



## Effect of Organisational Structure on Performance of County Governments in the Central Region, Kenya

Charity Wangui<sup>a</sup>, John Muhoho<sup>b</sup> and Julius Kahuthia<sup>c</sup>

<sup>a</sup> Student, Faculty of Business, Computer Science and Communication studies, St Paul's University, Private Bag, Limuru, 00217, Kenya, E-mail: pbamlmr403617@spu.ac.ke

<sup>b</sup> Lecturer, Faculty of Business, Computer Science and Communication studies, St Paul's University, Private Bag, Limuru, 00217, Kenya, E-mail: jkahuthia@spu.ac.ke

<sup>c</sup> Lecturer, Faculty of Business, Computer Science and Communication studies, St Paul's University, Private Bag, Limuru, 00217, Kenya, E-mail: jmuhoho@spu.ac.ke

### ABSTRACT

Most organization's aim is to realize and uphold great performance. In order to achieve superior performance, organizations have enhanced strategy implementation process and concentrated efforts on strategy implementation imperatives. County governments in Kenya have fallen below expected performance due to challenges like high personnel emoluments, under-performance in own source revenue collection, low absorption of development allocation, high levels of pending bills, and weak budgetary controls. Organisational structure is a strategy implementation imperative that is key in resolving these challenges, thus the study sought to establish the effects of organisational structure in tackling the county performance. Descriptive and explanatory research design were adopted. Structured electronic questionnaire was sent to 252 respondents in the five counties in central region of Kenya. Descriptive and inferential statistics were used for analysis and overall model tested at 95 % confidence level. The results show that the beta coefficient associated with organizational structure was 0.267 and a p value <0.001 meaning that a unit increase in organizational structure with all other factors held constant resulted to an increase in County performance indicating a positive significant effect of organizational structure on organizational performance. This study contributes to knowledge by providing a conceptual framework for the relationship between organisational structure and county government performance, it makes contribution to policy by showing areas to emphasize on for improved performance of the county governments. Success in a particular organization is informed by how well the organization is planned in relation to its business strategy. There is therefore need for county governments to ensure they have well defined organizational structure that is aligned to the county government's mission and vision for improved performance.

Keywords: Strategy Implementation, County Government Performance, Organizational Strategy.

## 1.0 Introduction

Globally, private, and public organizations have constantly been challenged by different environmental forces, various business complexities, technological advancement, globalization, climate change, and shifting customer preferences that push them to relook at how they do business. Obtaining efficiency, productiveness and sustaining performance goals therefore has become a key concern to these organizations (Basalamah, 2017). Governments all over the globe are increasingly under pressure from their residents to show performance results from the resources collected in taxes, and to be accountable for the promises made in their political manifestos, development plans, electoral pledges, and commitments. In addition, citizens demand for transparency on the impact of government's interventions in improving its citizenry quality of life. Paradoxically, the government's resource basket has not expanded in sequence with these demands which implies pressure to do more with less. In an era marked with rising demand to governments to provide quality services and flat revenues, it is critical to ensure optimal performance. Improved performance helps government to be excellent in provision of quality services to its citizens efficiently and effectively (Hrebiniak, 2016). From running local health departments to overseeing compliance with regulations, counties deliver a variety of services.

According to Malina and Selto (2004), both non fiscal and monetary measures are used by many large organizations as a quantifier for their performance. Measuring organizational performance is important as it validates a process point of view that focuses on internal processes that measure how successful and coherent an action is with the set metrics. Accordingly, the performance of an organization is determined based on output and outcome, internal procedures and processes, profitability, organizational structure, employee's attitude, and receptiveness of an organization to the surroundings. According to Mutua (2009), Organizational performance incorporates actual output or organizational outcome which is determined in relation to already set goals and objectives. According to Levenson, Van der Stede and Cohen (2016) measures used within and techniques of its implementation for instance, the company's key performance indicators (KPIs), affects the association between implementation and performance. Therefore, the system for internal measurement applied will affect performance at both individuals and organization's levels.

County Governments in Kenya have had their share of these challenges especially because devolution is a relatively new notion in the country. According to World Bank Group (2016), devolved governments face challenges in instigating County integrated development plans which in turn affect performance. There is need therefore to create harmony in strategic management of public resources and betterment of the lives of citizens through repackaging performance management. Staff competence ensures enhancement of laid down processes and improves administration of existing resources thereby giving citizens a chance to see the outcomes of government effort which in turn gives them trust in County officials (Pangewa, 2015).

The Kenyan government is facing challenges in its transitional procedure of realizing County integrated development plans (CIDP), which is a major strategy for accomplishing national development objectives, leading to unaccomplished goals which translates to poor performance. (Hantiro & Maina, 2020). The study by Hantiro and Maina noted that implementation of CIDP has not been ultimately accomplished in most County Governments due to management and resource challenges passed on to the counties from the former local authorities, which are now part of the County Governments. According to Finch and Omolo (2015), the devolution process raised so much hope and high believes of how fast the development of the devolved government in Kenya

will bring light to lives of ordinary citizens, better service delivery, suppress corruption and improve performance. Nonetheless, the County Governments in Kenya appear to have underperformed and have not lived up to the expectations of the citizens (Mbaka & Mugambi, 2018). It has also become challenging to fulfil performance expectation of the residents for better service delivery and thus the County Government heads and officers need to put their best foot forward to fulfil citizens' desires. County Governments performance including those in central region anchored on County integrated development plans (CIDP) that were initially developed in 2013, which is the growth plan for five years. This plan clarifies on ways the County Government intends to use its assets in conveying development and facilities to inhabitants of the County; nevertheless, according to The World Bank Group 2016, the counties face challenges in instigating CIDP which in turn affect performance. Kenyan Government presently necessitates the ability to survive and thrive the economic settings they face, and this capability depends on how County Governments take suitable verdicts and implements them.

## **1.2 Problem Statement**

Every organization's aim is to realize and uphold great performance which leads to progression and growth for the organization. There has been grumbles about poor service delivery by the devolved units from its citizenry even though formulation of strategic plans upon which performance contracting was based in the devolved systems of governance in Kenya was incorporated since 2013. Counties have fallen way below their revenue collection targets, projects are incomplete while pending bills have continued to accumulate, high personnel emoluments, roads are poorly maintained, no markets for traders, poor or lack of street lighting, irregular garbage collection, rampant corruption and non-payment or delayed payments to contractors and service providers leading to overall poor performance.

Despite counties having County integrated development plans, they face challenges in instigating them which in turn affect performance. Like any other establishments, County Governments have challenges in implementation of strategies. Some of the key challenges include;- organizational culture in which corruption has been rampant leading to failure to meet revenue collection targets; organizational structure that has not supported cost management, performance improvement and effective and efficient service delivery; management that does not commit to strategic direction, strategic objectives and direction of communication with the aim to achieve County goals; staff competency to ensure compliance with due processes and regulations; and resource accessibility to meet the budgetary requirements for better performance among others which have an influence on organizational performance (Kloot & Martin, 2017).

This is in spite of the reality that County Governments obligate themselves to offering these services in their plans. This scenario was the researcher's motivation to want to investigate the effect of organisation structure on County Governments' performance in the Central Region of Kenya as the general objective.

## **2.0 Literature Review**

### **Theoretical Review**

According to Popper (1963), a theory can be defined as statements that are created to make clarifications on certain evidence especially those with recurrent verifications or that are broadly

believed and could be applied in making extrapolations regarding natural phenomenon or occurrence that is not well understood.

## **The General Systems Theory**

Creation of General Systems Theory (GST) as expressed by Chen and Stoup (1993) (reviewed by Chan, 2015) was based on works of Ludwig von Bertalanffy, who was a biologist from Austria. The focus of the model is scheme structures and properties in relation to interdependencies and relations among uncountable components from which the whole components arise. Furthermore, this theory sees the world as relations and integrations underscoring the principles of an organization. Nelson and Quick (2019) articulated that a collection of conjoined things in a systematic interaction or interdependence in achieving purposes is defined as a system. This therefore suggests that a system is composed of distinct parts collaborating in regular association for realizing a common objective. They state the components of a system are entities, objects that are of interest within a system, collective state of system, attributes, undertakings that happen at a certain moment and activities having the ability of changing the state of the system.

Contemporary organizations meet the requirements of open systems. There are sub-systems that exist within a system, and they include Human Resource, management information system, administrative, structural, and social-technical sub systems. (Swanson & Holton, 2005; Torraco, 2005). The most notable features in a system are systems margin, exterior environment, how sensitive it is to internal and external disturbances. System theory is because there is some form of interconnection between organization constituents and therefore altering one variable cause change in all other variables. An organization is an open system because it has constant interaction with its environment. Its state is that of dynamic equilibrium because they acclimatize to changes in the environment. Crucial area of concern in the systems theory is the fact that there are instances when the relationship between the variables is non-linear whereby causing a small variation in a variable lead to significant change in another variable and vice versa. As stated by Lynham (2002), this theory considers the structure of an organization to be conventional configuration of links among different organizational parts. According to this theory, patterns of great importance are those in obligations and relationships consisting of differentiation (ways in which tasks are divided), integration (ways of coordinating activities), authority systems (structures on hierarchical relations) and administrative systems (formal policies, controls and procedures guiding an organization). In system theory, the structure of the environment and the organization are of great importance. This is because an organization is continuously interacting with environment. In general, environment that is more composite exemplifying present organizations leads to increased differentiations (Burn & Stalker, 1961). Presently, organizational development is shifting away from structures that are stable to structures that are more adaptive. On one hand, this is advantageous in that organizations become more dynamic, while on the other hand, it is disadvantageous in that integration and harmonization of undertakings call for more time and energy.

Systems theory points out that fruitful strategy implementation calls for well coordination of efforts and harmonious interaction among various organizational constituents. Without generating appropriate structures and guaranteeing vigorous contribution of other subsystems, for example human resources and technology, the management constituent in an organization on its own might not do well in strategy implementation effort. Additionally, organizations must

unceasingly interrelate with the business environment to acquire requisite assets responsible for driving successful implementation of strategy bringing about organizational performance. The systems theory reinforced organization structure, staff competence, and management commitment in this study. The human resource sub-system should avail competent staff, the administrative sub-system should allow management commitment as well as a good organization structure, the social-technical system should allow for constructive organization culture. After the sub-system's interaction with the environment, it should bring about realization of the desired objectives.

## **Empirical Review**

Nwonu, Agbaeze and Obi-Anike (2017) conducted a research study on effect of organizational structure on performance of selected manufacturing companies in Enugu state Nigeria. The study examined performance of manufacturing firms in Enugu as affected by organizational structure. They argued that the only way objectives and goals of an organization can be attained is within an established framework of the organizational structure. Results showed that indeed organizational structure meaningfully influence the performance of an organization. Management of County Government differs from that a manufacturing company and therefore a conceptual gap exists. The study targeted on manufacturing companies in Nigeria while the current study target was on County Governments in central region in Kenya thus filled a contextual gap due to variation in institutional framework and legal framework governing the private sector and the government institutions.

Shabbir (2017) conducted a research study on organizational structure and employee's performance: a study of brewing firms in Nigeria. The population of the study was 6468 from five brewing firms in Nigeria Stock Exchange while the sample size was extracted using Taro Yamane method. Descriptive survey design, structured questionnaire, correlation, and t-statistics were adopted for analysis of data and hypotheses testing. Results showed that nature of hierarchical layers positively and significantly affected employee's performance in brewing firms; that technology and formalization had significant positive effect on the employee's performance of brewing firms. Despite establishing the influence of organizational structure on performance, this study focused on performance of employees and not the performance of the organization which is the gap this study filled. The study also targeted employees of brewing companies while this present study focused on staff of County Governments. In addition, the study used Taro Yamane method while the current study used Krejcie and Morgan sample size determination formula.

## **2.0 Research Methodology**

The study employed positivism philosophy, descriptive and explanatory research design, and multi-stage sampling to draw a sample of 252 respondents from the target population of 735 respondents. The unit of analysis was the five counties in central region and the unit of observation was personnel in the County Government. Primary data was collected through structured electronic questionnaires. To analyze quantitative data, descriptive statistics were computed using mean scores and standard deviations while inferential statistics entailed use of multiple regression and analysis of variance to test the overall model using p-value <0.05. Tables, figures, and prose were used to present results. The study adopted descriptive and explanatory research design which does more than describe the phenomena as it also explains it. This research design is often used to deduce the cause-and-effect relationship between variables (Pinto, Lein, & Mahoque, et al., 2018).

The researcher starts with general ideas and uses the research as a medium for identifying issues that can be focused on for further studies. The aim of explanatory research design is to improve researcher’s comprehension of a particular subject; flexibility of sources and to draw much better conclusions (Bryman & Bell, 2017). It assisted researcher to analyze the findings and draw informed conclusions.

**Table 1**

*Target population*

<b>County</b>	<b>Kiambu</b>	<b>Kirinyaga</b>	<b>Nyeri</b>	<b>Nyandarua</b>	<b>Murang’a</b>	<b>Total</b>	<b>%</b>
CECMs	10	10	10	10	10	50	6.80
Chief officers	13	10	11	10	9	53	7.21
Directors	62	29	48	36	36	211	28.71
Deputy/Ass directors	121	55	94	71	70	411	55.92
County secretaries	1	1	1	1	1	5	0.68
Secretary to PSB	1	1	1	1	1	5	0.68
<b>Total</b>	<b>208</b>	<b>106</b>	<b>165</b>	<b>129</b>	<b>127</b>	<b>735</b>	<b>100</b>

Source: County Human resource offices (2020)

This study’s sample size for employees in County Governments was determined using Krejcie and Morgan sample size determination formula (Russell, 2013). Using this formula, a representative sample was attained. The study’s total population was 28973 employees of five County Governments in central province, Kenya.; while the target population was 735 persons.

The formula used for arriving at the sample size was.

$$s = \frac{x^2 NP(1 - P)}{(ME^2(N - 1)) + (x^2 P(1 - P))}$$

Where:

s = sample size

$x^2$  = Chi-square for the specified confidence level at 1 degree of freedom

N = Population size

P = is the proportion in the target population estimated to have characteristics being studied. As the proportion was unknown, 0.5 was used.

Chuan and Penyelidikan (2016) indicate that the use of 0.5 provides the maximum sample size and hence it is the most preferable.

d=desired margin of Error (Expressed as a proportion)

The sample size resulting from this formula was 252 respondents. Sample size that lies between 30 and 500 at 95% confidence level is generally sufficient for many research due to a low level of error term at 5% (Yildirim & Sirrisek, 2006; Altunisik *et al*,2004).

**Table 2**

*Sample Size*

<b>County</b>	<b>Sample</b>	<b>Proportion</b>
		<b>(%)</b>
Kiambu	71	28.3
Nyeri	56	22.4
Nyandarua	44	17.5
Kirinyaga	37	14.5
Murang'a	44	17.3
<b>Total</b>	<b>252</b>	<b>100.0</b>

Source: County human resource offices (2020)

This study selected sample using multistage sampling technique. This technique splits large populations into groups to make the sampling procedure more practical. The population was first grouped in the different counties, then into different levels of top management personnel in each of these counties. This study then randomly selected the respondents from each group in all the departments of each County under study. These departments had a role in implementation of policy, projects, collection of revenue and delivery of services and therefore formed this study's focus. The top-level personnel are composed of the County executive committee members (CECMs), chief officers, directors, assistant and deputy directors, secretaries to the County public service board and the County secretaries.

**Table 3***Respondents of the study*

<b>County</b>	<b>Kiambu</b>	<b>Kirinyaga</b>	<b>Nyeri</b>	<b>Nyandarua</b>	<b>Murang'a</b>	<b>Total</b>	<b>%</b>
CECMs	3	3	3	3	3	15	5.95
Chief officers	4	3	4	3	3	17	6.75
Directors	21	10	16	12	12	71	28.17
Deputy/Ass directors	41	19	31	24	24	139	55.16
County secretaries	1	1	1	1	1	5	1.98
Secretary to CPSB	1	1	1	1	1	5	1.98
<b>Total</b>	<b>71</b>	<b>37</b>	<b>56</b>	<b>44</b>	<b>44</b>	<b>252</b>	<b>100</b>

**Source: County human resource offices (2020)**

The study involved the collection of primary data using structured questionnaires. This enabled the researcher to obtain valid and objective data to ensure effectiveness of the data collection instruments, and the interpretations of data (Onwuegbuzie & Leech, 2016).

Structured questionnaire contained closed-ended questions; these questions bore multiple choices that required response through ticking against the appropriate options given (Wester et al. 2014). Structured questionnaire was deemed appropriate for this study owing to the fact that it would increase the response rate since it makes it easy for one to respond to the questionnaire. The structured questionnaire enabled efficiency in coding and data analysis. The structured questionnaire also helped to prevent misconception of the idea of study by the respondents, and it facilitated evaluation of the views of respondent on research variables (Cooper & Schindler, 2018). The questionnaire was administered digitally as an e-questionnaire sent as a link to respondents. This allowed respondents enough time to respond to all the queries in the questionnaire. The questionnaire had five-point Likert scale items. Research assistants were recruited and used in data collection.

A pilot test involves carrying out a preliminary test of tools and procedures of collecting data in order to establish whether there are any problems/errors and eliminating them, it reveals vague questions and unclear instructions, captures suggestions and comments that are important, and helps to improve on the efficiency of the data collection instruments. Results obtained from a pilot test allows for modifications and adjustments to be done on both tools and procedures before the actual data collection is done (Mohamed, 2018).

In this study, pilot test was conducted in one County and results that were obtained used in testing if the questionnaire was able to give reliable and valid data. As Cooper and Schilder (2018) asserts, the rule of thumb for pilot test sample is utmost 10% of study sample size. This study selected 10% of study sample size to be used for pilot test; the proposed one County pilot test was within the recommendation. The pilot study was conducted using the same instrument that was administered to respondents during the main study. The question content, wording, sequence, lay



out and instructions were checked, and feedback obtained considered for the improvement of the questionnaire.

Thirty top level personnel of the executive arm of Laikipia County were involved in the pilot study though responses received did not form part of final results. This formed 11.9% of the total sample in our study which was sufficient according to Mugenda and Mugenda, 2003 who has stated that 10% is sufficient. Finally, the pilot survey was used to draw respondents' responses regarding the design and content and also their suggestions on ways of enhancing efficiency and administration practicality. Alpha coefficients were used to test for reliability where greater values suggest high reliability. The threshold of reliability is alpha values of 0.70 and above (Cooper & Schindler, 2018), which is what this study adopted.

The study applied the use of Cronbach's alpha to measure internal consistency in determining reliability of research instrument and this was computed using SPSS. This method provided the measures of average for the items that are measurable and their correlations. According to Jooste and Fourie (2019), the value of Cronbach's Alpha should lie between 0 and 1. Hair et al (2018) indicated that an acceptable threshold value for Cronbach's alpha is 0.7 and above. The study therefore adopted 0.7 as the acceptable threshold value for reliability of the measures. A pilot study was then conducted, and the scores obtained correlated using SPSS.

Content validity was applied in evaluating the extent to which data gathered using certain instrument represent a particular area or content of an actual concept (Kothari, 2017). Theories that inform major themes were reviewed to determine existence of construct validity. Opinion from experts was solicited to check on the validity of the questionnaire. Academicians and senior researchers are experts whose opinion was sought by sharing the document with them and their suggestions facilitated improvements in research instruments and enhanced face validity. The researcher also conducted literature review for the purpose of identifying concepts of relevance which enabled researcher identification of various dimensions and concepts that relate to organization performance and imperatives on implementation of strategy.

External validity which is the extent to which the research findings can be generalized was established by ensuring that the samples are representatively selected so as to ensure that the findings can be generalized to the Kenya County Government population.

Inferential analysis of data was conducted by use of one-way ANOVA, Pearson R, and multiple regression analysis. Pearson R measured how strong and direction of relationship between variables. If correlation coefficient R values are closer to one (1), then the relationship between two variables is strong.

One-way ANOVA was used to determine whether there were any statistically significant variations in respondent's perception on management commitment across the five counties. The study carried out ANOVA with the fulfilment of the assumptions of normally distributed data and sample being drawn from a normally distributed population and the dependent variable being quantitative in nature.

The Pearson correlation coefficient was used to test the relationship between management commitment and County Government performance. It was used on data that is normally distributed, which had been drawn from a normally distributed population, had linearity and had been measured in ratio or interval scale (Polonsky & Waller, 2005). Having measured the data on five-point Likert scale, it was assumed to be interval in nature and therefore this statistic is deemed appropriate for this study.

Multiple regression Analysis is a predictive analysis used to explain the relationship between dependent and independent variables. It assumes that regression residuals are normally

distributed, linear relationship between dependent and independent variable, homoscedastic residuals, no multicollinearity (independent variables are not too correlated); this analysis was used to test the strength of the effect management commitment had on County Government performance (Mugenda & Mugenda, 2018). Regression can estimate the coefficients of the linear equation, involving one or more independent variables, which best predicts the value of the dependent variable (Cooper & Schindler, 2017).

As stated by Gujarati (2015), causation models are best explained by linear regression analysis. Normality was tested by checking through Shapiro-Wilk, Pearson's R and exploratory factor analysis had been done to reduce the data set in readiness for multiple regression analysis. Strategy implementation imperatives items with a loading greater than 0.5 were transformed into new variables for use in multiple regression analysis. Each respondents' score on items chosen through exploratory factor analysis were computed into a composite score and then reduced into a single composite index to make analysis easy for management commitment and County Government performance respondent's score item. The researcher examined the F- statistic to see if the regression equation was appropriate, after which the R and R<sup>2</sup> values were determined to check correlation between predicted values and observed values of dependent variable and R<sup>2</sup> to indicate the percentage of variation explained by the regression equation. If value of R be higher than zero, meaning strategy implementation imperatives and County Government performance are correlated, then R<sup>2</sup> was checked to give the degree of correlation and tell if the model fit in regard to the predicted values (cooper & Schindler, 2003). The gradients (β) and t statistics gave the extent and direction of the relationship of Organisational structure and County Government performance while the p-values guided on whether the coefficients were statistically significant and hence helped draw inferences and conclusions.

The empirical model for relationship between Organisation Structure and County Government performance was as follows:

$$Per_{cg} = \beta_0 + \beta_1 O_s + \varepsilon \dots \dots \dots \text{equation 1}$$

Where:

Per<sub>cg</sub>= Composite index for County Government performance

β<sub>0</sub> =constant

β<sub>1</sub>= Beta coefficients

O<sub>s</sub>= composite index for organisation structure

ε=error term

Diagnostic tests were carried out in which:

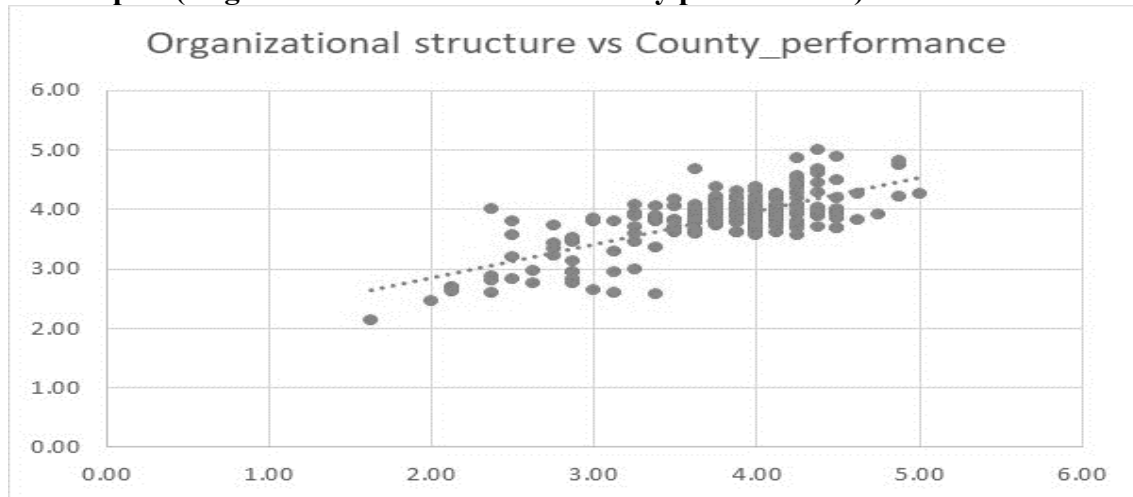
Variance Inflation Factor (VIF) which is used to detect multicollinearity when performing regression analysis was closer to 1 indicating that multicollinearity symptoms do not exist. Since the results showed tolerance of 0.388 and VIF of 2.577; VIF <10, therefore the results gave sufficient evidence to fail to reject the null hypothesis and conclude that multicollinearity does not exist in the research variables.

Shapiro-Wilk test is used to test for normality of large sample datasets and the null hypothesis of normality is rejected if the p-value is less than 0.05. From the results obtained, the significance value presented in the "Sig" column is more than the level of significance which was used for analysis in this study indicating that the residuals follow a normal distribution. Therefore, the data gives enough evidence to fail to reject the null hypothesis and conclude that the model

residuals follow a normal distribution. The results indicate normality assumptions have been met and multiple linear regression can be conducted on the data

The other conditions for linear regression to be carried out is that there ought to be linear relationship of staff competence and county government performance. Researcher therefore looked out for outlier effects (Creswell, 2006) where results showed that the condition had been fulfilled. Scatter plots are good for testing the linearity assumption and were therefore adopted with the results being as shown below.

**Scatter plot (Organizational structure vs County performance)**



**Figure 1: Scatter plot showing Organizational structure vs County performance**

The Breusch–Pagan test, was used to test for heteroscedasticity. It was used to test whether the variance of the errors from a regression is dependent on the values of the independent variables, in which case, heteroscedasticity would be present.

*Breuch-Pagan test for heteroscedasticity*

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Studentized Breusch-Pagan test

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Data: model

BP = 15.584, df = 5, p-value = 0.008138

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**Source: Study data (2021)**

The results above present the Breusch-Pagan test of heteroscedasticity. From the summary above, the p-value = 0.008 and is less than 0.05 giving sufficient evidence to reject the null hypothesis of equal variances: Therefore, the results above gave evidence of heteroscedasticity in the data meaning that there was unequal variance. Weighted linear regression which incorporated the covariance matrix of errors in the model was used to deal with heteroscedasticity (Tilo, 2010).

The results showed the F-test for the model. The test  $F(5,214) = 112.298$ ,  $p < 0.000$  shown in the “sig” column indicated that the model was statistically significant and was a good fit for the data. Therefore, the data gives sufficient evidence to conclude that the model can be used to significantly predict County performance using staff competence as the predictor variable.

Reliability test in which Cronbach’s alpha was adopted and a threshold of 0.7 used as the criteria showed that staff competence had an alpha coefficient of 0.778 on the seven items of tests implying that the data was reliable

## 4.0 Results and Discussion

### Descriptive statistics

Organization structure is defined as the putting together of activities and tasks of an organization into different units and then interlinking them so as to achieve the goals and objectives set for the organization. In system theory, the structure of the environment and the organization are of great importance. This is because an organization is continuously interacting with environment. In general, environment that is more composite exemplifying present organizations leads to increased differentiations (Burn & Stalker, 1961).

The study focused on pattern of communication, span of control, allocation of tasks and work procedures and their effect on performance.

**Table 4**

*Summary of organizational structure items*

	Mean	Standard deviation
<b>Pattern of communication</b>		
1 Employees have a clear reporting system and do not conflict over who to report to.	4.12	0.847
2 Employees in the County do not conflict over roles and duties within and between departments and sections.	3.82	0.811
<b>Sub variable aggregate</b>	<b>3.97</b>	<b>0.829</b>
<b>Span of control</b>		
3 Employees are clear on their duties and responsibilities.	3.95	0.732
4 Supervisors are adequately assigned a manageable number of staff to supervise.	3.95	0.700
<b>Sub variable aggregate</b>	<b>3.95</b>	<b>0.716</b>
<b>Allocation of tasks</b>		
5 There is fair allocation of resources and tasks between departments.	3.27	0.870
<b>Sub variable aggregate</b>	<b>3.27</b>	<b>0.870</b>
<b>Work procedures</b>		
6 The County has clear concise procedures on how work is done.	3.74	0.73
7 Allocation of tasks, work procedures and the way work are divided has enabled employees perform their duties well.	3.88	0.852
<b>Sub variable aggregate</b>	<b>3.81</b>	<b>0.791</b>
<b>Variable aggregate</b>	<b>3.82</b>	<b>0.831</b>

Source: Study data (2021)

Organizational structure was comprised of pattern of communication, span of control, allocation of tasks and work procedures. Among the four sub variables, pattern of communication had the highest mean, mean = 3.97, SD= 0.829. The study indicated that employees have a clear reporting system and do not conflict over who to report to with a mean of 4.12. The study results also showed that employees in the Counties do not conflict over roles and duties within and between departments and sections. Span of control had the second highest mean, mean= 3.95 and standard deviation of 0.716. The results suggested that employees are clear on their duties and responsibilities and supervisors are adequately assigned a manageable number of staff to supervise. The results also indicate that allocation of tasks, work procedures and the way work are divided enabled employees perform their duties well with a mean of 3.88 and the Counties have clear concise procedures on how work is done. The study however established that fair allocation of resources and tasks between departments was poor. Organisational structure is crucial in any organisation as it sets the precedence of how things should work, chain of command, functional specialization, span of control all influence performance. According to Marangu, Kanchori, Nyandika, and Yegon, (2018) structure in an organization affected the service provision.

### **Test of Hypothesis**

The following null hypothesis was tested.

**H<sub>01</sub>: Organizational structure has no significant effect on performance of County Governments in the Central region in Kenya.**

The fifth objective of this research study aimed at analyzing the effect of organization structure on performance of County Governments in the central region of Kenya. Marangu et al. (2018) states that organizational structure positions employees to carry out tasks and ensures goals are attained effectively and efficiently thus it's an important factor in organizational performance. A multiple regression model was developed to evaluate the effect of organizational structure on County performance among other factors. The results of the regression analysis are presented by table 33. The results show that the coefficient associated with organizational structure was 0.267 and a p value <0.001 meaning that a unit increase in organizational structure with all other factors held constant resulted to an increase in County performance indicating a positive significant effect of organizational structure on organizational performance. The null hypothesis was therefore rejected based on the results of these analysis.

In a study focused on establishing the impact organizational structures have on individual's performance in an organization, Shabbir (2017) conducted research on brewing firms in Nigeria to establish the effect the structures of an organization had on employee performance. Analysis of data and hypothesis testing established that organizational structure had a significant effect on employee performance. The results of the study support the present research finding. However, the present study sought to fill a gap identified in Shabbir (2017) who focused on individual performance as opposed to the collective performance of an organization. This research adds information to the existing pool of knowledge regarding organizational structure and organizational performance. Marangu et al. (2018) conducted a correlational descriptive survey to assess how the structure of an organization affected the performance of health providers in western Kenya. Although the research focused on health care providers as opposed to the current research which focused on County Governments, the results were similar. Marangu et al. (2018) reported that the structure the organizations sampled affected the performance of the health care providers significantly. This research has established that organizational performance is significantly affected by organizational structure.

*Summary of the test results for the study hypothesis*

<b>Hypotheses</b>	<b>Findings</b>	<b>Decision</b>	<b>Conclusion</b>
H <sub>01</sub> : Organizational structure has no significant effect on performance of County Governments in the central region in Kenya	P=0.000<0.05	Reject	Organizational structure has a significant positive effect on performance of County Governments in the central region in Kenya

**Source: Study data (2021)**

## **5.0 Conclusions and Recommendations**

These results showed that organizational structure has positive significant effect on county government of central region in Kenya. Empirically this agrees to previous studies carried out that were reviewed in this study whereby Nwonu *et al.* (2017) conducted a research study on effect of organizational structure on performance of selected manufacturing companies in Enugu state Nigeria. Their findings showed that indeed organizational structure meaningfully influence the performance of an organization. Marangu, *et al.* (2018) carried out a study in western Kenya to assess how the structure of the organization affected the way public health providers performed; a devolved function to the County Governments. Their findings showed that structure in an organization affected the way providers of health services in Western Kenya performed positively and significantly. The study indicated that employees have a clear reporting system and do not conflict over who to report to, employees in the Counties do not conflict over roles and duties within and between departments and sections, employees are clear on their duties and responsibilities and supervisors are adequately assigned a manageable number of staff to supervise, allocation of tasks, work procedures and the way work are divided enabled employees perform their duties well, and the Counties have clear concise procedures on how work is done. The study however established that fair allocation of resources and tasks between departments was relatively poor. From the descriptive statistics we deduce that majority of the respondents held a bachelor's degree and had attained a relatively mature age with majority being above the age of 35 years. This implies that there would be no conflict on reporting system as they are able to understand the duties and responsibilities as well as cascade them down well and adhere to proper allocation and coordination of tasks. In theory, this has been supported by the Higgins' 8 s' framework. Organization structure according to the 8-S model comprises of 5-essentials; the job, authority line responsible for job performance, job groupings in an order allowing objective achievement, coordination technique used by managers in effective supervision of jobs and the span of control showing size of subordinates that can be under effective supervision of a manager. Success in a particular organization is informed by how well the organization is planned in relation to its

business strategy. There is therefore need for county governments to ensure they have well defined organizational structure that is aligned to the county government's mission and vision.

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