

Target Setting and Performance of Civil Servants in Kenya

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Abstract

This paper which is part of a doctoral study on the application of Results Based Management in Kenya aims at establishing the influence of target setting on performance of civil servants. The study employed both descriptive survey and case study designs. Specifically, an exploratory sequential design was used. Stratified random sampling and purposive technique were employed to arrive at respondents and interview participants respectively. The study found that target setting had a positive influence on the performance of civil servants in Kenya. This suggested that in the presence of well set targets there could be a possibility of improvement of performance and vice versa. It was also found that target setting was the most critical component of RBM and its application faces intractable challenges; it was therefore recommended that the civil service should fully embrace and integrate target setting as it positively influences the performance of civil servants.

Key Words: Results Based Management, Target Setting and Performance of Civil Servants.

Introduction

Since the 1980s, there has been animated discourse surrounding the need for the public sector to introduce Results-Based Management (RBM) approaches to improve their performance. In the last three decades, the philosophy of RBM, derived from the New Public Management NPM (Dunleavy & Hood, 1994; Moynihan, 2005) has become the central point for public sector reforms worldwide. Underpinning these reforms is the RBM framework prescribed by donors and scholars as an approach that would improve performance of public sector organizations and to ensure positive changes. Broadly, RBM is understood as a comprehensive management strategy focusing on performance and achievement of outputs/ outcomes and impact, (OECD 2010).

Thus underpinning RBM is target setting upon which to measure performance or results. In spite of its wide acceptance in both developed and developing nations, in its implementation, many are skeptical about the adoption appropriateness and the efficacy of RBM to improve the performance of public sector organizations, especially in developing countries (Heinrich, 2002; Radin, 2006). For example, RBM reform has yet to produce satisfactory results in Nigerian and Zimbabwean public sectors, (Lamed, Agboola & Taleat, 2016; Madhekeni, 2012). Kenya like many countries in Africa embarked on public sector reforms between 1993 and 1997. However, the performance of these reforms was found unsatisfactory, (Obong'o 2009 & Wafula, 2013). Consequently, the Government of Kenya crafted vision 2030 aimed at providing a trajectory for effective public sector reforms.

Vision 2030 is a long term development strategy intended to enhance the performance of Kenya's civil service and the public sector as noted by Wafula (2013), this led to adoption of target setting which mandated all ministries including the ones studied; Devolution and Planning, and Public Service, Youth and Gender Affairs to formulate clear objectives in line with vision 2030 targets. In this, according to Angote (2016) individual employees work plans are linked to vision 2030 goals. In addition, Performance Appraisal System (PAS) is used as appropriate tool in evaluating and measuring the staff performance.

Despite this measure undertaken by the ministries, the literature suggests a limited progress in their performance. According to the ministry of Devolution and Planning report data on the sector performance standards of 2015, the performance indicators statistics show the improvement of provision of public goods and services only moved from 3.1 in 2009 to 3.7 in 2015 (Republic of Kenya, 2015). Looking at these performance indicator records and by any other standards, this is not considered as a success. This paper therefore analyses the utility of the application of target setting in Kenyan public sector. It does this using a sample of 292 public sector employees in Devolution and Planning, and Public Service, Youth and Gender Affairs ministries. The paper argues that the utility of target setting in Kenya public sector is debatable and is faced with intractable challenges, (Gakure, Muriu & Orwa, 2013).

Literature Review

Theoretical Review

Goal setting theory of Latham and Locke (1995) underpins this study. The gist of this theory as indicated by Armstrong, (2009), is that targets/goals inform individuals to achieve particular levels of performance. Chandan (2000) believed that the goal theory directly connects to motivation. This is based on the assumption that the type and the challenge of the goal induce motivation in the individuals to achieve such goal. Chandan also believed that difficult goals once accepted lead to higher quality performance. Similarly, Mullins (2010) opined that combination of goal difficulty and person commitment to achieving the goal regulates the level of effort expended. This means that employees who have difficult goals perform better than those with easier goal.

The author further noted that people strive to achieve goals in order to satisfy their emotions and desires. Chandan however, emphasized that the most important element of goal theory is the acceptance of the target by the employees. This acceptance according to him can be obtained through participation-allowing the employees to set their own targets within the general organizational framework.

The relevancy of this theory lies in the fact that Goal Theory is begged on RBM. Armstrong (2009) underscored that the goal theory underpins the emphasis in performance management which emanate from RBM on setting agreeing objectives against which performance is measured and managed. Despite its relevance, goal setting theory suffered from many shortcomings. These include the claims that made by Locke and Latham (1995) that accomplishment of targets can lead to satisfaction and further motivation or frustration and lower motivation but they did not explicitly show how frustration or otherwise lowering of

morale can be controlled. More imperatively Goal setting theory sets a logical approach for achieving performance and as such does not comprehensively capture the political and social complexities where public sector operates.

Related Literature Review

Related past studies were reviewed in this section with aim of analyzing and assessing previous research. As such, it explained the key concepts and ultimately indentifying the gaps left. According to Dubose (1988) the goal setting doctrine was transferred from Druker's Management by Objective of 1950s. It is referred to a form of participative management in which a superior and subordinate first discuss and then jointly establish objectives for the subordinate. Minambres, Corgnet and Gonzalez, (2012) indicated that when managers assign a goal for their subordinates by setting a certain level of performance on the work task it creates a sense of gain especially when it is attained. Santos and Bourne (2008) argued that targets should be set at a high level to stretch staff, but the targets need to be perceived as achievable if the staff is going to accept the stretch.

In a related study, research finding suggested that goal setting may positively affect performance by influencing motivation, increasing effort and persistence. This is according to Schunk's research (as cited in Copeland & Hughes, 2002) in which taught sixth-grade students with learning disabilities to set goals to improve math performance. Following goal setting training, the students showed significantly improved performance of math's skills and motivation (measured as self-efficacy) compared to children who did not receive training. In another study entitled "The linkage of job performance to goal setting, team building and organizational commitment in the high tech industry in Taiwan", Chiu, Chen, Lu and Lee (2006) found that work organizations seek to optimize the job performance of the human resources in order to achieve high levels of productivity, efficiency, effectiveness and job satisfaction.

This result was consistent with another research finding carried out by Hogsholm (2004) in which it showed that the goal setting brought about an increase in consistency of meeting or exceeding the goal or target, hence increases performance. Similarly, Minambres, *et al* (2012) observed that when managers set goal that are challenging but attainable for an average ability worker, workers respond positively to these goals by increasing effort, performance and by decreasing on the job leisure. The authors further observed that the effect of goal setting would be stronger when it coupled with high monetary incentives.

Although the above discussion suggesting that there were potential positive effects of setting performance targets on employees' performance and thereby the performance of the organizations, it has inherent challenges. The UK public sector experience showed that there are many limitations associated with setting targets. It may not lead to better performance as implied by the discussions. This is according to the study conducted by Santos and Bourne, (2008) in UK, where target setting has been used for many years, it has been established that there were three major problems associated with the process of setting effective performance targets. These are: first it is the problem known as the *ratchet effect* (i.e. performance targets are set based on last year's performance), *threshold effect* (i.e. organizations apply a uniform output target to all units) and the *type of data* (i.e. if performance results are manipulated or distorted throughout the performance measure process).

Further, Johnston, Fitzgerald, Markout and Brignall (2001) studied the relationship between the types of targets (benchmarks used) and reward structures adopted in two contrasting performance improvement strategies. The findings of this study showed that most continuous improvement targets were based on past performance and that processes undergoing radical change made limited use of external benchmarks.

In a nutshell, all the studies cited in related literature on setting targets and performance of employees drew conflicting conclusions on whether there were positive and significant correlations between these variable

or not. Further all these studies were conducted in different settings and not in the Kenyan context. More importantly, most of these studies focused on private organization and not public organizations. This prompted the researcher to conduct this study on setting targets and its influence on performance of civil servants in the Kenyan public setting to fill this knowledge gap. To achieve this, the researcher used Goal Setting theory in explaining the target setting phenomena.

Methodology

Research Design

This study employed both descriptive survey and case study designs. It was a mixed method (quantitative and qualitative) design, specifically; an exploratory sequential design was used. To achieve this according to Collins, Onwuegbzie and Jiao (2007) the quantitative first being conducted to inform the subsequent qualitative phase. A descriptive survey design was used to collect quantitative data. However, because of this design is not useful for assessing causality between the variables. As pointed out by Leedy and Ormrod (2005) 'correlation does not, in and itself, indicate causation' (p. 182). This necessitated the usage of the case study design to gather qualitative data. This was to investigate further the phenomena in question in depth using a few cases.

Study Population

The civil servants from the ministries of Devolution and Planning, and Public service, Youth and Gender Affairs constituted the target population of this study. There were 2,762 civil servants at the headquarters of the said ministries. This is according to HR payroll records by September 2016. This was 1262 and 1500 for the ministries of Devolution and Planning and Public Service, Youth and Gender Affairs respectively.

Sample Size

This study employed nested (7) samples. It is a type of mixed method sampling design. This dictated that the sample members selected for one component of the inquiry represent a subset of those participants chosen for the other phase of the study (Collins, Onwuegbzie & Jiao, 2007). In this study, 292 civil servants responded to questionnaire in the first phase of the study, while in the second phase a subset of 15 civil servants were interviewed with purpose of gathering in depth qualitative data. In this a sample size of 292 civil servants was taken to be a good representation of 1079 basing on Sloven's formula. While for qualitative data, 15 interviewees were purposively selected out of the 292 sample size; a nested sample. Procedurally, stratified random sampling and purposive techniques were used to arrive at samples for the study respondents and participants respectively.

Research Instruments

The semi structured questionnaire, interview guide and were used to collect the relevant data about the variables of study.

Data Analysis

The quantitative data gathered was prepared for analysis. This involved the following: coding the data, entering data into the computer and statistically treated using the Statistical Package for Social Science (SPSS), editing data, and summarizing the data for presentation. To test the hypothesis, Pearson's Linear Correlation Coefficient (PLCC) was used for establishing the relations; further, Simple Linear Regression Analysis used to determine the extent to which performance of civil servants in Kenya was caused by

variable target setting. Meanwhile, a version of content analysis is also known as thematic analysis was used to analyse the qualitative data; the data collected from interviews.

Summary, Discussions, Conclusions and Recommendation

This section presents the summary of the research findings, discussion of the findings and conclusions. The discussion links the study findings to the empirical and theoretical literature review in this study. It ends with recommendations for improvement and suggestion for future research.

Summary of Findings

The study sought to establish the influence of target setting on performance of civil servants in Kenya. This study also sought to test the null hypothesis that: target setting has no positive and significant influence on performance of civil servants in Kenya. The study found that targets were usually set for civil servants in Kenya. It was also found that the targets were set in line with ministries' strategic plans. It appears however that this fact was not commonly known since some civil servants cited neutral or disagree positions. As to whether civil servants were allowed to participate in target setting, it was revealed that while in some departments civil servants were fully involved in target setting activities; in others they were not engaged at all. It was also revealed that in the departments where employees were allowed to participate, the targets were negotiated.

On whether the targets set by ministries were achievable, it was depicted that the targets were mostly achievable, but sometimes were not properly communicated to employees. It was further revealed that the majority of civil servants consistently met their targets owing to their involvement in target setting. Hence, employees' involvement is seen a significant factor to the achievement of targets. These findings make target setting relevant to performance of civil servants in Kenya since it informs employees about their ministries expectations.

This was supported by PLCC analysis finding where it was established that there was a positive relationship between target setting and performance of civil servants in Kenya. The positive correlation suggested that as setting of target improves, the performance of civil servants improves in the same direction. This is implied that in the presence of well set targets there could be a possibility of improvement of performance and vice versa.

The regression analysis finding further confirmed that target setting had a positive influence on the performance of civil servants in Kenya with predication coefficient of 0.315. This indicated that a unit change in target setting resulted into a 0.315 change in performance of civil servants. Nevertheless, the coefficient determination of relation which stood at 0.114 suggested that only 11.4% of change or improvement in performance could be explained by target setting.

This was also corroborated by the findings generated from senior civil servants thoughts and experiences. These revealed the fact that though target setting has made some positive contributions towards the performance of civil servants (11.4% as suggested by statistical analysis); it has not fully taken root in Kenya.

This was being attributed to several limitations such as, lack of clarity of target set, inadequacies of human capacities, target were not set on time, challenge of resistance and difficulties in measuring value related targets. This finding therefore implied that target setting will be an effective tool available to enhance civil servants performance in Kenya if these limitations are dealt with.

Discussion

The findings from the objective of this study revealed that the extent of target setting was rated to be generally good. Pearson's Linear Correlations Analysis further revealed a positive significant relationship between target setting and performance of civil servants in Kenya. Simple linear regression analysis findings also revealed that target setting has a significant positive influence on performance of civil servants in Kenya. These findings imply that in the presence of well set targets there is a high possibility of performance improvement and vice versa. When targets are clearly defined, employees understand what they are expect of and are motivated to work to achieve those targets. On the other hand when targets are not clear, there is likely to be confusion, employee efforts are not well directed to specific path of achieving the targets.

The findings of this study also indicate that in Kenyan civil service, there is clear target setting, which has significantly enhanced performance of the civil servants. The salient characteristics of clear target setting (e.g. derived from ministerial work plan, communicating targets to employees, participation of employees in setting targets) are therefore evident. This is corroborated by Angote (2016) who establishes that in Kenyan civil service, departmental work plans are developed based on the ministerial work plans. He, however underscores that staff must be briefed on departmental objectives and targets before are being implemented.

It appears however that this fact on staff briefing or communicating was not commonly known among the civil servants in Kenya, since some of the respondents of this study cited neutral or disagree positions. This, therefore, suggests that although targets are set in Kenyan civil service, they lack proper communication. This finding brings out the fact that target setting process in Kenya, deviates from a fundamental procedure required in successful employee performance management as indicated by the USA Office of Personnel Management (2011).

Notwithstanding of this, the findings of the study indicate that majority of civil servants in Kenya consistently met their targets thanks to their involvement in target setting. Thus, employees' involvement is considered as a significant factor for the achievement of targets. This finding makes target setting relevant to performance of civil servants in Kenya since it informs employees about their ministries expectations. These findings have theoretical support of goal setting assumption cited in Armstrong (2009) which asserts that goals or targets inform individuals to achieve particular levels of performance.

The findings of this study on the significant correlation between target setting and civil servants performance are similar to those of Minambres *et al.* (2012). These researchers argue that when managers set targets that are challenging but attainable for an average ability worker, workers respond positively to these targets/goals by increasing effort, performance and by decreasing on the job leisure. Their argument however conditions that the effect of goal setting would be stronger only when it coupled with high monetary incentives. In acknowledging the validity of this argument, Johnston *et al* (2011) who studied the relationship between the types of targets (benchmarks used) and reward structures found that achievable targets must be anchored on proper consultation coupled with a mixture of financial and non-financial rewards.

While the findings of this study did not confirm employees' high morale (i.e. the extent of enthusiasm and willingness) in Kenyan civil service, Schunk (as cited in Copeland and Hughes, 2002) suggests that target setting should positively affect performance by influencing employee's morale. If Minambres, *et al* (2012) and Johnston *et al* (2011) earlier findings were to be observed then low monetary and non-monetary incentives plus absence of proper consultation between a supervisor and subordinate on setting targets could be cited as a potential reason why morale is low among the Kenyan civil servants.

Further qualitative findings assembled from senior civil servants suggest that although target setting had made some positive contributions towards the performance of civil servants (11.4% as suggested by statistical inference), this percentage contribution is low, supporting the opinion that a clear target setting system has not fully taken root in Kenyan public service. This is attributed to several limitations identified by interviewees, such as, lack of clarity of targets set, inadequacies of human capacities, target not set on time, resistance from some senior civil servants and difficulties in measuring value related targets.

In a related study, Santos and Bourne (2008) examined the influence of target setting in UK and found three major problems that hampered effective implementation of targets set in UK. Among this is *the type of data* used for setting targets. In this, the study indicates that if performance results are manipulated or distorted throughout the performance measure process, then the performance targets established will be flawed. This will generate the typical effect of hitting the target and missing the point.

Looking at this finding in comparison with the findings of this study, one can correctly infer that the presence of target setting in civil service does not necessarily translate into better performance. In other words, it could be necessary but not always sufficient tool to enhance employee's motivation and hence better performance. In fact, this inference is anchored on the assertion provided by the goal setting theory of Locke and Latham (1995) who asserts that the accomplishment of targets can lead to satisfaction and further motivation or frustration and lower motivation. Put differently, target setting is a double edge sword. As such whoever chooses it should handle it with a lot of care otherwise it can backfire and, hence, it lowers employee's morale.

Interestingly, majority of the respondents in this study cited that their morale was low implying that they are not motivated. This justifies the point in which the statistical conclusion put amount of influence of target setting variable to performance of civil servants at 11.4%. It is also a clear indication that theoretical recommendation on limitations of goal setting theory should be taken with some precautions. All in all, based on the findings of this study and the discussions of previous findings of other researchers, the current researcher is of the opinion that target setting remains an effective tool that enhances civil servants performance in Kenya if its limitations identified by this study are properly addressed.

Conclusions

The study concludes that target setting as has been used by Kenyan civil service positively and significantly influences the performance of civil servants. It is also concluded that the targets are always drawn from ministries strategic plans. The study however concludes that not all departments involved their employees in setting targets. It is therefore concluded that in the presence of well set and effectively communicated targets, there will be a possibility of corresponding improvement in performance of civil servants and vice versa.

Recommendation

The study recommends that Kenya civil service should embrace clear target setting as it positively and significantly influence the performance of civil servants. The civil service therefore, must set targets that can be achievable and motivational to employees and supervisors alike. It is further recommended that the Government of Kenya should pay more attention to creation and consolidation of employees' morale. It is finally recommended that Kenyan civil service should pay more attention to the areas of motivation boosters (i.e. monetary, non monetary incentives and proper consultation or discussion between a superior and subordinate).

Suggestion for Further Research

The study examined target setting and its influence on performance of civil servants in Kenya. The study focused was on two ministries; 1) Devolution and Planning and 2) Public Service, Youth and Gender Affairs. Kenya however has 21 ministries, numerous national agencies and 47 county governments. Because of this fact, this study might not be certain as to whether the findings could be generalized beyond these two ministries. A further study is therefore recommended where a repeat study can be done but with inclusion of a larger target population from both national and county governments. This will ensure more reliability of the research generalization but more fundamentally it will determine whether target setting affects the performance of civil servants at all levels of governments at equal magnitude.

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