

Influence of Public Participation in Budgeting Process on the Performance of the Devolved System of Governance in Narok County

Kevin Omondi

Mount Kenya University

Dr. Kefa Obondi Nyandoro

School of Social Sciences

Mount Kenya University

Abstract

The study objectives were to establish the contribution of Narok citizens on budgeting process in enhancing the performance of the government of Narok County. The study was to use both qualitative and quantitative research methodology. The study adopted a descriptive survey research design. The target population was 5,562 staff from County government of Narok. A sample size of 149 respondents was selected from the above population using Slovan formula. Quantitative data was collected using questionnaires. A pilot study was conducted in Narok North Sub County to pretest the validity and reliability of instruments for data collection. Quantitative data was to be analyzed with help of SPSS version 22. Participation in budgeting process and participation in planning process had significance influence on the performance of devolved systems of Narok County. The study concluded that participation in budgeting process influenced the performance of devolved systems of Narok County Government.

Keywords: Public Participation, County, Citizens, Public

Introduction

Citizen participation on performance of devolved systems is increasingly pursued in a bid to improve the performance of governments. The World Bank (2015) and the Institute of Economic Affairs (2015) view public participation as the process by which an organization consults with interested or affected individuals, organizations, and government entities before making a decision. They further view public participation as a two-way communication and collaborative problem solving with the goal of achieving better and more acceptable decisions (WB, 2015).

Renewed governance reforms that lay emphasis on devolution of power as a way of promoting ideal democracy has also been experienced across many nations in the world (World Bank, 2013). This renewed clamour for good governance reforms is largely attributed to the failures of centralized command and control systems and the inefficiencies of centralised states (Lodiaga, 2012). Consequently, the abuse of centralized authorities and systems has led to a search for a more responsive form of governance in order to ensure that policies and public institutions do respond to the needs of all citizens; hence, the relationship between public participation and good governance has become a focus of devolved governance.

Narok County is one of the 47 Kenyan counties that were created through the promulgation of the new constitution in August 2010. The county is located in the South West of the country, along the Great Rift Valley of Kenya and covers an area of 17,921.2 km². The County has an estimated population of 850,920 people as per the 2009 national population census. Public participation is an idea where agencies consult with interested or affected individuals, organizations, and government entities before making a decision. Public participation is a reciprocal communication and collaborative problem solving, with the aim of achieving better and more acceptable decisions (WB, 2015; Finch, 2015). According to Moseti (2010), participation serves as an instrument for closing the gap between local government, civil society, private sector and the general community by developing a common understanding about local situation, priorities and programmes. Therefore, the aim of public participation would be to promote shared understanding, transparency and accountability in governance and create ownership of development decisions, programmes and project.

As argued by Opiyo (2016), major political, social and economic reforms coupled with technological transformation have been witnessed in the last three decades in most regions around the world. Renewed governance reforms that lay emphasis on devolution of power as a way of promoting ideal democracy has also been experienced across many nations in the world (World Bank, 2013). Opiyo (2016) further argued that this renewed clamour for good governance reforms is largely attributable to the failures of centralized command and control systems and the inefficiencies of centralised states (Lodiaga, 2012). Consequently, the abuse of centralized authorities and systems have led to a search for a more responsive form of governance in order to ensure that policies and public institutions to respond to the needs of all citizens; hence, the relationship between public participation and good governance has become a focus of devolved governance.

The Institute of Economic Affairs (2015) and the WB (2015) view public participation as a governance approach that has many benefits: namely, citizen empowerment; the development relations; high levels of focus on projects development; improved public service delivery and; promotion of governments' responsiveness. Extensive public participation processes also serve several objectives like enhancing transparency and legitimacy, using skills and resources of the population reducing corruption and clientelism, fighting against poverty and inequality and strengthening democracy (Stivers, 2010). Kenya's post-independence governance framework featured a highly centralized governance system which excluded local people from making decisions that affected their lives, centralization failed to facilitate local solutions to local problems. The adoption of a devolved system of government in the Constitution of Kenya 2010 was a culmination of efforts to correct the problems brought by centralization (Ochieng, 2012). Fox (2014) reveal that devolution facilitates governance by ensuring that decision making is brought closer to citizens. System of governance should certain that the citizens have a say in their affairs (Souza, 2012). One would therefore posit that, Devolution is an element of governance that promotes a more democratic and participatory society.

Statement of the Problem

The Constitution makes citizen participation a central part of Kenya's governance system and one of the objectives and principles of a devolved government is to enhance public participation and consequently recognize the right of communities to manage their own affairs and further their development. This gave people a sense of identity and self-empowerment, is capable of delivering improved, responsive and relevant services at the local level. It promoted democracy and accountability in exercise of power by giving power of self-governance to the people. Hence devolution accompanied by increased public participation empowers citizens to participate and influence local government processes and guarantees community control, oversight and accountability (Government of Kenya, 2010).

According to World Bank (2016), public participation is critical for the successful performance of governments as it enabled the public to determine and own their development objectives, a fact that has been realized by countries such as UK, USA, India and South Africa that have embraced this governance system. However, according to a survey conducted by Transparency International Kenya (2016) in 16 out of the 47 counties, only 15% of Kenyans have reported to have participated in citizen consultation forums at the county during the year of the survey. 38% of Kenyans had heard about the forums, only 7% of the respondents knew about the County Fiscal Strategy Paper, 16% were aware of the County Integrated Development Plan (a county development blue print). This indicates a dismal public participation in county development affairs. A study by Khaunya, Wawire and Chepngeno (2015) supports this view and noted that there has been escalating unemployment in recent years, inadequate performance in infrastructure development and service delivery in many counties in Kenya. Besides there has been massive misappropriation of resources reported in many counties in Kenya, resulting to persistent demonstrations and strikes across the nation. This has led to loss of trust and confidence in the county governments. Therefore, this weak state of county performance has led to deteriorating public goodwill characterized by poor citizen-government relations in the counties (Transparency International, 2016).

Further, even though there has been intensification of public participation across counties in Kenya, the performance of devolved governments is still dismal. The implication of this state of affairs is that the public, development partners and prospective investors are beginning to lose trust and confidence in the devolved governance systems, thus negatively affecting investment and growth of counties in Kenya (IEA, 2015; WB, 2015). It was upon this background that this study aims at establishing the influence of public participation on the performance of devolved system of governance in Narok County, Kenya.

Objective of the study

The study established the influence of public participation in budgeting process on performance of the devolved system of governance in Narok County.

Theoretical Frame work

A theoretical framework consisted of concepts, together with their definitions, and existing theory/theories that were used for a particular study (Torraco, 2004). The study was anchored on Participative Democratic Theory, The Citizen Involvement Theory and Shared Governance Theory.

Participative democratic theory finds its origin in the thought that full inclusion of the polity is a positive attribute of democratic governance. The theory suggests that public participation is undertaken to achieve different purposes and underlying goals (Tocqueville, 2000). Public participation requires that people be at the center of decision-making processes that concern their lives. Public participation is therefore based on the democratic system to protect the rights of individuals and the public interest and is seen as an important element of the democratic government (Hughes, 2011). It is at the local level that participation is thought to have potential for greatest effect (Manor, 1999). Citizen participation in governance has traditionally centered on activities that enhance greater public access to information about government activities, facilitate the rights of citizens to be 'consulted and heard' on matters which directly affect them, and ensure that all voices can be heard equally through fair systems of representative democracy (Hyndman, 2008)

Dauids (2005) cited in Opiyo (2016) looks at citizen participation as a process which provides individuals an opportunity to influence public decision-making process (Dauids, 2005). The roots of citizen participation can be traced to ancient Greece and Colonial New England. Before the 1960s, governmental processes and procedures were designed to facilitate external participation. Citizen participation was institutionalized in the mid-1960s with President Lyndon Johnson's Great Society Programs. Democratic decision-making in contrast to bureaucratic or technocratic decision making is based on the assumption that all who are affected by a given decision have the right to participate in the making of that decision. Participation can be direct in the classical democratic sense, or can be through representatives for their point of view in a pluralist-republican model (Kweit & Kweit, 2011).

Methodology

This study employed explanatory study design. This study sought to expound the how and why to explain the association and possible connections between predicted and predictor variables (Williamson, 2002). This design made it possible for investigator to investigate the relationships between public participation in budgetary process and performance of devolved systems of Narok County. This study adopted both quantitative approach and qualitative research approach. It has a population of 5,562 employees of Narok County Government.

Sampling refers to the systematic selection of a limited number of elements out of a theoretically specified population of elements. To be precise, the researcher employed stratified sampling technique followed by simple random sampling technique. This study employed simple random sampling technique to staff from each department to participate in this study. **To apply Slovin's formula, a researcher must know the size of population or estimated population of the study.**

$$n = \frac{N}{1 + N * e^2}$$

Where n= desired sample size, N=Targeted population size, e: significance level (maximum amount of error the researcher is willing to commit while estimating sample size for the study) = **=0.08**

$$n = \frac{5,562}{1 + 5562 * 0.08^2}$$

$$= \frac{5,562}{36.5968}$$

$$= 151.98$$

$$n = 152$$

Using a finite sample correction factor;

$$N = \frac{n0}{1 + (\frac{n0}{N})}$$

$$n = \frac{152}{1 + (\frac{152}{5562})} = 152/1.027328299 = 149$$

The study collected quantitative data using. The questionnaire will contain basic respondent information and public participation in budgetary process. The research adopted a content validity which referred to the extent to which a measuring instrument provides adequate coverage of the topic under study. Cronbach's alpha was adopted to calculate internal reliability, and validated at 0.778 (Hair, Tahtam, Anderson & Black, 1998). The Cronbach's values acquired for each parameter were used to examine the questionnaire's reliability. Statistical Package for the Social Sciences (SPSS) was used for the statistical analysis of the data. Statistic test responses were assigned numbers accordingly in order to make easier the processing. Each questionnaire was given due consideration. Descriptive statistics such as the frequencies and percentages were used so as to summarize the data. The data was then presented in pie charts, graphs and tables. In order to analyze the relationship between the independent variables and dependent variable the study used Simple Regression analysis at 5% level of significance. The relationship among the variables is depicted in the equation below

$$Y = B_0 + BX + \sum \text{Where,}$$

Y = Performance of devolved systems of Narok County Government., X= public participation in budgeting process

B_0 = Constant (coefficient of intercept)

\sum = Error term normally distributed about the mean of zero

Prior to conducting the study, the researcher obtained written permission to conduct the study from Mount Kenya University and National Commission of Science, Technology and Innovation (NACOSTI). Confidentiality and anonymity of the respondent was guaranteed. Privacy was also maintained by not revealing participants' names to the information.

Results

Response Rate

The sample size of this study was 149 administrative and management staff of Narok County Government. Out of the 149 questionnaires that were 97 questionnaires returned were considered to have sufficient data, which gives a response rate of 65%. According to Kothari (2012) a response rate of 50% or more is adequate for analysis therefore the responses obtained was an acceptable basis for drawing conclusions.

Demographic information

The study relied on primary data, which was collected from staff of Narok county Government. Questionnaires were used to target all staff from the County Government of Narok. The demographic information included gender, age, education, and the duration worked prior the study period. Most of the respondents were male who accounted for 54.6% of all responses while the female accounted for 45.4% of the responses. Most of the respondents were aged between 26 and 33 years (43.3%) as at the time of this study. Majority reported that they had attained a bachelor's degree (70.1%) as at the time of the study. Half of the respondents had worked for over 20 years as at the time of the study (50.3%) which was followed by those who had worked for about 0-6 years.

Table 1: Participants Demographic Information

		n	%
Gender	Male	53	54.6
	Female	44	45.4
	Total	97	100.0
Age	18-25 years	20	20.6
	26-33 years	42	43.3
	34-41 Years	22	22.7
	42-49 Years	13	13.4
	Total	97	100.0
Education qualification	Masters	21	21.6
	Bachelors' degree	68	70.1
	Diploma	4	4.1
	KCSE Certificate	4	4.1
	Total	97	100.0
Duration worked	0-6 year	37	38.1
	7-13 Years	8	8.2
	14-20 Years	3	3.1
	Above 20 Years	49	50.5
	Total	97	100.0

Public Participation in Budget Processes and performance of devolved systems

The second objective of this study was to analyze the effect of Public Participation in Budget Processes on the Effective Management of Devolved System of Governance. This was evaluated on a number of indicators; financial allocation towards budgeting process, revenue collection, remuneration in budget making process, equitable allocation budget allocation process, promotion of investors' confidence.

A proportion slightly above the average felt there was adequate financial allocation towards budgeting Process (30.2% agreed and 28.1% strongly agreed). Public participation aided in revenue collection by the county government as claimed by 27.4% and 20.0% of the staff who agreed and strongly agreed respectively. Some staff felt budget committee teams are well remunerated in budget making process (34.4% agreed and 17.7% strongly agreed) those the combined value for this was still below average. Nearly half of staff felt that public participation helped in allocation of finances for all the ministries in the county(37.5% agreed and 24.0% strongly agreed) and this promoted investors' confidence in supplementing the county budget allocation as claimed by nearly 50%(24.7% agreed and 28.9% strongly agreed)

Table 2: Public Participation in Budget Processes

	Disagree Strongly		Disagree		Neutral		Agree		Strongly agree	
	n	%	n	%	n	%	n	%	n	%
There is adequate financial allocation towards budgeting Process	7	7.3	16	16.7	17	17.7	29	30.2	27	28.1
Public participation aids in revenue collection by the county government.	10	10.5	18	18.9	22	23.2	26	27.4	19	20.0
Budget committee teams are well remunerated in budget making process	7	7.3	15	15.6	24	25.0	33	34.4	17	17.7
Public participation helps in allocation of finances for all the ministries in the county	16	16.7	9	9.4	12	12.5	36	37.5	23	24.0
Public participation has promoted investors' confidence in supplementing the county budget allocation	9	9.3	24	24.7	12	12.4	24	24.7	28	28.9

The study analyzed relationship between participation budgeting process and performance of Devolved System of Governance in Narok County. It was observed that increase in participation budgeting process had strong and positive correlation with performance of Devolved System of Governance in Narok County, which is denoted by $r=0.303$. The correlation coefficient value suggests that correlation between participation budgeting process and performance of devolved system of governance in Narok County was significant at $\alpha=0.05$. This implies that the participation budgeting process significantly influenced performance of devolved system of governance. Therefore an increase in participation budgeting process by one unit would lead to increase of performance of devolved system of governance of County Government of Narok by 0.303.

Table 3: Association between Public Participation in Budget Processes and Effective Management of Devolved System of Governance

Correlations			performance of devolved system	Participation budgeting process
Spearman's rho	Performance of devolved system	Correlation Coefficient	1.000	.303**
		Sig. (2-tailed)	.	.003
		N	97	97
	Participation budgeting process	Correlation Coefficient	.303**	1.000
		Sig. (2-tailed)	.003	.
		N	97	97

** . Correlation is significant at the 0.01 level (2-tailed).

The findings from the qualitative findings show that Narok citizen contributed to the budgetary preparations in many ways. The citizens being the stakeholders of the government development projects aided in budgetary allocations and considerations of the diverse group interest in resource allocation. Citizen participation helps the government identify the key priority areas in budget allocation; this led to more people driven project reducing conflict between government and people. The involvement of citizens in the budgetary process.

Regression analysis

A combined regression model summary for the multiple regressions was computed to establish the relationship between the independent variables and the dependent variable, seeking to establish the relationship between public participation in planning processes, participation budgeting process, citizen participation, public participation in information and communication systems and performance of devolved system of Narok County. An output R Square depicts the proportion of variance in the dependent variable that can be explained by a unit change in the independent variables. The results are presented in table 4 below.

Table 4: contribution of citizen participation on the performance of devolved system

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.211 ^a	.044	.034	5.40560

a. Predictors: (Constant), participation budgeting process

The results show there is a positive significant relationship between the independent variables and performance of devolved system in Narok County as depicted by R squared = .044. A unit change in the participation budgeting process can explain a 4.4% variation in performance of devolved system. The Adjusted R Square reflects the expected proportion of variance in performance of devolved system because of a unit change in the combined participation budgeting process if the entire population of the study was to be considered.

Analysis of Variance

Analysis of Variance (ANOVA) is used to check the ability of the regression model to be used to predict the relationship between the independent and dependent variables. Using the F-statistic and the mean square differences the results were computed and presented in Table 5 below.

Table 5: Significance of regression model in testing the performance of devolved system

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	128.955	1	128.955	4.413	.038 ^b
	Residual	2775.952	95	29.221		
	Total	2904.907	96			

a. Dependent Variable: performance devolved system

b. Predictors: (Constant), participation in budgeting process

The value of $F(1, 96) = 4.413$, $P\text{-value} < 0.05$ shows that the predictor variables, citizen participation in budgeting process significantly predicts performance of devolved systems in the County Government of Narok County.

Regression Coefficients

The study further sought to determine the regression model based on the coefficient beta values. The results are presented in Table 6 below.

Table 6: significance of citizen participation in budgeting process in the performance of devolved system

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18.366	1.801		10.198	.000
	Participation budgeting process	.214	.102	.211	2.101	.038

a. Dependent Variable: performance devolved system

Multiple regression analysis was conducted to determine the contribution of citizen participation in governance to the performance of devolved system in Narok County Government. The findings show that public participation in planning processes, participation budgeting process, citizen participation, public participation in information and communication systems had statistical and significant contribution on the performance of devolved system in Narok County at $\alpha=0.05$.

The multiple linear regression model of the study therefore can be derived follows:

$$Y = \beta + \beta X + \varepsilon$$

Performance of devolved system = $18.366 + 0.214(\text{Participation budgeting process})$. These findings imply that devolved system performance would increase by a constant of 18.366 units even with zero in public participation. Public Participation in Planning Processes in budgeting was found to have a significant contribution to the performance of devolved system in Narok County.

Conclusion and recommendations

The study also concludes that citizen participation in budgeting process significantly influence the performance of devolved system of governance in Narok County. It affected the adequacy of budgetary allocation, revenue collection, and financial allocation while promoting confidence supplementing the county budget allocation.

The study also recommends the county government to increase the public participation in budgeting as well as the sensitization of the community on the revenue collection in order to finance budget. It was observed that the low association of public participation on budgeting on revenue collection.

Areas for Further Studies

The study observed the public were involved in planning and budgetary process; there is no clear involvement of public in monitoring and evaluation of county development process. A further study can be conducted to assess how involvement of public in implementation and evaluation of development project could affect the performance of devolved systems.

Reference and Bibliography

- Black, K. (2004). *Business Statistics for Contemporary Decision Making*. New York: John Wiley & Sons Inc.
- Davids, I. (2005). *Voices from Below; Reflecting on Ten Years of Public Participation*; The case of local Government in the Western Cape Province. Cape Town; Foundation for Contemporary Research.
- Finch, C. (2015). *Participation in Kenya's Local Development Funds: Reviewing the Past to Inform the Future*. World Bank and Kenya School of Government Working Paper Series 3, Washington, DC.
- Fox, J. (2014). *Social Accountability: What Does the Evidence Really say?* Working Paper Series 1, Global Partnership for Social Accountability, Washington, DC.
- Hughes, M. (2011), "The challenges of informed citizen participation in change", *Transforming Government: People, Process and Policy*, Vol. 5 Iss 1 pp. 68 – 80
- Institute of Economic Affairs (2016). *Review of Status of Public Participation and County Information Dissemination Frameworks: A Case Study of Isiolo, Kisumu, Makeni and Turkana Counties*. Institute of Economic Affairs.
- Johnson, M.W., Christensen, C.M and Kagermann, H. (2006). *Reinventing your Business Model*. Harvard Business Review, 1ST June 2017, pp. 50–9.
- Kothari, C.R. (2011). *Research Methodology; Methods and Techniques*. New Delhi: New Age International Publishers.
- Kweit, M.G. and Kweit, R.W. (2011). *People and Politics in Urban America*. Belmont, CaWadsworth.
- Lodiaga, M. (2012). *Contextual Constraints Affecting Women Participation in Local Governance*. The Kenyan case study.
- Moseti, Y. (2010). "Public participation for sustainable development in local cities *Public Participation for Sustainable Development in Local Cities*", paper presented during the International Society of City and Regional Planners congress, 4th October 2010, Nairobi, Kenya Municipality. *Transformation*, 66:61-81.
- Opiyo, S. A. (2016). *Role of Public Participation on the Performance of Devolved Governance System in Kenya*. Unpublished PhD Thesis. JKUAT, Nairobi, Kenya.