

## Effect of Strategic Leadership on the Performance of Devolved Government System in Kakamega County, Kenya

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### Abstract

Whereas most devolved government systems in Kenya have strategic plans showing their vision, mission and objectives set to be achieved, their service delivery fall below customers' expectations. Good strategic plans put in place require good implementation which is steered by strategic leadership thus the need for this study. It is on this background that this study was designed to investigate the effect of strategic leadership on the performance of devolved government systems in Kakamega County. The study was guided by the following specific objective: to establish the effect of strategic leadership on the performance of devolved government systems which was latter formulated into null hypothesis. The study contributes to the body of knowledge to both academicians and practitioners. The study adopted a descriptive correlation survey research design and the study was carried out in Kakamega County. There are six devolved government systems in Kakamega County and both the primary and secondary data was collected. Primary data was collected by use of key informant method. This being a census study, all the administrative and the public relations officers for every devolved government system was selected to take part in the study as they are perceived to be knowledgeable on the issues under study and for which they are either responsible for their execution or they personally execute them. Validity of the research instruments was attained by administering the instruments to pilot respondents who were not included in the main study and also use of feedback to improve the questionnaire. Cronbach's alpha coefficient was used to measure the reliability of the scale, which is also used to assess the interval consistency among the research instrument items. The data collection instruments were administered to all the six devolved government systems. After the data had been collected, the researcher edited them to ensure that they are complete, Coding, classification then entered and analyzed using statistical package for social sciences computer software version 12.0 to generate cumulative frequencies and percentages. The study found out that strategic leadership significantly and positively affect performance with 52.6 percent of the performance ( $R^2 = 0.526$ ) being explained by strategic leadership. There is need for the devolved government systems to employ strategic leadership in their operations as this improves their level of performance. This is mainly because the study found out that performance of devolved systems was dependent to the strategic leadership.

**Keywords:** Strategic leadership, Performance, Devolved Government System, Kakamega and Kenya

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### 1. Background

In the World today, every organization is working towards efficient production or service delivery as a source of

competitive advantage to satisfy her esteemed customers. Bringing about the competitive advantage, it calls for articulated leadership that drives the organization in achieving its goal. According to Thompson (2004), the process of strategic leadership is top-down and vision driven which begins by the leader as a change agent to diagnose the situation and then deciding which of several ways to use to get things done in achieving targeted results thus performance. Thompson argues that strategic leadership is the ability to anticipate, envision, maintain flexibility and empower others to create strategic change as necessary. In a rapidly changing world, Lyons (2006) says that communities need strategic leadership to help bring together various local agencies and groups in order to build a vision and how to respond and address locality's problems. The essential ingredients of successful partnerships between Councils and citizens are a common vision, shared values and mutual respect. This reinforces the strategic leadership role of local Government to enhance quality service delivery to the citizens; with the leaders playing a leading role in achieving the targets set thus performance.

According to Mitullah (2004), Local Governance has been glorified as a panacea for development worldwide due to its positive attributes in development. In Africa, Local Governance has been believed to improve the relationship between citizens and the state, mobilization and distribution of wealth and the quality of democracy. This view may be viable but the reality could be different in that many citizens are dissatisfied with the performance of Local Authorities in service delivery and get disengaged from local processes put in place to address local development. In Kenya, since independence the Government has been implementing local government reform programmes with the view of enhanced service delivery thus good performance but this effort have met several challenges. This is the baseline why this study seeks to investigate the effect of strategic leadership on the performance of Devolved government systems.

## 2. Literature Review

According to Dess (2008), leadership is proactive, goal oriented and focused on the creation and implementation of a creative vision. Leadership is the process of transforming organizations from what they are to what the leader would have them become. A strategic leader is dissatisfied with the status quo hence initiates process that brings about change. Dess further says that strategic leadership entails three interdependent activities of which a strategic leader must continually reassess. These are determining the organizational direction in terms of vision and mission, designing the organization and nurturing culture dedicated to excellence and ethical behavior. Strategic leaders therefore are charged with the responsibility to marshal people's commitment within and without the organization and implement strategies intended to bring success.

Strategic leadership is the ability to shape the organization's decisions and deliver high value over time, not only personally but also by inspiring and managing others in the organization (Lynch, 2009). Strategic leadership is therefore a complex balancing act between several factors, coping with strategic pressures, changes in the environment outside the organization and managing the human resources inside the organization (Collins, 2001). Leadership means more than merely responding to outside events. It includes inspiring and enthusing those inside the organization with a clear direction for the future. This involves communicating with and listening to those inside the organization with the aim of spreading knowledge, creating and innovating new areas and solutions to problems (Teece, 2000).

The actions and interventions used in managing any organization can be viewed as a package of components within strategic leadership. Different authors emphasize different components or themes. Kotter (1996) stresses the importance of vision which can be taken as goals and a strategy for achieving them and communicating extensively on the vision in leading change. In public organizations, the goals and strategy are usually set by political leadership, so communicating and creating understanding about the goals and strategy becomes relatively more important as a leadership tool. Parry (1999) and Valle (1999) both see leadership and staff development as necessary in helping staff deal with and adapt to change. Yukl (2002) lists an extensive range of development interventions for promoting strategic change, including encouraging innovation and learning. Strategic leaders therefore focus to develop and effectively deliver the purpose of the organization by involving others in the organization at many levels. The skill of the leader comes in combining and managing such inputs so that many in the organization feel that they have made a contribution and at the same time are willing to follow and work towards the strategic direction defined by the leader (Finkelstein, 1996). However some researchers have said that there is no evidence of strategic leadership/management which has led into poor state of performance of public organizations such as LAs (Bonoff and Zimmerman 2010) which this study seeks to investigate.

### 2.1 The strategic intent/vision articulation

In the view of Thompson (2004), Strategic intent is an organization's ambitious or aggressive objective that spells out the particular business position with the view of being a winner in a market place. Strategic intent can be thought of a "big, hairy, and audacious goal," or BHANG, that generally take long time to achieve. An organizations strategic intent can entail becoming the recognized industry leader, unseating the existing industry

leader, delivering the best customer service or turning a new technology into products capable of changing the way people work and live. Ambitious companies almost start with strategic intents that are out of proportion to their immediate capabilities and market positions. Strategic leaders are change agents whose success is measured by how effectively they implement strategic vision and mission on a defined path to enable the organization attain her goals (Dess, 2005). Strategic intent therefore is the setting of direction the organization takes whereby leaders need a holistic understanding of an organization's stakeholders. This requires an ability of the strategic leader to scan the environment with the view of developing knowledge of all the organization's stakeholders and other salient environmental trends and events and integrate this knowledge into a vision of what the organization could become. It necessitates the capacity to solve increasingly complex problems, become proactive in approach, and develop viable strategic options. Developing a strategic vision provides many benefits namely a clear future direction, a framework for the organization's mission and goals, and enhanced employee communication, participation and commitment (Ibid).

Strategic intent is a creative process which involves what the CEO of Yokokawa, GE's Japanese partner in the medical systems business, called 'bullet train' thinking. That is, if you want to increase the speed by 10 miles per hour, you look for incremental advances but if you want to double the speed, you have got to think 'out of box'. In today's challenging times leaders typically need more than just keeping the same train with a few minor tweaks. Instead they must come up with more revolutionary visions (Day, 1994). An organization's strategic intent provides a long-term goal that is ambitious, builds upon and stretches the firm's existing core competencies and draws from all levels of the organization. It is a guideline to a firm's overall purpose to create value by leveraging corporate resources to create more performance for customers, more wellbeing for employees and more returns for shareholders. A strategic intent looks 10 to 20 years ahead and establishes clear milestones for employees to target. This forward looking orientation is crucial because without it organizations can easily become focused on markets they have previously served (Schilling, 2005). Strategic leaders should help stakeholders embrace change by setting forth a clear vision of where the business's strategy needs to take the organization. This is the strategic intent which gives the characterization of what the company must become to establish and sustain strategic leadership, by helping stakeholders understand what is needed to be done (Pearce and Robinson, 2005).

## 2.2 Integrity or Ethical issues

The integrity of individuals is important in creating a culture of trust in organizations. According to O'Toole and Bennis (2009), no organization can be honest with the public if it is not honest inside. People with honesty, transparency and integrity build trusting relationships with each other (O'Toole and Bennis, 2009). Integrity builds consensus through shared values and team spirit that results into personal performance (Witimmer, 2007). Duggar (2009) reported that a culture of integrity creates a highly valued work environment and a foundation for long term financial performance. Duggar further reported that an ethical work climate impacts the quality of an organization and a solid foundation for long-term performance. A culture of integrity also positively affects the relationship with customers and all other stakeholders (Duggar, 2009). Paine (1997) says that it's important to understand the essential links between organizational integrity and the personal integrity of an organization's members in that where there are high integrity organizations, there are high integrity individuals. Organizational integrity rests on a concept of purpose, responsibility, and ideals for an organization as a whole. An important responsibility of leadership in building organizational integrity is to create the ethical framework and develop the organizational capabilities to make it operational.

Ethics is a system of doing right or wrong which assists strategic leaders in deciding when an act is moral or immoral, socially desirable or not (Conley, 2000). Leaders who fail to provide proper leadership to institute proper systems and controls that facilitate ethical conduct share responsibility with those who conceive, execute, and knowingly benefit from corporate misdeeds. The ethical orientation of a leader is generally considered to be a key factor in promoting ethical behavior among employees. Ethical leaders must take personal, ethical responsibility for their actions and decision making. Leaders who exhibit high ethical standards become role models for others in the organization and raise its overall level of ethical behavior. In essence ethical behavior must begin with the leader before the employees can be expected to perform accordingly (Conley, opcit).

The ethical organization is characterized by a conception of ethical values and integrity as a driving force of an enterprise. Ethical values shape the search for opportunities, the design of organizational systems, and the decision making process used by individuals and groups. They provide a common frame of reference that serves as a unifying force across different functions, lines of business and employee groups. Organizational ethics therefore helps define what a company is and what it stands for (Soule, 2002). In the opinion of Thompson (2004), he says that a leader's ethical behavior makes a strong impact on an organization for good or bad. Strategic leaders need to take a personal initiative of developing and strengthening ethical behavior in the organization. The need to consistently demonstrate that such behaviors are central to the vision and mission,

elements like role models, codes of conduct, reward and evaluation systems, policies and procedures need be reinforced for the organization to become highly ethical. It therefore demands that the strategic leader should lead from the front, identify consistent culture champions and reward them openly.

The potential benefits of an ethical organization are many but often indirect. The research literature in organization behavior has found positive relationships between strong ethical culture and organization performance in terms of enhanced service delivery, increased employee efforts, lower turnover, higher organizational commitment, and enhanced social responsibility (Carlson, 1995). An integrity-based approach to ethics management combines a concern for law with an emphasis on managerial responsibility for ethical behavior. This approach is broader, deeper, and more demanding than a legal compliance initiative. It is broader in that it seeks to enable responsible conduct. It is deeper in that it cuts to the ethos and operating systems of an organization and its members, their core guiding values, thoughts and actions. It is more demanding because it requires an active effort to define the responsibilities and aspirations that constitute an organization's ethical compass. Most importantly, in this approach, organizational ethics is seen as the work of management. A corporate counsel may play a role in designing and implementing integrity strategies, but it is managers at all levels and across all functions that are involved in the process. Once integrated into day-to-day operations of an organization, such strategies can help prevent damaging ethical lapses, while tapping into powerful human impulses for moral thought and action. Ethics then become the governing ethos of an organization and not burdensome constraints to be adhered to (Paine, 1997).

### **2.3 Influence**

Dess (2007) argues that successful leadership requires effective use of power in overcoming barriers to change. Power refers to a leader's ability to get things done in a way he or she wants them be done. A leader's power is his or her ability to influence other people's behavior, to persuade them to do things that they otherwise would not have done and overcome resistance and opposition to changing direction. Effective use of power is essential for successful leadership (Chaumpoux, 2000). A leader derives his/her power from several sources either Organizational or personal. Organizational bases of power refer to the power a person wields because of holding a formal leadership position. These include legitimate power, reward power, coercive power and information power. Legitimate power is derived from organizationally conferred decision making authority and is exercised by virtue of a manager's position in the organization. Reward power depends on the ability of the leader or manager to confer rewards for positive behaviors or outcomes. Coercive power is the power exercised by use of fear of punishment for errors of omission or commission on the part of employees. Information power arises from a manager's access, control, and distribution of information that is not freely available to everyone in an organization (Dess, 2007).

Apart from the organizationally derived power, a leader might be able to influence subordinates because of the leader's personality characteristics and behavior. These are the personal bases of power namely referent and expert. The referent power is shown in subordinates' identification with the leader whereby a leader's personal attributes or charisma influences subordinates thus makes them get devoted to the leader. On the other hand, expert power refers to the leader's expertise and knowledge in a given field whereby the subordinates depends on the leader for the information required to do their jobs successfully (Dess, opcit). Successful leaders use different bases of power or at times a combination of them as appropriate to meet the demands of a given situation. They also recognize that virtually everybody has a need to power, and leaders endeavor to satisfy that need in the process of exercising their power effectively.

### **2.4 Leadership Styles of execution**

Organizations and their environments have changed rapidly over the past years and as a result a new style of leadership that is less bureaucratic and more democratic is needed in order to ensure the survival of organizations (Johnson, 1995). These new leadership approaches suggest that there are two views of leadership namely transactional and transformational leadership (Bass, 1990). New perspective has emerged variously referred to as "charismatic, heroic, transformational," or "visionary," leadership. It is a re-invention of the organization by changing its leadership, vision, mission, culture, structure, strategy, and human resource practices. Transformational leadership may involve both developmental and transitional changes and may be managed as a series of transitional changes. Transformations begin well when organization has a head who is a good leader, and who sees the need for a major change (Kotter, 1996).

Transactional leadership is defined as leadership based on contingent reinforcement: a leader rewards or punishes followers according to the adequacy of their performance. The primary influence process for transactional leadership is probably instrumental compliance where the follower complies to gain reward or avoid punishment. This form of motivation is likely to result in the minimum effort require to get the reward or avoid punishment. Transactional leaders recognize what subordinates want to get from their work and ensure that they get what they want on condition that their performance is satisfactory. The leader here rewards and

promises rewards in exchange of employees effort. The leader responds to his employee's immediate self-interests if they can be met through completing work (Bass, 1998)). He further argues that transactional leaders generally reflect on how to marginally improve and maintain performance, how to replace one goal for another, how to reduce resistance to particular actions, and how to execute decisions. These leaders focus their energies on task completion and compliance and rely on organizational rewards and punishments to influence employee performance (Bass and Avolio, 2000). Leaders who display a transactional leadership style define and communicate the work that must be done by their followers, how it will be done and the rewards the followers will receive for completing the stated objectives (Meyer and Botha, 2000). Transactional leaders therefore are suited to a more stable business environment with little competition while in a stable environment they only manage what they find and leave others (Howell and Avolio, 1993).

However in the current competitive business environment, it requires a new style of leadership in order to ensure organization's survival and performance, namely the transformational leadership (Brand, Heyl et al, 2000). This leadership style concerns the transformation of followers' beliefs, values, needs and capabilities. Yukl (1989) defines transformational leadership as the process of influencing major changes in attitudes and assumptions of organizational members and building commitment for the organization's mission and objectives. The leader encourages subordinates to adopt the organizational vision as their own through inspiration, motivation and align people to the systems so that there is integrity throughout the organization (Cacioppe, 1997). Through setting more challenging expectations and raising levels of self and collective efficacy, this leadership style achieves higher performance and commitment levels from their employees (Yukl, 1998). Researchers have found relationships between leadership behavior and organizational performance outcomes though there are many intervening factors. The Literature indicates that both transformational and transactional leadership types are needed to achieve strategic change in organization both have their strength and inherent limitations. The best leaders tend to prefer transformational behavior over transactional (Parry, 1999).

Transformational leadership is particularly important in enabling the public sector organizations to maximize their contribution to community outcomes (Parry and Procter, 2001). Maximizing this contribution is the apex of strategic leadership with execution of transformational leadership style. This leadership does this role by use of goals and vision as co-ordination and control mechanisms, rather than by concrete task and performance direction (Valle, 1999). Other authors say that a transformational leader stimulates and inspires followers to achieve extraordinary outcomes, while transactional leaders guide or motivate followers to work towards establishing goals by exchanging rewards for their productivity according to Bass, B.M (2006:3). The transformational leader motivates its team to be effective and efficient. Communication is the base for goal achievement focusing the group on the final desired outcome or goal attainment. This leader is highly visible and uses chain of command to get the job done. Transformational leaders focus on the big picture, needing to be surrounded by people who take care of the details. The leader is always looking for ideas that move the organization to reach the company's vision (Bass, 2006).

Evidence shows that transformational leadership results in lower turn – over rates, high productivity, employee satisfaction, creativity, goal attainment, and better follower well-being. Elements of Transformational Leadership include the following: Creating a strategic Vision, where leaders shape the vision of the organization that reflect the future of the organization aimed at creating a higher purpose or ultimate goal that energizes and unifies employees. Communicating the vision and elevate the importance of visionary goals to employees. They form messages around grand purpose with emotional appeal that captivates employees and other corporate stakeholders to act collectively towards the desired goal.

Thirdly, modeling vision entails “walking the talk” by doing things that symbolize the vision. Leaders walk the talk through significant events, consistently between the leaders' words and actions, and build employee trust. Fourthly, the transformational leaders do build commitment towards the vision. Transforming a vision into a reality require employees' commitment. Transformational leaders build this commitment through their words, symbols, stories that energize people to adopt the vision as their own. Leaders exhibit a “can – do” attitude by enacting their vision and staying on course. They further do this by involving employees in the process of shaping organizations' vision and nurturing such values as honesty, trust and integrity. Empirical literature indicates that transformational leadership is positively connected with the leader's effectiveness which he may display a varying degree of transactional or transformational leadership (Bass, 1997, Ristow, 1998).

## **2.5 Performance of Devolved Governments**

The study will assume that strategic leadership affects performance of local authorities in Kakamega County. Strategic leadership will be viewed in terms of strategic intent/vision articulation, integrity/ethical issues, influence, and the style of leadership execution. On the other hand performance will be viewed in terms of service delivery, customer satisfaction and revenue collection. The presence and application of strategic leadership will be assumed to affect performance of the local authorities. It will be assumed that when a local authority exercises strategic leadership, this will result into efficient service delivery by the councils to her

esteemed customers; the very customers will be satisfied and therefore councils attain targeted revenue collection.

Performance refers to behaviors, results and adjusting to organizational behaviors and actions of work to achieve results or outcomes (Armstrong, 2004). Neely (1995) says that an organization is judged by its performance which is equated with effectiveness and efficiency, while Ross (2002), in her study on the Managerial leadership and strategic performance in public organizations a case of New Zealand local Government organizations, found that an organization's performance is heavily influenced by its leadership dimension in the operating environment. Many organizations feel that their people can provide a competitive advantage which therefore contributes to organizations performance. Employees are of great importance to the achievement of any organization such that strategic leadership enables greater participation of the entire workforce and can also influence both individual and organization performance (Bass 2002, Mullins 1999). Performance of the Local authorities will be measured using three parameters namely: service delivery, customer satisfaction, and revenue collection. With regard to service delivery and customer satisfaction the customer's views regarding their satisfaction will be gathered through questionnaires. Revenue collection will be verified through data available by the local council revenue officers. However even with the support of several authors on the emphasis of strategic leadership in local authorities there is still no indication that strategic leadership improves performance of Local Authorities. It is not clear as to whether setting of vision, maintaining ethical issues, influence and the style of leadership execution used affect the local council's performance. Rainey (1997) reports that most public organizations set goals that are vague and ambiguous which turn up to affect their performance compared to the private organizations which embrace strategic leadership and comparatively performing better.

### **3. Methodology and Design**

The study adopted a descriptive correlation survey research design. Descriptive correlation survey design allows the researcher to describe and evaluate the relationship between the study variables which are associated with the problem. Correlation survey design also allows a researcher to measure the research variables by asking questions to the respondents and then examining their relationship Neuman (2000). According to Delamont and Atkinson (2004), a research design is the framework through which various components are brought together. It is the plan, structure and strategy of investigation conceived to obtain answers to research questions. A descriptive survey design is a fact finding tool and explanatory in the capacity of establishing the truth (Neuman, 2000).

#### **3.1 Study area**

The study was carried out in Kakamega County which is one of the forty seven (47) Counties in Kenya. The County was chosen for this study because it is populous enough, being the second largest County in Kenya and that all the targeted Local Councils are located in the County hence an ideal area for the study. Kakamega County borders Bungoma County to the south, Vihiga County to the north, Busia County to the east, Siaya County to the north-east, Nandi County and Uasin Gishu Counties to the north-west. The County lies approximately within longitudes  $34^{\circ} 20'$  E and  $35^{\circ} 00'$  E and latitudes  $0^{\circ} 15'$  N and  $1^{\circ} 00'$  N according to Majimbo Kenya (2010). The total numbers of local councils are 6 in Kakamega County (Appendix 8).

#### **3.2 Study population**

This is a census study; all the Local Councils in Kakamega County were studied. There are six Local councils in Kakamega County (Appendix 8). The Local councils were chosen in this study due to the fact that citizens remain discontented with the performance of local governments due to poor service provision and inability to follow procedures. This is attributed to the inappropriate structure of local government, its leadership and the strategies for engaging citizens in the local authority's activities. These informants have been chosen because they are knowledgeable in strategic leadership, understand the operations of LAs, and have access to all knowledge related to customers and employees.

#### **3.3 Data collection and analysis**

The researcher collected both the primary and secondary data. Primary data was collected from the key informants in the LAs in Kakamega County using questionnaires. The key informant's method was used, hence, all the administrative officer and the public relations officer for every local council were selected to take part in the study as they are perceived to be knowledgeable on the issues under study and for which they are either responsible for their execution or they personally execute them. Only two respondents were interviewed in each LA and the questionnaire had both the open and closed ended questions and 'drop and pick' technique was used. Primary data was used in this study because the selected respondents are able to evaluate the study variables. Questionnaires was used because the information collected cannot be observed since it includes personal

characteristic, attributes and policies, also the information needed can easily be described in writing. Secondary data was obtained from the already written literature on the LAs that was used to cross-validate and check the consistency of the questionnaire responses. The researcher synthesized knowledge from comprehensive literature such as published works, policy papers and reports relevant to the study topic and the specified period under investigation. Document analysis was used to gather background information by reviewing literature relevant to the study such as books and journals, Local Government publications, LAs strategic plans and other relevant documents from authoritative sources on the topic under study.

#### 4. Results and Discussion

Strategic leadership was the independent variable of this study and was characterized by Strategic intent /Vision articulation, Integrity/Ethical issues, Influence and Style of execution.

##### 4.1 Strategic intent

To establish whether the government devolved systems had strategic intent in their operations, respondents were required to react to the statements that; The DGS has a mission and Vision, the Town clerk reminds employees the Vision always, the council's goals are aligned to its Vision & Mission which employees understand and the Council has a strategic plan and their responses recorded in the table below. From the study results, 8.3 percent strongly agreed, 41.7 percent agreed, 16.7 percent were not sure while 33.3 percent disagreed with the statements.

**Table 4.1: The DGS has strategic intent in its operation**

	Frequency	Percent	Cumulative Percent
Strongly agree	1	8.3	8.3
Agree	5	41.7	50.0
Not sure	2	16.7	66.7
Disagree	4	33.3	100.0
Total	12	100.0	

Source; Research data, 2015

##### 4.2 Integrity / Ethical issues

The respondents were asked to indicate the extent to which they agree or disagree with various aspects of integrity or ethical issues such as, the CEO always reminds employees to observe the GDS's ethics and the council's ethics are clearly outlined. The five-point Likert scale with Strongly Disagree (1), Disagree (2), Fairly Agree (3), Agree (4) and Strongly Agree (5) was used. The results are presented in the Table below.

**Table 4.2: The DGS has integrity or ethical issues catered for**

	Frequency	Percent	Cumulative Percent
Strongly agree	3	25.0	25.0
Agree	2	16.7	41.7
Not sure	2	16.7	58.3
Disagree	5	41.7	100.0
Total	12	100.0	

Source; Research data, 2015

From table 4.2 above, the respondents were asked to indicate the extent to which they agree or disagree with various aspects of integrity or ethical issues such as, the CEO always reminds employees to observe the DGS's ethics and the council's ethics are clearly outlined. The five-point Likert scale with Strongly Disagree (1), Disagree (2), Fairly Agree (3), Agree (4) and Strongly Agree (5) was used. From the study results, 25 percent strongly agreed, 16.7 percent agreed, 16.7 percent were not sure while 41.7 percent disagreed with the statements.

##### 4.3 Influence

The respondents were asked to indicate the extent to which they agree or disagree with various aspects of influence by the leadership such as, the CEO personally leads by example in our organization, the employees always obey the CEO and employees who don't follow council's rules and regulations are punished and their responses recorded in the table 4.3 below.

**Table 4.3: The DGS goals are aligned to its vision and mission which employees understand**

	Frequency	Percent	Cumulative Percent
Strongly agree	1	8.3	8.3
Agree	6	50.0	58.3
Not sure	2	16.7	75.0
Disagree	3	25.0	100.0
Total	12	100.0	

Source; Research data, 2015

From the study results, 8.3 percent strongly agreed, 50 percent agreed, 16.7 percent was not sure while 25 percent disagreed with the statements. This shows that majority of the respondents agreed with the statements.

#### 4.4 Style of execution

The respondents were asked to indicate the extent to which they disagree or agree with various aspects of integrity or ethical issues such as, the employees are always motivated by the Council's leadership, the CEO prefers working with individuals not teams, employees are involved in decision making and that employees who don't follow council's rules and regulations are punished. The five-point Likert scale with Strongly Disagree (1), Disagree (2), Fairly Agree (3), Agree (4) and Strongly Agree (5) was used. The results are presented in the Table 4.4 below. From the study results, 16.7 percent strongly agreed, 33.3 percent agreed, 8.3 percent was not sure while 41.7 percent disagreed with the statements.

**Table 4.4: The town clerk involves employees in making a strategic plan**

	Frequency	Percent	Cumulative Percent
Strongly agree	2	16.7	16.7
Agree	4	33.3	50.0
Not sure	1	8.3	58.3
Disagree	5	41.7	100.0
Total	12	100.0	

Source; Research data, 2015

#### 4.5 Performance

Performance was the dependent variable in this study and was characterized by service delivery, customer satisfaction and revenue collection. The analysis in this section sought to identify any trends in the various dimensions of this dependent variable.

##### 4.5.1 Service delivery

In order to ascertain the level of service delivery, respondents were required to state the extent at which they agree or disagree with the following statements: the CEO sets performance targets for each employee, Employees meet the targets set, we serve our customers with all they need efficiently and Our response time to customers' needs is prompt and their responses recorded in the table below. From the study results, 8.3 percent strongly agreed, 50 percent agreed, 8.3 percent was not sure while 33.3 percent disagreed with the statements.

**Table 4.5: The DGS employees target service delivery to customers**

	Frequency	Percent	Cumulative Percent
Strongly agree	1	8.3	8.3
Agree	6	50.0	58.3
Not sure	1	8.3	66.7
Disagree	4	33.3	100.0
Total	12	100.0	

Source; Research data, 2015

##### 4.5.2 Customer satisfaction

The respondents were asked to indicate the extent to which they disagree or agree with various aspects of integrity or ethical issues such as, our response time to customers' needs is prompt and customer's response to our rates/levies is positive and prompt. The five-point Likert scale with Strongly Disagree (1), Disagree (2), Fairly Agree (3), Agree (4) and Strongly Agree (5) was used. The results are presented in the Table 4.6 below:

**Table 4.6: Customer satisfaction is guaranteed**

	Frequency	Percent	Cumulative Percent
Strongly agree	1	8.3	8.3
Agree	6	50.0	58.3
Not sure	1	8.3	66.7
Disagree	4	33.3	100.0
Total	12	100.0	

Source; Research data, 2015

From the study results, 8.3 percent strongly agreed, 50 percent agreed, 8.3 percent was not sure while 33.3 percent disagreed with the statements. This shows that over 50 percent of the respondents either strongly agreed or agreed with the statements.

##### 4.5.3 Revenue collection

The respondents were asked to indicate the extent to which they disagree or agree with various aspects of revenue collection such as, feedback is guaranteed to customers, methods of revenue collection are effective and DGSs meets revenue collection target and their responses recorded in the table 4.7 below.



**Table 4.7: Revenue collection targets are always met**

	Frequency	Percent	Cumulative Percent
Agree	6	50.0	50.0
Not sure	1	8.3	58.3
Disagree	3	25.0	83.3
Strongly disagree	2	16.7	100.0
Total	12	100.0	

Source; Research data, 2015

From the study results, 50 percent agreed, 8.3 percent were not sure, 25 percent disagreed while 16.7 percent strongly disagreed with the statements.

The study was based on the premise that strategic leadership influence performance of government devolved systems. In order to assess the influence of strategic leadership on performance, the study had set the following null hypothesis;

H<sub>01</sub>: Strategic leadership does not have significance effect on performance of DGSs in Kakamega County.

#### 4.6 Hypothesis Testing

The researcher used regression coefficient (beta  $\beta$ ) to test the hypothesis with the test criteria set that the study should reject the null hypothesis H<sub>01</sub> if p-value  $\leq \alpha$ , otherwise fail to reject H<sub>0</sub> if p-value  $> \alpha$ . F tests were conducted to determine the indication and overall significance of the relationships respectively. All the questions in the questionnaire answered by the respondents had scores which scored marks according to the response of the respondents. The marks were then added up and finally divided by number of respondents answering the questionnaire to enable the researcher attain the mean score of every question. The same procedure was repeated for other questions measuring the independent and dependent variables. In order to test the hypothesis, the aggregate mean score of firm Performance (P) measures were regressed against the mean score of measures of Strategic Leadership (SL) and results are shown in the table below.

From the Table 4.13, the regression results reveal that strategic leadership had overall significant positive relationship with the government devolved systems performance ( $\beta = 0.613$ , p-value = 0.010). Hence the study therefore rejects the null hypothesis and concludes that strategic leadership significantly affected the government devolved systems performance in Kakamega County.

The regression results also shows that 36.4 percent of the DGSs performance can be explained by strategic leadership (R square = 0.364). The relationship follows a simple regression model of the nature  $P = 0.603SL + \epsilon$  where P is the Performance, 0.603 is the beta or the slope coefficient, SL is Strategic Leadership and  $\epsilon$ .

**Table 4.8 Regression Results of Strategic leadership against Performance**

Goodness of fit analysis					
Sample size	R	R Square	Adjusted R Square	Std. Error of the Estimate	
12	0.603	0.364	0.300	0.433	
Predictors: (Constant) Mean of strategic leadership(Strategic intent /Vision articulation Integrity /Ethical issues, Influence, Style of execution)					
Overall significance: ANOVA (F-test)					
	Sum of Squares	Degree of Freedom	Mean Square	F	Significance(p-value)
Regression	4.610	1	4.610	5.721	0.038
Residual	8.057	10	0.806		
Total	12.667	11			
Predictors: (Constant) Strategic leadership. (Strategic intent /Vision articulation Integrity /Ethical issues, Influence, Style of execution)					
Dependent Variable: Performance (Service delivery, Customer satisfaction, Revenue collection)					
Individual significance (T-test)					
	Unstandardized Coefficients		Standardized Coefficients	T	Significance(p-value)
	B	Std. Error	Beta ( $\beta$ )		
(Constant)	1.557	0.601		1.123	0.287
Means of strategic leadership	0.288	0.487	0.603	1.089	0.010
Dependent Variable: Means of performance (Service delivery, Customer satisfaction, Revenue collection)					
• Level of significance, $\alpha = 0.05$					

Source; Research data, 2015

## 5. Summary of key findings

This study on the effect of strategic leadership on performance of government devolved systems had three specific objectives which were latter developed into null hypotheses and statistically tested using the Karl Pearson's zero order and first order partial correlation analysis. The discussions in the following sections highlight the key findings of the study based on the hypotheses.

The main objective was to establish the effect of strategic leadership on performance of government devolved systems, with strategic leadership dimensions being Strategic intent /Vision articulation Integrity /Ethical issues, Influence and Style of execution while the performance dimensions were service delivery, customer satisfaction and revenue collection. The study found out that strategic leadership significantly and positively affected performance.

## 5.2 Conclusions

The study was based on the premise that strategic leadership influence performance of government devolved systems. The study results supported this premise in that strategic leadership was found to significantly and positively affect government devolved systems performance hence there is need for the government devolved systems to employ strategic leadership in their operations.

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