

FACTORS AFFECTING PERFORMANCE OF PARTNERSHIP BETWEEN GOVERNMENT AND NGOS IN KENYA

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Abstract

The concept of strategic partnership is necessitated by the need for an organization to achieve its goals while leveraging on resources of another organization. The formation of Partnerships have become more widespread to all public jurisdiction sizes, as the word of the successes of these partnerships grows. Some of the Public-Private Partnership arrangements are; design build operate transfer, build operate transfer and concessions. The Kenyan Government has embarked on PPPs as a method of raising funds and providing quality and affordable services to its citizens. Most common type of partnership is that between the government and not for-profit service delivery organizations such as religious groups, family planning associations, or training institutions. In Kenya the partnerships which subsist between the Government and NGOs has been deteriorating over the years. The poor relationship has been evidence by the withdrawal of some donors from Kenya. While others like USAID reduce their scope of function as well as amount donated in Kenya citing lack of transparency, corruption, poor governance, insecurity and political aspects as reported by the US embassy to Kenya March 2017. Therefor this study sought to find out the Factors affecting the performance of strategic partnership between the government and NGOs in Kenya. The study was guided by four objectives which are; governance, transparency, political interference and decision making process. The results showed that all the factors considered had a significant and positive effect on partnership performance. The finding further indicated that all the study independent variables had a strong correlation with the dependent variables. Based on the findings of the study the study concluded that governance, transparency, political interferences and decision making process were key determinant of performance between the government of Kenya and NGOs. The further concluded that lack of transparency on donor fund, poor management and decisions making as well as destructive politics had greatly contributed to the poor performance in Public-Private Partnership. The study recommended that both the Government and various stakeholders involved in the Public-Private Partnership to focus on the issues of good governance as it was a factor found to have a strong effect on the performance of PPPs in Kenya. The study further recommends on enhancing transparency and accountability of donor funds as it is a key issue affecting growth and performance of Public-Private Partnerships. The study further recommends that there is need to come up with proper strategies to enhance decision making in the Public-Private Partnership organizations.

Keywords: *customer after sale service, Customer Orientation, Performance*

1.1 Introduction

The concept of strategic partnership is necessitated by the need for an organization to achieve its goals while leveraging on resources of another organization. Typically, strategic partnership can be viewed as a tool for competitive advantage (Muiruri, 2015). Strategic partnership refers to a partnership or alliance between a for-profit organization and a non-governmental organization (Arya and Salk, 2006). The motivation for partnerships vary from one partnership to another but the fundamental reasons for business partnership (Muiruri, 2015). According to DePamhilis (2008) the motives include sharing of risks; gaining access to new markets; globalization; cost reduction; desire to acquire or exit a business and favourable regulatory treatment that partnerships often receive as compared with mergers and acquisition.

Strategic partnering between corporates happens on different fronts. Firms can collaborate in product development, provision of engineering platforms, branding, capital financing, creation of specialized new products, marketing, distribution and supplies, and creative expertise (Amwayi, 2013). When firms form strong partnerships, they both benefit from the relationship and offer customers quality services (Applegate et al., 2007). Strategic partnerships always give rise to various issues in the course of business between firms. Issues of intellectual property rights, transfer of technology, profit sharing, expenses and termination of partnerships are prevalent in such arrangements. However, these issues cannot be an impediment to working relationships between firms. Such firms always have legal frameworks in place meant to iron out any arising issues that may be an obstacle to their operations (Jamali et al., 2011).

1.1.1 Strategic partnership in NGOs

The formation of Partnerships have become more widespread to all public jurisdiction sizes, as the word of the successes of these partnerships grows. Some of the Public-Private Partnership arrangements are; design build operate transfer, build operate transfer and concessions. However, literature clearly agrees that Public-Private-Partnerships appear to have no clear definition or standard implementation methods. The Kenyan Government has embarked on PPPs as a method of raising funds and providing quality and affordable services to its citizens. Most common type of partnership is that between the government and not for-profit service delivery organizations such as religious groups, family planning associations, or training institutions (Li, 2003). In these partnerships, both government and NGOs share a common philosophy and set of values, and so agreements to coordinate, co-finance, and provide reciprocal services are often easily negotiated and straightforward (Chami, 2015). NGOs are effective mediators between governments and minority groups, increasing interaction between civil society and the state, subsequently making the government more accountable for their actions. This mediation role has become typical in many African countries and is also evident in some European countries, such as Ireland (Winter, 2001).

Strategic partnerships between non -governmental organizations and businesses are receiving increased attention from several directions; from non-governmental seeing engagement as means of achieving their missions, from business as a way of reaching their goals and gaining competitive advantage, from governments as an instrument for addressing global challenges and development, and from academics, as a social phenomenon in need of deeper research and understanding. Non-governmental s and businesses are interested in strategic partnerships because they have started to see that collaboration between the sectors can bring added value that would not be possible to accomplish independently.

1.2 Statement of the problem

The Private public partnerships have tremendous potential and as such are mandated by donors and funders, expected by local communities and assumed by policy makers to be the best way of working on social problems (Koschmann, Kuhn, and Pfarrer, 2012). Yet despite their popularity, these partnerships prove to be complicated and problematic. In Kenya the partnerships which subsist between the Government and NGOs has been deteriorating over the years. The poor relationship has been evidence by the withdrawal of some donors from Kenya. While others like USAID reduce their scope in Kenya citing lack of transparency, corruption, poor governance, insecurity and political aspects as reported by the US embassy to Kenya March 2017. A study carried out by the BBC international (2013) indicated that most NGOs in Mombasa region have not only felt the heat of donor withdrawal but have also taken measures that will see them survive after the exit of the donor. Literature suggests that there are many factors that potentially influence and explain the various outcomes of private financing arrangement in public infrastructure provision. The determinants factors include, among others, procurement procedures, project financial feasibility, budget deficits and institutional factors such as political factors (Sharma 2012). Powerful local political constituencies also harbour strong suspicions of PPPs.

Various studies have been carried out in the area of strategic partnership. Supriyadi (2014) carried out a research to establish the effect of strategic partnerships on innovation capability and business performance of garment industry in West Java in Indonesia. Walekhwa (2011) did a study on effects of strategic partnerships between Equity Bank and its partners on marketing decisions. The conclusion was that strategic alliances combine competencies and capabilities to create synergy and enable the partners to achieve what they could not do at all, or could do at reduced efficiency or greater cost. Musyoka (2012) conducted a study on factors influencing the performance of public private-partnerships in the Kenyan housing sector. Muhu (2013) did a study on factors affecting the success of Public-Private Partnerships (PPP) in Kenya. He found that Legal framework and government procurement procedures affected the construction more with a higher rate.

Although research has been conducted in the investigation of strategic partnership, much has been focused on the private profit oriented partnership. Very little has been conducted on the not for profit making organizations and its partnership with the government. Aspects of network structure, decision process, transparency, budget deficits and financial feasibility are yet to be researched as major challenges facing strategic partnerships in Kenya. Therefore this research aim at bridging the gap by accessing the factors affecting the performance of strategic partnership between government and NGOs in Kenya.

1.3. Study objectives

1. To determine the effect of Governance on performance of partnership between the government and NGOs in Kenya
2. To access the effects of transparency on performance of partnership between government and NGOs in Kenya
3. To establish the effect of political intervention on performance of partnership between government and NGOs in Kenya
4. To find out the effect of decision making process on performance of partnership between government and NGOs in Kenya

LITERATURE REVIEW

2.2 Theoretical review

2.2.1 Agency theory

Agency theory describes the relationship between one party called the principal and other called the agent. According to (Jensen, 1976) an agency relationship is “a contract under which one or more persons (principals) engage another person (the agent) to perform some service on their behalf which involves delegating some decision-making authority to the agent. “When executing the tasks within the principal-agent relationship, the agent must choose actions that have consequences for both the principal and the agent. Since these outcomes can be either negative or positive for each of the actors; the chosen action of the agent affects the welfare of both. The principal-agent relationship is often forged because the agent possesses a greater abundance of the needed skills, abilities, and/or time to perform the desired activities. Inevitably, however, there are several problems for the principal in governing the relationship with the agent, the first of which involves choosing an appropriate agent.

2.2.2 Dynamic capability theory

Teece (2007) formulated the Capability hypothesis to clarify how organizations satisfy apparently opposing goals. Dynamic capability theory’s propensity is towards the capability of an organization to adapt adequately to changes that can have an impact on its functioning. Teece et al., (1997) defined dynamic capability as the firm’s ability to integrate, build and reconfigure internal and external competences to address the rapidly changing environment. From this definition, it helps an organization to navigate the turbulent business environment by providing new form of competitive advantage.

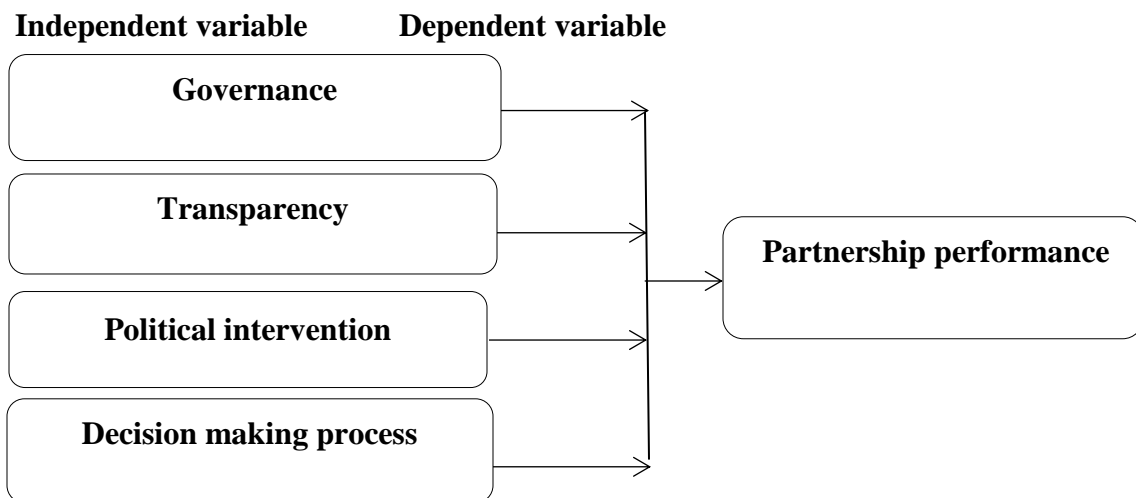
As further explained by Teece et al., (1997), winners in today’s business world are those firms that can demonstrate timely responsiveness with rapid and flexible product innovations combined with the management capability to effectively coordinate and redeploy internal and external competences. Focusing on core competences creates unique integrated systems that reinforce fit among firms’ diverse production and technology skills. This is a systemic advantage that competitors cannot copy (Prahalad & Gary 1990). However firms lack the organizational capacity to develop new competences quickly hence posing a challenge to organization’s ability to respond to opportunities and compete effectively (Dierickx & Cool, 1989)

2.2.3 Resource dependence theory

The resource dependence theory suggests that no firm or entity can secure the resources and capabilities required to survive without interacting with firms and individuals beyond their boundaries (Pfeffer and Salancik, 1978). The RDT provides an insight on inter-organizational relationships and how their formation help reduce uncertainty (Hillman, Withers, and Collins, 2009). Hillman *et al* (2009), however add that such relationships only absorb some of the uncertainties faced by organizations in the business environment.

The RDT suggests that the resources possessed by an entity are the primary determinants of its success (Tokudo, 2005). According to Barney (1991), the concept of resources includes all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness (Barney, 1991). Tokudo argues that a firm may have similar resources to another but perform differently due to the difference in capabilities between the firms. He defines capabilities as the capacity of a firm to convert the resources owned to finished products.

2.3 Conceptual framework



2.4.1 Governance

Governance refers to the leadership and direction of the group. Leadership involves articulation and maintaining the group’s vision and mission which is shared by all the group members in all aspect of the organization activities. This is achieved when the group members work together with the management to articulate for the success of the project (Burnet, 2001). Governance can be broadly defined as the exercise of political, economic and administrative authority to manage a nation's affairs (Muhu, 2012). Governance is thus about the importance of institutions, the interactions between different levels of government within a country, the interaction between the public, including nongovernmental organizations and business, and government. Good governance in PPPs refers to a number of inter-linked ingredients. In terms of the governance of the organisations, all NGOs in Kenya are required to have at least three Directors (who comprise the Board of the Organisation), one of whom must be a Kenyan. The Directors have responsibility for overseeing the management of the

Empirical studies widely claim that good governance enhances a firm’s performance (Brickely and James, 1987). However, other studies have reported negative relationship between corporate governance and performance (Hutchinson, 2002), and others have not found any relationship (Singh and Davidson, 2003). Arguments in favour of the conflicting results are that they come about because of the use of either publicly available data or survey data all which are restricted in scope. Besides measures such as return on assets (ROA), return on equity (ROE), return on capital employed (ROCE) or restrictive use of market based measures (such as market value of equities) could have contributed to the inconsistency (Gani and Jermias, 2006).

2.4.2 Transparency

Transparency is a key issue in the NGO sector due to the existence of a considerable degree of private information and hidden actions in the NGO-beneficiary-donor nexus (Burger & Owens, 2010). NGOs’ relationships with their stakeholders are fraught with information asymmetries, which make it more difficult for donors, government and beneficiaries to observe potential problems and to hold NGOs accountable. For instance, when donors are based in North America or Europe with no local presence, they are physically removed from the site of NGO activities, and the distances involved may make it prohibitively expensive for

the donors to visit project sites regularly to observe conditions, outputs and outcomes. In such cases, donors may be heavily reliant on second-hand information, which may often be reported by the NGO itself.

Concerns about accountability in the nongovernmental organizations (NGOs) have increased over the last two decades. This is due to a series of loss of funds, either through embezzlement, mere lack of documentation or accountability, and of the rapid influx of NGOs around the world and specifically in Kenya. The unclear goals of the NGOs among stakeholders have also contributed to this menace. Generally, NGOs belong to a category of organizations that are non-profit in nature and therefore not part of the business community (Jordan & Tuijl, 2012). Below are three of the main accountability concepts in NGOs. These components of accountability are; transparency, legitimacy, and performance. An important aspect of accountability is transparency (Okinda, 2013). It is important that NGOs operations are transparent. Transparency involves the need for the NGOs to make all their operations open to all. This includes the activities they are involved in, their financing, their donors and their management among other operations. According to Okinda (2013), Lack of transparency in an NGO does not auger well with most of the stakeholders such as the donors, the government, and even the beneficiaries. It is therefore important that NGOs should strive to enhance transparency in their operations.

2.4.3 Political Intervention

Politics Matters, the Government and the private sector often underestimate the extent and effect of political opposition to privatization initiatives (Muhu, 2012). Powerful political constituencies harbor strong suspicions of Public Private-Partnerships. Political leaders and their constituents dislike Public-Private Partnerships because of: mistrust of private sector intentions, or more specifically, a belief that the private sector will try to take profit while shirking its responsibilities to provide infrastructure or infrastructure services

According to department of Economic Affairs, GOI (2005), political commitment and support is critical for PPP projects. Since PPPs require buy-in from a wide range of stakeholders, political commitment early one helps engage with other stakeholders in a more effective manner. Further signaling policy clarity and continuity through an overarching PPP legislation or Policy improves risk perception among potential bidders. Strong political commitment was a key factor in successful implementation of waste collection and transportation PPP in Chennai Corporation, which was one of the earliest PPPs in the sector. Strong political commitment helped overcome employee resistance and also win wider public support for the project (Dumbu, 2013). Mogendi (2006) carried out a survey of the performance measurement by international humanitarian organizations for their programs & operations in Somalia; and Musyoka (2012) investigated the Kenyan housing sector and identified stable political system, affordability, proper risk allocation, economic factors as those influencing the performance of PPPs. Oballa (2014) conducted a study on implementation of public private partnerships in kenya's public sector. The finding clearly indicated that political influence is a great challenge in the implementation of PPPs. This further complicates the challenge of maintaining transparency throughout the implementation process; maintaining control of the whole process and multi-stakeholder expectations which leads to slow decision making with regards to PPP matters.

2.4.3 Decision making process

The calls for heightened social legitimacy for corporations, corporate accountability and increased accountability for non-profit organizations, signalled the equal importance of process and outcomes while paying attention to the role of multiple stakeholders, such as employees and beneficiaries (Seitanidi and Crane, 2009). Involvement of non-profit organizations as a source of value creation ranges from their potential to co-produce intangible resources such as new capabilities through employee volunteering programmes and new production methods as a result of the adoption of advanced technology held by non-profit organizations.

Kimeli (2013) conducted a study on the role of strategic partnership in value creation between development agencies and businesses. The findings of the study were partnership has improved decision making and allocation of resources as they have a work plan and budget for every activity and leverage resources. The growing customer ships and changing physical and business environments make it possible to do the work more efficiently because of new resourcing and synergy possibilities. On how strategic partnership has helped USAID Kenya in effective governance, resourcing and synergy possibilities, it become apparent that governance as a set of coordinating and monitoring activities must occur in order for partnership to survive. The network governance emerges through frequent, structured exchanges that develop network level values, norms, and trust, enabling social mechanisms to coordinate and monitor behaviour. In addition to social mechanisms, the choice among types of governance structure is likely to influence network effectiveness. These types include self-governing structures in which decision making occurs through regular meetings of members or through informal, frequent interactions; a lead organization that provides major decision-making and coordinating activities; and a network administrative organization, which is a separate organization formed to oversee network affairs (Kimeli, 2013).

3.0 RESEARCH METHODOLOGY

This study applied a descriptive research with a survey method. The approach provides ways of discerning, examining, comparing, contrasting and interpreting meaningful data in order to elicit rich, detailed material that can be used in analysis (Kothari, 2007). The target population included all the NGOs which partners with the Kenya government. According to the NGO coordination board of Kenya there are about 3000 registered NGOs by the year ended 2015. however not all NGOs have partners with the government to provide specific services. This study targeted the NGOs that have partnered with the government of Kenya to provide health services. There were 28 relief NGOs partnering with the government. The study targeted all the 28 organizations with 4 respondent from every organization.

The study used both primary and secondary data sources. Primary data was obtained using a questionnaire for employees departments. Secondary data was obtained from reviewed records, report and journals related to the study. The study applied Descriptive statistics analysis design. The results of data analysis were presented in frequency distribution tables, bar graphs and pie charts. Correlation and multiple regression was used to analyze the degree of relationship between the variables in the study. The regression model was as follows;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y= Partnership Performance

β_0 = Regression Intercept,

β_1 - β_4 = Regression coefficient,

x_1 = Governance,

x_2 = Transparency,

x_3 = Political Intervention,

x_4 = Decision process

ε = Error,

4.0 RESULTS AND DISCUSSION

4.1 Descriptive statistics

4.1.1 Governance

Table 4.1 Governance

Statement	Mean	Std. error
We have thematic central coordinating unit of the partnership	4.39	1.057
The partnership with the government enhances accountability	4.37	1.087
The organization and government officials respond to public interests in projects development	4.41	1.074
We have outlined documented procedures for collaboration	4.39	1.059

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of governance. From Table 4.1, the means and standard deviations were (mean score 4.39), (mean score 4.37), (mean score 4.41) and mean score (4.39) respectively for all the variables. The interpretation was that majority of the respondents were in the agreement on the statements that, We have thematic central coordinating unit of the partnership, The partnership with the government enhances accountability, The organization and government officials respond to public interests in projects development and We have outlined documented procedures for collaboration

4.1.2 Transparency

Table 4.2 Transparency

Statement	Mean	Std. error
Our organizations keep proper books of account for the partnership	4.26	1.187
Our organization is Audited by an independent auditor	4.36	1.214
Our organizations accounts for donor funds in every financial year	4.29	1.192
Amount donated by the government is accounted for separately.	4.31	1.180
Our organization provide financial record to the stakeholder	4.28	1.160

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of transparency. From Table 4.2, the means and standard deviations were (mean score 4.26), (mean score 4.36), (mean score 4.29), (mean score 4.31) and mean score (4.28) respectively for all the variables. The interpretation is that majority of the respondents were in the agreement with the statements that, the organizations keeping proper books of account for the partnership, the organization is audited by an independent auditor, the organization accounts for donor funds in every financial year, amount donated by the government is accounted for separately and that the organization provide financial record to the stakeholder.

4.1.3 Political Interventions

Table 4.3 Political Interventions

Statement	Mean	Std. Error
Our organization is influenced by political leaders during the tendering process for PPPs	4.11	1.251
our recruitment process is awarded on ,merit due to Influence by political leaders	4.15	1.183
Our budgetary allocation is dispatched on time	4.14	1.293
International relations boost the performance of PPPS	4.10	1.224

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of political intervention. From Table 4.3, the means and standard deviations were (mean score 4.11), (mean score 4.15), (mean score 4.14) and mean score (4.10) respectively for all the variables. The interpretation was that majority of the respondents were in the agreement on the statements that, the organization is influenced by political leaders during the tendering process for PPPs, the recruitment process is awarded on, merit due to Influence by political leaders, the budgetary allocation is dispatched on time, International relations boost the performance of PPPS respectively.

4.1.4 Decision Making Process

Table 4.4 Decision Making Process

Statement	Mean	Std error
Our organization use factual based data in decision making	4.24	1.204
All stakeholder including the government are involved in brainstorming and decision making	4.14	1.225
The organization and government weighs the evidence and choose among alternatives	4.10	1.207
The management team and the government frequently reviews their decisions	4.08	1.275
Government involves the NGO in decision making regarding their engagement	4.20	1.212

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of decision making process. From Table 4.4, the means and standard deviations were (mean score, 4.24), (mean score, 4.14), (mean score 4.10), (mean score, 4.08), and mean score (4.20) respectively for all the variables. The interpretation is that majority of the respondents were in the agreement on the statements that, Our organization use factual based data in decision making, All stakeholder including the government are involved in brainstorming and decision making, The organization and government weighs the evidence and choose among alternatives, The management team and the government frequently reviews their decisions and Government involves the NGO in decision making regarding their engagement respectively .

4.1.5 Partnership performance

Table 4.5 Partnership Performance

Statement	Mean	Std error
Partnership in projects with the government has enhances social culture aspect of the community	4.51	1.187
partnership in projects with the government has improved the economic aspect of the community	4.49	1.075
Partnership in projects with the government has helped the community gain awareness on environmental issues	4.63	1.067
The organization has enjoyed economy of scale due to partnership with the government	4.56	1.033

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of partnership performance. Table 4.5, The means and standard deviations were (mean score 4.51), (mean score 4.49), mean score (4.63), and mean score (4.56), respectively for all the variables. The interpretation was that majority of the respondents were in support of the opinions on partnership performance measurers that, Partnership in projects with the government has enhances social culture aspect of the community, partnership in projects with the government has improved the economic aspect of the community, Partnership in projects with the government has helped the community gain awareness on environmental issues and that the organization has enjoyed economy of scale due to partnership with the government. The conclusion is that the society benefited in social, environmental and economic sectors as a result partnership.

4.2 Correlation Analysis

Table 4.6 Correlation Analysis

		Partnership performance	Governance	Transparency	Political Intervention	Decisions Making Process
Partnership performance	Pearson Correlation	1				
	Sig. (2-tailed)					
Governance	N	72				
	Pearson Correlation	0.862**	1			
Transparency	Sig. (2-tailed)	0.000				
	N	72	72			
Political interventions	Pearson Correlation	0.807**	0.375**	1		
	Sig. (2-tailed)	0.000	0.000			
Political interventions	N	72	72	72		
	Pearson Correlation	0.739**	0.427**	0.409**	1	
	Sig. (2-tailed)	0.000	0.000	0.000		

	N	72	72	72	72	
Decisions Making process	Pearson Correlation	0.829**	0.415**	0.436**	0.404**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	
	N	72	72	72	72	72

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

From table 4.6 it can be observed that the correlation between the independent variables and the dependent variable was high and positive at 0.862, 0.807, 0.739 and 0.829 for Partnership performance, Governance, Transparency, Political Intervention, Decision Making Process respectively. Correlation was carried out to assess the level of multicollinearity analysis. From Table 4.6 it is noted that the correlation between partnership performance and the various independent variables was statistically significant which is an indicator of the explanatory power of the independent variables on the dependent variable.

4.3 Stepwise Regression Results

Table 4.7 Stepwise Regression Results

Model	Variable	Coefficients	Std. Error	t-statistic	p-value
1	(constant)	3.177	0.600	5.295	0.000
2	Governance	0.361	0.061	5.902	0.000
	(constant)	3.531	0.480	7.356	0.000
3	Governance	0.372	0.066	5.636	0.000
	Transparency	0.291	0.046	6.326	0.000
	(constant)	2.112	0.410	5.151	0.000
4	Governance	0.317	0.064	4.953	0.000
	Transparency	0.320	0.058	5.517	0.000
	Decisions making process	0.334	0.061	5.444	0.000
	(constant)	2.077	0.390	5.326	0.000
	Governance	0.379	0.063	6.013	0.000
	Transparency	0.301	0.057	5.310	0.000
	Decisions making process	0.266	0.066	4.055	0.000
	Political Interventions	0.143	0.058	2.462	0.016

4.3.1 Governance

From table 4.7, the regression coefficient of organizational governance was found to be 0.361, 0.372, 0.317 and 0.379 respectively for the four models progressively. This value shows that holding other variables in the model constant, an increase in governance by one unit causes the partnership performance to increase by 0.361, 0.372, 0.317 and 0.379 units. The values of the coefficients were also positive. The positive effect shows that there is a positive relationship between governance and partnership performance for NGOs in Kenya.

The coefficient were statistically significant with t-statistic values of 5.902, 5.636, 4.953 and 6.013. The p-values were found to be 0.000, 0.000, 0.000 and 0.000. These findings supports those of Brickely and James, (1987); Hutchinson, (2002); Singh and Davidson, (2003) and Gani and Jermias, (2006) who found that

governance had effect on partnership performance. The interpretation was that governance causes the partnership performance to increase. The non-governmental organizations should consider the effect of governance to their partnership performance.

4.3.2 Transparency

From table 4.7, the regression coefficient of organizational transparency was found to be 0.291, 0.320, and 30.1 respectively for the four models progressively. This value shows that holding other variables in the model constant, an increase in transparency by one unit causes the partnership performance to increase by 0.291, 0.320, and 30.1 units. The values of the coefficients were also positive. The positive effect shows that there is a positive relationship between transparency and partnership performance for NGOs in Kenya.

The coefficient was statistically significant with a t-statistic value of 6.326, 5.517 and 5.310. The p-value was found to be 0.000, 0.000 and 0.000. These findings supports those of Okinda (2013), who found that transparency had effect on partnership performance. According to Okinda (2013), Lack of transparency in an NGO does not auger well with most of the stakeholders such as the donors, the government, and even the beneficiaries. It is therefore important that NGOs should strive to enhance transparency in their operations. The interpretation was that transparency causes the partnership performance to increase. The non-governmental organizations should consider the effect of transparency to their partnership performance.

4.3.3 Decision making process

From table 4.7, the regression coefficient of organizational decisions making process was found to be 0.334, and 0.266 respectively for models 3 and 4 progressively. This value shows that holding other variables in the model constant, an increase in decisions making process by one unit causes the partnership performance to increase by 0.334, and 0.266 units. The values of the coefficients were also positive. The positive effect shows that there is a positive relationship between decisions making process and partnership performance for NGOs in Kenya.

The coefficient was statistically significant with a t-statistic value of 5.444 and 4.055. The p-values were found to be 0.000 and 0.000. These findings support those of Kimeli (2013) who found that decisions making process had effect on partnership performance. Kimeli (2013) conducted a study on role of strategic partnership in value creation between development agencies and businesses. The findings of the study were that partnership has improved decision making and allocation of resources as they have a work plan and budget for every activity and leverage resources. The interpretation was that decisions making process causes the partnership performance to increase. The non-governmental organizations should consider the effect of decisions making process to their partnership performance.

4.3.4 Political Interventions

From table 4.7, the regression coefficient of organizational political interventions was found to be 0.143 respectively for models 3 progressively. This value shows that holding other variables in the model constant, an increase in political interventions by one unit causes the partnership performance to increase by 0.143 units. The values of the coefficients were also positive. The positive effect shows that there is a positive relationship between political interventions and partnership performance for NGOs in Kenya.

The coefficient was statistically significant with a t-statistic value of 2.462. The p-values were found to be 0.000. These findings support those of Oballa (2014), who found that political interventions had effect on partnership performance. Oballa (2014) conducted a study on implementation of public private partnerships in

Kenya’s public sector. The finding clearly indicated that political influence is a great challenge in the implementation of PPPs. This further complicates the challenge of maintaining transparency throughout the implementation process; maintaining control of the whole process and multi-stakeholder expectations which leads to slow decision making with regards to PPP matters. The interpretation was that political intervention causes the partnership performance to increase. The non-governmental organizations should consider the effect of political interventions to their partnership performance.

4.4 Good-of- fit statistics

Table 4.8 Model Summary

Model	Adjusted R Square
1	0.539 ^a
2	0.631 ^b
3	0.781 ^c
4	0.829 ^d

a. predictors: (constant), Governance
 b. predictors: (constant), Governance, Transparency
 c. predictors: (constant), Governance, Transparency, Decision Making process
 d. predictors: (constant), Governance, Transparency, Decision Making process, Political Interventions

From table 4.8 the values of the adjusted R square were 0.539a, 0.631b, 0.781c and 0.829d. These values clearly suggests that after adjusting for the degrees of freedom there is a strong relationship between, Governance, Transparency, Political Intervention, Decision Making Process and partnership performance for all the four models. This indicates that Governance, Transparency, Political Intervention, Decision Making Process causes a variation of 53.9a%, 63.1b%, 78.1c% and 82.9d% on partnership performance for all the four models. It can be observed after making adjustments for degrees of freedom the predictive power after including more variables step by step the model improved.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of findings

The purpose of this study was to assess the factors that affect performance of partnership between government and NGOs in Kenya. The study was guided by four research objectives. The first research objective was to establish the effect of governance; the second objective sought to analyses the effect of transparency on partnership performance; the third objective was to establish the effect of political interventions on partnership performance. The last objective was to assess the effects of decision making process on partnership performance.

The study employed descriptive statistics was used to turn the raw data into information. The mean and standard deviation was first used to describe the response patterns on the respondent. It was revealed that majority of the respondents agreed that the various factors were very relevant in the organization.

The correlation analysis revealed that there in no multicollinearity problem. This permitted further analysis to be carried out using all the regressors. In extension the stepwise regression analysis was used to test the relative importance of each variable in explaining the partnership performance between the government and NGOs in

Kenya. The regression analysis revealed that all the four independent variables had a positive effect on performance of government to NGOs partnership.

5.2 Conclusion

The study concluded that partnership between the NGOs and the government is very important. Thus the NGOs should integrate partnership strategies with the overall objectives and goals in which they intend to attain. Further, the researcher conclude that the partnership between the government and NGOs is important and life changing to the lives of the target groups. Moreover, with reference to the study findings the researcher concluded that the partnerships for NGOs should be strategies of priority to enhance their goals delivery capabilities.

On the base of this study findings, the research also concluded that there are various outcome of PPP in Kenya but the most valued outcomes were the relevance of the partnerships were; the improvement of the social culture aspect of the communities involved, enhancement of economic welfare of the groups targeted, creation of awareness on environmental issues and finally the organizations are able to enjoy the economy of scale due to partnership and thus are able to penetrate further into the societies they serve.

5.3 Recommendations

The study recommends that there should be development of policies around the activities of NGOs to ensure that they partner with government or other established financial institutions to enhance their service delivery capabilities. There should also be an establishment of a formidable NGO regulatory framework that will ensure that the activities of various NGOs eliminate exploitation of the beneficiary societies and groups thus ensuring application of true goals driven NGOs.

The study recommends that both the government and the interested NGOs should ensure that they have smooth partnership in their daily activities to ensure that the desired outcome is achieved. The study also recommends the involvement of the communities that are targeted were the government and the NGOs have interest in developing projects.

The study recommends that further study be carried out on the relevance of partnerships between the NGOs and other organizations in the private sector such as microfinance institutions, commercial banks and even Deposit taking SACCOs in the country.

From the regression model it was noted that the variables included were only able to explained 87.2% of the variation in the dependent variable. This study therefore recommends the improvement of this model by including more variables that are relevant in explaining the variation.

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