

Onsase _ Influence of performance contracting on performance in public institutions: a case of Kisii University, Kisii County, Kenya

Performance contracting is a management control system based on contractual agreement. Service delivery is pegged on agreed-upon terms, within defined period of time, and with a stipulated use of resources and performance standards. The performance contracting report of 2014 from Kisii county indicates that the performance targets set for Kisii university for the year 2011 fell below the expected targets for the year 2013. The report also indicates that the number of complaints from the clients have increased gradually since the year 2009 to 2014 based on the report from the complaints committee. The general objective of the study was to investigate the influence of performance contracting on institutional performance in Kisii University. The specific objectives were to: determine the influence of service quality on institutional performance in Kisii University, Establish the influence of efficiency on institutional performance in Kisii University, Assess the influence of consistency on institutional performance in Kisii University and Determine the influence of creativity on institutional performance in Kisii University. A case study research design was adopted for this study. The target population consisted of 720 respondents stratified as follows; 700 employees of Kisii University, Kisii university students union leaders 10 and Kisii university student welfare leaders 10. Stratified, simple random and purposive sampling techniques was used to select the sample size of 268 respondents as determined by the Kerjcie and Morgan table. Questionnaires and interview was used to collect data. Validity of the instruments was tested with the help of the supervisors while reliability was ensured through test-re-test. Responses from the questionnaire were tabulated, coded and processed using the statistical package for social sciences (SPSS) computer aided programme. Qualitative data from interviews were analysed using a content analysis approach while Quantitative data was analysed using descriptive analysis techniques which is intended for measuring the central tendencies including mean, standard deviation and variances. Also the multiple regression analysis was used to draw conclusions in the relationships. The study found out that performance contracting influences institutional performance in Kisii University. The study concluded that performance contracting greatly influence institutional performance at Kisii University, also that there exists a correlation between the variables of performance contracting that is; (service quality, efficiency, consistency and creativity) and institutional performance. The study further concluded that all the variables under study had varying effects on the performance of Kisii University. The justification of the study is that it will provide information that could support evidence-based policy-making, particularly in the context of the national budget and national planning. These processes focus on government priorities among competing demands from citizens and groups in society. This should influence and lead to the formation of new policies at the Ministry of Education that will guide the operations in Kisii University. This study should also provide a basis for reference for other researchers and readers in general by adding knowledge and creating interest for undertaking similar research for other government institutions. The study recommends a further research to find out the correlation between individual perception of performance contracting and the out come of the institutional performance and also to establish the link between performance contracting and the reward system and involvement in target setting vis –a vis institutional performance.