The Role of Decentralization in Promoting Good Governance in Ethiopia: The Case of Wolaita and Dawuro Zones

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Abstract
Decentralization is widely recognized to improve sustainable development through promoting good governance. However, like many African countries, Ethiopia has faced a number of challenges in good governance building process. Thus, this research focuses on assessing the role of decentralization in promoting good governance in Wolaita and Dawuro Zones. The study employed descriptive research design to describe the practices of decentralization and its role in promoting good governance. Both primary and secondary data were used. The primary data was collected through questionnaire and interview while secondary data was collected by conducting extensive desk review from published and unpublished documents like journals, articles, books, reports, etc. To realize the objective of the study 400 employees were selected from 12 selected public sectors of Wolaita and Dawuro zone using simple random sampling techniques. The collected data were analyzed using both qualitative and quantitative method of data analysis. The finding of the study shows that the practice of political and administrative decentralization was good. But fiscal decentralization was lowly practiced and remains the problem in promoting good governance. This was mainly because power of rising and controlling own revenue, extent of expenditure planning and financing, revenue transfer ratio, autonomy to borrow fund, financial management capacities of local governments were low in Wolaita and Dawuro zones. Therefore, the government should pay attention to fiscal decentralization by encouraging local governments to have enough fiscal control and capacity to plan their activities in most effective and efficient manner.

Keywords: Decentralization, Good Governance, Political decentralization, Administrative decentralization, Fiscal decentralization

1. Introduction
1.1. Background of the Study
A number of scholars argue that the existing global politics urges the need to bring economic and political systems closer to local communities. Still, others argue that the collapse of central political systems in many developing countries encourages regional and local governments to participate in politics and economic processes (Bird & Vaillancourt, 2008; Ter-Minassian, 1997 as cited by Deribe, 2015). In developing countries, rapid political, economic, demographic, and technological developments are unthinkable without implementing decentralization strategy in general and good governance in particular. That is why decentralized governance, democracy and good governance occupies a central stage in the development discourse of developing countries like Africa, Latin America and Asia as well. In these countries, decentralization was adopted as a mechanism in which the voices of the poorest and the most vulnerable people are heard in decision making over the allocation of development resources. Through promoting good governance, decentralization also incorporates different stakeholders and players in promoting peace, democracy and sustainable development (Giorgio, 2000).

As decentralization is a requisite for promoting political, social and economic growth and reducing poverty; many sub-Saharan African countries started to practice decentralized governance to ensure democratization, good governance, people empowerment, and poverty reduction. In these countries, where there is lack of good governance, it became popular strategy for improving public sector efficiency, effectiveness, transparency, responsiveness, and accountability (World Bank, 2012). As it is mentioned above now a day’s democracy and decentralized governance are leading items on the world development agenda in which Ethiopia is not exceptional. In order to achieve MDGs and other national and international goals, Ethiopia decentralized its centralized unitary government system in 1991. So far, two phases of decentralization have been put in place in the current government administration: The first wave of decentralization (1991-2001) and devolution of powers and responsibilities at the Woreda level since 2002. The first wave of decentralization was aimed at creating and empowering national and regional state of governments whereas the second phase of decentralization was concerned about devolution of powers at Woreda levels-lower levels administration (Deribe, 2015).

However, Ethiopia like any other African country has faced a number of challenges in democratization and good governance building processes. Weak capacity of public sector, and lack of effective transparency, responsiveness and accountability systems; in efficiency, political instability, lack of finance, educated man power and regional inequalities and inadequacies are some of the major factors that affect decentralization in promoting good governance, democracy and sustainable development(WB,2010, Merera,2007 and
In order to address the gaps identified the government developed a multi-sectoral national capacity building strategy which advocates the principles of decentralization, regional autonomy, and efficiency to enhance popular participation and to promote good governance, accountability and transparency (African Governance Report, 2004). In this regard Southern Nations, Nationalities and Peoples Regional government (SNNPRS) is not exceptional. In ensuring good governance and democracy, different legal reforms have been undertaken. Hence, this study deals with the critical analysis of the role of decentralization in promoting good governance in Wolaita and Dawuro zone. It also examines the factors that affect decentralization in stimulating good governance and democratization in both Wolaita and Dawuro zone.

1.2. Statement of the problem
In recent years, centralization (top-down policies) has revealed their limitations in promoting sustainable and equitable development. Especially, in most of developing countries, centralization has made disappointing progress in meeting the national goals and objectives. Thus, decentralization is widely recognized to improve sustainable development through promoting good governance and democracy (Ronal and Henry, 2000).

The success of good governance and democracy is dependent on decentralization; therefore, it is an essential precondition to ensure positive changes such as promoting peace, democracy and sustainable development in developing nations. In other words decentralization is a requisite for promoting political, social and economic growth and reducing poverty. By promoting good governance (i.e. efficiency, effectiveness, accountability, transparency, responsiveness and other principles of good governance) in sub national governments improve public sector, increase completion among sub national governments in delivering public services and stimulate economic, social and political growth (Deribe, 2015).

Many developing countries are promoting decentralized governance as a measure for democratization, good governance, people empowerment, and poverty reduction. After 1980s, especially, in most sub Saharan African countries, decentralization has emerged as a highly popular strategy which improve efficiency, effectiveness, transparency, responsiveness, and accountability in public sector. In such countries, it also plays an essential role in maintaining social and political stability through increasing opportunities for citizen participation and ownership (Saito, 2000).

In this regard, Ethiopia has no exception in a sense the country endeavors for decentralization, democratization as well as for sustainable development. Ethiopia after the downfall of military junta, has decentralized its centralized unitary government system in 1991. This decentralization reform accompanied continuous restructuring of regional ethnic-based states and sub-national governments with the objective of establishing self-governing and empowered States for effective decentralized public governance in the country. To realize this objectives, the EPRDF transitional government charter proclaimed new governing principles ‘equal rights and self-determination of peoples’ and affirmed the right of nations, nationalities, and peoples to self-determination. Thus, nine ethnic-based regional state governments were established to administer their own affairs within their own defined territory and to participate effectively with the central government on the basis of free, fair and proper representation (Melkamu, 2015).

Currently, decentralized is increasingly believed as the main strategy in promoting good governance and effective public administration, with participation of the people in the decision-making processes as well as in development activities at local levels. However, Ethiopia like any other African country has faced a number of challenges in democratization and good governance building processes. In order to address the gaps identified the government developed a multi-sectoral national capacity building strategy which advocates the principles of decentralization, regional autonomy, and efficiency to enhance popular participation and to promote good governance, accountability and transparency (African Governance Report, 2004).

According to the Ministry of Finance and Economic development (MoFED, 2009), the main objectives of the policy of decentralization are to create and strengthen local government that will ensure the traits of good governance such as public participation, democratization, and enhance decentralized service delivery through institutional reforms, capacity building, systems development and training. Decentralized governance system can address the call for improved local basic public services production and provision. To realize this, however, it would take effective decentralized public governance that focuses on multiple stakeholders’ involvement in decision-making and implementation (Osborne, 2010). However, the prevailing decentralization design and its practices have clearly influenced its effectiveness (World Bank, 2013).

Decentralization has been applauded for its supposed potential to improve levels of public participation, bureaucratic accountability, administrative efficiency, and responsiveness to local needs and demands. Nowadays, it is widely assumed as means of coping with an eroding centralized system, as it pushed the responsibility of responding to some of the public’s mounting demands to lower levels of authority. Thus, government institutions in national, regional and intermediate levels have face significant decentralization policy challenges with the implementation of the governance reform. One of these challenges is lack of clear guidance.
for local population size in either constitution or decentralization documents. These pressures influence the effectiveness of the decentralization to improve good governance, sustainable development and public services for local communities. Still, Ethiopian government conceived decentralization as strategy to empower grassroots governance, mobilize and utilize potential resources, address local issues for deepening good governance or democratic decentralization and to transform instructions for economic development and poverty reduction (WB, 2013).

Therefore, decentralization and governance reform in Ethiopia have centered on changing political, administrative and fiscal systems. This reform aims at empowering local authorities and communities institutionalize decision-making process at the grassroots level, with the view to enhance local participation, promote good governance, and improve decentralized service provision (Meheret, 2007). These have been achieved through contribution of different mechanisms such as strengthening good governance principles (participation, responsiveness, transparency, accountability) , reducing corruption, and improving cost recovery, improving power relations, promoting efficiency and effectiveness of public service provisions, and encouraging community and enhancing its participation in the development (WB, 2003).

As the federal government adopt decentralized governance, Southern Nations, Nationalities and Peoples Regional government including Wolaita and Dawuro zones started to implement decentralization to provide efficient and effective services by ensuring good governance and democratization. However, the system is deemed not responsive to local preferences or accountable to ordinary citizens. Instead the system appears to have been used as a control mechanism for the central government (Merera, 2007).

Like many Ethiopia regions, SNNPRs suffers from weak capacity and lack of effective transparency, responsiveness and accountability systems. Because of these and other factors the decentralization strategy fails in promoting good governance and democracy. Earlier studies conducted on decentralization and other governance reform both at national and regional levels focused mainly on big cities. However, lack of good governance is clearly observed as critical challenges for local governments including Wolaita and Dawuro zones in providing quality and timely services to their citizens. Lack of transparency, accountability, responsiveness, and capacity as well as poor voicing from the people are expected to affect the prevalence of good governance in both Wolaita and Dawuro Zones. These situations necessitated research work to look at the issues in the area closely and deeply in order to give clear description of the problems from Wolaita and Dawuro zones administrative office employees and administrators point of view.

1.3 Objectives of the study
1.3.1 General objective of the study
The main objective of the study is to assess the role of decentralization in prompting good governance in Wolaita and Dawuro zones. The specific objectives of this study are:
1. To assess the current status/extent of decentralization implemented in Wolaita and Dawuro zones public sectors
2. To find out the role of Decentralization to promote good governance in Wolaita and Dawuro zones public sectors.
3. To identify the challenges of Decentralization in promoting good governance in Wolaita and Dawuro zones public sectors.

2. Literature Review
2.1. The concept of Decentralization
There are many definitions for decentralization. The World Bank and other authors have developed their own definitions of decentralization. The World Bank defines decentralization as “the transfer of authority and responsibility for public functions from the central government to intermediate and local governments or quasi-independent government organizations and/or the private sector”.

In other ways Decentralisation involves the extent to which the political, administrative or fiscal powers of a central government have been shared or distributed, amongst territorially defined sub-national agencies or authorities. This spatial distribution usually forms a series of nested hierarchies coinciding with the territorial subdivisions. But within this broad definition, governmental decentralisation in practice exhibits an enormous variety of forms, based on different principles, and with widely differing purposes. These four forms of decentralization are Political, Administrative, Fiscal and Market decentralization. The impact of decentralization will differ depending on what type of decentralization is taking place, (the political, fiscal and administrative arrangements which characterize the decentralization), what the objectives and conditions of decentralization are (Fleuke, 1997).
2.2.1. Political decentralization
This form of decentralization aims to give citizens or their elected representatives more power in public decision-making. It is often associated with pluralistic politics and representative government, but it can also
support democratization by giving citizens, or their representatives, more influence in the formulation and implementation of policies. From the perspective of democratic principles, decentralization then means the distribution of powers between elected authorities. This can simply mean that detailed decisions are made by local representatives of local powers, though always within policy guidelines, and probably funding arrangements, directed by the center (Robertson 1993, p.125).

Political decentralization often requires constitutional or statutory reforms, the development of pluralistic political parties, the strengthening of legislatures, creation of local political units, and the encouragement of effective public interest groups. Because of this and other factors, political decentralization found to be less practical in developing countries like African countries.

2.2.2. Administrative decentralization
This type of decentralization seeks to redistribute authority, responsibility and financial resources for providing public services among different levels of government. It is the transfer of responsibility for the planning, financing and management of certain public functions from the central government and its agencies to field units of government agencies, subordinate units or levels of government, semi-autonomous public authorities or corporations, or area-wide, regional or functional authorities. The sub-systems may be territorial units (federalism) or bodies entitled to self-sufficiency. Decentralization is based on the principle of subsidiarity (Holtmann 2000, p.131). There are three major forms of administrative decentralization -- Deconcentration, delegation, and devolution.

Deconcentration --which is often considered to be the weakest form of decentralization and is used most frequently in unitary states-- redistributes decision making authority and financial and management responsibilities among different levels of the central government. It can merely shift responsibilities from central government officials in the capital city to those working in regions, provinces or districts, or it can create strong field administration or local administrative capacity under the supervision of central government ministries.

Delegation is a more extensive form of decentralization. Through delegation central governments transfer responsibility for decision-making and administration of public functions to semi-autonomous organizations not wholly controlled by the central government, but ultimately accountable to it. Governments delegate responsibilities when they create public enterprises or corporations, housing authorities, transportation authorities, special service districts, semi-autonomous school districts, regional development corporations, or special project implementation units. Usually these organizations have a great deal of discretion in decision-making. They may be exempt from constraints on regular civil service personnel and may be able to charge users directly for services.

Devolution is the transfer authority for decision-making, finance, and management to quasi-autonomous units of local government with corporate status. Devolution usually transfers responsibilities for services to municipalities that elect their own mayors and councils, raise their own revenues, and have independent authority to make investment decisions. In a devolved system, local governments have clear and legally recognized geographical boundaries over which they exercise authority and within which they perform public functions. It is this type of administrative decentralization that underlies most political decentralization.

2.2.3. Fiscal decentralization
Financial responsibility which is a core component of decentralization is the transfer of or control over resources from federal to regional states or sectors (Jamo, 2005). If local governments and private organizations are to carry out decentralized functions effectively, they must have an adequate level of revenues --either raised locally or transferred from the central government-- as well as the authority to make decisions about expenditures. Fiscal decentralization can take many forms, like self-financing or cost recovery through user charges, co-financing or coproduction arrangements through which the users participate in providing services and infrastructure through monetary or labor contributions, expansion of local revenues through property or sales taxes, or indirect charges, intergovernmental transfers that shift general revenues from taxes collected by the central government to local governments for general or specific uses and authorization of municipal borrowing and the mobilization of either national or local government resources through loan guarantees.

2.2.4. Economic or market decentralization
The most complete forms of decentralization from a government's perspective are privatization and deregulation because they shift responsibility for functions from the public to the private sector. Decentralization means affectivity and appropriateness of policy. A fully centralized system runs the risk of being inefficient because it is poorly informed and does not create proper incentives (Malinvaud, 1998). As outcomes of policies are dependent upon implementation by bureaucracies, the administration responsibilities are transferred to those levels where the corresponding tasks arise. One expects the most effective execution of tasks at the local level. This has led to the acceptance of the idea that implementation concerns should guide policy from the bottom up, rather than vice versa (Peters and Wright 1996, p.634).
2.3. Decentralization and Good Governance
In many ways, decentralization and good governance has been reciprocally explaining. Decentralization is a process of transferring power, resources and responsibilities from the central to the sub-national levels of government, while governance is a new mode of government characterized by hierarchy rather than by hierarchy, creating a horizontal relationship among a multitude of actors both public and private. Decentralization aims to promote good governance by enabling citizen participation and democratic elections. In other words, the outcome of decentralization should result in a more participatory government for citizens and improved delivery of public services because of the local participation and accountability (Green, 2005).

As Litvack, Ahmad and Bird (1998) exposed, one of the benefits that can be expected from decentralization is the realization of good governance. Likewise, Oyugi (2000) reveals that for the last fifty years or so, there was an impression that decentralization is a prerequisite for good governance. Meanwhile, good governance is crucial for successful development by providing principles and indicators for a successful decentralization, such as per capita income (Grindle, 2007). The mutual relationship between decentralization or regional autonomy and good governance has, therefore, been easily accepted. Ebimaro (2006) even strongly asserts that decentralization is synonymous with good government.

Nharnet Team (UNDP, 2005) supports the idea on such mutual relationship by stating that decentralization is the logical application of the core characteristics of good governance at the sub-national and local levels. These characteristics include accountability, transparency, rule of law and responsiveness. This statement infers that without decentralization, good governance seems to be unsuccessfully implemented. Similarly, the Center for Democracy and Governance (USAID, 2000) confidently says that when effective decentralization and democratic local governance advance in tandem, local governments and the communities they govern gain the authority, resources, and skills to make responsive choices and to act on them effectively and accountably.

Moreover, decentralization can improve governance by removing bottlenecks (often caused by central government planning and control) and red-tape that delay decision-making; allowing greater political representation of diverse political, ethnic, religious, and cultural groups in decision-making; empowering citizens to hold government decision-makers and service providers to account; relieving top managers in central ministries of “routine”, tasks to concentrate on policy; and it may also increase political stability and national unity by allowing citizens to better control public programmes at the local level. Decentralization strengthens citizen participation by bringing governments closer to the people they are intended to serve. The success of decentralization as a tool for citizen participation, however, critically depends upon the strength of local government institutions (Heymans, 1996).

2.2.4. The African Experience in Decentralization
Immediately after countries were liberated from colonialism in the 1970s, the issue of how to overcome the colonial legacies and developing their nations was a forefront one to tackle. To this effect, initiations to decentralize their structures and development programs emerged across many counties. This conviction led to a pragmatic pursuit in 1980s, of course, pressurized by the World Bank Structural Adjustment Program (SAP).

An assessment made in 30 African countries by the World Bank, (Ndewga 2002:5) shows different results for their comprehensive achievements in three dimensions of decentralization. The 1990s was the second stage, where many African countries opted for transformation to more democratic and competitive political systems, being influenced by internal and external conditions. To resolve conflicts, to overcome the poverty problem and speed up development, decentralization has become a sine qua non program in almost all African countries, among which only four have a federal form of constitution. Namely: political, fiscal and administrative. Downward and upward accountability and stability systems were also part of the study. In this study Ethiopia stood 9th, slightly above average, while 17 countries were below average in their two five year term (1991-2000) evaluations. When the dimensions were evaluated separately none of the countries were bold enough to adequately transfer decision making powers on resources and revenue generation. Sticking to past extreme centralization practices, as a result of path dependency, there was reluctance to decentralize key authorities and important resource bases. Since it is considered that promises have been unfulfilled, this reluctance in turn put countries into an extreme crisis that they cannot easily overcome.

A comparative study made by the (USAID, Wunsch and Olowu, 2010) in ten African countries pointed out that Ethiopia has successfully accomplished the decentralization process, particularly in the area of devolution of power to sub national governments. However, the finding did not elaborate what has been achieved at the grassroots level (in governance, participation, economic activities, etc.).

3. Research Methodology
3.1 Research Design
This study was conducted using descriptive research design. This research design involves both quantitative and qualitative method. Since descriptive research method involves both self-administered questionnaire and interview process, it permitted a deeper examination of the information and offered us the opportunity to
describe, explain and compare the results. It also helps us to conduct in depth insight, understanding, analyzing, and answering research scenario. Moreover, it provides an integrated data collection, analysis and a deeper clarification of the findings. These and other rationale make descriptive research design more appropriate for the researchers to assess the role of decentralization in promoting good governance in Wolaita and Dawuro zones.

3.2 Sources of Data
Both primary and secondary data was used. Primary data has been collected from employees and officials of Wolaita and Dawuro zone administrative office using personally administered questionnaires and interview schedules. Secondary sources of data were collected using desk review to assess the overall status of decentralization in promoting good governance and to identify the factors affecting decentralization in promoting good governance in the study area. Such types of data were extracted from different sources including published and unpublished materials like journal articles, internet resources, books, reports, office legislation, reports and the like.

3.3 Target Population
The target populations of this research were the employees of Wolaita and Dawuro zones public sectors that found only in Wolaita Sodo and Tercha town. The employees were divided into two broad categories (1) ordinary workers (2) administrators/managers. Thus, both ordinary employees and administrators have been treated as the target population of this study. The respondents from ordinary workers are permanent or full-time workers with at least two-years work experience in the organization. Beside this, management or administrators of both Wolaita and Dawuro zone administrative office was included to obtain all relevant and valid information for the study through interview.

3.4 Sample size and sampling techniques
The sample for the study has been taken from the employees of 12 public service institutions that found in Wolaita and Dawuro zones. The public service institutions were selected purposely considering the magnitude and importance of institutions in serving the society and their relationship with diverse stakeholders. The target population of the study consists of 9678 employees. In order to get a reasonable sample size, a 95% level of confidence and 0.5% confidence interval or sampling error were used to determine sample size for the study. In order to get representative sample for the study the following formula was used

\[ n = \frac{N}{1 + N \times (\hat{e}^2)} \]

where, \( N \) =Total population, \( n \) =Sample size required, \( \hat{e} \) = error

\[ = \frac{9678}{1 + 9678 \times (0.05)^2} = \frac{9678}{1 + 9678 \times 0.0025} \]

\[ = \frac{9678}{1 + 24.195} = \frac{9678}{25.195} \]

\[ = 385 \]

The sample size for this study was 385 respondents. Beside 15 respondents were added for the contingency to overcome potential non response rate and invalid responses. Therefore, the sample size for this study was 400. After the sample size was determined, sampled respondents from each public service institution were selected using simple random sampling method. The sample respondents were selected in proportion to the number of employees who work in each public sector’s. The list of respondents from each public sector was used as sampling frame. The following table summarizes the total population in each public sector and the corresponding sample that was taken from each public sector.

<table>
<thead>
<tr>
<th>No</th>
<th>List of public sectors</th>
<th>Sample respondents from each public sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Wolaita</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No. population</td>
</tr>
<tr>
<td>1</td>
<td>Public service and human development bureau</td>
<td>480</td>
</tr>
<tr>
<td>2</td>
<td>Health station Bureau</td>
<td>459</td>
</tr>
<tr>
<td>3</td>
<td>Education bureau</td>
<td>497</td>
</tr>
<tr>
<td>4</td>
<td>Finance and Economic Development bureau</td>
<td>441</td>
</tr>
<tr>
<td>5</td>
<td>Justices Bureau</td>
<td>413</td>
</tr>
<tr>
<td>6</td>
<td>Office of police</td>
<td>475</td>
</tr>
<tr>
<td>7</td>
<td>Women and Children affairs bureau</td>
<td>454</td>
</tr>
<tr>
<td>8</td>
<td>Revenue authority</td>
<td>441</td>
</tr>
<tr>
<td>9</td>
<td>Water resource development Bureau</td>
<td>390</td>
</tr>
<tr>
<td>10</td>
<td>Trade and Industry bureau</td>
<td>464</td>
</tr>
<tr>
<td>11</td>
<td>Zone administration bureau</td>
<td>420</td>
</tr>
<tr>
<td>12</td>
<td>Investment Bureau</td>
<td>368</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>5302</td>
</tr>
</tbody>
</table>
3.5. Methods of Data Collection
The data has been collected using different tools. Both qualitative and quantitative data collections methods were used to collect both primary and secondary source of data with the objective of triangulating and checking the validity of information collected from different sources. In order to obtain relevant information for the study, the researchers administered two major instruments. These are: questionnaire (both close-ended and open-ended questionnaires), interviews (semi-structured interview).

3.5.1. Questionnaires
To collect data form the largest sample size, questionnaire was more appropriate and relevant to make results more dependable and reliable. In addition, questionnaire was more economical and most commonly used data collection tools in descriptive research design. Therefore, the researchers designed and administered both close and open ended questionnaires to collect the data from employees of Wolaita and Dawuro zones public service institutions.

Open ended questions allowed the respondents to think and reflect their feelings, ideas, and opinions. Close ended questions permitted the respondents to answer the questions objectively and easily. Generally, the questionnaire enables the researchers to describe the role of Decentralization (political, administrative and fiscal) in promoting good governance (transparency, accountability, responsiveness, efficiency and effectiveness, rule of law, participation and the like) in Wolaita and Dawuro Zones public service institutions.

3.5.2 Interview
The researchers used semi-structured interview to collect the reliable data for the study. Semi-structured interview was best used when researchers couldn’t get more than one chance to interview someone and when several interviewers were participated in the field to collect data. The researchers prepared ahead of time and allowed the interviewers to be ready and appear competent during the interview as well. Since it provides the informants the freedom to express their view, opinion and ideas, reliable and comparable data were acquired for the study. Thus, the researchers employed an interview with the Managers/administrators of Wolaita and Dawuro zones public service institutions to probe further and to validate the findings of the study.

3.6 Method of Data Analysis
The collected data form different sources were coded, analyzed and interpreted using both quantitative and qualitative techniques. The quantitative part which was collected using questionnaire was first interned in to a computer using SPSS software. Further analysis was also done using this software program. Frequencies, percentage, tables, bar charts and graphs were used to analysis and present the data. The qualitative data was analyzed manually by describing and explaining the issues contextually. The finding of the qualitative part was mostly used to supplement the quantitative part.

4. Results and Discussion
In this section, the overall practices and challenges of Decentralization in promoting good governance in Wolaita and Dawuro zones were presented, analyzed and interpreted. This data analysis and interpretation part was composed of different information that gathered through primary and secondary data collection methods. The primary data was collected using self-administered questionnaire and in depth semi-structured interview. 400 employees of public sectors responded to the questionnaire. In addition, face to face interviews with 12 top managers and administrators of each selected public sectors were conducted. Out of the 100% self-administered and-thought interviews with the top management, the researchers were lucky enough to undertake all. So the response rate for the data collection was 100%.

4.1. Decentralization and its practices in Wolaita and Dawuro Zones
Since 1995, the government of Ethiopia has been formulating and executing different policy and administrative measures to enhance performance of public sectors in serving the citizens. For instances, the EPRDF government in Ethiopia has been attempting to implement a novel form of governance, ethnic federalism. The government has been evolved in the process of political, administrative and financial devolution. Power and authority in regional administrative matter had been devolved to regional state level. In line with this, the researchers analyze to what extent this decentralized governance is functional in Wolaita and Dawuro zones.

As one of important changes from the previous regime the FDRE Constitution provides for a federal government and nine regional states conferred with different sets of responsibilities relating to important political, economic and social matters. The constitution also equally recognizes the equality of each of the Ethiopian Nation, Nationality, People, language, religion and the like without any sort of subjectivity. Hence, it closed all possible doors of mistrust, conflict and disagreement over the identity question. The fundamental question of all the Ethiopian Nations, Nationalities and Peoples has been shifted from identity to development, peace, democratization and good governance.
The study found that decentralized governance which involves devolution of political, administrative, and financial power or authority is being functional and used in most of Wolaita and Dawuro zones public service organizations. From 400 total respondents, 385 (96%) of respondents were said that decentralized governance is functional whereas, the remaining 15 (4%) of respondents were confirmed that decentralized governance is not functional in the Wolaita and Dawuro zones selected public sectors. This denotes that decentralized governance started to be executed at local levels to encourage better service delivery and improved accountability through establishing a benchmark for good governance in the public sectors.

4.3. Current Practices of Decentralized Governance in Wolaita and Dawuro Zones’ Public Sectors

The adoption and utilization of federal constitution is promising regional autonomy and the creation and strengthening of local government units below the regional level. The practice of decentralized governance will continue efforts to establish an effective, fair and stable institutional, legal and regulatory framework in order to strengthen the rule of law and to foster effective participation of and close cooperation among all relevant stakeholders at national and local levels in the development process. Therefore, the respondents were asked to rate the extent to which decentralized governance is functional in public sectors and their response is analyzed, summarized and presented as hereunder.

The above chart indicates that 69% of respondents responded that the current practices of decentralized
governance was good followed by very good and excellent which accounts 15% and 11% respectively. Whereas, the remaining 4.8% and 0.2% of respondents were rated the functionality of decentralized governance in public service institutions as it was poor and very poor respectively. From this, we can conclude that presently decentralized governance is highly practiced in wolaita and Dawuro zones public sectors. This is similar with the findings of different authors. For instance, Bardhan (2002) has suggested that decentralized governance is believed to reduce the role of state in general by dispersing central authority and introducing more intergovernmental competition and checks and balances. This meant that when the country or institution decentralized its system the regional or local government’s gets better and better in providing services to their society. This is because many countries in the world are promoting decentralized governance as a measure for democratization, people empowerment and poverty reduction. However, the practice of decentralized governance must be conducive to democratization, empowerment and development through ensuring that what is provided in the structural arrangement is what is practiced during implementation. Otherwise, once decentralized governance exists only in structural form and not in practical substance, it runs the danger of frustrating the local population and fuelling conflict rather than reducing it.

4.4. The Role of Decentralization in Promoting Good governance in Wolaita and Dawuro Zones

Through the research, it was found that central aims and objectives of decentralized governance have been enhancing good governance, democracy and sustainable performance improvement at grass root levels especially in Wolaita and Dawuro Zones. Decentralization was found to play an essential role in ensuring the principles of good governance such as accountability, transparency, participation, effectiveness, efficiency and improvement in high quality service delivery.

From the data gathered from respondents and documentation, it was found that the establishment of decentralized governance has to be executed to promote good governance in the selected public sectors of the zones. Out of 400 total respondents, the majority, 284(71%) of respondents were rated the current role of decentralization in enhancing good governance as it is very good. This shows that decentralized governance is recognized as one of the critical enabler to realize good governance via establishing responsive, transparent, accountable, efficient and participatory local government which address the problem of good governance that happen at local levels. However, the potential role of decentralization is appeared to be unexploited or limited in promoting good governance at local levels.

Figure 3: Extent of decentralization in enhancing good governance in Wolaita and Dawuro Zones

4.5. Forms of Decentralization that practiced in Wolaita and Dawuro Zones

Decentralization is the extent to which the political, administrative or fiscal powers of a central government have been shared or distributed, amongst territorially defined sub-national agencies or authorities. In this paper, we concerned mainly with three major forms of decentralization (i.e. political, administrative and fiscal decentralization).

4.5.1. Political Decentralization

The major manifestation for the existence of political decentralization and good governance in public sectors are high decision making autonomy of local government, high level of responsibility and transparency in decision
making as well as high participation of women in leadership positions. Good governance to be prevailed political decentralization should be exercised especially in giving citizens or their elected representatives more power in public decision-making (World Bank, 2001). To check the level of power or autonomy given to local governments in making decision, the respondents were asked to respond to the following questions.

Table 2: Elements of political decentralization

<table>
<thead>
<tr>
<th>No</th>
<th>Item</th>
<th>Very high</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Very low</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Level of autonomy in decision Making</td>
<td>75 18</td>
<td>171 43</td>
<td>127 32</td>
<td>19 5</td>
<td>8 2</td>
<td>400 100</td>
</tr>
<tr>
<td>2</td>
<td>Level of assignment of responsibility</td>
<td>63 15.8</td>
<td>148 37</td>
<td>126 31.5</td>
<td>34 8.5</td>
<td>29 7.2</td>
<td>400 100</td>
</tr>
<tr>
<td>3</td>
<td>Level of transparency and quality in making decision</td>
<td>36 9</td>
<td>155 38.8</td>
<td>143 35.8</td>
<td>30 7.5</td>
<td>36 9</td>
<td>400 100</td>
</tr>
<tr>
<td>4</td>
<td>Participation of women in management position</td>
<td>66 16.5</td>
<td>24 6</td>
<td>101 25.2</td>
<td>169 42.2</td>
<td>40 10</td>
<td>400 100</td>
</tr>
</tbody>
</table>

As the above table shows out 400 total respondents the majority, 171 (43%) of them says that autonomy that given to local government units to make decision is high followed by medium which accounts 32% while the rest very few 19 (5%) and 8 (2%) of the respondents considers the autonomy of local government units to make decision is low and very low respectively in Wolaita and Dawuro zones public sectors. This shows that political decentralization increases the autonomy to make amongst local governments officials. This is consistent with the study conducted by Moisiu (2013) in Albanian state which stressed that decentralization determines the autonomy and accountability of local government levels or units.

As shown in the above table the responsibility that given to local government units also determine the existence of political decentralization and good governance to provide the highest quality services to the citizens at a local level, preferably as close to them. In line with this, the majority 148 (37%) of respondents says that the responsibility assigned to local government unit is high followed medium and very high which represents 31% and 16% respectively. This implies as there is high delegation of responsibility to local governments from federal to local governments. This is similar with findings of Mentor Isufaj (2013). He suggested that there is a separation of functions and responsibilities between central and local government, with the main goal over the responsibilities of decision-making closer to citizens.

Regarding decision making transparency, 39% of respondents say that there is high level of transparency in decision making in Wolaita and Dawuro Zone local government sectors. While, 36%, 9%, 7.5% and 9% of respondents say medium, very high, low and very low respectively. This implies that political decentralization ensures high level of transparency of decision that made at local levels. However, it is not satisfactory to ensure good governance, democracy and sustainable development.

Similarly, 42% of respondents confirm that percentage of female holding position in public service institutions was low in Wolaita and Dawuro zones local governments followed medium, very high, very low and high which represents 25%, 17%, 10% and 6% respectively. From this we conclude that the number of women who hold leadership or management position is still low in Wolaita and Dawuro Zones public service organizations.

4.5.2. Administrative Decentralization

Administrative decentralization seeks to redistribute authority, responsibility and financial resources for providing public services among different levels of government. It is the transfer of responsibility for the planning, financing and management of certain public functions from the central government and its agencies to field units of government agencies, subordinate units or levels, semi-autonomous public authorities or corporations, or area-wide, regional or functional authorities (World Bank, 2001). To check the level to which administrative decentralization is executed in public service institutions, the respondents were asked to respond the following varieties of questions.
Table 3. Practices of administrative decentralization

<table>
<thead>
<tr>
<th>Item</th>
<th>Very high</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>V. low</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Extent of clarity of the role &amp; responsibility for PSD</td>
<td>29</td>
<td>7.2</td>
<td>141</td>
<td>35.2</td>
<td>210</td>
<td>52.5</td>
</tr>
<tr>
<td>Participation of employees in developing &amp; implementing standards &amp; guidelines</td>
<td>59</td>
<td>14.8</td>
<td>133</td>
<td>33.2</td>
<td>137</td>
<td>34.2</td>
</tr>
<tr>
<td>Extent of establishing flexible, efficient &amp; less cumbersome bureaucracy to provide quality &amp; efficient service</td>
<td>35</td>
<td>8.8</td>
<td>129</td>
<td>32.2</td>
<td>144</td>
<td>36</td>
</tr>
<tr>
<td>Capacity of officials for drafting &amp; implementing plans</td>
<td>40</td>
<td>10</td>
<td>213</td>
<td>53.2</td>
<td>100</td>
<td>25</td>
</tr>
<tr>
<td>Number of training, research and development programs designed to enhance capacities of officials and other employees</td>
<td>40</td>
<td>10</td>
<td>74</td>
<td>18.5</td>
<td>124</td>
<td>31</td>
</tr>
</tbody>
</table>

Source: own survey, 2017

As it is depicted in table 3 relatively more than half (53%) of respondents responded that the extent of clarity of the role and responsibility for public service delivery is medium followed by high which represent 35.2%. The rest 7.2% and 5% respondents rated the role and responsibility of local governments in public service delivery is very high and low respectively. Thus, the study shows that the role and responsibility provided for public service delivery is found to be clear so as ensure administrative decentralization and good governance in Wolaita and Dawuro Zones local government units.

Regarding level of delegation of responsibilities given to various levels of management, 45% of respondents confirmed medium, 28%, 13% and 10% respondents were rated it high, very high and low and the remaining 4% of respondents replied that delegation of responsibilities to various levels of management (top management, middle and lower level management) is very low in Wolaita and Dawuro zones public sectors.

Item 3 of the above table shows the majority (34%) of the respondents identified the participation of employees in developing and implementing standards and guidelines of public service as it is medium followed by high and very high respectively. The remaining 15% and 3% of respondents rated the participation of employees in developing and implementing standards and guidelines of public services low and very low respectively.

Concerning establishment of flexible, efficient & less cumbersome bureaucracy to provide quality & efficient service, 36% of respondents rates medium, 32% says high, 9% confirms very high and the remaining 19% and 4% of respondents rates establishment of flexible, efficient and less cumbersome bureaucracy to provide quality and efficient service at local government level is low and very low respectively.

Item 6 of the above table shows that more than half 53% of the respondents confirmed the capacity of officials for drafting & implementing plans is high followed by very high and medium which accounts 25% and 10% respectively. While, the remaining 9% and 3% of them said that the capacity of officials for drafting & implementing plans is low and very low in Wolaita and Dawuro zones public services institutions.

Regarding number of training, research and development programs designed to enhance capacities of officials and other employees, out of the sampled respondents majority 34.5% of the respondents replies low, 31% responds number of training programs designed to enhance capacities of officials and other employees is medium, 10% said very high, 18.5% replies high and the remaining 6% responds the number of training programs designed to enhance capacities of officials and other employees is very low in their institution. This implies institutions did not provide adequate training, research and development programs to their employees in order to capacitate them.

4.4.3. Fiscal Decentralization

Countries throughout the world are increasingly recognizing the benefits of fiscal decentralization. This encourages people to pose a greater influence on the decisions of government that affect their lives. Also it assists sub national and local governments to control their “own” sources of revenue. The World Bank suggested that governments will likely fail to benefit from decentralization if there are no adequate financial resources at the local level to perform public services, if there is ineffective or inefficient local government administration, or if a lack of coordination exists between the local public and private sectors.
As can be seen from table 4 item1, 139 (35%) of respondents replied that the power of rising and controlling own revenue is low in wolaita and Dawuro Zones followed by medium and high which accounts 32% and 18% respectively. The remaining 12% and 3.5 % of respondents confirms that the extent of rising and controlling own revenue is very low and very high respectively in Wolaita and Dawuro Zones. This low revenue raising autonomy makes decentralization and democracy ineffective at local governments levels. Since the transfer of responsibilities from the central government is not matched with the ability to finance to discharge their responsibilities, there is a risk of creating a largely fictional decentralization. In such a case, local governments will tend to remain overly dependent on the goodwill of the central government to finance them. Since the central government sets the rules and generally takes the highest yielding taxes for its own use, local governments tend not to have access to tax revenue and sources that would effectively free them from dependence on transfers. Inter-governmental transfers prevent local governments from attaining an appropriately independent status especially in producing and distributing public goods and services. From this we understand that without having an adequate revenue sources, a local government units have no suitable degree of fiscal autonomy.

Item 2 depicted, majority 184 (46%) of respondents responds that the extent of expenditure planning and financing in public service institutions is low followed by high and medium which accounts 22% and 20% respectively. The rest 12% of respondent says that the extent of expenditure planning and financing is very high in local government units particularly in public service institutions.

It is clear that relatively larger proportion (74.5%) of the respondents confirms revenue transfers ratio to institutions is low and very low. While the remaining respondents replies that revenue transfers ratio to institution is relatively high. Local governments should be able to raise revenue to finance the costs of proposed services from the beneficiaries of those services. However, in practice, there is great variation in the proportion of resources raised locally, or over which local governments have a significant decision-making authority. Therefore, there is a broad consensus that the autonomy of local governments in developing countries is still weak compared with other countries.

In relation to autonomy to borrow funds to finance projects, 32% of respondents said that local governments or their institution has low autonomy to borrow funds in order to finance local projects followed by very which represents 31%. However, the rest of respondents confirms as their institution has autonomy to finance local projects by borrowing funds.

As indicated in item 5 of above table, the majority 42% of respondents said that the financial management capacities of local governments and their institution is low followed by medium which accounts 31%. 13%, 4% and 11% of respondents confirms that the capacities of local government units regarding financial management were high, very high and very low respectively.

Regarding public private partnership (PPP), majority (42%) of respondents were responded that public private partnership is medium in Wolaita and Dawuro Zones followed by high and very high accounts 38% and 8% respectively. While the remaining respondents infers as public -private partnership in local areas were relatively low. This shows that there is public private partnership at grass root levels but not as much strong and effective in addressing the needs and interest of the local community.

5. Conclusion and Recommendation

5.1. Conclusion
Decentralization is highly recognized and become a crucial element in enhancing good governance in countries where diversity of population in terms of language, culture, belief, religion and so forth takes place. In line with
this, Ethiopian government has embarked on decentralized governance through devolving power and responsibilities to local governments to ensure good governance and efficient service delivery. However, decentralized governance exists in platform only; it ruins the existing system and creates a problem in building democracy, accountability and transparency at grassroots level.

The study found that political and administrative decentralization is well cascaded and implemented in Wolaita and Dawuro zones local governments. However, they still limited in capacity to effectively operationalize the system and benefit their society efficiently. This existence of political and administrative decentralization enhances local governments and citizen autonomy, responsibility, transparency, and efficiency in making decision in public sectors. Moreover, it increases employees’ participation in developing and implementing standards and guidelines and creates systems that are flexible, efficient and less cumbersome bureaucracy in public service delivery. Nevertheless, institutions are lagging behind in capacitating women for local governments, governments should take into consideration the following recommendations:

- Institutional framework due to lack of finance and revenues which help them discharge their responsibilities and duties in public service delivery.
- Training and development program).
- Financial (lack of adequate fiscal resources, poor utilization of financial capital) and other institutional factors like low awareness of employees and communities, inadequate incentives, low access to information, lack of working experience and all necessary equipment and materials affect decentralization and its role in promoting good governance at local units.

5.2. Recommendation

In order to improve decentralization and its role in promoting good governance in Wolaita and Dawuro Zones local governments, they need to take into consideration the following recommendations:

- Since the responsibilities to adopt and implement decentralized governance shoulder on local governments especially on public service organizations, they need to develop their capacity so as to discharge their responsibility properly.
- The study reveals that fiscal decentralization is poorly applied and remains problematic in ensuring good governance and other types of decentralization. Thus, federal or regional government should decentralize the budget parallel with their responsibility and give them the autonomy to generate their own revenue.
- Effective decentralization is impossible unless institutional and administrative capacities of local governments must be ensured to promote good governance in public sectors through proper application of decentralization.
- Decentralization cannot be useful in enhancing good governance and decentralized service delivery, without having well trained, professional and qualified local government staff and employees. Therefore, government should pay due attention towards training and development of local officials and employees of public sectors in the area of decentralization.
- Local governments especially Wolaita and Dawuro zones administration should pay due attention to the
fiscal decentralization which helps local governments to have enough fiscal control to plan their activities in most efficient and effective manner.

Strengthening the confidence and trust of citizens in the efficacy and value of public institutions is the key activity of employees. However, service users of the study area have no trust and confidence in their service providers. Thus, local governments and employees should be accountable, responsive, efficient and effective during service delivery through inviting service users in planning, implementation and evaluation of their programs/policies to gain the trust and confidence of their stakeholders.

Existing legal and institutional framework in the decentralized governance systems should be further developed and upgraded with more effective legal instruments and institutional framework.

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