

## FACTORS AFFECTING THE IMPLEMENTATION OF THE REFORMS IN THE WATER SECTOR IN KENYA

**Rosemary Karungari Thuo**

Jomo Kenyatta University of Agriculture and Technology, Kenya

**Dr. Paul Katuse**

United States International University, Kenya

**CITATION:** Thuo, R. K. & Katuse, P. (2013). Factors affecting the implementation of the reforms in the water sector in Kenya. *International Journal of Social Sciences and Entrepreneurship*, 1 (5), 331-341.

### ABSTRACT

The purpose of the study was to analyze the factors affecting the implementation of reforms in the water sector in Kenya. The specific objectives of the study were to analyze those factors that are affecting the implementation of reforms in the water sector in relation to the commitment of the Ministry of Water and Irrigation towards the implementation of the water sector reforms, the transfer plan, staff preparedness and the financial position of the Ministry of Water and Irrigation. The purpose of the study is to address this issue and see the reasons of the shortcomings. There is the literature review on the water sector reforms which gives out the theories behind it, what past researchers have commented on the water sector reforms and the concepts and operationality. In the research methodology, the study used descriptive design. The target population was 195 respondents where 46 formed the sample size. Random stratified sampling was used. Data was collected through interviews and questionnaires. The data was analyzed through qualitative and quantitative methods. The study found out that there was little commitment by the Ministry of Water and Irrigation in the implementation process. It was revealed that the process was taking too long due to lack of capacity for the new institutions to pay better salaries, lack of funds from ministry of water and irrigation and uncertainty on the fate of staff after transfer. The study concluded that the ministry of water and irrigation was not committed towards the reforms, financial stability was lacking in terms of funds and resources and a lot of political interests were involved in the water reforms. The study concluded that the ministry should allocate funds in its budget to aid in the reforms. The reforms once implemented should be evaluated continuously to ensure transparency and accountability. The study recommends that the Ministry of water and irrigation should be committed towards the water reforms by providing funds to spearhead the reforms.

**Key Words:** *Implementation, Reforms*

## Introduction

Strategic management as a discipline originated in the 1950s and 60s. Ansoff (1965) recognized the importance of coordinating the various aspects of management under one all-encompassing strategy. Prior to this time the various functions of management were separate with little overall coordination or strategy. Interactions between functions or between departments were typically handled by a boundary position, that is, there were one or two managers who relayed information back and forth between two departments. Ansoff (1965) also stressed the importance of taking a long term perspective when looking to the future. Drucker (1959) introduced the idea of matching the organization's internal factors with external environmental circumstances.

A strategy is a long term plan of action designed to achieve a particular goal, most often winning (Thompson et al, 2007). Strategy is differentiated from tactics or immediate actions with resources at hand by its nature of being extensively premeditated, and often practically rehearsed. Strategy is a deliberate search for a plan of action that will develop a business's competitive advantage and enhance it.

Thus, strategy development is a multidimensional process that must involve rational analysis and intuition, experience, and emotion. But, whether strategy formulation is formal or informal, whether strategies are deliberate or emergent, there can be little doubt as to the importance of systematic analysis as a vital input into the strategy process. Without analysis, the process of strategy formulation, particularly at the senior management level, is likely to be chaotic with no basis for comparing and evaluating alternatives. Moreover, critical decisions become susceptible to the whims and preferences of individual managers, to contemporary fads, and to wishful thinking (Denton & White, 2000).

## Purpose of the review

The ministry of water and irrigation will benefit greatly from this review. They will be able to know how to be able to strategically implement the water sector reforms progressively factoring all the players who will be involved in the process. They will get to know when to implement what, who will be involved, and what role each person will play in the implementation process. Also they will come up with ways of monitoring and evaluating the process and know when changes will be needed if the actual results don't meet the expected outcomes. The other key players in the water sector will also benefit from this study. They will be able to use strategic management as a tool to a successful and a competitive organization recognized far and beyond. Other researchers and scholars will use the results from the study as reference points for future studies in the area of strategic management.

## Literature review

The research looked at how strategic management can assist in the implementation of the water sector reforms. The literature review was obtained from the secondary data. This was from journals, published books, articles and seminar papers.

### **Profit-Maximizing and Competition-Based Theory**

Based on the notion that business organization's main objective is to maximize long term profit and developing sustainable competitive advantage over competitive rivals in the external market place. The traditional industrial-organization perspective offered strategic Management a systemic model for assessing competition within an Industry (Porter, 1981). The main competitor of the water sector is the bottled water. Hence, bottled water is gaining popularity and very soon may out do the tap water. Hence the players in the water sector are trying to offer better services in both water and sanitation. There is the rapid construction of dams, water kiosks and water treatment plants.

### **Human Resource-Based Theory**

Stems from the principle that the source of a firm's competitive advantage lies in their human resources, as opposed to their positioning in the external environment. That is rather than simply evaluating environmental opportunities and threats in conducting business. competitive advantage depends on the unique resources and capabilities that a firm possess (Barney, 1995).the resource- based view of the firm predicts that certain types of resources owned and controlled by firms have the potential and promise to generate competitive advantage and eventually superior firm performance (Ainuddin et al, 2007).

### **Contingency Theory**

It draws the idea that there is no one or single best way or approach to manage organizations. Organizations should then develop managerial strategy based on the situation and condition they are experiencing. In relation to the full implementation of the water sector reforms, there is need to adapt to various strategies in order to ensure that each phase is implemented in time and evaluated after some time. They can have both planned strategies and emergent strategies.

### **Commitment to reforms**

Strategic change management suggests that administration commitment to the practices motivate employees to act in the best interest of the firm thus enhancing its profitability (Day, 1984). Thus, the organizational climate created by administration change management practices could facilitate the adoption of workplace flexibility practices that require higher trust between employees and supervisors to enhance the firm's flexibility capabilities and hence its profitability. Flexibility is a valuable firm's ability that allows organizational change to respond to various demands from a dynamic competitive environment (Porter, 1980). Increasing global competition, accelerating technological change and expanding customer expectations are creating a turbulent environment. Managing the strategy-culture relationship therefore requires sensitivity to the interaction between changes necessary to implement strategy and compatibility or fit between those change and the organizational culture, (Balogun &Johnson 2004). Balogun &Johnson (2003) argue that, while structure provides overall framework for strategy implementation, it is not in itself sufficient to ensure successful execution. Within the organizational structure, individuals, groups and units are the mechanisms of organizational action, and the effectiveness of their actions is a major determinant of successful implementation.

### **Transfer planning**

As the variety and complexity of organizations have increased over time, managers have searched continually for the optimal organizational structure. But history has shown that there is no perfect structural solution to the alignment of structure and strategy. According to Chaffee (1985) within any organizational structure, what makes organizations work are the formal and informal organizational processes. These processes can be thought of as controls on the organizational operations and can therefore help or hinder the translation of strategy into action. Processes range from formal controls (systems, rules and procedures) through social controls (culture and routines) to self controls (personal motivation of individuals). According to Chandler (1962) the structure is not the only means of getting things organized to implement a strategy. Reward systems, planning procedures, information and budgetary systems are other examples that should be employed.

### **Staff Preparedness**

Industrial progress finds one of its greatest handicaps in the frequent lack of preparedness of both management and workers to change of any sort (Decoene, &Bruggeman, (2006).That resistance can play a useful role in an organizational change effort certainly stands juxtaposed to a traditional mindset that would view it as an obstacle that is normally encountered on the way to a successful change process. Nevertheless, it is a conclusion reached by a variety of authors who suggest that there are a number of advantages of resistance. When managed carefully, these advantages can in fact be utilized by the organization to greatly assist change. First of all, resistance points out that it is a fallacy to consider change itself to be inherently good. Change can only be evaluated by its consequences, and these cannot be known with any certainty until the change effort has been completed and sufficient time has passed.

### **Financial Position**

In explaining the significance of change management to firm profitability, the majority of work in strategic human resource management (SHRM) has adopted the resource-based view of the firm. According to the resource-based view, a firm's success is largely determined by the resources it owns and controls (Whipp &Pettigrew 1989) and that are valuable, rare, difficult to imitate, and difficult to substitute (Smith, 1999). Resources are typically defined as either assets or capabilities: assets, which may be tangible or intangible, are owned and controlled by the firm; capabilities are intangible bundles of skills and accumulated knowledge exercised through organizational routines (Olson ,2005) and they are argued to be the preeminent source of firm profitability (Day, 1984).

### **Research Design**

The design of the study used was descriptive. Kerlinger (1969) points out that descriptive studies are not only restricted to fact findings but may often result in the formulation of important principles of knowledge and solutions to significant problems. According to Best and Khan (1992), descriptive research seeks to establish factors associated with certain occurrences, outcomes, conditions or types of behavior. This method was preferred because it allowed for an in-depth study of the case.

### Study Population

A study population is a sample of individuals, objects or items from which information will be gathered from in order to assist in data analysis. The study targeted the top, middle and lower levels of management. Who are in total 195 and only a sample of 30% was randomly picked

### Data Collection Instrument

These were pre-determined written down questions that were delivered to the personnel in the middle and lower management. The questions comprised of both open and close ended questions. This method was economical because a lot of data was collected from many people at the same time. Pre-testing of the questionnaires to ten respondents was done to ensure that the questions were clear, relevant, specific and easily understood. Face to face interviews and discussions were carried out to personnel in the top level management. This ensured accuracy of information.

### Data Analysis and Reporting

After the fieldwork, before analysis, all the questionnaires and the data collected from the interviews were checked for reliability and verification. The data was analyzed using qualitative and quantitative techniques. The information generated was able to create descriptive statistics namely percentages frequencies, mean and standard deviation. The study focused on establishing the factors affecting implementation of the water sector reforms. Sample sizes of 46 respondents were interviewed and the information presented in form of tables.

### Level of commitment towards the water sector reforms

Majority of the respondents said that the of level of consultation between the ministry's staff and the top management in relation to implementation of water sector reforms was fair. The level of commitment by the ministry of water and irrigation towards the water sector reforms was fairly high. The most cited reasons as to why the implementation process was taking too long were corruption, little commitment by government, lack of capacity for the new institutions to pay better salaries, lack of funds from ministry of water and irrigation, uncertainty on the fate of staff after transfer, lack of clear understanding of the implementation process, lack of resources and manpower, lack of commitment by ministry of water and irrigation, political interests, water infrastructure and lack of enough consultation. Others included lack of goodwill at the policy level on the reforms, ministry not fully prepared for it and procrastination. The study established that the level that was delaying the full implementation of the water sector reforms was the top management at the ministry of water and irrigation.

**Table 1: Level of Commitment**

	Frequency	Percent
Poor	10	21.7
Fairly high	26	56.5
High	10	21.7
<b>Total</b>	<b>46</b>	<b>100.0</b>

The study established that the level of commitment by the ministry of water and irrigation towards the water sector reforms was fairly high as indicated by 56.5% of the respondents. However 21.7% indicated that it was high while a similar percentage said that the level of commitment was poor.

### Level of staff preparedness towards the introduction of reforms

The researcher decided to find the extent to which respondents were aware of the introduction of the water sector reforms. Table 4 shows the findings.

**Table 2: Awareness of the Introduction of the Water Sector Reforms**

	Frequency	Percent
Some extent	4	8.7
Limited extent	4	8.7
small extent	7	15.2
Large extent	31	67.4
<b>Total</b>	<b>46</b>	<b>100.0</b>

The study established that majority of the respondents (67.4%) were aware of the introduction of the water sector reforms to a large extent while 15.2% were aware to a small extent. However 8.7% indicated that they were aware of the introduction of water sector reforms to some extent while a similar percentage said that they were aware to a limited extent.

Majority of the respondents indicated that they liked the clear legal framework in the water reforms, continued increase in water coverage, improved working conditions that they came with, defined roles of the institutions and improved hygiene and sanitation levels in towns. Nearly equal proportion indicated that they liked the fact that the reforms brought in more professionals in the sector, funding by development partners, improved revenue collection, potential improvement of staff remuneration, and the integration of management of water resources which led to better accountability and transparency and improved water services management. However, it's only a small number of respondents that liked decentralization of services to the regional level, establishment of autonomous regulation in the sector and the introduction of water institutions.

### Staff Preparedness

Here, the researcher tried to establish the preparedness of the staff of ministry of water and irrigation with regards to the water sector reforms. The findings are represented in table 5 below.

**Table 3: Staff Preparedness**

	Frequency	Percent
Poorly	10	21.7
Partially	30	65.2
Moderately	6	13.0
<b>Total</b>	<b>46</b>	<b>100.0</b>

The study shows that majority of the staff of ministry of water and irrigation were partially prepared in regards to the water sector reforms. They were represented by 65.2%. Of those that said they were poorly prepared were 21.7% while 13% said were moderately prepared.

### The Transfer plan

Majority of the respondents indicated that they understood the transfer plan as an arrangement to transfer resources to respective water sector institutions, delinking of the staff from the ministry payroll, transfer of human resource to the newly formed water sector institutions, a strategy of transferring duties, responsibilities and liabilities from the old system before the water act 2002 to the newly formed institutions after implementation of the water act 2002 and the movement of staff and assets from Ministry of water and Irrigation to the various water institutions. In addition, others indicated that they understood it as the plan for transfer of management and operation of water services to water service board, the transfer of personnel and resources from the central government to the boards, the transfer of staff to various 'WSP' and boards whereby all the payments in regards to salary and allowance are paid by the water boards and WSPs, and transferring the mandate of the ministry to the water boards and WSPs.

The study sought to establish the pace at which the transfer plan was being implemented. Table 6 below shows the findings.

**Table 6: Transfer plan pace**

	Frequency	Percent
Stagnant	6	13.0
Slow	31	67.4
Moderate	6	13.0
Fast	3	6.5
<b>Total</b>	<b>46</b>	<b>100.0</b>

Majority of the respondents (67.4 %) said that the transfer plan was being implemented at a slow pace. Further 13% indicated that the transfer plan was being implemented at a stagnant pace while a similar percentage said that the transfer plan was being implemented at a moderate pace.

### Financial Position and Strategy Implementation

The researcher found it necessary to establish how financially equipped the ministry of water and irrigation was towards the full implementation of the water sector reforms. Table 6 below shows the findings.

**Table 6: Financial Status of the Ministry of Water and Irrigation**

	Frequency	Percent
None of the above	5	10.9
Limited	21	45.7
Partially equipped	17	37.0
Fully equipped	3	6.5
<b>Total</b>	<b>46</b>	<b>100.0</b>

The study established that ministry of water and irrigation was financially equipped in a limited way towards the full implementation of the water sector reforms as indicated by 45.7% of the respondents. Further 37% indicated that it was partially equipped while 6.5% said that it was fully equipped. However, 6.5% said that it was not equipped at all. The study revealed that majority of the respondents wanted the government to proceed with the water sector reforms rather than change to something else but on conditions that it fast tracks the process, continues to ensure that its serving the purpose and finalizes it in line with new constitution. However, some others felt that the government should change to something else while the rest indicated that it should re-evaluate the implementation process and judge from it.

### Conclusions

The study concluded that the level of commitment towards water reforms by the ministry of water and irrigation was lacking. Reasons cited were that there was a lot of corruption involved and political interests. There was lack of funds, resources and manpower. There was delay on the implementation of water reforms by the top management and laxity when it came to evaluation of the implementation of water reforms. The respondents were aware of the introduction of the water sector reforms. However they were dissatisfied with the water reforms like the transfer plan that dragged for a long time, delays in implementation and high cost of water service provision that made the less fortunate lack this essential commodity. In addition the respondents cited that there was poor motivation and lack of sponsorship to higher education. It was evident that the respondents were aware of the transfer plan as a way to transfer human resource assets but they further cited that its implementation was slow. The study found out that the ministry of water and irrigation had limited financial resources towards the full implementation of the water sector reforms.



## Recommendations

The researcher recommends that the ministry of water and irrigation should be committed towards the water reforms by providing funds to spearhead the reforms. There is a need on the part of GoK and donors alike to agree on fund allocations, not only in respect of donor funding with a GoK contribution of 10% or some other agreed percentage (which to all intents and purposes does not translate to real commitment), but as a part of the larger picture of agreed sector resource allocation. There is a need for all stakeholders to reach consensus on sector needs and fund allocations, and (in the opinion of the LL Team) such agreement should be a pre-requisite in principal to further donor disbursement. This however requires commitment and discipline on the part of all funding actors.

The application of strategic management to the implementation of the water sector reforms will assist the Ministry of Water and Irrigation in knowing its current position. Strategic management will aid the players in the water sector to plan the future for the reforms. The reforms plan should be implemented in phases, monitored and evaluated and a report given to the Minister for transparency and accountability. The Ministry of water and irrigation should ensure that the reforms are communicated to all the parties. The employees should be trained or taken through seminars that will aid them in adapting the new changes or reforms. The employees should be motivated either through increase of salaries to avoid resistance of the new reforms.

The researcher suggests that a study be conducted to determine why the number of women entrepreneurs in Kenya is still low as compared to their male counterparts. The study should also investigate on strategies that can be adopted to empower more women become to entrepreneurs.

## References

- Ansoff,( 1965), *Igor Corporate Strategy* McGraw Hill, New York.
- Balogun, J., Johnson, G. (2004), "Organizational restructuring and middle manager sense making", *Academy of Management Journal*, Vol. 47 No.4, pp.523-49
- Chaffee, E. ( 1985) "Three models of strategy", *Academy of Management Review*, vol 10, no. 1.
- Clayton, C., (1997) *The Innovator's Dilemma Boston*: Harvard Business School Press
- Day, G.S. (1984), *Strategic Market Planning: The Pursuit of Competitive Advantage*, West Publishing, St Paul, MN, .
- Decoene, V., Bruggeman, W. (2006), Strategic alignment and middle-level managers' motivation in a balanced scorecard setting, *International Journal of Operations & Production Management*, Vol. 26 No.4, pp.429-48
- Denton, G.A., and White, B. (2000), *Implementing the balanced scorecard approach to managing hotel operations*, Cornell HRA Quarterly, No. February, pp.47-107
- Drucker Peter (1959), *The Practice of Management*, Harper and Row, New York.
- Olson, E.M., Slater, S.F., Hult, G.T.M. (2005), the importance of structure and process to strategy implementation, *Business Horizons*, Vol. 48 pp.47-54.
- Porter, M.E. (1980), *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, Free Press, New York, NY,

- Smith, T., Reece, J.S. (1999), "The relationship of strategy, fit, productivity, and business performance in a service setting", *Journal of Operations Management*, Vol. 17 No.2, pp.145-61.
- Thompson et al, (2007). *Crafting and Executing Strategy: Text and Readings*. 15h edition, McGraw Hill Companies, New York
- Whipp, R., Rosenfeld, R., Pettigrew, A. (1989), "Managing strategic change in a mature business", *Long Range Planning*, Vol. 22 No.6, pp.92-9.