity in Kenya. *Intenational Journal of Academic Research in Business and Social Sciences* . ISSN: 2222-6990, Vol 4, No 10, pp. 580-600. Retrieved on 6/5/ 2015 from: [http:// dx. doi. org/ 10.6007/ IJARBSS/ v4-i10/ 1256](http://dx.doi.org/10.6007/IJARBSS/v4-i10/1256).
- Bonazzi, K. & Islam, F. (2007). Agency Theory and Corporate Governance: A Study of the Effectiveness of Board in their Monitoring of the CEO. *Journal of Modelling in Management*, Vol. 2, Iss: 1, pp. 7 – 23. Retrieved on 13 /9/ 2015 from: [www. Emerald dinsight. com/ doi/ full/ 10.1108/1746566071073302](http://www.emeraldinsight.com/doi/full/10.1108/1746566071073302).
- BR Professional Education (2012). *CPA: Principals and Practice of Management*. Nairobi: BR Professional Education Ltd.
- Bouckaert, G., Verhoest, K., & Decorte, J. (1999). *Public Sector Performance Contracting in Belgium and Flanders*. Retrieved on 4 /6/ 2014 from: [http:// www. oecd. org/ governance/ budgeting/ 1902940. pdf](http://www.oecd.org/governance/budgeting/1902940.pdf).
- Bowie, N. E. & Freeman, R. E. (1992). *Ethics and Agency Theory: An Introduction*. New York: Oxford University Press.
- Breakwell, G. H., Fife - Schaw, C. & Smith, J. A. (Eds.). (2007). *Research Methods in Psychology* (3rd ed.). Thousand Oaks, CA: Sage Publications.
- Brousseau, E. & Glachant, J. (2002). *The Economics of Contracts: Theories and Application*: New York: Cambridge University Press.
- Bryman, A. (2004). *Social Research Methods*. 2nd Edition. New York: Oxford University Press.
- Bryson, J., Pajo, K., Ward, R., & Mallon M. (2006). Learning at Work: Organisational Affordances and Individual Engagement. *Journal of Workplace Learning*, Vol. 18 Iss: 5, pp.279 – 297.
- Carson, C. (2005.). A historical view of Douglas McGregor's Theory Y", *Journal of Management History (Archive)*. Vol. 43 Iss: 3, pp. 450 – 460.

- Caldwell, N. D., Roehrich, J. K. & Davies, A. C. (2009). Procuring Complex Performance in Construction: London Heathrow Terminal 5 and a Private Finance Initiative Hospital. *Journal of Purchasing and Supply Management*, 15 (3), pp. 178 - 186.
- Cheche, S. G. & Muathe, S.M.A. (2014). A Critical Review of Literature on Performance Contracting. *Global Journal of Commerce and Management Perspective*. ISSN: 2319 – 7285,G.J.C.M.P., Vol. 3 (6), pp. 65 – 70. Retrieved on 11 /8/ 2015 from: www. Gifre org.
- Chhabra, T. N. (2005). *Human Resource Management Concepts and Issues* (5th Revised Edition) Delhi: Dhanpat Rai & Company.
- Chimwani, B. I., Iravo,M. A. & Tiriba,O. I. (2014). Factors Influencing Procurement in the Kenyan Public Sector: A Case Study of the State Law Office. *International Journal of Innovation and Applied Studies*. ISS 2028 – 9324 Vol. 9, no. 4, pp. 1626 - 1650
- Cohen, L., Manion, L. & Morrison, K. (2000). *Research Methods in Education*. London: Routledge / Falmer.
- Cohen, L., Manion, L. & Morrison, K. (2007). *Research Methods in Education* (6th Edition). London. Routledge / Falmer.
- Cohen, L., Manion, L. & Morrison, K. (2011). *Research Methods in Education* (7th Edition). London. Routledge / Falmer.
- Cohen, R. J. & Swerdlik, M. E. (2009). *Psychological Testing and Assessment: An Introduction to Tests and Measurement* (7th ed.). McGraw - Hill: New York.
- Cole, G. (2004). *Management Theory and Practice*. London: Thomson Learning.
- Commonweath Secretariat (1993). *Principals of Education Management: Resource Materials for School Heads*. London. Commonwealth Secretariat.
- Creswell, J. (2003). *Research Design: Qualitative, Quantitative and Mixed Methods Approaches* (2nd ed.). Thousand Oaks, CA: SAGE Publications.
- Davidson, H. (1987). *Some Unfriendly Myths about Women Teachers*. London: Methren
- Dees, J. G. (1992). *Principals, Agent and Ethics*. New York: Oxford University Press.
- Domberger, S. (1998). *The Contracting Organization*. New York: Oxford University Press.

- DPM, (2004). *Targeted Voluntary Early Retirement Scheme 2004 - 2008*. Nairobi: Government Printers.
- Daft, R. L. (2008). *The leadership experience*(4th Ed.). Mason, OH: South - Western, Cengage Learning.
- Drucker, P. F. (1988). The Coming of the New Organization. *Harvard Business Review*, Vol. 66, pp. 45 – 53. Economic Commission for Africa (2010). *Innovations and Best Practices in Public Sector Reforms: The Case of Civil Service in Ghana, Kenya, Nigeria and South Africa*. <http://www.uneca.org/>.
- Dubrin, A. J. (2012). *Essentials of management*. Mason, OH: Cengage South-Western.
- Eraut, M. (1994). *Developing Professional Knowledge and Competence*. London: Falmer Press.
- Erridge, A. & McIlroy, J. (2002). Public Procurement and Supply Management Strategies. *Public Policy and Administration*, volume 17, No.1, spring, pp 52-71.
- Fayol, H. (1949). *General and Industrial Administration*. London: Sir Issac Pitman & Sons Ltd. Federation for Community Schools (2010). *Community Schools Transformation: A Guide for Schools, Districts, Parents and Community Members*. Retrieved on 14/4/2015 from: www.ilcommunityschools.org.
- Fixsen, D. L., Blase, K., Metz, A. & Dyke, V. M. (2013). *Statewide Implementation of Evidence-Based Programs*. *Exceptional Children* (Special Issue), 79(2), 213 – 230.
- Fried, Y. & Slowik, L. H. (2004). Enriching Goal – setting Theory with Time: An Integrated Approach. *Academic of Management Review*, 29 (3), 404 - 422. Retrieved on 30 /7/ 2014 from: ABI/ INFORM Global. (Document ID: 657136811).
- Gakure, R.W., Muriu, S. M. & Orwa, G. (2013). Role of Performance Contracting in Enhancing Effectiveness of Performance in the Civil Service in Kenya, State Department of Infrastructure. *OSR Journal of Business and Management (IOSR – JBM)*. Volume 14, Issue 6 (Nov. - Dec. 2013), PP 73 – 82.
- Gardiner, P. (2011). *Project Management: A Strategic Planning Approach*. New York, NY: Palgrave Macmillan.
- Gatere, A., Keraro, V. & Gakure, R. (2013). The Impact of Performance Contracts on Service Delivery at Teachers Service Commission of Kenya. *Prime Journal of*

Business Administration and Management. ISSSN; 2251 – 1261.

- Gathoni, J. (2013). *Factors Influencing Performance Contracts on Kenya Public Management in Service Delivery: A Case of the Ewaso Ng'iro North Development Authority, Kenya*. Retrieved on 13 /2/ 2013 from: [Http://ems.uonbi.ac.ke/node/1379](http://ems.uonbi.ac.ke/node/1379).
- Gichohi, B.N. (2013). *Effects of Performance Contracting on Service Delivery of Kenya Parastatals: A Case of the Coffee Board of Kenya*. Retrieved on 12 /1/ 2014 from: <http://ir.library.ku.ac.ke>.
- Grant, A. M. (2012). An integrated model of goal-focused coaching: an evidence-based framework for teaching and practice. *International Coaching Psychology Review* 7 (2): 146–165 (149).
- Grant, R. (2011). *Contemporary Strategy Analysis*. New York, NY: Wiley.
- Greiling, D. (2006). Performance Measurement: A Remedy for Increasing the Efficiency of Public Services. *International Journal of Productivity and Performance Management*. Vol. 55, No. 6, pp. 448 – 465.
- Gruening, G. (2001). Origin and Theoretical Basis of New Public Management. *International Public Management Journal* 4 (2001) 1 – 25.
- Haan, H.C. (2006). *Training for Work in the Informal Micro- enterprise Sector: Fresh Evidence from Sub - Saharan Africa*. Netherlands: Springerlink.
- Hall, C. & Rimmer, S. J. (1994). Performance Monitoring and Public Sector Contracting. *Australian Journal of Public Administration*. Vol. 53, No. 4, pp. 453 - 61.
- Hanushek, E. A. (2015). *International Encyclopedia of the Social and Behavioral Sciences* (2nd ed.). Oxford: Elsevier.
- Harris, A. (1999). *Teaching and Learning in the Effective Schools*. London: Arena Press.
- Hodge, G. (1998). Contracting Public Sector Services: A Meta-analytic Perspective of the International Evidence. *Australian Journal of Public Administration*. Vol. 57, No. 4, pp. 98 – 110.
- James, H. (2003). *Corporate Culture and Performance*. New York: Free Press.
- Jensen, K. (2009). *Why Work Experience Matters? Real Prospects 2009 Graduates' Experiences of Placements, Internships and Work Experience*. Manchester: Higher Education Careers Services Unit.

- Jirasinghe, D. & Lyons, G. (1996). *The Competent Head*. London: Falmer Press.
- Jones, G. R. (2010). *Organizational Theory, Design, and Change*. Upper Saddle River, NJ: Prentice Hall.
- Jongbloed, B. (2010). *Funding Higher Education: A View across Europe*. Retrieved on 11 /8/ 2015 from:
[www. utwente. nl/ bms/ cheps/ publication 2010/ MODERN_Funding_Report. Pdf.](http://www.utwente.nl/bms/cheps/publication/2010/MODERN_Funding_Report.Pdf)
- Joyce, B., Weil, M. & Calhoun, E. (2003). *Models of Teaching* (7th Ed.) Englewood Cliffs, NJ: Prentice Hall.
- KAAC, (2008). *Kenya Anti Corruption Commission Annual Report 2007 / 2008*. Nairobi: Government Printers .
- Kabaj, O. (2003). *The Challenge of African Development*. Oxford. UK: Oxford University Press.
- Kaplan, D. M., Wiley, J. W. & Maertz, C. P. (2011). The Role of Calculative Attachment in the Relationship between Diversity Climate and Retention. *Human Resource Management, 50*(2), 271-287.
- Karake - Shalhoub, Z. (2002). *Trust and Royalty in Electronic Commerce: An Agency Perspective*. Westport, CT: Quorum Books. Retrieved from on 12/7/2015 from [http:// www. ibimapublishing. com/ journals/ HRMR/ jhrmr. html.](http://www.ibimapublishing.com/journals/HRMR/jhrmr.html)
- Kathuri, J. N. & Pals, D. A. (1993). *Introduction to Educational Research*. Njoro: Egerton University.
- KATTI (2014). *Objectives of Kenya Association of Technical Training Institutes*. Retrieved on 1 /14/ 2014 from: [www. katti. co. ke.](http://www.katti.co.ke)
- Kerlinger, F. N. & Lee, H. B. (2000). *Foundations of Behavioral Research, 4e*. Belmont, CA : Cengage Learning.
- Khumalo, G. (2011). *South Africa: Mixed Feelings on Principals' Performance Contracts*. Retrieved on 13 /7/ 2013 from: [http: allafrica. com/ stores/ 201106291223. html.](http://allafrica.com/stories/201106291223.html)
- Kimoli, C. (2008). Performance Contracts - Changing the Face of the Government. *Industrial Training Magazine, IV, 5 - 7*.
- Kinanga, R. O. & Partoip, S. K. (2013). Linkage between Targets Setting in Performance

- Contracting and Employee Performance. A Kenyan Perspective. *Journal of Human Resources Management Research*, Vol. 2013(2013), Article ID 162613, 9 Pages. DOI:10.5171/2013.162613
- Kinicki, A. & Williams, B. (2013). *Management: A practical Introduction* (Seventh Ed.). New York: McGraw-Hill Education.
- Kinyua, J. M. (2005). *Factors Affecting Headteachers Managerial Effectiveness. A Study of Secondary Schools in Nakuru Municipality*. Masters' Thesis: Egerton University.
- Kinyua, J. M. (2015). Impact of Funding on External Efficiency in Public Technical Training Institutes in Kenya. *African Journal of Educational and Social Science Research*. ISSN: 2304-2885, Vol. 3, No. 1, 2015, pp. 34-36
- Kiragu, K. (2002). *Improving Service Delivery through Public Service Reform: Lessons of Experience from Selected Sub - Saharan African Countries*. A paper Presented in the Second Meeting of DAC Network on Good Governance and Capacity Building: held at OECD Headquarters on February 14 - 15. Unpublished.
- Kobia, M. & Mohamed, N. (2006). *The Kenyan Experience with Performance Contracting*. 28th AAPAM Annual Conference, Arusha, Tanzania. 4th - 8th December 2006.
- Kombo, D. K. & Tromp, D. L. A. (2006). *Proposal Writing: An Introduction*. Nairobi: Paulines Publications Africa.
- Koontz, H. & O'Donnel, C. (1972). *Principals of Management: An Analysis of Management Functions*. Delhi: McGraw Hill.
- Koontz, H. & Wehrich, H. (1998). *Essential of Management*. New Delhi: Tata McGraw - Hill Publishing Company.
- Kopelman, R. E., Prottas, D. J. & Falk, W. D. (2010). Construct Validation of a Theory X/Y behavior scale. *Leadership & Organization Development Journal*, Vol. 31 Iss: 2, pp. 120 – 135.
- Kothari, C. R. (2004). *Research Methodology: Methods and Techniques* (2nd Ed.). New Delhi: New Age International limited.
- Kreitner, R. & Kinicki, A. (2007). *Organizational Behaviour* (8th Edition). New York City: McGraw Hill Higher Education

- Lamond, D. (2004). A Matter of Style: Reconciling Henri and Henry. *Management Decision* 42, No. 2 (2004): 330 – 356.
- Larbi, G. (2010). Performance Contracting in Practice: Experience and Lessons learnt from the Water Sector in Ghana. *Public Management Review*. 3: 305 - 324, D01:10.1080/14616670110044018 [http:// www. tandfonline. com/ loi/ rpxm20](http://www.tandfonline.com/loi/rpxm20)
- Letangule, S. L. & Letting, N. K. (2012). Effects of Performance Contract on Organization Performance: The Case Study of Kenya's Ministry of Education. *International Journal of Management & Business Studies* . ISSN: 2230 – 2463, Vol. 2, Issue 3, pp. 29 - 37.
- Lewis, M. A. & Roehrich, J. K. (2009). Contracts, relationships and integration: Towards a model of the procurement of complex performance. *International Journal of Procurement Management*, 2(2):125-142.
- Lienert, I. (2003). Civil Service Reform in Africa: Mixed Results after 10Years'. *International Monetary Fund. Finance and Development*. Vol. 35 No. 2 (June).
- Lienert, I. & Modi, J. (1997). *A Decade of Civil Service Reform in Sub – Saharan Africa*. International Monetary Fund Working Paper.
- Locke, E. A. & Latham, G. P. (2002). Building a Practically Useful Theory of Goal Setting and Task Motivation: *American Psychologist* Vol. 57 No. 9, pp. 705 - 717.
- Locke, E. A. & Latham, G. P. (2004). The Motivation Benefits of Goal Setting. *Academy of Management Executive*, 18 (4), 126 – 129.
- Locke, E. A. & Latham, G. P. (2006). *New Directions in Goal-setting Theory*. *Current Directions in Psychological Science*, 15 (5), 265 - 268.doi: 10.1111/j.1467 - 8721.2006.00449.x.
- Lugujjo, E. & Manyindo, B. (1996). *Technical and Vocational Education in Uganda*. *The Development of Technical and Vocational Education in Africa*. Dakar: UNESCO.
- Lunenburg, F. C. (2010). The Principal and the School: What Do Principals Do? *National Forum of Educational Administration and Supervision Journal* Volume 27, Number 4, 2010: Sam Houston State's University.
- Lunenburg, F. C. (2011). Goal Setting Theory of Motivation. *International Journal of*

- Management, Business and Administration*. Volume 15, Number 1, 2011: Sam Houston State's university.
- Lussier, R. N. & Achua, C. F. (2007). *Leadership: Theory application, skill development* (3rd Ed.). Mason, OH: Thomson South - Western.
- Martin, L. L. (2005). Performance - based Contracting for Human Services: Does it Work? *Administration in Social Work, Vol. 29 (1)*. University of Central Florida.
- Masomi, B. M., Kindiki, J. N. & Boit, J.M. (2014). Impact of Performance Contracts on the Utilization of Teaching and Learning Resources in Technical Institutes in Kenya. *International Journal of Educational Administration and Policy Studies*. Vol. 6 (9), pp. 170 - 180, DOI: 10.5897/ IJEAPS2014.0381 ISSN: 2141- 6656.
- Mbua, P. & Sarisar, J. (2013). Challenges in the Implementation of Performance Contracting Initiative in Kenya. *Public Policy and Administration Research* Vol. 3, No. 2 ISSN 2224 – 573.
- Mburu, S. & Njeru, A. (2014). Factors Affecting Procurement Performance in the Milk Processing Firms in Kiambu County. *International Journal of Science and Research*. ISSN (Online): 2319 -7064.
- Mbuthia, R. N., Ngari, J. M. & Mwangi, B. (2014). Effectiveness of Performance Contracting in Public Institutions in Nakuru County – A Case Study of the Provincial General Hospital. *International Journal of Science and Research*. ISSN (Online): 2319 – 7064, Vol. 3, Issue 11, pp. 1690 – 1695.
- McDonnell, R. (2011). *Essentials of Program Planning and Evaluation*. Sudbury, MA: Jones & Bartlett.
- McLeod, S. A. (2015). *Psychology Research Ethics*. Retrieved on 23 /10/ 2015 from: www.simplypsychology.org/Ethics.html.
- Merriam, S. B. (1995). What can you tell from an N of 1?: Issues of Validity and Reliability in Qualitative Research. *Journal of Lifelong Learning* Vol. 4, 51 - 60.
- Messah, O. B & Kariuki, F. K. (2011). Factors Affecting Implementation of Performance Contract Initiative at Municipal Council of Maua, Kenya. *Journal of Finance and Accounting*.ISSN: 2222 – 1697, Vol. 2 No. 2.
- Mugenda, O. M. & Mugenda, A. G. (1999). *Research Methods; Quantitative and*

- Qualitative Approaches*. Nairobi: Laba Graphics Services Ltd.
- Mulder, R. H. & Sloane P. F. E. (2004). *New Approaches to Vocational Education in Europe*. United Kingdom: Oxford.
- Mullins, L. J. (2010). *Management and Organizational Behaviour* (9th Ed.). London: Prentic Hall.
- Mutahaba, G. (2011). *Report on Adoption and Use of Performance Management Systems Including Performance Measurement, Monitoring and Evaluation in Africa*. Conference of African Ministers of Public Service.
- Mutie, J. M., Masinda, J. & Makewa, L. N. (2015). Evaluating Principals' Performance As Human Resource Managers: A Six Standpoint Indicators in Eastern Kenya. *International Journal of Teacher Educational Research (IJTER)* Vol. 4 No. 1 January, 2015 ISSN: 2319 - 4642
- Mutunga, R. (2008). *Performance Contracting a Panacea to Service Delivery*. Industrial Training Magazine, IV, 4.
- National Gender & Equity Commission (2014). *Equality and Inclusion Reporting Tools in the Public Sectors*. Retrieved on 23 /7/ 2015 from: [www.ngeckkenya.org/ Downloads/ Preference_ Contracting_Toolkit_ Public_Sector. Pdf](http://www.ngeckkenya.org/Downloads/Preference_Contracting_Toolkit_Public_Sector.Pdf).
- Ndubai, R. E. (2010). *Report on Evaluation of the Performance of Public Agencies for the Financial Year 2008/2009*. Office of the Prime Minister, Kenya.
- Nganyi, J. E., Shigogodi J. M. & Owano, A. (2014). The Effectiveness of Performance Contracting in Service Delivery in Public Universities in Kenya. *International Journal of Academic Research in Business and Social Sciences*. Vol. 4, No. 10 ISSN: 222 – 6990, pp 413 - 441.
- Ngware, M. W. (2000). *Internal Efficiency and its Relationship to Equity in Institutes of Technology*: Doctoral Thesis, Egerton University, Njoro, Kenya.
- Niven, P. R. (2002). *Balanced Scorecard Step – by - Step: Maximizing Performance and Maintaining Results*. Retrieved on 20 /9/ 2015 from: [eu.wiley.com/ wileyCDA/ Wiley Title/ puduction Cd-0471269166. html](http://eu.wiley.com/wileyCDA/WileyTitle/puductionCd-0471269166.html).
- Nuding, M. (2013). *Empowring Institutions and Improving Public Service Delivery for Sustainable Development* . Retrieved on 30 /1/ 2014 from: [http:// www. giz.de/](http://www.giz.de/)

en/ world Wide /17687. html.

- Nyongesa, W. J., Sewe, T. & Ng'ang'a, M. J. (2012). Challenges Facing Implementation of Performance Contracts in State Corporations in Kenya. *Research Journal in Organisational Psychology and Educational Studies* 1 (5) 284 – 288, ISSN: 2276 – 8475, pp. 284 - 288.
- Obama, B. (July 28th, 2015). The Future Looks Bright but Tough Choices Must be Made. *The Standard News Paper*, pp. 10 - 11.
- Obong'o, S. O. (2009). Implementation of Performance Contracting in Kenya. *International Public Management Review-Electronic Journal*. ISSN: 1662 – 1387, Vol. 10, Issue 2, pp. 66 – 84. Retrieved on 11 /11/ 2015 from: [http:// www. ipmr. Net](http://www.ipmr.net).
- Obonyo, R. (2013). *Reducing Youth Unemployment in Kenya*. Retrieved on 30 /3/ 2014 from: [www. world. policy. org/ blog/ 2013/10/15 /reducing- youth- unemployment- kenya](http://www.worldpolicy.org/blog/2013/10/15/reducing-youth-unemployment-kenya).
- Ochien'g, E. O. (2010). *Public Sector Reforms and Performance Contracting. Case Study: Kenya*. Retrieved on 31 /1/ 2014 from: [file: ///c:/ users/ jkl/ Desktop/ performancecontractingin Kenya. htm](file:///c:/users/jkl/Desktop/performancecontractingin%20Kenya.htm).
- Odinga, R. A. (2010). *Report on Evaluation of the Performance of Public Agencies for The Financial Year 2008 / 2009*. Office of the Prime Minister, Kenya.
- Okaka, P. (1996). *Technical and Vocational Education in Kenya: The Development of Technical and Vocational Education in Africa*. Dakar: UNESCO.
- Okumbe, J. A. (1998). *Educational Management. Theory and Practice*. Nairobi: Nairobi University Press.
- Oliver, V. (2010). *301 Smart Answers to Tough Business Etiquette Questions*. Skyhorse Publishing: New York.
- Onsomu E., Wambugu A., & Wamalwa, F. (2009). *Improving Technical and Vocational Training in Kenya: Lessons from Selected Countries*. Discussion Paper No. 105. Nairobi: KIPPRA.
- Opiyo, H. (2006). *Civil Service Reform Policy in Kenya: A Review of Retrenchment Strategy*: Discussion Paper Series: Institute of Policy Analysis and Research.

- Oracle, (2012). *Goal Setting: A Fresh Perspective*. Redwood Shores, CA. Retrieved on 23 /8/ 2015 From: [http:// www. oracle.com/us /media1/ goal-s etting- fresh- perspective-ee- 1679275. df](http://www.oracle.com/us/media1/goal-setting-fresh-perspective-ee-1679275.df).
- Overall, L. & Sangster, M. (2003). *Secondary Teachers' Handbook*. London: Parker, G. (2011). *Key Concepts of Planning*. Thousand Oaks, CA: Sage.
- Performance Contracts Secretariat (2008a). *Strategic Management Process*. Workshop in Utalii College, 17th – 20th March 2008.
- Performance Contracts Secretariat (2008b). *Sample Draft Contract for Tertiary*. Retrieved on 18 /7/ 2010 from: Institutions, [www. Cabinetoffice. go. ke](http://www.Cabinetoffice.go.ke).
- Performance Contracts Steering Committee (2005): *Sensitization / Training Manual on Performance Contracts in the Public Service*. Office of the Prime Minister. Author
- Public Service Commission (2011). *The implementation of Performance Management and Contracting for Senior Management in South Africa. Presentation to the Association of African Public Services Commissions General Assembly, Abunja, Nigeria*.
- Redmond, B. F. (2014). *Goal Setting Theory Overview*. Retrieved on 22 /8/ 2015 from: [https:/ wikispaces. psu. edu/ display/ PSYCH484/6+ Goal+ Setting+ Theory](https://wikispaces.psu.edu/display/PSYCH484/6+Goal+Setting+Theory).
- Rees, C. (2011). *An Introduction to Research for Midwives*. Cardiff: Elsevier Health Sciences.
- Republic of Kenya (1988). *The Presidential Working Party on Education and Manpower Training for the Next decade and Beyond (The Kamunge Commission)*. Nairobi: Government Printers.
- Republic of Kenya (1999). *Totally Integrated Quality Education and Training*. Nairobi: Government Printers.
- Republic of Kenya (2001a). *A strategy for Performance Improvement in the Public Service*. Nairobi: Government Printers.
- Republic of Kenya (2001b). *Report of the Task Force on Students Discipline and Unrest in Secondary Schools*. Nairobi. Jomo Kenyatta Foundation Printers.
- Republic of Kenya (2003a). *Economic Recovery Strategy for Wealth and Employment Creation*. Nairobi: Government Printers.

- Republic of Kenya (2003b). *Report of the Ministerial Committee on Problems Facing National Polytechnics and Technical Training Institutes*. Nairobi: Government Printers.
- Republic of Kenya (2004). *A Strategy for Performance Improvement in the Public Service*. Nairobi, Government Printers.
- Republic of Kenya (2007). *Gender Policy in Education*. Nairobi: Government Printers .
www.education.go.ke.
- Republic of Kenya (2010). *Public Sector Reforms and Performance Contracting in Kenya*. Office of the Prime Minister . Nairobi: Log Associate Ltd.
- Republic of Kenya (2012a). *A Policy Framework for Education and Training*. Nairobi: Government Printers.
- Republic of Kenya (2012b). *Education Sector Report: Medium Term Expenditure Framework*. Nairobi. Government Printers.
- Republic of Kenya (2012c). *The Re-alignment of the Education Sector to the Constitution of Kenya*. Nairobi: Government Printer.
- Republic of Kenya (2013). *Public Sector Reforms and Performance Contracting*. Retrieved on 20 /3 / 2013 from: [http:// www.psrpc.go.ke](http://www.psrpc.go.ke).
- Republic of Kenya (2014). *Performance Contracting Guidelines for the Financial Year 20 /14/ 15 (11th Edition)*. Retrieved on 25 /8/ 2015 from: www.jkuat.ac.ke/directorates/dipca/wp-content/uploads/2014/8/11-PC-GUIDELINES-Vol-7-4.06.2014.pdf.
- Rey, J. (2015). *Motivation – McGregor (Theory X and Theory Y)*. Retrieved on 20 /9/ 2015 from: beta.tutor2u.net/business/reference/motivation-mcgregor-theory-x-theory-y.
- Riggan, M. (2012). *Between Efficiency and Effectiveness: Evaluation in For-profit Education Organisations*. Special Report- American Enterprises Institute. Retrieved on 13 /11/ 2015 from [https:// www.aei.org/ publication/ between- efficiency- and-effectiveness](https://www.aei.org/publication/between-efficiency-and-effectiveness). Robbins, S. P., & Coulter M. (2003). *Management*. (10th ed). London: Prentice Hall.
- Robbins, S. P. & Coulter, M. (2015). *Management (11th Ed.)*. London. Prentice Hall.
- Roberts, C. (2015). Five Functions of Management and Leadership. *Demand Media*.

- Retrieved on 2 /9/ 2015 from: smallbusiness.chron.com/five-functions-management-leading-56418. Html.
- Rowe, K. & Lievesley, D. (2002). *Constructing and Using Educational Performance Indicators*. Retrieved on 18 /8/ 2015 from: research.acer.edu.au/cgi/viewcontent.cgi?article=1013&content=learning_process.
- Salaman, A. K. (2005). How to Motivate Good Performance among Government Employees. *Pakistan Journal of Social Sciences* 3(9): 1138 - 1143
- Sales, B. D., & Folkman, S. (2000). *Ethics in Research with Human Participants*. Washington, DC: American Psychological Association.
- Salthouse, T. A., & Hedden, T. (2002). Interpreting Reaction Time Measures in Between – Group Comparisons. *Journal of Clinical and Experimental Neuropsychology*, 24 (7): 858 - 872.
- Schermerhorn, J. (2004). *Management* (8th Ed.). New Jersey: John Wiley & Sons.
- Schulz, J., & Kelly, A. (2008). Voluntary service overseas. *A Journal of voluntary sector Research*, 1(1), 75 - 92.
- Scott, Z. (2013). *Topic Guide on Service Delivery. Governance and Social Development Resource Centre*. Retrieved on 9 /7/ 2014 from: www.gsdr.org/docs/open/service_Delivery.pdf.
- Shamoo, A.E. & Resnik, B.R. (2003). *Responsible Conduct of Research*. New York: Oxford University Press.
- Shirley, M. M. & Xu, L. C. (2001). Empirical Effects of Performance Contracts: Evidence from China. *Journal of Law, Economics and Organisation*. Retrieved on 4 /7/ 2010 from: <http://www.oup.co.uk/journals>.
- Siddiquee, N. A. (2013). *Public Management Reforms in Malaysia. Recent Initiatives and Experiences*. Retrieved on 14 /4/ 2014 from: www.emerliddinsight.com/0951-3558.htm.
- Sifuna, D. N. & Karugu, A. M. (1988). *Contemporary Issues in Education Nairobi: Kenyatta University*.
- Silverman, S. & Manson, M. (2003). Research on Teaching in Physical Education Doctoral Dissertations: A Detailed Investigation of Focus, Method, and Analysis. *Journal of Teaching in Physical Education*, 22 (3): 280 - 297.

- Simiyu, J. W. (2009). *Revitalizing a Technical Training Institute in Kenya. A Case Study of Kaiboi Technical Training Institute*. Bonn: UNESCO - UNEVOC International Centre for Technical and Vocational Education and Training.
- Simiyu, A. N. (2012). *Performance Contract as a Tool for Improving Performance in Local Authority in Kenya*. Doctoral Thesis: Jomo Kenyatta University of Agriculture and Technology, Juja, Kenya.
- Simpson, S. N. (2013). Performance Contract and Performance Evaluation of State-owned Enterprise; Insights from the Goal Setting Theory. *Journal of Public Administration and Governance*. ISSN:2161-7104 2013, Vol. 3, No. 2, pp 22-39
- Singleton, R. A (1993). *Approaches to Social Research*. New York: Oxford University Press.
- Smith, D. (2014). *Under New Public Management: Institutional Ethnographies of Changing Front-line Work*. Toronto: University of Toronto Press.
- Sonja, E. S. (2009). *Public Sector Performance Contracting in New Zealand. Case Studies of the Ministry of Justice and Department of Courts*. Retrieved on 20 /11/ 2013 from: www.oed.org/governance/budgeting/1902756. Pdf.
- Stoner, J. A. F., Freeman, R. E. & Gilbert, D. R. (2006). *Management; Sixth Edition*. New Delhi: Prentice Hall of India.
- Swanson, R. A. (2013). *Theory Building in Applied Disciplines*. San Francisco, CA: Berrett - Koehler Publishers 2013.
- Thomas, H. & Simkins, T. (1987). *Economics and the Management of Education: Emerging Themes*. Philadelphia: The Falmer.
- Tripney, J., Hombrados, J., Newman, M., Hovish, K., Brown, C. & Steinka - Fry, K. (2013). *Technical and Vocational Education and Training (TVET) Interventions to Improve the Employability and Employment of Young People in Low - and Middle - Income Countries: A Systematic Review*. London: The Cambell Collaboration.
- Trochin, M. K. W. (2006). *Research Methods: Knowledge Base*. Retrieved on 10 /11/ 2015 from www.socialresearchmethods.net/kb/.
- UNESCO - UNEVOC (2013). *Revisiting Global Trends in TVET: Reflections on Theory and Practice*. Bonn: UNESCO - UNEVOC International Centre for Technical and Vocational Education and Training.

- University, Colorado State, (2012). *Reliability and Validity*. Retrieved on 14 /3/ 2015 from: [http:// writing. colostate. edu/ guides/ guide.cfm? guideid= 66](http://writing.colostate.edu/guides/guide.cfm?guideid=66).
- University, West of England (2015). Data Analysis: Pearson's Correlation Coefficient. Retrieved on 12 /9/ 2015 from: <http://learntech.uwe.ac.uk/da/Default.aspx?pageid=1442>.
- Verhoest, K. (2005). Effects of Autonomy, Performance Contracting, and Competition on the Performance of a Public Agency: A Case Study. *Policy Studies Journal*, 33: 235 – 258.
- Vogt, W. P. & Johnson, R. B. (2011). *Dictionary of Statistics & Methodology: A Nontechnical Guide for the Social Sciences* (4th Ed.). Washington, DC: Sage.
- Wanyonyi, S. C. & Muturi, W. (2015). Factors Affecting Performance of Procurement Function Among Public Technical Training Institutions in Kisumu County, Kenya. *International Journal of Economics, Commerce and Management*. Vol. III, Issue 5, ISSN: 2348 0386, pp. 325 - 337.
- Wambua, P. P., Ofafa, G. Otar, S. & Ngonzo, C. L. (2014). Teaching Workload Analysis for Performance Contracting and Service Delivery in the Academic Setting of Kenya. *International Journal of Innovative Research and Development*. ISSN; 2278 – 0211, Vol. 3. Issue 5, pp. 680 - 693
- Waters, D. (2004). *Introduction to Supply Chain Management*, (2rd Edition). London: Palgrave Macmillan.
- Weele, A. & Van, J. (2010). *Purchasing and Supply Chain Management: Analysis, Strategy, Planning and Practice* (5th Ed.). Andover: Cengage Learning.
- Wesonga, J. N., Sewe, T., & Muya, J. N. (2012). *Challenges Facing the Implementation of Performance Contracts in State Corporation in Kenya*. Retrieved on 20 /6/ 2013 from: [www. emergingresource. org](http://www.emergingresource.org).
- Williams, R. S. (2004). *Performance Management: Perspectives on Employee in Developing Countries and in Countries with Economies in Transition*. London: International Thompson Business Press.
- Wilson, J. (2010). *Essentials of Business Research: A Guide to Doing Your Research Project*. SAGE Publications: New York.
- Witzel, M. (2003). *Fifty Key Figures in Management*. London: Routledge.

- Wolf, A. (2000). *Does Education Matter? Myths about Education and Economic Growth*. London: Penguin.
- World Bank (2002). *Constructing Knowledge Society: New Challenges for Tertiary Education*. Washington D.C.: The World Bank.
- World Bank (2004). *Approaches to Result-based Funding in Tertiary Education. Identifying Finance Reform Options for Chile*. Retrieved on 22 /8/ 2015 from: datatopics.worldbank.org/hnp/files/edstats/CHLprw04.pdf.
- Yeaton, K. (2008). Recruiting and Managing The_Why?‘ Generation: Gen Y. The CPAJournal, 78 (4), 68-72. Retrieved From: <http://www.nysscpa.org/cpajournal/2008/408/essentials/p68.htm>.

APPENDICES

APPENDIX I

INTERVIEW SCHEDULE FOR THE PRINCIPALS

SECTION 1: BACKGROUND INFORMATION

1. Gender of respondent
 1. Male
 2. Female
2. Under which category does your age fall?
 1. 21 – 30 years
 2. 31 – 40 years
 3. 41 – 50 years
 4. 51 – 60 years
 5. Above 60 years
3. What is your highest level of education?
 1. Doctor of Philosophy (PhD)
 2. Masters Degree
 3. Bachelors Degree
 4. Diploma
4. How many years have you worked as a principal?
 1. 1 - 4 years
 2. 5 – 8 years
 3. 9 – 12 years
 4. More than 12 years
5. Your institution has how many students?
 1. 10 – 500 students
 2. 501 – 1,000 students
 3. 1,001 – 1,500
 4. More than 1,500 students

How many trainers are there in your institution?

6.
 1. 1 – 50 trainers
 2. 51 – 100 trainers
 3. 101 – 150 trainers
 4. Above 150 trainers
7. Have you attended a seminar or workshop on institutional management?
 1. YES
 2. NO

If, yes how many times in the last five years?

8. Have you attended a workshop or seminar on performance contracting?
 1. YES
 2. NO

If yes, how many times in the last five years?

SECTION II: SPECIFIC INFORMATION

1. From experience and knowledge, what are the strengths of performance contracts?
2. What constraints do you experience in implementing performance contracting in your institute?

APPENDIX II

QUESTIONNAIRE FOR ADMINISTRATORS (DEPUTY PRINCIPALS, REGISTRARS, DEANS OF STUDENTS, PERFORMANCE CONTRACTING COORDINATORS AND FINANCE OFFICERS)

Please place a tick (✓) against the answer which represents your opinion or write down your answer in the space provided. The information you provide shall be treated with utmost confidentiality, and used for research purposes only.

SECTION 1: BACKGROUND INFORMATION

1. Please indicate your designation.

1. Deputy Principal
2. Registrar
3. Dean of Students
6. Performance Contracting Coordinator
7. Finance Officer

2. Under which category does your age fall?

1. 21 – 30 years
2. 31 – 40 years
3. 41 – 50 years
4. 51- 60 years
5. Above 60 years
6. Any other(s), specify _____

3. Please indicate your gender.

1. Male
2. Female

4. Please indicate your highest professional qualification.

1. Doctor of Philosophy (PhD)
2. Master of Education Degree
3. Bachelor of Education Degree
4. Approved Teachers Status (A.T.S.)

5. SI / Diploma in Education
6. Untrained Teacher (U.T.)
7. Any others, (specify) _____
5. Under what category of work experience do you fall?
1. 1 – 10 years
2. 11 – 20 years
3. 21 – 30 years
4. More than 30 years
5. Any other(s), specify _____
6. Have you attended a seminar or workshop on performance contracting?
1. Yes
2. No
7. If yes in Q 15 above, please indicate how many times in the last five years.
1. Once
2. Twice
3. Three times
4. Four times
5. More than four times

SECTION II: SPECIFIC INFORMATION

8. The following information relates to performance contracting of technical training institutes. Based on your experience and knowledge indicate by placing a tick in the appropriate space what best describe your institute with regard to the level at which targets are achieved in performance contracting in the last six year. Use the following rating scale: **Very Low (VL) =1; Low (L) =2; Not Sure (NS)= 3; High (H) =4; Very High (VH)=5**

Performance Contract Indicators

| S/N | A. Finance & Stewardship Indicators | VL | L | NS | H | VH |
|-----|--|----|---|----|---|----|
| 1. | Targets on compliance with the set budgetary levels. | 1 | 2 | 3 | 4 | 5 |

| | | | | | | |
|----|--|---|---|---|---|---|
| 2. | Targets on reduction in operational cost. | 1 | 2 | 3 | 4 | 5 |
| 3. | Targets on improvement in sources of income. | 1 | 2 | 3 | 4 | 5 |
| 4. | Targets on utilization of allocated funds. | 1 | 2 | 3 | 4 | 5 |
| 5. | Targets on improvement in development index. | 1 | 2 | 3 | 4 | 5 |
| | B. Service Delivery Indicators | 1 | 2 | 3 | 4 | 5 |
| 1. | Targets on preparation and implementation of service delivery charter. | 1 | 2 | 3 | 4 | 5 |
| 2. | Targets on improvement in customer satisfaction. | 1 | 2 | 3 | 4 | 5 |
| 3. | Targets on improvement in service delivery innovations. | 1 | 2 | 3 | 4 | 5 |
| | C. Non – Financial Indicators | 1 | 2 | 3 | 4 | 5 |
| 1. | Targets on implementation and compliance with strategic plan. | 1 | 2 | 3 | 4 | 5 |
| 2. | Targets on ISO certification. | 1 | 2 | 3 | 4 | 5 |
| 3. | Targets on compliance with statutory obligations. | 1 | 2 | 3 | 4 | 5 |
| 4. | Targets on corruption eradication. | 1 | 2 | 3 | 4 | 5 |
| 5. | Targets on sensitization of students and staff on HIV/AIDS. | 1 | 2 | 3 | 4 | 5 |
| | D. Operations Indicators | 1 | 2 | 3 | 4 | 5 |
| 1. | Targets on improvement in students' enrolment. | 1 | 2 | 3 | 4 | 5 |
| 2. | Targets on improvement in industrial attachment. | 1 | 2 | 3 | 4 | 5 |
| 3. | Targets on compliance with curriculum delivery quality assurance and standard. | 1 | 2 | 3 | 4 | 5 |
| 4. | Targets on improvement in students' completion rate. | 1 | 2 | 3 | 4 | 5 |
| 5. | Targets on improvement in participation in co-curriculum activities. | 1 | 2 | 3 | 4 | 5 |
| 6. | Targets on improvement in project implementations. | 1 | 2 | 3 | 4 | 5 |
| | E. Dynamic/ Qualitative Indicators | 1 | 2 | 3 | 4 | 5 |
| 1. | Targets on improvement in skills development. | 1 | 2 | 3 | 4 | 5 |
| 2. | Targets on improvement in automation (IT). | 1 | 2 | 3 | 4 | 5 |

| | | | | | | |
|----|---|---|---|---|---|---|
| 3. | Targets on fight against drug and substance abuse. | 1 | 2 | 3 | 4 | 5 |
| 4. | Targets on clearance of staff on transfer and those retiring. | 1 | 2 | 3 | 4 | 5 |
| 5. | Targets on repairs and maintenance of equipment. | 1 | 2 | 3 | 4 | 5 |
| 6. | Targets on safety measures. | 1 | 2 | 3 | 4 | 5 |
| 7. | Targets on improvement in research and development. | 1 | 2 | 3 | 4 | 5 |

9. The following are plausible constraints facing institutes in the implementation of performance contracts. From your experience and knowledge, indicate by placing a tick in the appropriate space the strength of each statement. Use the following rating scale: **Strongly Disagree (SD) =1; Disagree (D) =2; Uncertain (U)= 3; Agree (A)=4; Strongly Agree (SA)=5**

| | Constraints of Implementing Performance Contracts | SD | D | C | A | SA |
|----|---|-----------|----------|----------|----------|-----------|
| 1. | In my institute, implementation of performance contracts is affected by inadequate finance. | 1 | 2 | 3 | 4 | 5 |
| 2. | In my institute, implementation of performance contracts is affected by inadequate equipment (e.g. Computer and communication facilities) to implement | 1 | 2 | 3 | 4 | 5 |
| 3. | In my institute, implementation of performance contracts is affected by inadequate human resource. | 1 | 2 | 3 | 4 | 5 |
| 4. | In my institute, implementation of performance contracts is affected by ministry not releasing funds in good time. | 1 | 2 | 3 | 4 | 5 |
| 5. | In my institute, implementation of performance contracts is affected by highly ambitious targets. | 1 | 2 | 3 | 4 | 5 |
| 6. | In my institute, implementation of performance contracts is affected by unexpected transfer of teachers. | 1 | 2 | 3 | 4 | 5 |
| 7. | In my institute, implementation of performance contracts is affected by lack of training of staff on performance contracting. | 1 | 2 | 3 | 4 | 5 |

| | | | | | | |
|----|--|----------|----------|----------|----------|----------|
| 8. | In my institute, implementation of performance contracts is affected by is unfair evaluation of performance contracts by the ministry. | 1 | 2 | 3 | 4 | 5 |
| 9. | In my institute, implementation of performance contracts is affected by poor attitude of staff e.g. lack of interest. | 1 | 2 | 3 | 4 | 5 |

10. Suppose you were asked to provide the most important strength of performance contracting, which three strengths would you give?

1. _____
2. _____
3. _____

APPENDIX III

QUESTIONNAIRE FOR THE HEADS OF DEPARTMENTS AND THE CLASS - TEACHERS

Please place a tick (✓) against the answer which represents your opinion or write down your answer in the space provided. The information you provide shall be treated with utmost confidentiality, and used for research purposes only.

SECTION 1: BACKGROUND INFORMATION

1. Please indicate your designation.

1. Head of Department

2. Class teacher

2. Under which category does your age fall?

1. 21 – 30 years

2. 31 – 40 years

3. 41 – 50 years

4. 51- 60 years

5. Above 60 years

6. Any other(s), specify _____

3. Please indicate your gender.

1. Male

2. Female

4. Please indicate your highest professional qualification.

1. Doctor of Philosophy (PhD)

2. Master of Education Degree

3. Bachelor of Education Degree

4. Approved Teachers Status (A.T.S.)

5. SI / Diploma in Education

6. Untrained Teacher (U.T.)

7. Any others, (specify) _____

5. Under what category of work experience do you fall?

1. 1 – 10 years
 2. 11 – 20 years
 3. 21 – 30 years
 4. More than 30 years
 5. Any other(s), specify_____
6. Have you attended a seminar or workshop on performance contracting?
1. Yes
 2. No
7. If yes in Q 15 above, please indicate how many times in the last five years.
1. Once
 2. Twice
 3. Three times
 4. Four times
 5. More than four times

SECTION II: SPECIFIC INFORMATION

11. The following information relates to functions of educational management. Based on your experience and knowledge indicate by placing a tick in the appropriate space what best describe performance of management functions by your principal in last six years. Use the following rating scale: **Strongly Disagree (SD) =1; Disagree (D)=2; Uncertain (U)= 3; Agree (A) =4; Strongly Agree (SA)=5**

Functions of Educational Management

| | Formulation of policies, goals and objectives | SD | D | U | A | SA |
|----|---|-----------|----------|----------|----------|-----------|
| 1. | My principal ensures that sound policies, goals and objectives are formulated. | 1 | 2 | 3 | 4 | 5 |
| 2. | My principal ensures that the policies, goals and objectives of the institutes are clearly stipulated and well known to both the occupants and the society. | 1 | 2 | 3 | 4 | 5 |
| 3. | My principal ensures that direction and destination of the institute's activities are patterned. | 1 | 2 | 3 | 4 | 5 |

| | | | | | | |
|-----|--|---|---|---|---|---|
| 4. | My principal ensures that the objectives of the institute are derived from the goals of education. | 1 | 2 | 3 | 4 | 5 |
| | Procurement of Resources | | | | | |
| 5. | My principal ensures that necessary resources (e.g. funds, human and teaching) are identified in good time | 1 | 2 | 3 | 4 | 5 |
| 6. | My principal ensures that necessary resources are procured in good time. | 1 | 2 | 3 | 4 | 5 |
| 7. | My principal ensures that procurement is done as per government requirements. | 1 | 2 | 3 | 4 | 5 |
| | Organizing and Coordinating | | | | | |
| 8. | My principal allocates both the staff (teaching and non-teaching) duties in accordance with their expertise and abilities | 1 | 2 | 3 | 4 | 5 |
| 9. | My principal allocates students duties in accordance with their expertise and abilities | 1 | 2 | 3 | 4 | 5 |
| 10. | My principal allocates materials resources in the most appropriate manner. | 1 | 2 | 3 | 4 | 5 |
| 11. | My principal ensures that there is unity in diversity (diversity in terms of various departments). | 1 | 2 | 3 | 4 | 5 |
| 12. | My principal ensures that all energies of staff and students are expended towards a common goal. | 1 | 2 | 3 | 4 | 5 |
| | Influencing and Stimulating Human Resource | | | | | |
| 12 | My principal provides an appropriate climate which gives the staff and students the assurance that human factor is recognized in the institute | 1 | 2 | 3 | 4 | 5 |
| 13. | My principal strives to release maximum potentials from both the staff and the students through motivating them. | 1 | 2 | 3 | 4 | 5 |
| 14. | My principal provides articulate leadership skills necessary for integration of both the organizational and personal goals. | 1 | 2 | 3 | 4 | 5 |

| | | | | | | |
|-----|---|---|---|---|---|---|
| 15. | My principal recognizes that human beings are endowed with abundant potentials which should be released to ensure maximum utilization of the institute's resources. | 1 | 2 | 3 | 4 | 5 |
| | Integration | | | | | |
| 16. | My principal ensures participation of the institute in various community activities. | 1 | 2 | 3 | 4 | 5 |
| 17. | My principal effectively involves the various organizations operating within in the institute's activities. | 1 | 2 | 3 | 4 | 5 |
| 18. | My principal effectively involves the various organizations operating without in the institute's activities. | 1 | 2 | 3 | 4 | 5 |
| | Evaluation | | | | | |
| 19. | My principal evaluates institute's activities in accordance with the blue print e.g. ISO standards, performance contracts etc. | 1 | 2 | 3 | 4 | 5 |
| 20. | My principal uses the evaluation feedback for improvement, redesign or complete overhaul of the system for better results. | 1 | 2 | 3 | 4 | 5 |
| 21. | My principal applies and implements corrective measures as necessary | 1 | 2 | 3 | 4 | 5 |

APPENDIX IV

SAMPLE SIZE FROM A GIVEN FINITE POPULATION

| N | S | N | S | N | S |
|----|----|-----|----|-----|-----|
| 10 | 10 | 65 | 56 | 140 | 103 |
| 15 | 14 | 70 | 59 | 150 | 108 |
| 20 | 19 | 75 | 63 | 160 | 113 |
| 25 | 24 | 80 | 66 | 220 | 140 |
| 30 | 28 | 85 | 70 | 230 | 144 |
| 35 | 32 | 90 | 73 | 240 | 148 |
| 40 | 36 | 95 | 76 | 250 | 152 |
| 45 | 40 | 100 | 80 | 260 | 155 |
| 50 | 44 | 110 | 86 | 270 | 159 |
| 55 | 48 | 120 | 92 | 280 | 162 |
| 60 | 52 | 130 | 97 | 290 | 165 |

Source: Kathuri and Pals (1993)

APPENDIX V

LIST OF INSTITUTES

1. Kiiru Technical Training Institute
2. Mathenge Technical Training Institute
3. Meru Technical Training Institute
4. Michuki Technical Training Institute
5. Nkabune Technical Training Institue
6. Nyeri Technical Training Institute

APPENDIX VI

DISTRIBUTION OF RESPONDENTS BY INSTITUTE

| Respondents' Category | Characteristic | Frequency | Percentage (%) |
|-----------------------|---------------------------------------|-----------|----------------|
| Principals | Kiiru Technical Training Institute | 1 | 16.67 |
| | Mathenge Technical Training Institute | 1 | 16.67 |
| | Meru Technical Training Institute | 1 | 16.67 |
| | Michuki Technical Training Institute | 1 | 16.67 |
| | Nkabune Technical Training Institute | 1 | 16.67 |
| | Nyeri Technical Training Institute | 1 | 16.67 |
| | Total | | 6 |
| Administrators | Kiiru Technical Training Institute | 5 | 16.67 |
| | Mathenge Technical Training Institute | 5 | 16.67 |
| | Meru Technical Training Institute | 5 | 16.67 |
| | Michuki Technical Training Institute | 5 | 16.67 |
| | Nkabune Technical Training Institute | 5 | 16.67 |
| | Nyeri Technical Training Institute | 5 | 16.67 |
| | Total | | 30 |
| HODs and Lecturers | Kiiru Technical Training Institute | 14 | 6.8 |
| | Mathenge Technical Training Institute | 13 | 6.3 |
| | Meru Technical Training Institute | 52 | 25.1 |
| | Michuki Technical Training Institute | 36 | 17.4 |
| | Nkabune Technical Training Institute | 34 | 16.4 |
| | Nyeri Technical Training Institute | 58 | 28.0 |
| | Total | | 207 |

APPENDIX VII

DISTRIBUTION OF RESPONDENTS BY GENDER

| Instrument | Male | Female |
|--------------------------|-------------|---------------|
| Interview Schedule | 3 | 3 |
| Questionnaire I (AQ) | 18 | 12 |
| Questionnaire II (HODLQ) | 112 | 94 |
| Total | 133 | 109 |

APPENDIX VIII

PEARSON'S CORRELATION COEFFICIENTS (r)

| | | Performance contracting index | Formulation of policies, goals and objectives | Procurement of resources | Organization and coordinating | Influencing and stimulating human resource | Integration | Evaluation |
|---|---------------------|-------------------------------|---|--------------------------|-------------------------------|--|-------------|------------|
| Performance contracting index | Pearson Correlation | 1 | .188** | .067 | .117 | .126 | .136 | .207** |
| | Sig. (2-tailed) | | .007 | .336 | .093 | .071 | .052 | .003 |
| | N | 206 | 206 | 206 | 206 | 206 | 206 | 206 |
| Formulation of policies, goals and objectives | Pearson Correlation | .188** | 1 | .722** | .652** | .650** | .477** | .661** |
| | Sig. (2-tailed) | .007 | | .000 | .000 | .000 | .000 | .000 |
| | N | 206 | 207 | 207 | 207 | 207 | 207 | 207 |
| Procurement of resources | Pearson Correlation | .067 | .722** | 1 | .692** | .670** | .500** | .665** |
| | Sig. (2-tailed) | .336 | .000 | | .000 | .000 | .000 | .000 |
| | N | 206 | 207 | 207 | 207 | 207 | 207 | 207 |
| Organization and coordinating | Pearson Correlation | .117 | .652** | .692** | 1 | .744** | .556** | .709** |
| | Sig. (2-tailed) | .093 | .000 | .000 | | .000 | .000 | .000 |
| | N | 206 | 207 | 207 | 207 | 207 | 207 | 207 |
| Influencing and stimulating human resource | Pearson Correlation | .126 | .650** | .670** | .744** | 1 | .590** | .684** |
| | Sig. (2-tailed) | .071 | .000 | .000 | .000 | | .000 | .000 |
| | N | 206 | 207 | 207 | 207 | 207 | 207 | 207 |
| Integration | Pearson Correlation | .136 | .477** | .500** | .556** | .590** | 1 | .623** |
| | Sig. (2-tailed) | .052 | .000 | .000 | .000 | .000 | | .000 |
| | N | 206 | 207 | 207 | 207 | 207 | 207 | 207 |
| Evaluation | Pearson Correlation | .207** | .661** | .665** | .709** | .684** | .623** | 1 |
| | Sig. (2-tailed) | .003 | .000 | .000 | .000 | .000 | .000 | |
| | N | 206 | 207 | 207 | 207 | 207 | 207 | 207 |

* Significant at 0.05 level

APPENDIX X

MAP OF MERU COUNTY



APPENDIX XI

MAP OF MURANG'A COUNTY



APPENDIX XII

MAP OF EMBU COUNTY



APPENDIX XIII

MAP OF KIRINYAGA COUNTY



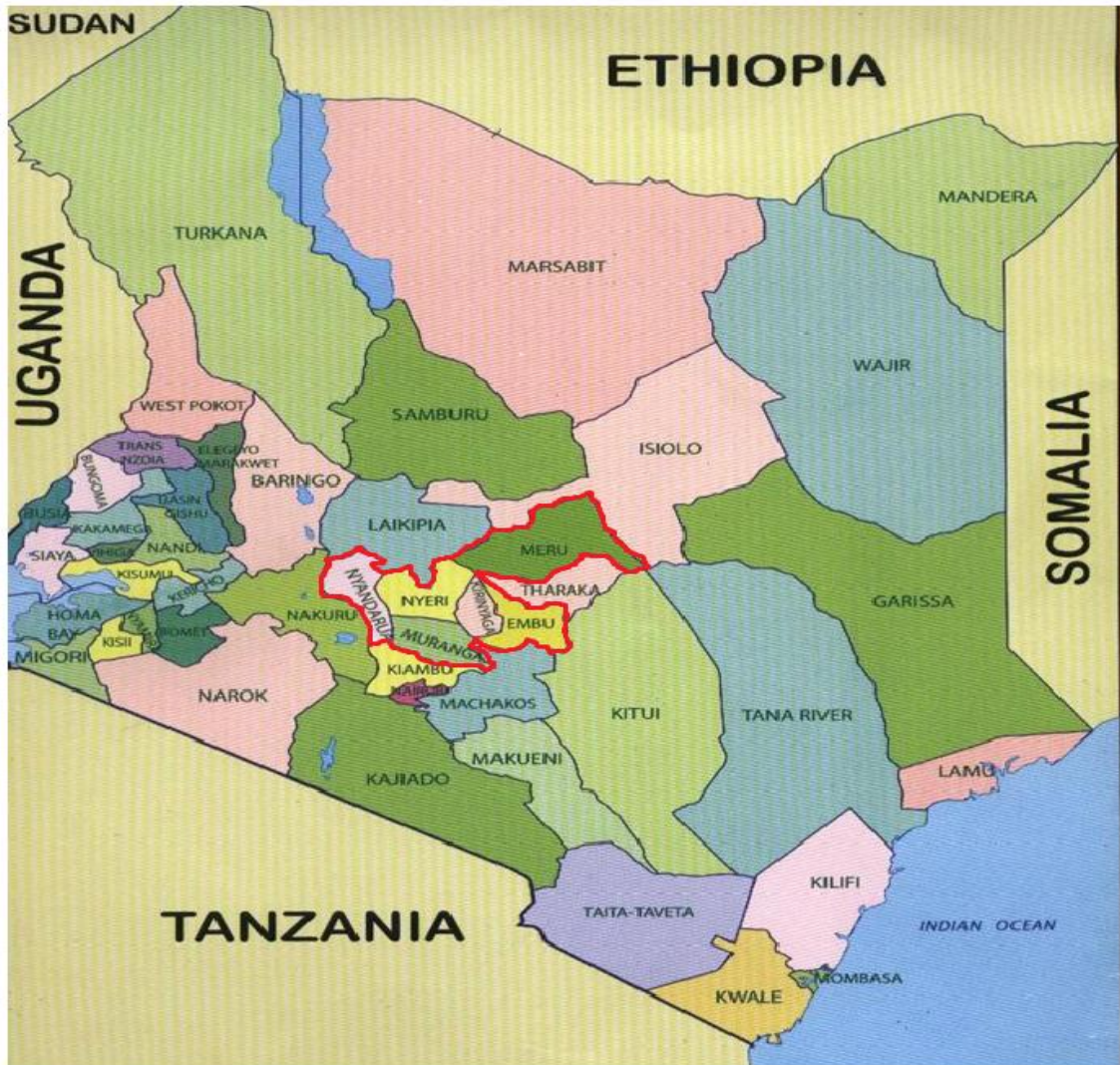
APPENDIX XIV

MAP OF NYANDARUA COUNTY



APPENDIX XV

MAP OF COUNTIES OF KENYA



KEY:

— Mount Kenya Region Boundary

APPENDIX XVI

THE INDICATORS AND TARGETS MATRIX FOR FY 2009/2010


Performance Evaluation Criteria, Weights and Targets

| | CRITERIA CATEGORY | UNIT | WT % | ACTUAL 2008/2009 | TARGET 2009/2010 | CRITERION VALUES | | | | | | | | | |
|----------|--|--------|-----------|------------------|------------------|------------------|-----------|------|------|------|-------------|-----------|----------------|--|--|
| | | | | | | Excellent | Very Good | Good | Fair | Poor | Achievement | Raw Score | Weighted Score | | |
| A | Financial & Stewardship | | | | | | | | | | | | | | |
| | Compliance with set budgetary levels | % | 5 | 100 | 100 | | | | | | | | | | |
| | Cost reduction/savings | Ksh. | 3 | 250,000 | 520,000 | | | | | | | | | | |
| | A-in-A | Ksh. | 2 | 43,125,600 | 71,441,849 | | | | | | | | | | |
| | Utilization of allocated funds | % | 4 | 100 | 100 | | | | | | | | | | |
| | Development Index (DExp/RE) | % | 3 | 22.4 | 25 | | | | | | | | | | |
| | Debt/Equity Ratio | Ratio | 3 | 0.011 | 0.009 | | | | | | | | | | |
| | Weight Sub total | | 20 | | | | | | | | | | | | |
| B | Service Delivery | | | | | | | | | | | | | | |
| | Compliance with customer service delivery charter | % | 12 | 100 | 100 | | | | | | | | | | |
| | Customer satisfaction | % | 12 | 65.5 | 67 | | | | | | | | | | |
| | Service delivery innovations | No. | 6 | 1 | 2 | | | | | | | | | | |
| | Weight Sub total | | 30 | | | | | | | | | | | | |
| C | Non-Financial | | | | | | | | | | | | | | |
| | Compliance with Strategic plan | % | 2 | 100 | 100 | | | | | | | | | | |
| | Disposal of idle assets | % | 2 | 75 | 100 | | | | | | | | | | |
| | ISO Certification | % | 1 | 40 | 66 | | | | | | | | | | |
| | Corruption Eradication | % | 1 | 90 | 100 | | | | | | | | | | |
| | Prevention of HIV Infections | % | 1 | 100 | 100 | | | | | | | | | | |
| | Compliance with Statutory Obligations | % | 1 | 100 | 100 | | | | | | | | | | |
| | Automation | % | 1 | 20 | 30 | | | | | | | | | | |
| | competency development | % | 1 | N/A | 100 | | | | | | | | | | |
| | Weight Sub total | | 10 | | | | | | | | | | | | |
| D | OPERATIONAL INDICATORS (Outputs) | | | | | | | | | | | | | | |
| | Students enrolment | No. | 2.5 | 1556 | 1700 | | | | | | | | | | |
| | Completion rate | % | 1 | N/A | 90 | | | | | | | | | | |
| | Performance achievement index | % | 1 | N/A | 100 | | | | | | | | | | |
| | Curriculum review | % | 2 | N/A | 100 | | | | | | | | | | |
| | Master plan | No. | 2 | N/A | 1 | | | | | | | | | | |
| | Enhancement of internal curriculum delivery quality assurance measures | % | 2 | 100 | 100 | | | | | | | | | | |
| | Compliance with National Industrial Attachment Scheme | % | 2 | 100 | 100 | | | | | | | | | | |
| | TIVET Bursary awards | No. | 2 | 318 | 413 | | | | | | | | | | |
| | National polytechnic status | % | 2 | 100 | 100 | | | | | | | | | | |
| | Book/student ratio | ratio | 2 | 1:5 | 1:3 | | | | | | | | | | |
| | CoE technology education equipment | % | 2 | 40 | 60 | | | | | | | | | | |
| | Shows, exhibitions and contests | No. | 2 | 4 | 5 | | | | | | | | | | |
| | Timeliness | % | 0.5 | 100 | 100 | | | | | | | | | | |
| | Quality | % | 0.5 | 100 | 100 | | | | | | | | | | |
| | Relevance | % | 0.5 | 100 | 100 | | | | | | | | | | |
| | Cost Efficiency | % | 0.5 | 100 | 100 | | | | | | | | | | |
| | Completion Rate | % | 0.5 | 100 | 100 | | | | | | | | | | |
| | Weight Sub total | | 25 | | | | | | | | | | | | |
| E | Dynamic | | | | | | | | | | | | | | |
| | | UNIT | WT % | Current Status | Target | CRITERIA VALUES | | | | | | | | | |
| | Work environment | % | 2 | 63.2 | 68.2 | | | | | | | | | | |
| | Employee satisfaction | % | 2 | 63.4 | 68 | | | | | | | | | | |
| | Repairs | % | 1 | 100 | 100 | | | | | | | | | | |
| | Maintenance | % | 1 | 100 | 100 | | | | | | | | | | |
| | Safety Measures | % | 1 | 100 | 100 | | | | | | | | | | |
| | Submission of pension document | Months | 2 | 9 | 9 | | | | | | | | | | |
| | Research and development | % | 1 | 100 | 100 | | | | | | | | | | |
| | Prevention of alcohol and drug abuse | % | 2 | 100 | 100 | | | | | | | | | | |
| | Resolution of public complaints | Cert. | 1 | N/A | 1 | | | | | | | | | | |
| | Gender mainstreaming | % | 1 | N/A | 100 | | | | | | | | | | |
| | Disability mainstreaming | % | 1 | N/A | 100 | | | | | | | | | | |
| | Weight Sub total | | 15 | | | | | | | | | | | | |

Source: Ministry of Education, Science and Technology and Nyeri Technical Training Institute

APPENDIX XVII

AUTHORIZATION LETTER FROM KABARAK UNIVERSITY



INSTITUTE OF POST GRADUATE STUDIES AND RESEARCH

Private Bag - 20157
KABARAK, KENYA
E-mail: directorpostgraduate@kabarak.ac.ke

Tel: 0203511275
Fax: 254-51-343012
www.kabarak.ac.ke

25th Aug, 2014

To Secretary/CEO
National Commission for Science, Technology & Innovation (NACOSTI)
P.O. Box 30623 – 00100
NAIROBI

Dear Sir/Madam,

RE: RESEARCH BY JANET MUTHONI KINYUA - REG. NO. GDE/M/1244/09/11


The above named is a Doctoral student at Kabarak University in the School of Theology, Education and Arts. She is carrying out research entitled “**Perceptions of Trainers on Impact of Performance Contracting on Efficiency in Management Practices in Technical Training Institutes in Mount Kenya Region**”. She has defended her proposal and has been authorized to proceed with field research.

The information obtained in the course of this research will be used for academic purposes only and will be treated with utmost confidentiality.

Please provide the necessary assistance.

Thank you.

Yours faithfully,


Dr. Kageni Njagi
DIRECTOR - (POST-GRADUATE STUDIES & RESEARCH)

Kabarak University Moral Code
As members of Kabarak University family, we purpose at all times and in all places, to set apart in one's heart, Jesus as Lord. (1 Peter 3:15)

APPENDIX XVIII

RESEARCH CLEARANCE PERMIT

CONDITIONS

- 1. You must report to the County Commissioner and the County Education Officer of the area before embarking on your research. Failure to do that may lead to the cancellation of your permit**
- 2. Government Officers will not be interviewed without prior appointment.**
- 3. No questionnaire will be used unless it has been approved.**
- 4. Excavation, filming and collection of biological specimens are subject to further permission from the relevant Government Ministries.**
- 5. You are required to submit at least two(2) hard copies and one(1) soft copy of your final report.**
- 6. The Government of Kenya reserves the right to modify the conditions of this permit including its cancellation without notice.**

REPUBLIC OF KENYA
NACOSTI
National Commission for Science, Technology and Innovation

RESEARCH CLEARANCE PERMIT

Serial No. A 4446

CONDITIONS: see back page

*Designed & Printed by
Jolly Enterprises*

APPENDIX XIX

RESEARCH AUTHORIZATION



NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471,
2241349, 310571, 2219420
Fax: +254-20-318245, 318249
Email: secretary@nacosti.go.ke
Website: www.nacosti.go.ke
When replying please quote

9th Floor, Utalii House
Uhuru Highway
P.O. Box 30623-00100
NAIROBI-KENYA

Ref: No.

Date:
16th March, 2015

NACOSTI/P/15/9880/4778

Janet Muthoni Kinyua
Kabarak University
Private Bag - 20157
KABARAK.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on *“Perceptions of trainers on impact of performance contracting on efficiency in management practices in Technical Training Institutes in Mount Kenya Region,”* I am pleased to inform you that you have been authorized to undertake research in **selected Counties** for a period ending **1st September, 2015.**

You are advised to report to **the County Commissioners and the County Directors of Education of the selected Counties** before embarking on the research project.

On completion of the research, you are required to submit **two hard copies and one soft copy in pdf** of the research report/thesis to our office.


DR. S. K. LANGAT, OGW
FOR: DIRECTOR GENERAL/CEO

Copy to:

The County Commissioners
Selected Counties.

The County-Directors of Education
Selected Counties.



APPENDIX XX

PAPER PRESENTATION IN INTERNATIONAL CONFERENCE



APPENDIX XXI

PAPER PRESENTATION IN INTERNATIONAL CONFERENCE



APPENDIX XXII

PAPER PRESENTATION IN INTERNATIONAL CONFERENCE



EGERTON

UNIVERSITY

Tel.: 051 2217801/8
Fax: 051 2217942

P. O. Box 536
Egerton

DIVISION OF RESEARCH AND EXTENSION

Date: 6th March 2016

To:
Janet Muthoni Kinyua
Nyeri Technical Training Institute, P.O. Box 465-10100, Nyeri, Kenya
E-Mail: jk66kinyua@yahoo.com

RE: INVITATION TO PRESENT A PAPER

I am pleased to inform you that your paper titled **Relationship between Performance Contracting and Procuring Resources in Technical Training Institutes in Mount Kenya region in Kenya** has been accepted to be presented in our 10th Egerton University International Conference. Please ensure you send the full paper manuscript following the guidelines given by **15th March 2016** for inclusion in the Proceedings.

The conference takes place from **30th March to 1st April, 2016** at Egerton University Main Campus, Njoro. The programme will be emailed to you later.

We look forward to your presence and participation. For any communications on the conference, please email: researchconf@egerton.ac.ke

A handwritten signature in black ink, appearing to read 'A. Kibor'.

Prof. Alfred C. Kibor, PhD
Director (Research & Extension)

ACK/po

Relationship between Performance Contracting and Procuring Resources in Technical Training Institutes in Mount Kenya region in Kenya

¹Janet Muthoni Kinyua, ²T.M. O. Ayodo and ²James O. Awino

¹Nyeri Technical Training Institute, P.O. Box 465-10100, Nyeri, Kenya

²School of Theology, Education and Arts, Kabarak University, Private Bag – 20157, Kabarak, Kenya.

E-Mail: jk66kinyua@yahoo.com

Abstract

Performance Contracting is a branch of management science referred to as Management Control Systems and is a contractual agreement to execute a service according to agreed-upon terms, within an established time period, and with a stipulated use of resources and performance standards. Technical Training Institutes face pressure to improve efficiency in performance of management functions. Before the study was conducted, it was unclear whether the introduction of performance contracting had enhanced efficiency in the performance of the function of procuring resources. The study, therefore, intended to determine relationship between performance contracting and Principals' performance of the function of procuring resources. For the purposes of conceptualization of the study, Agency Theory, Douglas MacGregor Theory X and Y, and a conceptual frame work showing the relationship between the variables were used. Using descriptive research design, data were collected from a sample of 6 Technical Training Institutes. The respondents included 6 Principals, 30 Administrators, 66 Heads of Departments, and 165 Class-teachers. Saturated sampling, stratified random sampling and simple random sampling techniques were used at various stages of selecting the samples. An interview schedule and questionnaires were used to collect data from the respondents. A pilot study was conducted to ensure validity and reliability of data collection instruments using one Technical Training Institute which was not included in the main study. In this regard, test-retest method was applied to estimate the reliability of the instruments. All the reliability estimates were above 0.9. Descriptive and inferential statistics were generated and analyzed through Statistical Package for Social Science computer package. The resultant Pearson Correlation Coefficient ($r = 0.067$) indicates that there was a positive and insignificant link between performance contracting and performance of the function of procuring resources at 0.05 level of significance. The study would be of great significance to educational managers, policy makers and planners.

Key words: Performance Contracting, Principals, Relationship, Procuring resources, Mount Kenya Region

APPENDIX XXIII

PUBLICATION

The Cradle of Knowledge African Journal of Educational and Social Science Research Volume 3 No 1, 2015 ISSN 2304-2885

Impact of Funding on External Efficiency in Public Technical Training Institutes in Kenya

Janet M. Kinyua
Email: jk66kinyua@yahoo.com

Abstract

Technical training institutes provide Technical and Vocational Education and Training (TVET). Sustainable TVET funding is an important factor for functioning TVET systems. There is, in particular, a direct relationship between securing sufficient financial resources and outcome quality TVET is expected to provide in accordance with the occupational standards. Increasing the outcome quality normally implies increasing the financial requirements. In Kenya, TVET is critical to the attainment of Vision 2030 goals. However, despite the importance of technical education in enhancing economic growth and development, little attention has been paid to TVET by policy makers and financiers. As a result, the quality of technical education has been on the decline due to lack of training infrastructure and equipment among others. This paper discusses facts about financing of technical training institutes, expound on its implications on external efficiency. The paper also examines the financing mechanisms and pertinent challenges in the funding processes. The paper recommends that the government should embrace quality of training by increasing the budgetary allocation to TVET institutions; extending training levy to benefit technical training institutes and; declaring free TVET among others.

Key terms: Financing, External efficiency, Public technical training institutes, Quality of education, Sources of finance

Introduction

Knowledge and advanced skills are critical determinants of a country's economic growth and standard of living as learning outcomes are transformed into goods and services, a stronger civil society, and a better investment climate. Good quality and efficient Technical and Vocational Education and Training (TVET) are essential ingredient of this transformation. To achieve desired quality and impact of TVET, viable funding methods need to be applied.

For a long time now the Government has shown great concern over the development and relevance of education in Kenya. The Mackey Report (1981) recommends a reasonable level of education that promotes competence, skills development, knowledge and creativity, which was useful step towards rationalizing vocational education and training. Koech Report (1999) also recommends education for technological and industrial development. A major goal of these recommendations was to produce self-reliant and all-round

individuals who could fit easily into any working condition (Ferej, Kitainge and Ooko (2012). Kamunge Report (1988) recommends the cost sharing approach which was meant to improve the funding level of education. Alemu (2013) indicates that despite these deliberate efforts by the government to improve the quality and relevance of TVET, achievement of desired levels of infrastructure and equipment remain elusive in many technical training institutes. He further states that most of the training equipment, reference materials and textbooks are from overseas, which makes them costly hence unaffordable.

This in particular has translated to mismatch between the skills learned in training institutions and skills demanded from industry and; poor achievement of the objectives of TVET which include to provide increased training opportunities for school leavers that will enable them to be self-supporting ;to develop practical skills and attitudes which will lead to income earning activities in the urban and rural areas; to provide technical knowledge,

APPENDIX XXIV

PUBLICATION

The Cradle of Knowledge African Journal of Educational and Social Science Research Volume 3 No 1, 2015 ISSN 2304-2885

Perceptions of Teachers on the Factors that Influence Head Teachers' Managerial Effectiveness: A Study of Secondary Schools in Nakuru Municipality, Kenya

Janet M. Kinyua
Email: jk66kinyua@yahoo.com

Abstract

Effective schools are the key to improved performance, particularly of students in all aspects. One of the key factors which may influence school effectiveness is the ability of the head teachers to perform managerial functions. There has been poor performance of management functions in secondary schools in Kenya, which has made the quality of education in terms of academic performance and discipline among students to decline. This paper highlights the relationship between head teachers' qualification and their effectiveness; teachers' qualifications and head teachers' effectiveness and; physical resources adequacy and head teachers' effectiveness. Using a descriptive survey research design, data were collected from a sample of 10 secondary schools. The respondents included 10 head teachers, 80 heads of departments and 20 class teachers. Stratified random sampling technique and simple random sampling technique were used at various stages of selecting schools. A pilot study was conducted to ensure reliability of data collection instruments. In this regard, Cronbach's Alpha (α) method was applied and the reliability coefficient estimate was 0.96. Data was analyzed using percentages, means, standard deviations and Pearson Correlation Coefficient. The study revealed that physical facilities were adequate apart from communication facilities and land that were in short supply. Head teachers and teachers had the expected professional qualifications. Pearson Correlation Coefficient generated indicated that there was positive relationship between; head teachers' qualifications and managerial effectiveness; teacher' qualification and head teachers' managerial effectiveness; and physical resource adequacy and head teachers' managerial effectiveness. Educational planners and policy makers should ensure that enough provision is made in the budget for purchase of land for schools.

Key words: *Head teachers, managerial effectiveness, physical facilities, human resource, municipality.*

Background of the Study

The quality of management delivered by head teachers and the academic achievements of pupils of any secondary school is dependent on several factors of which school facilities and qualification of teachers are paramount. According to Adeboyeje (2000) and Emetarom (2004), school facilities are the physical and spatial enablers of teaching and learning which will increase head teachers' effectiveness in the performance of management functions. All over the world, productivity of teachers in schools has reportedly declined over the years. This assertion is evident from the visible poor performance of students in both internal and external examinations in Nigeria. Most of the seemingly poor

performance of head teachers in school management lies on the deficiencies and ineffectiveness of our poorly trained and poorly motivated teachers and lack of facilities (Emunemu and Isuku, 2011).

Since independence, the Government of Kenya has shown great concern over the development of education sector in terms of provision of quality and effective educational services. It has set up a number of committees and task forces to review the education system and tackle the emerging issues such as availability of facilities and quality of staff. However, in spite of the deliberate efforts of the Government, the achievement of the desired quality and quantity of resources remains elusive in many secondary