

# Performance Contracting and Supply Chain Service Delivery in County Governments, A Case of Embu County Kenya

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**Abstract**— In this paper the authors focus to examine the influence of performance contracting on supply chain service deliver in Embu County, Republic of Kenya through a study of the views of staff in the department and sections of supply chain services. All targeted employees are under the Directorate of Public Procurement of The National Treasury in Embu County who usually develop their individual work plans and agree on targets based on the performance contract signed between the Director of Public Procurement and the Permanent Secretary, The National Treasury.

A descriptive study was carried out with probabilistic sampling method using the simple random sampling technique and was used to select 28 respondents out of a target population of 92 officers in the County and sub County Headquarters. Semi structured questionnaires were administered by drop and pick method. The data collected was edited for accuracy to detect errors and omissions, coded and then tabulated after generation of frequencies. Content analysis was then done for open-ended questions and then data was summarized in a suitable format for entry. Data analysis was done using descriptive statistics with the aid of Microsoft Excel 2007 Spreadsheet application. The results were then displayed in the form of Excel generated figures such as tables, bar graphs and pie charts to facilitate description and easy interpretation.

The findings revealed that apart from respondents having difficulties in preparing individual work plans and deriving SMART targets from these work plans, performance contracting was generally well understood. It was concluded that the setting of performance targets, training and performance appraisal were associated with improvement in service delivery in the Supply Chain Services.

The recommendations made were that the County Secretaries should ensure that all the employees in the Ministry are trained on the pertinent issues in the performance contracts so that every officer clearly understands their roles and how to develop their individual work plans and derive measurable targets. All officers whose training is agreed upon should be sponsored as agreed with their respective supervisors. The County Governments should adopt the performance contracting system in all their service operations to ensure accountability for results and improvement in service delivery. Further research should also be carried out in the other departments within Counties to improve the design of the performance contracts and preferably come out with County specific designs.

**Keywords**—*Performance Contracting, Supply Chain Services; County Governments; Performance Appraisal.*

## I. INTRODUCTION

### A. Background of the Study

A performance contract constitutes a range of management instruments used to define responsibilities and expectations between parties to achieve mutually agreed results. It is a useful tool for articulating clearer definitions of objectives and supporting innovative management, monitoring and control

methods and at the same time imparting managerial and operational autonomy to public service managers[3]. It is therefore a management tool for ensuring accountability for results by public officials, since it measures the extent to which they achieve targeted results [3].

### B. The Concept of Performance Contracting

Performance contracts originated from the perceptions that the performance of the public sector has been consistently falling below the expectations of the public. The decline was associated with excessive controls, multiplicity of principles, frequent political interference, poor management and outright mismanagement [17][18][3]. In Africa, the idea of performance contracting was started in Senegal followed by Morocco. In the Kenyan context a performance contract is a freely negotiated written agreement between government and a state agency (local authority, state corporation or central government ministry) delivering services to the public, where quantifiable targets are explicitly specified for a period of one financial year (July to June) and performance measured against agreed targets. The performance contracting strategy hence mirrors very closely the OECD, (1997) [2] definition 'as a range of management instruments used to define responsibilities and expectations between parties to achieve mutually agreed results [3]. The public officer or agencies promises to achieve specific targets in a certain time frame and government usually promises to award achievement with a reward or other incentives. The performance contract defines what the individual has to achieve in form of objectives, how the performance will be measured and the competencies needed to deliver the required results [1]. The measures for performance enable recognition and reward for good performance and sanctions for poor performance [19]. The Employees must meet the expected output while the employer must provide the necessary benefits in form of a reward upon completion. The effect of this contract can stimulate excitement and motivation to the employees. Performance contract can also be a form of direct motivation. If management realizes the needs for workers higher performance they may use this contract as their management initiative to motivate their workers.

In Kenya it was adopted in the year 2003 through a legal notice number 93 initiated in the ERS [5]. The rationale of introducing performance contracting was to improve service delivery to the public, reversing the decline in efficiency and ensuring that resources are focused on attainment of key national policy priorities of the government as well as to strengthen and clarify the obligation required of the government and its employees in order to achieve the agreed targets [5]. Performance contracting is Linking PAS/work plans to National goals as shown in figure 1.

The performance contract signed between the County Secretary and the Director of Supply Chain services is cascaded down to all officers in the County. The employees make individual work plans with the objectives in line with the departmental objectives [15].

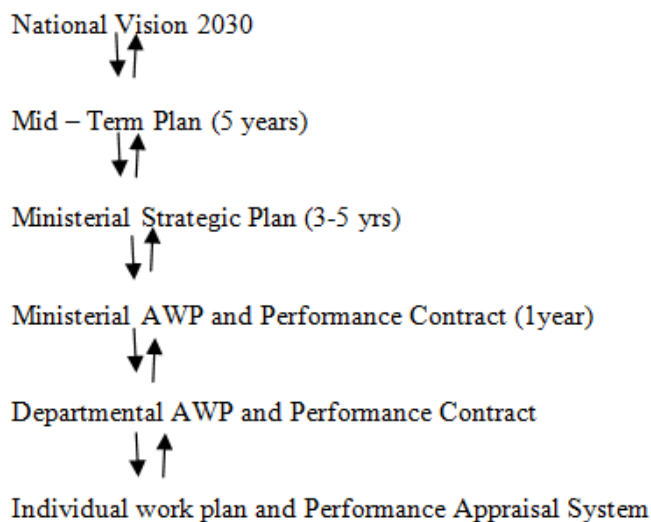


Figure 1: Linking PAS/Work Plans to National Goals. Source: Adopted from DPSM (May 2011)

Despite the elaborate rationale of introduction, it is widely perceived that performance contracting has not brought any meaningful change in the quality of service delivery [11]. Performance contracting in Kenya is still in formative stages and within the few years of existence, the system has registered mixed results. In some sectors, it contributed significantly to improve performance but in others, results are yet to be realized [11]. Embu is one of the 47 counties in Kenya and is a county in the former Eastern Province. The county has a functional Supply Chain service that is organized along the existing administrative structures. The County has four Constituencies namely Runyenjes, Manyatta, Siakago and Gachoka Constituencies. Currently each sub-County is headed by a supply chain officer in charge of the supply chain activities and officers working under him.

### C. Statement of the Problem

Service delivery in the Kenyan public service has remained wanting for a long time. Public servants have been blamed of conducting their work with laxity and many are the times when they would fail to report to their work places. On some occasions, they would be present but their performance at the place of work was wanting. Public servants' work performance had never been effectively measured before and the general public has continued to suffer at the hands of these public servants while little had been meaningfully done to rectify this situation. The government both at National and County levels introduced attendance registers at the work places but no major changes were observed in the public service performance of the duties. To ensure efficiency, effective service delivery and improvement in staff performance, the government introduced performance contracting in 2003. Through this system, all public servants including those in the Directorate of Public Procurement and support staff are required to develop annual individual work plans in line with Departmental work plans and set performance targets to enable their performance to be measured. They are required to keep a daily record of their activities as a proof of service delivery. While performance contracting system was aimed at improving service delivery to the public, restore the declining efficiency in the public service and continuous staff development, there is evidence through customer satisfaction surveys that members of the public are still dissatisfied with the service provision within the supply chain entities.

It is against this backdrop that the study seeks to examine the actual influence of performance contracting on service delivery in the Supply Chain Department at the County. The specific objectives are the setting of performance targets, staff training and performance appraisal.

### D. General Objective

The broad objective of the study was to examine the influence of performance contracting on the Supply Chain service delivery in the Supply Chain Department of Embu County, Kenya.

### E. Specific Objectives

The study was guided by the following specific objectives;

1. To determine how setting of performance targets influences service delivery in the Supply Chain Department of Embu County.
2. To find out the extent staff training on Performance Contracting influence service delivery in the Supply Chain Department of Embu County.
3. To examine the influence of the current performance appraisal system on the service delivery in the Supply Chain Department of Embu County.

### F. Research Questions

The research was guided by the following questions;

1. How does setting of performance targets influence service delivery in the Supply Chain Department of Embu County?
2. To which extent does staff training on Performance Contracting influence service delivery in the Supply Chain Department of Embu County.
3. How does the current performance appraisal system influence service delivery in the Supply Chain Department of Embu County.

### G. Justification of the Study

The Government spends a lot of resources towards the realization of efficient and effective service delivery. It is therefore imperative that these resources are commensurate with the services offered to the public. The performance contracting as a system also draws a lot of effort and resources and therefore needs to be evaluated to assess its effectiveness towards enhancing public service delivery, particularly in the Supply Chain Services.

### F. Significance of the Study

The findings will be important in guiding the Directorate of Public Procurement and the County Director of Supply Chain Services, Embu improving the performance appraisal system so as to effectively improve service delivery. It will also provide some insights into the actual influence of performance contracting in Supply chain entities of Kenya and Embu County in particular. Policy makers and managers will use the results in the improvement of the design and implementation of the performance contracting system. The study would stimulate interests of future researchers to undertake further investigations into the field of performance contracting.

## II. REVIEW OF LITERATURE

### A. Introduction

This chapter reviews literature related to performance contracting. The specific objectives of setting of performance

targets, staff training and performance appraisal are also covered. The literature review was done from the text books, internet, reports and some journals.

### **B. Theoretical Literature**

Performance contract and Performance appraisal in the civil service runs from 1<sup>st</sup> July every year to 30<sup>th</sup> June the following year. It is aligned with the financial year to ensure that funds are allocated during budgeting [7].

### **C. Performance Contracting**

Performance contracting constitutes a range of management instruments used to define responsibilities and expectations between parties to achieve mutually agreed results. It is a useful tool for articulating clearer definitions of objectives and supporting innovative management, monitor and control methods and at the same time imparting managerial and operational autonomy to public service managers. Performance contracting originated in France in the late 1960s and has been used in about 30 developing countries in the last fifteen years. Performance contracting use has been acclaimed as an effective and promising means of improving the performance of public enterprises as well as government departments all over the world. Its success in such diverse countries as France, Pakistan, South Korea, Malaysia and India has sparked a great deal of interest in this policy around the world. The latest country to adopt the system is Rwanda [11].

### **D. Organizational Performance**

Improvement in individual, group, or organizational performance cannot occur unless there is some way of getting performance feedback. Feedback is having the outcomes of work communicated to the employee, work group, or company. For an individual employee, performance measures create a link between their own behavior and the organization's goals. For the organization or its work unit's performance measurement is the link between decisions and organizational goals [3].

### **E. Setting of performance targets**

Prior to the beginning of the performance period, not later than 30th June, the department in a Ministry prepares Departmental Work Plans based on the Ministry's Strategic plan which include the Departmental priority objectives from which individual performance targets will be derived. Departmental Heads meet with staff under their direct supervision to discuss and ensure that the objectives and performance targets of the department are understood [5]. Individual Work Plans are then derived from the Departmental Work Plans and the officer's job description. The work plan briefly describes the performance targets or expected results on specific assignments and activities for which the staff member is responsible during the performance year. The Appraiser will hold discussions with the immediate Supervisor to agree on the work plan. The performance targets are thereafter set as agreed in the discussions by latest 31st July of each year. For each assignment, there indicators showing how success will be determined [5].

Targets must be generated from an individual work plan. A target is a specific deliverable or output in a given activity or task which give an employee something to aim at. Targets incorporate recognizable standards of measure of performance which are objectively clear to everyone involved. The targets must be SMART. Targets should range from five to seven at most for them to be realistic and achievable. They are then

entered into Performance Appraisal forms which include GP 247 A (Revised 2008) for Officers in JG 'H' and above in the Civil Service and GP 247 B [8] for Officers on JG 'G' and below [6]. Individual officer's responsibilities as outlined by [5] are; to request for departmental work plan and objectives from the supervisor to be able to develop individual work plan, to develops individual work plan, Indicates resource requirements in the work plan and discusses the same with the supervisor, set and agrees on targets with the supervisor, keep a record of work done, give regular feedback on performance pointing out problematic areas, prepares and submits required reports within set timelines and be accountable for meeting set targets.

### **F. Staff training**

Training is the systematic modification of behavior through learning which occurs as a result of education, instruction, development & planned experience. Training develop skills & competences of employees, improve their performance, help people grow within organization so as to be able to meet future Human Resource needs of organization as well as reduce learning time of employees[10]. According to reference [10], training also develops workers to undertake higher-grade tasks, provide the basic training of new and inexperienced workers (e.g. as apprentices, clerks, etc.), raises efficiency and standards of performance, meets legislative requirements (e.g. on health and safety) and serves as a way of informing people (e.g. induction training, pre-retirement courses, etc.). Training tends to be done for current job as opposed to development which usually means acquiring skills for future work.

According to reference [2], training should be systematic in that it is specifically designed, planned and implemented to meet defined needs. Learning needs are identified, planning of training done, training is implemented and finally evaluation is done. As part of the Staff Training and Development Plan, every staff member will indicate at least one professional development goal to be achieved in the reporting period as agreed with the supervisor. This may include special assignment, continuing education, on the job training, seminars, conferences and study tours [5]. The targets signing agreed upon here gives the supervisor the responsibility of reporting the training needs to the ministry and ensuring that the officer is trained.

### **G. Staff Performance Appraisal system**

The Performance appraisal period is one year, starting from 1st July to 30th June of the following year. It is an on-going process throughout the performance period which reflects the summation of the year's Performance. It also includes a mandatory mid-year performance review which accords both the Supervisor and Appraisee the opportunity to jointly review the progress made by the Appraisee in accomplishing the tasks and assignments agreed on at the beginning of the appraisal period [5].

Officers are expected to prepare and submit performance reports during the appraisal period which include quarterly reports, mid-year review reports and end of year performance report. To facilitate reporting, the individual officers are required to keep a record of what they do on a daily basis either in a diary, file folder or some other acceptable format [5]. According to reference[5] the review is in the form of discussions centered on what has been achieved and any constraints experienced. Mid -year performance review sessions are mandatory. It accords both the supervisor and appraiser the opportunity to jointly review the progress made



by the appraisee in accomplishing the tasks and assignments agreed on at the beginning of the appraisal period. It is centered on what has been achieved, any constraints experienced and whether there is need to vary the initial performance targets in order to accommodate any unforeseen circumstances, additions or removal of performance targets made. After discussions with the appraisee at mid-year performance review, comments are entered in Section 6 of the Appraisal form [5].

The end of year Appraisal takes place at the end of the reporting period whereby the Supervisor and Appraisee meet at the end of the year to discuss the overall performance over the whole appraisal period. Prior to the meeting, the Appraisee prepares a preliminary report on the extent to which the set performance targets were achieved as agreed at the beginning of the Performance Year with clear performance indicators to support performance. The Supervisor will assess the extent to which the targets are achieved and use a five (5) ratings scale: Excellent Performance - All Performance Targets consistently exceeded (101 %+). All targets fully met and exceeded in several areas. Besides eliciting a reward, performance at this level should trigger setting of higher and more challenging targets for the officer in the following performance year. Good Performance - All Performance Targets fully met (100%). Fair Performance - Some Performance Targets fully met (80% - 99%). This level may call for training and development intervention to address the appraisee's shortcomings. Poor Performance - Targets partially met (70% - 79%). Officers performing at this level should be informed in cautionary and warning letters of the more serious consequences of continued poor performance. Very Poor Performance - Targets not met (below 70%). The officer should be informed in a warning letter of the risk of separation should the very poor performance recur in the following year. The Supervisor will be required to identify the reasons for this type of performance and to communicate the same to the Ministerial Performance Management Committee for consideration [5] [1], argue that the manager and the staff member should regularly evaluate the staff member's performance and the achievement of the objectives in the work plan as well as the agreed training and development plan. With regard to rewarding outstanding performance, there is need to reward outstanding work which is recognized from the evaluation reports. The top performers need to be rewarded in various ways ranging from recognition to award of medals and other material endowments [1]

#### H. Empirical Literature/Review of Previous Studies

Many studies have been carried out on performance contracting mainly with executive heads of a public institution includes Permanent Secretary/Accounting Officer, State Corporations; Council of a Public Universities, etc. Guidelines are also in place for public institutions that are scheduled to sign performance contracts [7]. Reference [14], assessed the effect of performance contract on service delivery at the Ministry of Lands. He study was chosen because of the urge to establish why after the introduction and implementation of performance contract in the Civil Service, some problems associated with service delivery are still prevalent in the Ministry of Lands. The study found out that the Ministry didn't achieve its objectives as per the set targets in the performance contract.

Reference[11] while studying the Effects of Performance Contracting on Service Delivery in the Public Sector focused on the Supply Chain Department of Moi Teaching & Referral Hospital-Eldoret Kenya. He found out that majority of the suppliers understand what performance contracting is about but are not engaged in setting its objectives and targets, yet the

supply chain department performance contract is intended to serve them better, meaning that the department has not captured well the desires of their clients in the performance contract. However, no study was found to have been carried out on the influence of performance contracting on service delivery at the county level.

#### I. Conceptual Framework

This section discusses conceptual framework for analyzing the effects of performance contracting on service delivery in the Department of Supply Chain Services, Embu County. The conceptual framework in Figure 2 is the presentation model where the relationship between the independent, intervening and the dependent variables are shown diagrammatically to make them intelligible. According to reference [13] this helps the readers to quickly comprehend the relationship. The study relates the setting of performance targets, staff training and performance appraisal which form the independent variables. They either singly or collectively have direct influence on service delivery as the dependent variable for example, if no targets are set there would be uncertainty in which activities would have to be carried out to deliver needed services. If no training is carried out then the officers would not improve on their efficiency or standards of performance. New and inexperienced workers would not be trained. No appraisal means no feedback on performance and no plans on how to rectify identified performance deficiencies. Management support is an intervening variable that would moderate the three variables.

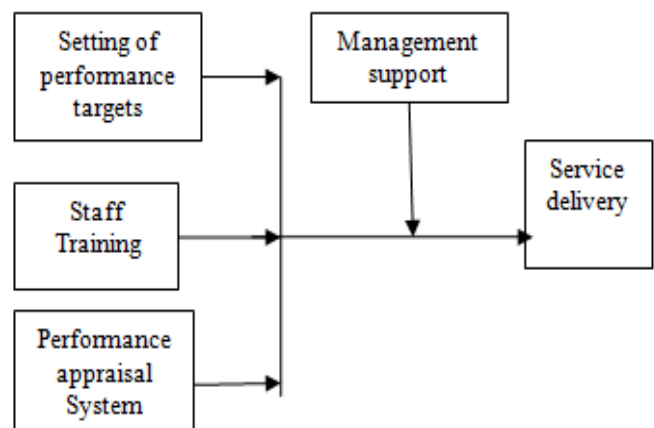


Figure 2: Conceptual Framework. Source: Researcher (May 2015)

### III. METHODOLOGY

#### A. Introduction

This chapter covers research design, target population, sampling strategy, data collection tools and techniques, data analysis procedure and data presentation.

#### B. Research Design

The research was a descriptive study. This type of research attempts to describe variables such as possible attitudes, values and characteristics whereby data is collected in order to answer questions concerning the current status of the subject in a study or test hypothesis [13]. The descriptive research design allows the researcher to study a population and use sampling measures to describe the state of affairs as they exist without control over the variables but only reporting what is happening [12].

### C. The Target Population

The target population was composed of the County supply chain officers, sub-county supply chain officers and the support staff working under the County Supply Chain Departments, Embu County. There are a total of 92 officers who had already filled in their performance targets for the period 2013/2014. The distribution was as shown in table 1.

Table 1: Target population

Source: CS Office, Embu (2015)

Category	Number
County Supply Chain Officers	8
Sub-County Supply Chain Officers	67
Support Staff	17
Total target population	92

### D. The Sample

According to ref.[13], when dealing with small populations of less than 50 members, virtually the entire population should be sampled otherwise 30% of the target population is acceptable. Therefore, 30% on the target population was considered which consisted of 28 members i.e. 30% of 92 target population. All the members went through the performance appraisal system in the 2012/2013 appraisal period and have set their targets for the period 2013/2014.

### E. Sampling Procedure

Probabilistic sampling method using the simple random sampling technique was used.

### F. Data Collection Tools and Techniques

Primary data was collected from the sample population through use of self-administered semi-structured questionnaires composed mainly of matrix questions that shared the same category of responses in form of a Likert scale and some open-ended sections meant to probe for more information from the respondents. The method employed was drop and pick.

Two respondents at the county headquarters were used to pre-test the questionnaire before the actual data collection. Content validity of the questionnaires was assessed with a research expert. Those involved in the pre-testing were excluded in the actual research. Respondents were encouraged to respond to the questions through an open disclosure of the research and procedures.

### G. Data Analysis Techniques

The collected data was analyzed, findings interpreted, conclusions drawn and recommendations made. Analysis of data involved data preparation through; editing for accurateness and to detect errors and omissions; coding and tabulating. Content analysis was then done for open-ended questions and then data was summarized in a suitable format for entry. Descriptive statistics was used for data analysis with the aid Microsoft excel 2007 spreadsheet application. These are percentages, measures of central tendency (mean for frequency distribution) and the measurement of dispersion (variance and the standard). The frequencies for each response were tabulated then the percentages, column charts and the pie charts were generated using the excel spreadsheet. The mean and standard deviation were calculated as described for discrete variables in

a frequency distribution table [16] [9] with aid of the excel 2007 spreadsheet.

### H. Data Presentation Techniques

The results were then displayed in the form of tables and excel generated figures. The Visual display aids e.g. tables, bar graphs and pie charts facilitated description and explanation of the findings as well as making comparison of data easy.

## IV. RESULTS AND DISCUSSIONS

### A. Introduction

This chapter presents the data analysis and the discussion of the study findings on the influence of performance contracting on service delivery.

### B. Results: Response Rate

The study targeted a total of 92 respondents who are staff in the Supply Chain department working under the County Secretary, Embu. However, as indicated in Table 2, only 24 respondents were reached and submitted valid questionnaires

Table 2: Response rate .Source: Author (2015)

Category	Number	Percentage
County Supply Chain Officers	5	20.8
Sub-County Supply Chain Officers	8	33.3
Support Staff	11	45.8
Total target population	24	100

Table 2 shows that 21 % of respondents interviewed were veterinary officers, 33% were livestock officers and 46 % were support staff at the CS headquarters.

### C. Age

The age of the respondents were as summarized in table 3 below.

Table 3: Age Source (Research data, 2015)

Age Bracket	Frequency	Percent
20-29	0	0
30-39	3	12.5
40-49	7	29.1
50 and above	14	58.3
Total	24	100

### D. Level of Education

The level of education for the respondents was also analyzed. The findings were as presented in Figure 3. below. Source (Research data, 2015)

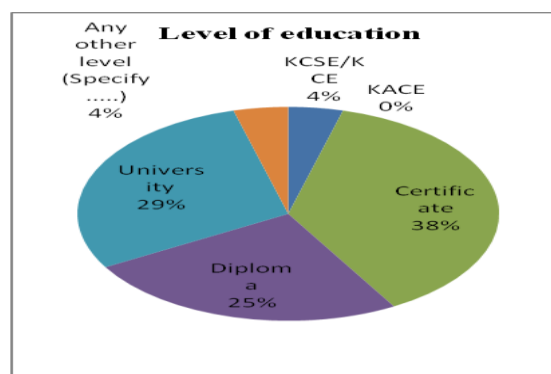


Figure 3: Level of Education (Research data, 2015)

### E. Responses on the Specific Objectives

The respondents were provided with Likert scale of statements to rate on a 5-point scale where they would tick a preferred score as follows: (i) Strongly agree [SA=5] (ii) Agree [A=4] (iii) Neutral [N=3] iv)Disagree [D=2] v) Strongly disagree [SD=1].

### F. Setting of performance targets

This was question number seven (7) on the questionnaire. Responses were as summarized in Table 4.

Table 4: Setting Of Performance Targets

Statement	SA (5)		A (4)		N (3)		D (2)		SD (1)		Mean	Sd (σ)
	No	%	No	%	No	%	No	%	No	%		
Availability of supply chain performance contract	8	33.3	12	50.0	2	8.3	2	8.3	0	0	4.26	0.90
Problems in Developing IWP	5	20.8	12	50.0	4	16.7	2	8.3	1	4.2	3.91	1.05

### G. Staff training

This was question number (10) in the questionnaire. Responses were as summarized in Table 5 below.

Table 5: Staff Training (Research Data,2015)

Statement	SA (5)		A (4)		N (3)		D (2)		SD (1)		Mean	Sd (σ)
	No	%	No	%	No	%	No	%	No	%		
Continuous training is necessary	17	70.8	7	29.2	0	0	0	0	0	0	4.91	0.51
Training needs were discussed	3	12.5	11	45.8	4	16.7	3	12.5	3	12.5	3.48	1.25

Out of 24 respondents, only 3 attended some kind of training.

### H. Performance appraisal.

This was question number (12&13) on the questionnaire. Responses were as summarized in Table 6 below.

Table 6: Performance Appraisal (Research Data,2015)

Statement	A (4)		N (3)		D (2)		SD (1)		Mean	Sd (σ)
	%	No	%	No	%	No	%	No		
Midterm review was done	37.5	13	54.2	1	4.2	1	4.2	0	4.43	0.76
Performance reporting is very tedious	12.5	6	25.0	3	12.5	6	25	6	2.87	1.42
Contribution of PA in improvement of service delivery	8.3	14	58.3	6	25.0	2	8.3	0	3.83	0.78

### I. Discussions

As seen in table 2, majority of the respondents (88%) were in the age of 40 years and above. They were therefore in the bracket that may have acquired a lot of experience in the civil service and is therefore in a position to compare service delivery during and before performance contracting. Figure 3 shows that at least (90%) of the respondents are well trained professionally with 29% being graduates, 25% with diplomas and 38% with certificate course. The responses on the setting of performance targets summarized in table 4 reveal that the performance contract signed between the Director of Public Procurement and the Principal Secretary in 2013-2014 was availed for the officers to derive their targets from. The mean response strength of 4.26 and a standard deviation of 0.9

confirm that it was cascaded to the County Supply Chain Officers. There were mixed reactions on whether the officers encountered any problems in developing their individual work plans or setting SMART performance targets. 70.8% agreed that they had not encountered problems in developing their Individual Work Plans with a mean of 3.91 and a standard deviation of 1.05. Similarly, 59% agreed they had no problem in setting of targets with a mean of 3.42 and a standard deviation of 1.00. The average response and a large standard deviation suggest that the issue of developing Individual Work Plans and setting SMART targets is still not well understood among the officers. The Supply Chain Departmental Heads are expected to meet with staff under their direct supervision to discuss and ensure that the objectives and performance targets of the department are clearly understood [5]. On the issue of staff training, all respondents agreed with 70.8 strongly continuous training is necessary in order to enhance service delivery with a mean of 4.91 and standard deviation of 0.51 ( see table 5). Almost 50% felt that training needs were not discussed and agreed upon between them and their supervisor. The mean response strength was 3.48 and a standard deviation of 1.25. This implies that there was no emphasis on training needs at the point of targeting. On the supplementary question on whether they attended any training during the appraisal period it appeared that 21 out of 24 did not attend any. According to reference[6] every staff member will indicate at least one professional development goal to be achieved in the reporting period as agreed with the supervisor. From the findings of performance appraisal in table 6, it was revealed that 91.7% of the respondents agreed that midterm review was carried out for staff during the appraisal period. The mean was 4.43 and a standard deviation of 0.76 which indicates strong affirmation. At least 50% disagreed that performance reporting is a very tedious and time consuming activity with a mean of 2.87 and a standard deviation of 1.42. More than 66% of the respondents rated strongly the contribution of performance appraisal in improvement of service delivery with a mean of 3.83 and a standard deviation of 0.78. This is an overall indication that the process is well appreciated

### CONCLUSION

Apart from the indication that a number of officers had some problems in developing IWPs, setting SMART targets, apparent deficient in reporting of training needs to the principal secretary and lack of staff training in general, the performance contract between the PS and DPP was well understood has enhanced overall performance of staff under CSCS. It therefore has led to improvement of in service delivery. There was an overall indication that the process of performance appraisal was well appreciated by the staff members.

### RECOMMENDATION

The Principal Secretary, National Treasury should to ensure that all the employees in Procurement units within the ministry are trained on the issues relating to performance contracts and that every officer understands clearly their roles. All officers should be taken for training as agreed upon with their respective supervisors. The County Governments should adopt the performance contracting system fully to ensure accountability for funds provided and improvement in service delivery by public servants. Further studies also need to be carried out to improve the design of the performance contracts and preferably come out with County specific designs that will be signed between the County Director of Supply Chain Services and the County Executive Member while still collaborating with the Directorate of Public Procurement.

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