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**ADOPTION OF PERFORMANCE CONTRACTING
PLANNING AND TARGET ACHIEVEMENT OF ACADEMIC
PROGRAMMES IN PUBLIC UNIVERSITIES IN KENYA**

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Abstract

The study determined how adoption of performance contracting planning influences the target achievement of academic programmes in public universities in Kenya. This study used a cross-sectional study design and mixed method design. The target population of this study was 8789 postgraduate students who enrolled in 2015 and 2016, deans of schools, chairpersons of departments and principals/directors of colleges in the six colleges of the University of Nairobi. Currently, there are seven colleges in the University of Nairobi, but the latest college of Open and Distance Learning is still young to be evaluated. The study's sample size was reached at using Slovin's Formula. The current research sample size was made up of 389 respondents. The study adopted purposive sampling and simple random sampling in the selection of the sample size. Secondary and primary data helped the researcher find data and information that is relevant to the study. Questionnaires and key informant interviews

were used to collect primary data. The researcher, so as to improve the research instrument's reliability and validity, conducted a pilot test. Questionnaires were distributed to the respondents which provided data that was quantitative in nature. Additionally, qualitative data was obtained from key informative interview guide and was analyzed using thematic analysis. Descriptive statistics included percentages, mean, frequency distribution, and standard deviation. Inferential statistics focused on Pearson correlation and regression analysis. Regression analysis was used to determine the relationship between the elements under investigation. The results indicated that adoption of performance contracting planning has a positive and significant influence on the target achievement of academic programmes in public universities in Kenya. The study therefore concludes that adoption of performance contracting planning positively and significantly influences the target achievement of academic programmes in public universities in Kenya. The study recommends that the University of Nairobi management should make sure that all the stakeholders are involved in the planning process of performance contract. In addition, the management of the University of Nairobi should ensure that negotiations are held with staff so as to assure them that their interests are covered in the performance contract.

Key Words: Performance Contracting, Planning, Target Achievement, Academic Programmes

Introduction

The use of performance contracting is an effective and promising means of enhancing target achievement of academic programmes in public universities. Essentially, performance contracting is based on agreement between public agency and the government which sets the general goals for a particular agency, sets the targets for measuring performance and provides incentives for the attainment of the targets (Guo, Zhang & Wang, 2019). Moreover, performance contracting is based on varieties of incentive-based approaches for controlling outcome rather than the process. The success of performance contracting in diverse states such as France, South Korea, Pakistan, India and Malaysia has sparked interest in this policy, in various part of the world (Selviaridis & Wynstra, 2015).

Planning is one of the most important components of performance contracting. According to Jiang and Seidmann (2014), planning is a process that gives individuals and groups performance goals and expectations to be met so that they can use their efforts in meeting the organization's objectives. Staff should be part and parcel of the process so that they can be aware of what goals the firms' expectation on employee tasks and responsibilities, the goals to be attained and the quality (Selviaridis & Wynstra, 2015). According Njenga (2016) PC planning sets up structured management principles that seek to achievediscipline, clear and frequent job performance reporting, promoting and payingof the employees in line with merit, well defined superior and subordinates hierarchy, enforce personal accountability and responsibility. Through this approach, the institutions are expected to direct all their resources towards the delivery of targeted services. Setting of performance contracting target is part of performance planning. Performance targetsare used to motivate, reward and evaluate employee's performance (McGowan, 2001). However, there are different views in regard to whether contract targets should be given so as to encourage increased effort rather than setting of attainable targets. Letangule and Letting (2012) indicate that targets that are challenging in nature encourage employees to put more effort in their work compared to targets that are easy to attain.

The increased desire for the improvement of the effectiveness and efficiency of doing things in the public sector despite the little resources and amid the high expectations from the people led to performance contracting being introduced in public institutions of higher learning by the Kenyan government. The believe of the government

was that these contracts would lead to the creation of management systems that were inclined to achievement of laid down rules and would encourage accountability in the universities. Over the years, the University of Nairobi has consistently performed well in its performance contracting. In the results for the year 2008/2009, the University of Nairobi was position 2 and position 3 in the results for the year 2009/2010. In addition, the institution was ranked first among state institutions in an evaluation done by the government for performance contracts in the financial year of 2010-2011 (Varsity Focus, 2012). Due to these good consistent results the University has become a leader in performance contract management.

However, despite the increasing performance of the University of Nairobi among state corporations in Kenya and the increasing enrollments in each of its colleges, the number of students graduating every year has been fluctuating. For instance, the number of Bachelor's degrees students who graduated in the year 2013 was 8589 before decreasing to 8109 in the year 2014 (University of Nairobi Annual report, 2016). Similarly, the number of diploma students who graduated in the year 2012 was 2472, which decreased to 2113 and 2063 in the years 2013 and 2014, respectively. However, in the year, 2012, the number of PhD students who graduated was 79, which increased to 94 in the year 2013 and 124 in the year 2015. In the year 2016, the University of Nairobi awarded a total of 57 degrees, which is a decrease from 124 in the year 2014. The number of Masters Students who graduated in the year 2012 was 3061, which increased to 3409 in the year 2013 and 3477 in the year 2014 (University of Nairobi Annual report, 2015). A customer satisfaction survey conducted by the university of Nairobi in 2013 revealed that 49.6% of the students were satisfied with the teaching facilities, 50.2% were satisfied with the reading materials, 57.5% were satisfied with the lecturers' competence and commitment, 50.3% were satisfied with the learning environment and 57.6% were satisfied with social amenities. Despite the University performing well in performance contracting, target achievement of academic programmes in the University is still low (University of Nairobi Annual report, 2017).

Studies conducted on performance contracting planning have looked at performance contracting as an administrative, political and societal tool and as a tool to enhance employee commitment (Kemboi, 2015). Therefore, there is little empirical evidence on studies focusing on the effect of the adoption performance contracting planning and how it influences organizational performance. This study hence sought to fill this gap by investigating the effect of the adoption of performance contract on the target achievement of academic programs in the public universities in Kenya with a focus on the University of Nairobi.

The following was the alternate hypothesis that was tested in this study:

H₁1: There is a significant relationship between adoption of performance contracting planning and the target achievement of academic programmes in public universities in Kenya.

Literature Review

Target Achievement of Academic Programmes in Public Universities

Target achievement refers to a benchmark that represents success at attaining a particular outcome, desired level of efficiency, satisfaction in public universities (Kadaiet *al.*, 2006). The concept of Target Achievement recognizes that an organization is a result of assets that are productive which include physical, capital and human resources which come together to attain a shared goal. Gakure, Muriu and Orwa (2013) point out that, target achievement is proof of a firm's effectiveness. There are other pointers that can be used to quantify how an organization achieves its targets including efficiency, relevance to stakeholders, financial viability and effectiveness. Achievement of targets in an organization can also be classified as financial or non-financial (Gaunya, 2014).

Financial target achievement refers to the ability of the firm to achieve economic objectives, while non-financial target is centered on operational performance which includes efficiency, market share, new product development and innovation (Jiang & Seidmann, 2014). For a firm to achieve total effectiveness, it shows that the organization has a wider conceptualization of achievement of targets and can be done in form of measure of the overall performance, reputation, goals achievement, perceived total performance compared to competitors and survival. Githemo (2006) proposed that Universities use research output and publications, student enrolment, grant funding, rankings, graduation (completion) rates, curriculum development and faculty reputation as a measure of performance or achievement of targets. Since financial targets of universities are measured through annual financial reports which are published yearly as a measure of performance achievement, this study will adopt a non-financial measures and it will narrow down to curriculum development, publications, teaching and learning facilities and students' progression which comprises of enrollments and graduations.

The Government of Kenya (GoK) has also institutionalized PC system as a measure of performance for all Ministries, Departments and Agencies. Their performances are based against a set of criteria and given a weighting set at the beginning of a contracting period such as a financial year. The criteria includes; financial and non-financial measures, service delivery, operations and qualitative measures. However, the most common measures of performance in public universities include Curriculum development, publications, quality of teaching and learning facilities and students' progression.

Performance contracting focuses on the mechanism of reforming public sector through setting, measurable, accurate, time-bound, simple and realistic targets, specifying agent performance in terms of results 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 activities and providing a basis for assessment of performance (Selviaridis & Wynstra, 2015). Performance contracting can be traced from France in the late 1960's and other states such as Korea, India and Pakistan. It has been adopted in developing countries such as Ghana, Gambia, Nigeria and now in Kenya (Akkermans *et al.*, 2019).

Performance Contracting Planning

The planning process in performance contracting basically focuses on development of Gantt Chart' but in real sense it is more than this. The Gantt Chart only shows the schedule of the plan visually. The truth is that the plan is a much wider concept (Jiang & Seidmann, 2014). A performance contracting plan is a guide to the requirements and the goals of the performance contracting as it entails the scope of the project, estimation of costs, management of risks, resources required, quality expected and the schedule of the project. The plan gives the project management managers the chance to change the project requirements to risk register, Gantt charts, Work breakdown structure (WBS), task list and resource assignment among others. Any performance contracting should give the project stakeholders project deliverables. The deliverables are affected by the performance contracting scope. The scope of the performance contracting can be hard to define as it can be said to be like the drawing of a map. A map usually has boundaries that are a representation of a given territory in the same way the scope of the performance contracting provides the outline of the deliverables (Valdahl & Katt, 2016).

In government institutions, there are policies in place that provide the rules on how resources are to be allocated, such policies also choose the nature of resources different projects are expected to be given. The policy chosen to govern allocation of resources for a given project can determine how long the implementation of a performance contracting is going to take (Joy & Nambirajan, 2016). An important thing to remember is that it can be difficult to come up with policies that seek to reduce the time taken for the implementation of a performance contracting. This is because the demand patterns are usually dynamic and there are delays that come up when resources are

distributed to the different activities. However, there are two policies available to managers that can help in the redirecting of the implementation of performance contracting timeline. They include resource adjustment times and demand estimates (Selviaridis & Wynstra, 2015). Allocation of resources is a major part of project planning including performance contracting planning.

A study was conducted by Jin and Wang (2012) on the effect of project managers allocating resources to the success of several software projects that were developed at CMMI level 5 Software Company, this is a firm whose specialty is in more than one software product and service. According to the findings, there was a positive correlation between different factors including the training of users, the allocation of resources and the different software success. The project manager has an important part to play as he or she is expected to allocate resources such as cost and time efficiently and this was noted to be an essential factor that affected the success of the projects in this research. It is thus possible for someone to predict if the project will be a success or otherwise by determining if the allocation of resources by the manager is efficient or not.

There are several factors that influence the performance contracting initiatives during the planning phase. These factors include allocation of resources, availability of resources, training sessions and target setting. In Kenya, Omboi (2011) carried out a study on the factors affecting implementation of performance contracting initiative at Municipal Council of Maua-Kenya. The research scope in this case was only on the effect of the implementation of performance contracting on enterprises which left out the effect on the financial and human resources. The data of the study was given by the employees. The targets of the study were recipients who provided licensed services to measure quality of service delivery. The results indicated that members of staff in the local authorities were the drivers of development since they were the ones who were the implementers of the provided policies and hence it was important that they be part of setting of targets and resources utilization and provided with training which were important in enhancing service delivery. The study also found that more than half of the customers were satisfied with the provided services by the council after the introduction of performance contracting.

Performance targets put in place in performance contracting affect the performance of public institutions. In the United Kingdom Oliver and Nakamura (2013) sought to investigate whether performance targets that were shared did assist in the co-ordination of public firms. The authors argued that performance targets that are shared assist in setting goals across organizations which allows for the monitoring of progress in terms of shared goals and provide a joint action so as to meet the given targets. According to existing evidence from the UK central government public service agreements, there was improved vertical inter-organizational coordination in instances where firm shared targets and the supervision was done by one department. However, in line with organizational politics, lack of accountability in departments and blame limits the effect of shared targets horizontally. It was observed that the targets were not well understood, there was poor specification of the deliverables, quantifying of the performance was not done properly, the responsibilities that were meant to be shared were not and the departments' focus were not on the proper activities.

The set performance targets in an organization can have a significant effect on staff member's performance in public organizations. Kinanga and Partoip (2013) conducted a study on the effects of target setting in performance contracting on employees' performance in Kenyan Public Enterprises. A descriptive survey design was used in the research to collect data. The study found that performance contracting positively affected the performance of members of staff in the Kenyan public organizations and there was need to set performance targets in an organized and well planned manner.

The utilization of performance contracting in organizations can lead to an improvement in organizational performance in terms of service delivery. Tonui (2010) carried out a study on the effect of performance targets on

employee's delivery at NSSF. The study utilized survey design. The findings of the study revealed that performance target can lead to improved service delivery and hence the need to have them. It was also clear that the employees expected the organization to introduce rewards when the set targets were achieved.

Theoretical Framework

The study made use of Goal Setting Theory to explain the relationship between adoption of performance contracting planning and target achievement of academic programmes. One of the proponents of goal setting theory is Fred Lunenburg, who indicates that Locke and Latham provide a well-developed goal-setting theory of motivation (Lunenburg, 2013). Lunenburg (2013) is in agreement with predications that indicate that the best performance occurs when goals are challenging and specific, when the goal is to evaluate performance and feedback given is linked to the outcomes and are used for the creation of acceptance and commitment. Goals are meant to motivate but this purpose can be affected by factors such as self-efficiency and ability. When deadlines are set, they improve how effective the goals are. Adomdza and Schjoedt (2013) are also proponents of goal setting theory. This indicates that for goals to be attained successfully then there need to be goal setting and goal striving processes.

Goal-setting theory as created in 1979 by Latham and Locke expresses that motivation and execution are higher when people set particular objectives, when objectives are troublesome yet acknowledged and when there is a criticism on execution (Locke & Latham, 2006). According to Chen, Ellis and Suresh (2016) Goal setting theory proposes that representatives are assessed on the basis of their execution in the accomplishment of concurred objectives or targets. Locke and Latham (2002) contended that difficult particular objectives lead to a higher performance compared to simple objectives, no objectives or even the setting of a theoretical objective, for example, advising workers to give a best. Difficult objectives likewise invigorate them thus they work harder to accomplish them. Locke and Latham (2002) argued that high objectives lead to elite which thus prompts rewards. According to Schang and Morton (2016), the theory accentuates employees examining the objectives to be met and the duration with their supervisors. Participation in objective setting is crucial as a method for consenting to the setting of higher objectives (Rostek & Młodzianowski, 2018). The model is applied in performance contracting when heads arrange and set focuses for their separate areas with senior directors of their departments. The process is expected to be replicated at the lower levels of the firm and each of the staff member is able to agree on the goals they should achieve with their supervisors.

One of the limitations of the goal setting theory is that if there are two targets set simultaneously then those who are expected to meet the targets might concentrate too much of their effort on one target making it hard for the other to be successfully fulfilled. However, there is a way in which this can be resolved by finding a balance between goals or targets that are almost similar or by prioritizing some goals (Ruscello & Yanero, 2003). It is advisable to have few well-articulated goals rather than many that might make it difficult to achieve even one. The goal setting theory is used in this study to discuss performance contracting planning which involves goals and objectives setting. The goal setting theory hypothesizes that quality objectives direct consideration and exertion; support perseverance and steadiness and in addition make the distinguishing proof of inventive methods for accomplishing objectives pivotal (Ondieki, 2013). A clear, particular, and "hard" objective does not result in attractive hierarchical execution, but rather the basic issues are: responsibility to the objectives, intricacy of the undertaking, how the objectives are surrounded and created (as a group or independently), and the accessibility and utilization of input. This implies an objective must be particular, as well as be testing enough to energize perseverance and drive ideal exertion, since simple or ambiguous goals for the most part will not prompt more higher levels of efforts (Vigoda-Gadot & Angert, 2007).

Conceptual Framework

The conceptual framework, Figure 1, shows the relationship between the independent and the dependent variable. The independent variable includes adoption of performance contracting planning. On the other hand, the dependent variable was target achievement of academic programmes in public universities.

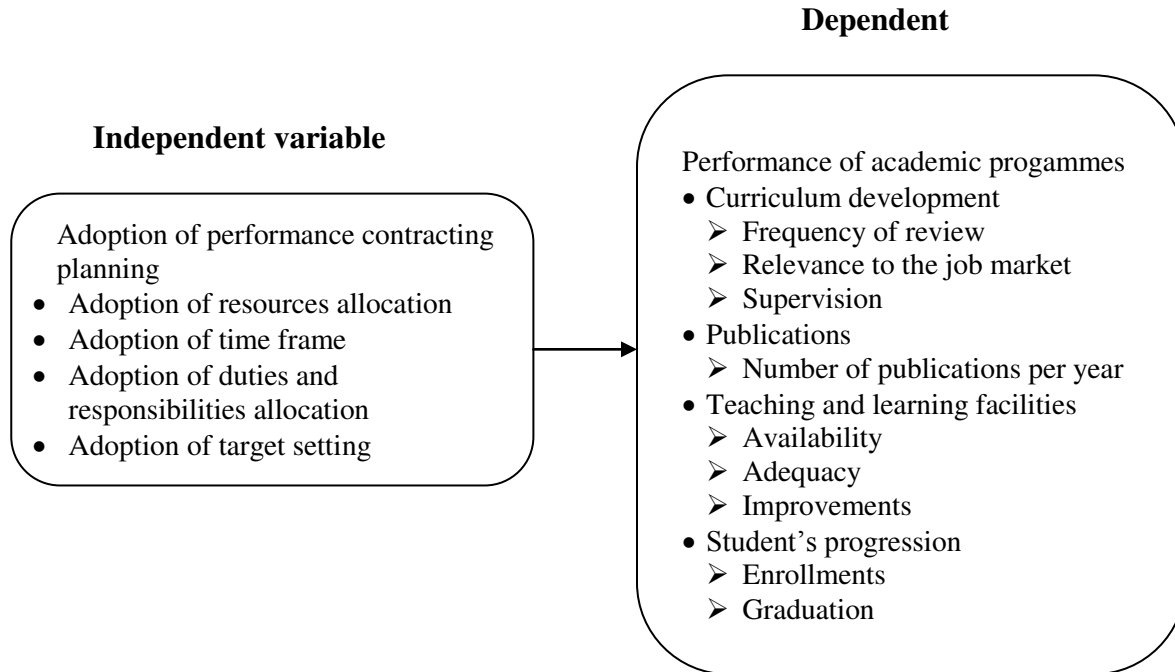


Figure 1: Conceptual Framework

Research Methodology

This study adopted pragmatic research paradigm. This paradigm was chosen as the study combined both qualitative and quantitative research methods. A cross sectional research design and mixed method design were used. In cross-sectional research design, the data needed for the research is collected in a given duration to shed light on the relationship between the study's variables. Cross-sectional research design integrates both qualitative and quantitative research which leads to a much wider understanding of the problem in question compared to the use of one method of research. The target population of the present study comprised of 8789 PhDs and Masters students who enrolled in 2015 and 2016, deans of schools, chairpersons of departments and principals/directors of colleges in the six colleges of the University of Nairobi. Currently, there are seven colleges in the University of Nairobi, but the latest college of Open and Distance Learning is still young to be evaluated.

The sample size of this study was determined using Slovin's Formula. However, all the deans of schools/faculties, chairpersons of departments and principals/directors of colleges were included in the study due to their small number. The Slovin's Formula was as follows:

$$n = \frac{N}{1 + NE^2}$$

Whereby:

n = no. of samples

N = total population

e = error margin / margin of error (0.05)

$$n = \frac{8789}{1 + (8789 * 0.05^2)}$$

n = 382

Table 1: Sample Size

	Target Population	Sample Size
PhD	975	29
Masters	7688	227
deans of schools/faculties	42	42
chairpersons of departments	78	78
principals/directors of colleges	6	6
Total	8789	382

The study adopted a multi stage sampling method. In the first step, the study used purposive sampling to select PhD students, Masters Students, deans of schools/faculties, chairpersons of departments and principals/directors of colleges. This is because deans of schools/faculties, chairpersons of departments and principals/directors of colleges are involved directly in the implementation of performance contracting and both PhD students and Masters Students are directly affected by the implementation of performance contracts. In the second stage, respondents were selected using simple random sampling.

Both primary and secondary data were used for the research. Secondary data was derived from published literature review including from textbooks, journal articles, published thesis, textbooks, annual universities' reports and performance contracting documents. On the other hand, primary data was obtained with the help of informant interview guides and questionnaires. Questionnaires collected quantitative data from academic staff and PhD students. Key informant interviews were used to collect qualitative data from directors of quality assurance. A pilot test was conducted to examine the validity and reliability of the research instrument. The pilot group comprised of 10% of the sample size and was conducted in Kenyatta University. To improve on the questionnaires validity, the researcher consulted with the university supervisor. Cronbach's alpha was used in measuring the reliability of the research instrument. The results indicated that the Cronbach's alpha for all the variables was more than 0.7 and hence the instrument was reliable.

A questionnaire was used to collect qualitative and quantitative data. Analysis of the qualitative data was done using thematic analysis and the results of the analysis were presented in prose form. On the other hand, descriptive and inferential statistics were used for analysis of quantitative data with the help of Statistical Package for Social Sciences (SPSS version 22). Descriptive statistics included frequency distribution, mean, standard deviation and percentages. Inferential statistics included Pearson correlation analysis and regression analysis. Pearson correlation analysis was used to test for the strength of the relationship between the variables under investigation. Regression analysis was used to determine the relationship between independent variable (adoption of performance contracting planning) and dependent variable (target achievement of academic programmes in public universities in Kenya). Regression model was as follows:

H₁1: There is as significant relationship between adoption of performance contracting planning and the target achievement of academic programmes in public universities in Kenya.

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Whereby;

Y = Target Achievement of Academic programmes

B₀ = Constant

β₁ = Coefficients

X₁ = Adoption of performance contracting planning

ε = Error term

Research Findings and Discussions

The sample size of the study was 382 respondents that comprised of 29 PhD students, 227 Masters Students, 42 deans of schools/faculties, 78 chairpersons of departments and 6 principals/directors of colleges. Out of 256 questionnaires that were distributed, 218 responses were obtained. In addition, 12 deans of schools/faculties, 24 chairpersons of departments and 3 principals/directors of colleges were interviewed. These responses showed a 75.1% response rate. Russell (2013) argues that even though, statistically, there are no rules of acceptable response rate, a 50% is normally considerate adequate for analysis, making inferences and for reporting while a 70% is considered to be a very good response rate thus the response rate of the study was within acceptable limits for inference making.

Target Achievement of Academic Programmes in Public Universities

Target Achievement of academic programmes was the dependent variable in this study and its indicators included curriculum development, publications, teaching and learning facilities as well as student's progression. In a five point likert scale (where 1 represented strongly agree, 4 represented agree, 3 represented neutral, 2 represented disagree and 1 represented strongly disagree) the PhD and masters students were asked to indicate their extent of agreement with various statements measuring target achievement of academic programmes in the University of Nairobi.

From the findings, the PhD and Masters Students agreed with a mean of 4.298 that their university is ranked one of the best in the country. In addition, the PhD and Masters Students agreed that students enrollments in their university and the number of students graduating every year has been increasing over the years as shown by means of 3.894 and 3.766, respectively. The PhD and Masters Students also agreed that the curriculum in the university is relevant to the job market and the university had been making improvements in the teaching and learning facilities as shown by means of 3.743 and 3.720, respectively. In addition, the PhD and Masters Students agreed that the number of publications per college has been increasing over the years and their university has frequent reviews of the curriculum as shown by means of 3.701 and 3.610, respectively.

However, the PhD and Masters Students were neutral in the statement indicating that there are frequent supervisions in their university to ensure quality as shown by a mean of 3.252. They were also neutral on the statement indicating that the teaching and learning facilities in their university were available as shown by a mean of 2.844. The PhD and Masters Students disagreed with the statement that the teaching and learning facilities in their university were adequate as shown by a mean of 2.376.

Table 2: Target Achievement of academic programmes

	Mean	Std. Deviation
Our university has frequent reviews of the curriculum	3.610	1.077
The curriculum in our university is relevant to the job market	3.743	1.042
There are frequent supervisions in our university to ensure quality	3.252	.840
The number of publications per college has been increasing over the years	3.701	.939
The teaching and learning facilities in our university are adequate	2.376	1.146
The teaching and learning facilities in our university are available	2.844	1.003
The university has been making improvements in the teaching and learning facilities	3.720	.935
Students enrollments in our university have been increasing every year	3.894	.932
The number of students graduating every year has been increasing over the years	3.766	.903
Our university is ranked one of the best in the country	4.298	.973
Average	3.520	.979

The PhD and Masters Students were asked to indicate how the adoption of performance contracting influences the target achievement of academic programmes in public universities in Kenya. From the findings, they reported that adoption of performance contracting had helped the University to increase graduation rates and offer high quality services to students. This is evidenced by the fact that the University of Nairobi has been leading among public institutions in Kenya in performance contracting implementation. In addition, the deans of schools/faculties and chairpersons of departments reported that the adoption of performance contracting had led to curriculum development through increasing frequency of review, offering courses that are relevant to the job market and through an improvement in supervision. In addition, the principals/directors of colleges indicated that as a result of performance contracting adoption, the University had managed to increase teaching and learning facilities as well as students' graduation rates.

The study found that students' enrollments in the University of Nairobi and the number of students graduating every year has been increasing over the years. In addition, the curriculum in the University of Nairobi is relevant to the job market and the university had been making improvements in the teaching and learning facilities. These findings agree with Njenga (2016) who argues that performance is in terms of student enrolment, students graduating rates and service user satisfaction. In addition, the PhD and Masters Students agreed that the number of publications per college has been increasing over the years and their university has frequent reviews of the curriculum. These findings agree with Githemo (2006) who argues that the most common measures of performance in public universities include Curriculum development, Publications, Quality of teaching and learning facilities and students' progression. However, there are moderate supervisions in the University of Nairobi to ensure quality. In addition, the teaching and learning facilities in the university were moderately available. Further, the teaching and learning facilities in the University of Nairobi were inadequate.

Adoption of Performance Contracting Planning

The PhD and Masters Students were asked to indicate their extent of agreement with various statements on the adoption of performance contracting planning in the University of Nairobi. From the findings, the PhD and

Masters Students agreed with a mean of 3.752 that the non-teaching staff had been allocated duties and responsibilities in performance contracting implementation. The PhD and masters students also indicated with a mean of 3.738 that performance contracting targets in the university are measurable. In addition, they agreed with a mean of 3.711 that the university has set time for implementation of performance contracting. The PhD and Masters Students further agreed with means of 3.646, 3.605 and 3.600 that performance contracting targets in the university are realistic, relevant and attainable, respectively. They further agreed that the teaching staffs are involved in the planning process of performance contracting and that the university had a budget for performance contracting as shown by means of 3.568 and 3.513, respectively. The PhD and Masters Students disagreed with the statement that the non-teaching staffs are involved in the planning process of performance contracting as shown by a mean of 2.318. They also disagreed with the statement that the teaching staff had been allocated duties and responsibilities in performance contracting implementation as shown by a mean of 2.220.

Table 3: Adoption of Performance contracting planning

	Mean	Std. Deviation
Our university has a budget for performance contracting	3.513	1.144
Our university has set time for implementation of performance contracting	3.711	1.040
The non-teaching staff have been allocated duties and responsibilities in performance contracts implementation	3.752	0.781
The teaching staff have been allocated duties and responsibilities in performance contracts implementation	2.220	1.154
The non-teaching staff are involved in the planning process of performance contract	2.518	1.274
The teaching staff are involved in the planning process of performance contract	3.568	.904
Performance contracts targets in our university are attainable	3.600	.732
Performance contracts targets in our university are realistic	3.646	.773
Performance contracts targets in our university are measurable	3.738	.974
Performance contract targets in our university are relevant	3.605	1.107
Average	3.387	.988

The PhD and Masters Students were requested to indicate how the adoption of performance contract planning influences the target achievement of academic programmes in public universities in Kenya. From the findings, the PhD and masters students indicated that although there was poor involvement on stakeholders in project planning, it was a significant factor in target achievement of academic programmes in the University of Nairobi. In addition, the deans of schools/faculties indicated that performance contract planning involves allocation of resources, which is a key factor in ensuring target achievement in academic programmes. In addition, the chairpersons of departments reported that project planning involves setting a time frame and a schedule for the achievement of different goals. Also, the principals/directors of colleges reported that performance contract planning encompasses allocation of duties and responsibilities, which helps in preventing role conflict and role ambiguity in various schools, departments and faculties in the university.

Correlation Analysis

Correlation analysis was used in assessing the influence of adoption of performance contract planning on target achievement of academic programmes in the University of Nairobi. The results as shown in Table 4.12, show that there is a positive linear association between adoption of performance contract planning and target achievement of academic programmes in the University of Nairobi ($r=0.328$, $p\text{-value}=0.000$). Since the p value (0.000) was less than the significant level (0.05), the association was considered significant and hence we accept the alternative hypothesis “there is a significant relationship between adoption of performance contracting planning and the target achievement of academic programmes in public universities in Kenya”.

Table 4: Correlation Coefficients

		Target Achievement of academic programmes	Adoption of Performance contract planning
Target Achievement of academic programmes	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	218	
Adoption of Performance contract planning	Pearson Correlation	.328	1
	Sig. (2-tailed)	.000	
	N	218	218

Regression Analysis

A univariate analysis was conducted to investigate the effect of adoption of performance contracting planning on the target achievement of academic programmes in public universities in Kenya. The null hypothesis was:

H₀₁: There is no significant relationship between adoption of performance contracting planning and the target achievement of academic programmes in public universities in Kenya.

As indicated in Table 5, the R-squared shows the variation in the target achievement of academic programmes that can be explained by the adoption of performance contracting planning. The R-squared in this study was 0.107. This implies that the adoption of performance contracting planning can be 10.7% of the target achievement of academic programmes in the University of Nairobi.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.328 ^a	.107	.103	.59556
a. Predictors: (Constant), Adoption of Performance contract planning				

The analysis of variance shows whether or not a model is a good fit for the data. The F-calculated (26.008) is greater than the F-critical (3.87), which shows that the model can be used in predicting the adoption of performance contract planning on the target achievement of academic programmes in public universities in Kenya. In addition, the p -value (0.000) is less than the significance level (0.05), which shows that the model is a good fit for the data.

Table 6: ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	9.225	1	9.225	26.008	.000 ^b
Residual	76.612	216	.355		
Total	85.837	217			
a. Dependent Variable: Target Achievement of academic programmes					
b. Predictors: (Constant), Adoption of Performance contract planning					

From the results, the regression equation can be presented as:

$$Y = 2.053 + 0.432 (\text{Adoption of performance contracting planning})$$

From the findings, the adoption of performance contracting planning had a positive influence on the target achievement of academic programmes in public universities in Kenya as indicated by the regression coefficient of 0.432 (p-value=0.000). This implies that a unit improvement in the adoption of performance contracting planning would lead to a 0.432 improvement in the target achievement of academic programmes. Since the p-value (0.000) is less than the significance level (0.05), the null hypothesis can be rejected and the alternative hypothesis can be accepted and hence “there is a significant relationship between adoption of performance contracting planning and the target achievement of academic programmes in public universities in Kenya”.

Table 7: Regression of Coefficients

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.053	.291		7.062	.000
Adoption of Performance contract planning	.432	.085	.328	5.100	.000
a. Dependent Variable: Target Achievement of academic programmes					

Discussion of the Findings

The results from correlation analysis show that there is a positive linear association between adoption of performance contract planning and target achievement of academic programmes in the University of Nairobi. The results from regression analysis also showed that adoption of performance contract planning has a significant influence on the target achievement of academic programmes in public universities in Kenya. These findings concur with Omboi (2011) whose argument is that performance contract initiatives during the planning phase significantly influence performance in terms of targeted goals and objectives. The findings also agree with Tonui (2010) whose findings were that performance contract planning has an influence on service delivery in public institutions.

The study revealed that performance contracts targets in the university are realistic, relevant and attainable. In addition, performance contracts targets in the university were found to be measurable. These findings concur with Oliver and Nakamura (2013) findings that performance targets in an organization must be specific, measurable, accurate, realistic and time-bound. Performance contract planning also encompasses allocation of duties and responsibilities, which helps in preventing role conflict and role ambiguity in various schools, departments and faculties in the university. These findings agree with Valdahl and Katt (2016) argument that stakeholder's involvement in performance contract planning influences commitment, and hence implementation. In addition,

the study found that the university has set time for implementation of performance contracts. In addition, project planning involves setting a time frame and a schedule for the achievement of different goals. These findings confirm Jiang and Seidmann (2014) argument that implementation of performance contracts in an organization has to be time-bound.

The study established that the teaching staffs were involved in the planning process of performance contract and that the university had a budget for performance contract. These findings are in line with Oliver and Nakamura (2013) findings that performance targets development should involve all the staff in an organization and should be shared to ensure easier coordination and commitment. Rationally performance targets that are shared assist in setting goals across organizations which allows for the monitoring of progress in terms of shared goals and provide a joint action so as to meet the given targets. The results revealed that although there was poor involvement on stakeholders in performance contract planning, it was a significant factor in target achievement of academic programmes in the University of Nairobi. The results also revealed that performance contract implementation is the most important aspect of a performance contract as it involves the execution of the performance contract plan.

In addition, performance contract planning involves allocation of resources, which is a key factor in ensuring target achievement in academic programmes. These findings agree with Valdahl and Katt (2016) argument that the policy chosen to govern allocation of resources for a given project can determine how long the implementation of a performance contract is going to take. These findings are also in line with Mosomi, Kindiki and Boit (2014) findings that allocation of resources is a major part of project planning including performance contract planning. In this study, the results based management theory is used to explain the aspect of target setting in performance contracting planning. Target achievement of programmes depends on the planning of performance contracting through setting targets, goals and goals and highlighting their indicators.

Conclusions and Recommendations

The first objective of this study was to determine the influence of adoption of performance contracting planning on the target achievement of academic programmes in public universities in Kenya. The inferential statistics showed that the adoption of performance contracting planning has a positive and significant influence on the target achievement of academic programmes in public universities in Kenya. The study therefore concludes that adoption of performance contracting planning positively and significantly influences the target achievement of academic programmes in public universities in Kenya.

The findings of this study indicated that the management of the University of Nairobi was not involving all the stakeholders (including teaching staff) in the planning process of performance contract. In addition, the teaching staff had not been allocated duties and responsibilities in performance contracting implementation. Involvement of all stakeholders in the planning process of a performance contracting helps in minimizing of preventing resistance to change. The study therefore recommends that the University of Nairobi management should make sure that all the stakeholders are involved in the planning process of performance contract. In addition, the findings of this study indicated that the University of Nairobi had not been holding negotiations with the staff. The study therefore recommends that the management of the University of Nairobi should ensure that negotiations are held with staff so as to assure them that their interests are covered in the performance contract.

Suggestions for Further Studies

This research studies was limited to the influence of the adoption of performance contracting planning on target achievement of academic programmes in the University of Nairobi. The findings of these studies cannot be generalized to other public Universities in Kenya. There are 25 public universities in Kenya and hence this study suggests similar studies to cover all the other public universities in Kenya. The study also found that adoption of performance contracting planning could only explain 10.7% of target achievement of academic programmes in the University of Nairobi. The study therefore suggests that further studies on other factors influencing target achievement of academic programmes in the University of Nairobi should be carried out.

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