

**INFLUENCE OF KNOWLEDGE IN PERFORMANCE CONTRACTING ON
ACCEPTANCE OF PERFORMANCE CONTRACTING AMONG SECONDARY
SCHOOL TEACHERS IN MERU CENTRAL DISTRICT**

Hellen N. Mugambi

Kenya Methodist University (KeMU)

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ABSTRACT

The study sought to determine the influence of performance contracting knowledge on acceptance of performance contracting among secondary schools teachers in Meru Central District. If the performance of an employee is not quantified, one cannot be certain that there is any value gained from employee employment. Measuring performance is a key strategy for organizational success. To achieve this objective, descriptive research design was employed. The study covered all the twenty one (21) public secondary schools in Meru Central District. The target population was all the government employed teachers within Meru Central District. A sample of thirty per cent (30%) of teachers was picked from the said schools, giving a total of seventy three respondents. The study used structured questionnaires to collect data. The data was analysed using descriptive and inferential statistics. Results were presented in charts, graphs and tables. The study findings indicated that knowledge in performance contracting greatly determined acceptance of performance contracting among secondary school teachers in Meru Central District. The study concluded that teachers had inadequate knowledge of performance contracting. Further, the study concluded that there exists a positive significant relationship

between knowledge of performance contracting and acceptance of performance contracting among secondary teachers in Meru Central District.

Key Words: Performance contracting, performance contracting knowledge, secondary schools

INTRODUCTION

Background and Research gap

A contract is a legal agreement between two or more parties in which one promises to perform some specific act or acts in return for a consideration of value from the other. Performance can be regarded as any behaviour which is directed towards task or goal accomplishment. Performance management is a comprehensive, continuous and flexible approach to management of organizations', teams' and individuals' performance (Armstrong & Baron, 2007). The overall purpose of performance management is to contribute to the high performance of organization and its people. Different organizations use different tools in managing performance. One of such tool commonly used by public as well as private institution is performance contracting. Republic of Kenya (ROK) defines Performance contract as a management tool for measuring performance against negotiated targets (ROK, 2007).

Performance contracting system originated in France in the late 1960s and other countries such as India, Pakistan, and Korea have also accepted it since then (Organization for Economic Corporation and Development (OECD) 1997). The concept of performance contracting has taken a global demission and is now being practiced in more than thirty (30) developing countries In Asia, performance contracting is now applied in Bangladesh, China, India, Malaysia, South Korea, Pakistan and Sri Lanka (Nafukho, Kobia & Nura, 2009).

In Africa performance contracting has been implemented in both public and private enterprises in countries such as Benin, Burundi, Cameroon, Ghana, Guinea, Madagascar, Mali, Mauritania, Morocco, Niger, Senegal, Togo, Tunisia, Zaire and Kenya. In South America, performance contracts are used in Argentina, Brazil, Chile, Colombia, Mexico, Augury and Venezuela. In European countries such as the UK, the Netherlands, France, Italy, Denmark, and Finland among others, use performance contracting. In North America, USA and Canada use performance contract (Nafukho *et al*, 2009).

According to a report by Log Associate (2010), the use of performance contracting has been acclaimed as an effective and promising means of improving performance of public enterprises as well as government departments all over the world. Performance contracting with government departments is being used extensively in Organization for Economic Corporation and Development countries to improve delivery of public service and effectiveness of government machinery (ROK, 2010).

However, according to Donald (2000), performance contracting in education was not fully embraced by the learning institutions. There was unprecedented and almost unbalanced surge in growth of performance contracting for public schools. A poorly designed performance contracting system/program can prove financially dangerous, organizationally disruptive and educationally destructive (Donald, 2000). It is therefore vital to examine possible problems that may hinder successful implementation of performance contracting system in schools. This is a clear indication that resistance to acceptance of performance contracting especially in learning institutions is a global concern.

Performance Contracting in Africa

During the last two decades, most African countries have embarked on comprehensive public sector reforms programmes, and in many cases have received assistance from international institutions. According to Economic Commission for Africa (ECfA), Public Sector Management reforms are a central feature of Economic Policy Reform Program (EPRP) (ECfA, 2003). Since 1980s, developed and developing countries have been embarking on public sector management reforms. The role and institution character of the State has been questioned, and public sector has been under pressure to accept private sector orientations of adopting performance contracting. The earlier reforms aimed at shaping a public administrator to achieve national development, and were based on some institutional peculiarities inherited from colonial period. Donors in Africa have been concerned with finding alternative ways of organizing and managing public services and redefining the role of State to give more prominence to markets and competition to private and voluntary sector (ECfA, 2003).

According to World Bank (WB), Ghana is one among other African countries which has successfully implemented performance contracting (WB, 2002). The WB report also reveals that reforms to implement performance contract in Ghana begun with dialogue, which involved major stakeholders including general public communities and government officials with the dialogue resulting into a policy. To ensure success of the policy several large pilot projects from different part of the country were carried out. Lessons learnt from the pilot study were incorporated into the national performance contracts program to ensure its success.

The performance contracts of the early 1990s, failed to achieve their stated objectives because of the widespread use of consultants in the formulation of contract plans, including their

determination mechanism for their monitoring and evaluation (WB, 2002). As a result many public servants were hesitant to sign performance contract. The resistance was also attributed to failure of Public Service management to develop the necessary sense of ownership and commitment to the success of the enterprise contracts (Nyamu, 2007). However, after involving all stakeholders to performance contracting, implementation was considered to have attained some level of success. Nyamu (2007) argues that all government agencies in Africa need to implement performance contracting to remain viable in delivery of quality services to their customers. This is because performance contracting can play a major role in building customer loyalty based on customer satisfaction.

Performance Contracting in Kenya

Performance contracting system originated in France in the late 1960s. It was later developed in Pakistan and Korea and thereafter introduced to India (Odhiambo, 2009). It has since been accepted by developing countries in Africa, including Nigeria, Ghana, Gambia as well as Kenya. Performance contracting has been identified by both the public and private sectors as an effective way of providing and acquiring goods and services within available budgetary resources (Waal de, 2008).

In Kenya, performance contracting is part of the broader public sector reforms aimed at improving efficiency and effectiveness in management of public service (Muthaura, 2007). According to Panel of Expert (2010), performance contracting in Kenya is a hybrid system that has borrowed from international best practices and the balance scorecard. Performance contracting and evaluation system best practice were drawn from; South Korea, India, China, USA, UK, Malaysia and Morocco but domesticated to suit the local context (ROK 2010).

The concept of performance contracting was introduced in the management of State Corporations in 1989. A Parastatal Reform Strategy Paper (PRSP) was first approved by cabinet in 1991, and was the first official recognition of the concept of performance contracting as part of the policies recommended to streamline and improve the performance of State Corporations (Nafukho, Kobia & Nura, 2009). The first two government Corporations to be on performance contract were Kenya Railways Corporation and National Cereal and Produce Board which they signed in November 1990.

However, the introduction of performance contracting in the two corporations failed due to the following reasons: lack of political goodwill to drive this process; the performance agreement did not conform to the requirements of the three subsystems of performance and there was no provision for the impact of external factors such as change rate, fluctuations that would have made evaluation fair (ROK, 2005).

The ROK decided to re-introduce performance contracting in 2003. The initiative to introduce performance contracting came from the former President of ROK, Mwai Kibaki, and was clearly spelt out in the Economic Recovery Strategy for Wealth and Employment Creation (ERSWEC) (Nafukho, Kobia & Nura, 2009). It was introduced as a management tool to create accountability to the public for results (Kobia, 2006). In August 2003, the ROK appointed a committee to spearhead introduction and implementation of performance contracting namely the Performance Steering Committee (PSC).

The Government of Kenya made a decision to introduce performance contracting in State Corporation on a pilot basis in 2004 (Nafukho, Kobia, & Nura, 2009). Kobia (2006) indicates that performance contracting expanded from a pilot group of 16 public enterprises in 2004, to

eventually cover the Public Services in Kenya comprising of the following; thirty eight (38) ministries and accounting departments; one hundred and thirty (130) public enterprises and one hundred and seventy five local authorities. Accordingly, five major municipalities completed performance contracting on 30th September 2005 on pilot base (Kobia, 2006). Muthaura (2007) contends that performance contracting in Kenya was born out of recognition that quality of an effective government cannot be lower than that of its clients, who are the citizens and the public at large.

Performance contracting for teachers

In Kenya, performance contracting in learning institutions is part of broader educational reforms aimed at improving efficiency and effectiveness in teaching and management of public schools (Odhiambo, 2008). Performance contracting is a new development in schools in Kenya especially in secondary and primary schools.

The ROK has indicated clear intentions to introduce performance contracting to all teachers. Teachers being civil servants are required to sign performance contract just like all other public service workers. This is in line with global trends where employees in the private and public sectors work on clearly defined targets. This brings accountability and a sense of ownership which is in line with global labour trends.

However, this issue of performance contracting for teachers in learning institutions in Kenya has dominated public discourse and requires sober examination. For instance, in Kenya's seven public universities, the Vice Chancellors were among the first public service employees to sign five year performance contract, however, the university academic staff union (UASU) objected (Nafukho, Kobia & Nura, 2009). When the Teachers' Service Commission (TSC), a government

organization responsible for employment of teachers serving in the public schools wanted to introduce performance contracting in 2007, the Kenya National Union of Teachers (KNUT), strongly objected and the decision was shelved (Nafukho, Kobia & Nura 2009).

Cheruiyot (2008) also quoted KNUT saying that it would resist attempt to subject teachers to the performance contracting policy and consequently told its members, not to sign performance contract document that may be brought their way. Nyamu (2007) pointed out that when KNUT declares publicly that it will not accept the publicly acclaimed performance contracting strategy, many professionals are baffled as to whether the teaching fraternity appreciates the seriousness of their open confrontation with the public policy declaration.

To this end, the giant and influential teachers union, KNUT has not signed the performance contract. In May 2012 Members of Parliament brought the same issue on the floor of parliament for debate; however, there was no consensus on that matter. The House Parliamentary Committee on Education, Science and Technology insisted it was time teachers' embraced performance contracting just like all other civil servants. What is being demanded from the teachers by the government is performance of every teacher to be followed just like any other civil servant in the Republic of Kenya today. Previous efforts by TSC to introduce the management-monitoring tool flopped after resistance by teachers' unions and associations (Nafukho, Kobia & Nura, 2009).

As Will & Suzzane (2008) puts it, it is inevitable that one finds resistance to performance measurement process usually in the development phase. It is human nature to resist change especially where performance measurement exposes weak areas in employee performance and where accountability is stressed. Will and Suzzane (2008) goes on to say employees and their

appraisers must have a clear understanding of the purpose of performance management and use of performance measurement tools such as performance contracting.

Performance Contracting Knowledge

Knowledge is said to be power and when people have enough information they are able to make informed decision and argue from the point of knowledge. One way of acquiring knowledge is through training. Training is the planned and systematic modification of behaviour through learning programmes and instruction, which enable individuals to achieve the level of knowledge, skills and competence needed to carry out their work effectively (Armstrong, 2009).

According to Dessler (2008) inadequate documentation or training can undermine introduction of change, and increase resistance to the acceptance of any change by exactly those employees and managers who are supposed to aid its implementation and usage. Prior training, be it formal or informal, of individuals involved in system implementation and utilization is seen as a crucial element for successful implementation of the said system.

Valentine & Boston (1992) argues strongly that explaining how an evaluation system is developed and its basic philosophy and purpose is the starting point for developing acceptance for the system among staff. Odhiambo (2003) in his studies found out that lack of training for appraisers also proved be a cause of concern. The main weakness one would say is there appears to be no comprehensive training programme for head teachers and school inspectors who undertake evaluation. Those who were interviewed recommended that the system should come

up with training programme on a constant basis. The need for more effective and appropriate appraisal system and supportive climate was reiterated throughout the interview.

A review of performance contracting by the ROK (2010) reviewed that the formula used for performance evaluation was viewed as a very complex and not well understood by many hence implementation and usage of the same was complicated. Nevo (1994) noted, “Teachers who understand how teaching is being evaluated could not only improve their self-evaluation; they could also benefit in preparing themselves for being evaluated by others. Hence they would not resist implementation of any performance management system. Spillane, Reise & Reimer (2002) indicate that teachers’ prior belief and practices can pose a challenge not only because teaches unwilling to change in the direction of the policy but also because their extant understanding may interfere with their ability to interpret and implement the reform in ways consistent with the designers of the system.

There has been tension and conflicts among the various purposes of performance management. Brown (2005) noted that the introduction of performance management in England’s primary schools has been particularly controversial because the very concept of performance management is so alien to the traditional culture of particular schools. The controversy was attributed to the facts that there was so much confusion, uncertainty and disagreement within and between schools about the meaning and the purpose of performance management system. The same study indicated that majority of teachers and school governors were confused about the meaning of performance management and the purpose of introducing the initiative in schools.

Brown (2005) contends schools governor also generally felt inadequately prepared for measuring and managing their head teachers' performance. The fact that they are volunteers and (in general) non-educationalists with little, if any, previous experience of performance management, suggests that they have need for high quality training. Herman (2009) suggests the implementation of a performance management requires the involvement of many players. Specially, the successful implementation of the system requires a clear understanding of how the system works and a clear understanding of its benefits from the different perspectives of all involved. He goes on to say before the system is launched, a successful communication plan must be implemented to gain the systems acceptance.

It should be appreciated that a major aspect of developing an effective performance management system is training for those individuals involved as assessors or managers. This training should start with a focus on proving the managers or the supervisors with a systematic approach to the practice of effective people management (Goff & Longenecker as cited in Kleiner, 1997). The managers and the supervisors need to understand performance contracting in its wider context and not as a simple "quick fix" solution.

Low (2006) indicated in his research that while the use of appraisal practices is widespread and therefore may be used to indicate sectorial uniformity, differences exist in the purpose of such role of line managers and the reason for introducing them.

Maria (2010) carried out a research on performance appraisal in Portugal. The research addressed the question "what are the argument behind the resistance and the controversy in regard to the new performance management policy issued in 2007 in Portugal". The data was

drawn from a review of existing literature on the topic nationally and internationally, from official documents and from current research. Teachers' were critical of the lack of training and specific skills required of appraisers. They complained that there were no conditions to implementing the new policy under the current situation.

Odhiambo (2003) carried a research on "*teacher appraisal: the experience of Kenya secondary school teachers*". The paper sought to report the study findings of a study focusing on the state of teacher appraisal in Kenyan secondary schools and to argue an improved facilitating model of teacher appraisal. Out of the eight (8) regions in Kenya only one region was selected and only six secondary schools were targeted. The finding indicated that teachers' appraisal policies and practices in Kenyan secondary schools exhibit weaknesses, which need to be urgently addressed if teachers' appraisal is to be used to improve the quality of teaching and education in Kenya. The research also revealed that sixty five point two per cent (65.2%) of teachers who were interviewed felt that there was lack of agreement and understanding among the teachers as to the precise purpose of the appraisal scheme in Kenyan secondary school. It seems that teachers were not properly briefed about the purpose of the scheme Khim *et al* (2007) noted that problems associated with teachers appraisal includes the tension concerning the purpose of the appraisal, the lack agreement on appropriate appraisal criteria, concerns over the validity and reliability of evaluation methods, and perceptions of teachers towards the appraisal system.

Khim (2007) quotes Low (2006) as having said that the appraisers must be viewed as competent capable of evaluating outcomes to be perceived as reliable and useful for proving feedback to improve teachers' performance. The study reveals that teachers who are critical of appraisal are

often concerned that their appraisers do not possess the sufficient opportunities to observe and evaluate their performance in classroom and are biased (Khim *et al* 2007).

In Botswana, a survey done by Stronge (2006), on the evaluation and school improvement: improving the educational landscape, indicates that the secondary school teachers in the survey did not uniformly understand or accepted the purpose of the current teachers appraisal system as practiced. This has led to general lack of teachers' commitment to the process and even strong negative attitude. It is therefore important to understand and accept the purpose of appraisal scheme or performance management initiative (Stronge, 2006).

Education Master Plan 1997-2010 indicates that many secondary school head teachers had not been adequately trained in management and ineffective and were lacking accountability (ROK 1998). Moses, S., David, K. & Stephen, O (2006) also asserts that training is very important for employee to be productive. An employee requires interpersonal skills, the ability to function with teams, problem solving skills job management, and performance analysis and improvement skills.

Wragg *et al* (2005) in his research "Implementing performance management in England's primary schools interviewed thirty (30) head teachers and twenty four (24) of them considered the performance management training which they had received to be unsatisfactory. Adjectives used to describe their training included, "inadequate" "inefficient" "shambolic" and "shocking". One particular head teacher felt that "it was as if the trainers had not received proper training on performance management themselves. The case for providing training for performance management for teachers is strong. In the same research, school governors were generally found to be inadequately prepared for measuring their head teachers' performance. Many school

governors who are responsible for measuring and managing head teachers performance have had insufficient or no training at all. They felt inadequately prepared to for measuring and managing their head teachers' performance. The study indicated many school governors who are responsible for measuring and managing head teachers' performance had insufficient or no training at all in how to do so.

Githua (2004) noted in his research that many secondary school head teachers are not adequately trained in management and administration hence they are inefficient, ineffective and lacks accountability. No employee would be willing to be supervised by a manager with no skills; knowledge and ability in management, since this is the person who will be responsible for his/her appraisal. Secondary school teachers who are versed in management are also essential for curriculum implementation, effective and efficient management and administration of schools (Githua, 2004).

Pedzani *et al* (2006), the empirical findings clearly showed that the secondary schools teachers in the survey did not uniformly understand or accept the purpose of the current teachers' appraisal system as practiced in Botswana secondary schools. This led to a lack of general commitment to the process and even negative attitude. The study suggested that teachers and management should fully understand and accept the purpose of the appraisal process. This implies the need for thorough training on performance management for all stakeholders. There is need to explain how the performance contracting is developed and its basic philosophy and purpose. The concept of overall performance should be sufficiently well defined, measurable and accepted by both the appraisers and the appraised.

Teachers in the public institution cannot wish away performance contracting. They should accept it for efficiency and effectiveness of their service delivery as well as accountability to the public, who are education stakeholders. It is for this reason that this study sought to establish how knowledge in performance contracting determines the acceptance of performance contracting among secondary school teachers in Meru Central District.

Objective of the Study

To establish how knowledge in performance contracting determines acceptance of performance contracting among secondary schools in Meru Central District

Methodology

Cooper & Schindler (2008) define a research design as a blueprint for fulfilling objectives and answering questions. Conventionally, the appropriate design depends on the objective of the research and the required data (Peterson, 1982). Accordingly therefore, to address the objective of this study, a descriptive research design was adopted. A descriptive research design describes data and characteristics about a population or a phenomenon. Robson, (2002) also supports descriptive research design as one which portrays an accurate profile of persons, events or situation. By virtue of the specific objectives, data emanated from the questionnaires and these enabled several characteristics of interest to be measured, thereby justifying use of the descriptive research design.

The study locale was Meru Central District, with focus on all the 21 public secondary schools in the district at the time of data capture. Statistics available from the Ministry of Education -

Kenya, there were Two Hundred and Thirty Nine (239) government teachers in the district (Ministry of Education Science and Technology 2011). The Sampling Frame, with the actual distribution of schools per division and the number of teachers is summarised in Table 1

Table 1: Target Population

	Divisions	Government Schools	Male Teachers	Female Teachers
1	Kibirichia	4	33	25
2	Abothuguchi East	3	16	6
3	Abothuguchi West	7	53	41
4	Kiagu	1	1	1
5	Abothuguchi Central	6	32	31
Total		21	135	104

Source: (Meru Central District Education Office (2011))

According to Hyndman (2008) and Marczyk, DeMatteo & Festinger (2005) a sample is a subset of population to be studied. Ader, Mellenbergh, & Hand (2008) suggests that one of the main advantages of using a sample is that it minimises cost, improves speed, and enhances accuracy and quality of data. Sampling is the activity of selecting a sample from a target population.

In this study, sampling was done using multistage sampling. In stage one all the head teachers were intentionally selected; in stage two, teachers were randomly selected, in which sampling proportional to the size of the school was now used. In this sampling scheme at stage two, the idea was to identify a logical sampling fraction which the sampler fixed at 30% inclusive of the head teacher. This sampling fraction of 30% was arrived at basing on results from the Laws of Large Numbers. (The Central Limit Theorem). This technique ensured that all schools were proportionally and adequately be represented (Borg & Gall, 1989; Wiersma, 1995). The resulting sample sizes are shown in Table 2

Table 2: Sample Size

Division	No. of teachers	30%
Kibirichia	58	17
Abothuguchi East	22	7
Abothuguchi West	94	28
Kiagu	2	2
Abothuguchi Central	63	19
Total	239	73

The study used a structured questionnaire, with both open and closed ended questions, to collect data. A questionnaire is a method of data collection in which respondents provide a written answer to written questions (Gall, Gall & Borg, 2007). The study utilised correlation and regression analysis to establishing relationships between performance management knowledge by teachers and the acceptance of performance contracting among secondary school teachers in Meru Central District. To address the study question, the study checked whether the regression coefficient of knowledge in performance contracting was positive with a significant p-value of greater than .05, in line with the theory and study expectations.

The data collected was analysed using descriptive statistics such as mode, median, means, standard deviation. To establish casual relationships among all variables in the model, the study employed inferential statistics such as multiple regression modelling. Analysis of Variances (ANOVA) was also used to establish whether there exist any significant differences in responses among respondents. . The overall score of respondents was analysed by use of five point Likert scale. The calculations were done by use of Statistical Package for Social Sciences (SPSS 20) software.

The analysed data were presented in charts, graphs and tables. Interpretation and formulation of generalizations was done through analytical interpretative and writing skills. Analysis and reports was done concurrently and in continuous prose. The relationship in the study was determined using the following regression model.

$$Y = \beta_0 + \beta_4 X_4 + \mu$$

Where

Y= Acceptance of Performance Contracting

X₄= knowledge in performance contracting

In the model, β_0 = the constant term where the coefficient β_i = 1...4 was used to measure the sensitivity of the dependent variables (Y) to unit change in predictor variables. μ is the error term which captures the unexplained variations in the model.

Results and Discussions

The objective of the study was to establish how performance contracting knowledge determines acceptance of performance contracting among Secondary school teachers in Meru Central District. Results shows that 77% of the respondents agreed that they were fully aware of Kenya public sector reforms and in particular those touching on education sector, 88% agreed that they were fully aware that all public servants are supposed to sign performance contract including teachers, however, 79% agreed that they did not fully understand the purpose of performance contract as far as teachers are concerned.

In addition, 81% of the respondents agreed that they wish they have more information on the purpose of performance contracting, 90% agreed that they have not been trained on performance contract implementation process and 93% agreed that all teachers should be trained on the

purpose and the implementation of the performance contracting. Eighty one percent of the respondents agreed that the school management team had not been adequately trained on management of performance contract, 97% agreed that it was important that all parties to performance contracting be trained on the concept of performance contracting and 90% agreed that having knowledge in performance contracting enhances appreciation and use of performance contracts.

The mean score for the responses was 4.24 which indicate that many employees agreed that knowledge on performance contracting was a key driver of acceptance of performance contracting. The results revealed that knowledge on performance contracting by employees influenced acceptance of performance contracting.

The findings collaborate with those of Maria (2010) on her research on performance appraisal in Portugal. The research addressed the question “what are the argument behind the resistance and the controversy in regard to the new performance management policy issued in 2007 in Portugal?”. The data was drawn from a review of existing literature on the topic nationally and internationally, from official documents and from current research. Teachers’ were critical of the lack of training and specific skills required of appraisers.

The findings are also supported by concepts of Dessler (2008) who asserted, in his book “human resource management, 7th edition”, inadequate documentation or training can undermine introduction of change and increases resistance to the acceptance of any change by exactly those employees and managers who are supposed to aid its implementation and usage. Prior training,

be it formal or informal, of individuals involved in system implementation and utilization is seen as a crucial element for successful implementation of the said system.

Brown (2005), in his study “implementing performance management in primary schools in England” also noted that the introduction of performance management in England’s primary schools has been particularly controversial because the very concept of performance management is so alien to the traditional culture of particular schools. The controversy was attributed to the facts that there was so much confusion, uncertainty and disagreement within and between schools about the meaning and the purpose of performance management system. The same study indicated that majority of teachers and school governors were confused about the meaning of performance management and the purpose of introducing the initiative in schools, hence negative attitude toward the same.

The findings of this study are also supported by Republic of Kenya (ROK) (2010) whose report on Performance Contracting in the civil service indicated that the formula used for performance evaluation in the civil service, was viewed as a complex and not well understood by many hence implementation and usage of the same was complicated

The findings further concurs with Armstrong’s (2009) views that training is the planned and systematic modification of behaviour through learning programmes and instruction, which enable individuals to achieve the level of knowledge, skills and competence needed to carry out their work effectively. Results further are in agreement with the findings in Odhiambo (2003), who carried out a study on Teachers Appraisal: The experience of Kenyan secondary school teacher” and found out that lack of training for appraisers also proved be a cause of concern. The

main weakness one would say is there appears to be no comprehensive training programme for head teachers and school inspectors who undertake evaluation.

Those who were interviewed recommended that the system should come up with training programme on a constant basis. The need for more effective and appropriate appraisal system and supportive climate was reiterated throughout the interview. Generally lack of adequate knowledge in performance contracting would lead to lack of commitment and even negative attitude towards performance contracting.

In addition the researcher sought to know whether there was a correlation between performance contracting knowledge and acceptance of performance contracting. Table 3 displays the results of correlation test analysis between the dependent variable (acceptance of performance contracting) and knowledge. Results on Table 3 show that acceptance of performance contracting was positively correlated with knowledge. This reveals that any positive change in knowledge on performance contracting led to increased acceptance of performance contracting.

Table 3: Relationship Between Knowledge and Acceptance of Performance Contracting

Variable		Performance contracting	Knowledge
Performance contracting	Pearson Correlation	1	
	Sig. (2-tailed)		
Knowledge	Pearson Correlation	0.933	1
	Sig. (2-tailed)	0.000	

Regression analysis was conducted to empirically determine whether performance contracting knowledge was a significant determinant of acceptance of performance contracting by employees in Kenyan secondary schools. Regression results in table 4 indicate the goodness of

fit for the regression between performance contracting knowledge and acceptance of performance contracting was satisfactory. An R squared of 0.871 indicates that 87.1% of the factors that determine acceptance of performance contracting, by teachers in secondary schools in Meru Central District, are explained by the performance contracting knowledge. The correlation coefficient of 93.3% indicates that the combined effect of the predictor variables have a strong positive correlation with acceptance of performance contracting.

Table 4: Model Summary for Knowledge in performance contracting

Indicator	Coefficient
R	0.933
R Square	0.871
Std. Error of the Estimate	0.25609

The overall model significance is presented in Table 5. Generally, the model was found to be significant since the reported probability of (0.000) is less than the chosen level of significance of (0.05). The probability of (0.000) indicated that there was a very low probability that the statement “overall model was insignificant” was true and it was therefore possible to conclude that the statement was untrue.

Table 5: ANOVA for Knowledge of performance contracting

Indicator	Sum of Squares	Df	Mean Square	Sig.
Regression	27.912	1	27.912	0.000
Residual	4.132	63	0.066	
Total	32.044	64		

Table 6 displays the regression coefficients of the dependent variable (acceptance of performance contracting). The results reveal that performance contracting knowledge is

statistically significant in determining acceptance of performance contracting by among secondary school teachers in Meru Central District.

Table 6: Regression Coefficient for Knowledge

Variable	Beta	Std. Error	t	Sig.
Constant	-1.349	0.257	-5.241	0.000
Knowledge	1.243	0.06	20.63	0.000

In particular, the regression equation for this variable is:

$$\text{Acceptance} = - 1.349 (\text{Constant}) + 1.243 (\text{Knowledge}) +$$

where it is assumed that no other factors exist to explain acceptance of performance contracting, and that the error terms are normally distributed with zero mean.

Summary of the Findings, Conclusions and Recommendations

The objective of the study was to establish how performance contracting knowledge determine acceptance of performance contracting among secondary school teachers in Meru Central District. Various methods were used to arrive at the findings. These methods included descriptive statistics; parametric analysis and regression analysis. The findings indicated that secondary school teachers, in Meru Central District, had very little knowledge on performance contracting hence their negative attitude towards performance contracting. The findings further indicate that knowledge of performance contracting had great influence on acceptance of performance contracting.

This observation was arrived at since the employees were fully aware of Kenya public sector reforms and in particular those touching on education sector. Employees were also aware that all

public servants are supposed to sign performance contract. However, majority of the teachers did not understand the purpose of performance contracting and they had not been trained on performance contract implementation process. All teachers were in support of being trained on the purpose and the implementation of the performance contracting.

It can therefore be concluded from this study that there exists a positive and significant relationship between performance contracting knowledge of employees and acceptance of performance contracting. This implies that performance contracting knowledge is statistically significant in explaining acceptance of performance contracting by secondary school teachers in Meru Central District.

The study established that secondary school teachers in Meru Central District did not have adequate knowledge on performance contracting. They were all in agreement that training on performance contracting was very necessary. Therefore there is need to explain how performance contracting is developed and its basic philosophy and purpose. The concept of overall performance contracting should be well defined to be clearly understood by all education stakeholders. The study recommends that the government should emphasize on sensitization to create awareness. This will ensure that the employees have sufficient knowledge of the purpose and objective of performance contracting. This will lead to employees appreciating the role of performance contracting hence development of positive attitude. They should also ensure that they engage teachers and consider their views whenever changes in school systems are being recommended to ensure smooth operation of school activities. The government should also ensure that all parties to performance contracting are trained.

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