

**THE INFLUENCE OF INSTITUTIONAL FACTORS ON PERFORMANCE OF
INFORMAL SETTLEMENT DEPARTMENT AT NAIROBI CITY WATER AND
SEWERAGE COMPANY, KENYA**

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**A RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL FULFILMENT OF
THE REQUIREMENTS OF MASTER OF ARTS DEGREE IN PROJECT
PLANNING AND MANAGEMENT OF UNIVERSITY OF NAIROBI**

2012

DECLARATION

This research project report is my original work and has not been presented for a degree in any other examination body.

.....*Rickson*.....

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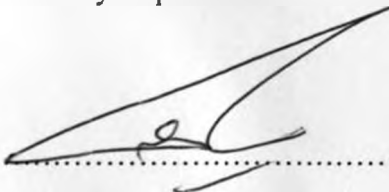
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DEDICATION

To my mentors Esther and Dennis White who taught me to seek knowledge, honor the truth and for their steadfast support in my search for excellence. My Mum, Ms Judy Nyambura, my sisters Pauline Muthoni, Rose Waihunyu, Peninah Waithera and brother Jackson Irungu, My niece Melissa Wangui for their support and understanding during the entire period I undertook the research project. My late sisters Anastasia Wanjiku continue to rest in peace.

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ABBREVIATIONS AND ACRONYMS

AWSB:	Athi Water Service Board
CBO:	Community Based organization
CCA:	Customer Care Assistant
CCC:	Customer Care Coordinator
CDA:	Community Development Assistant
CEO:	Chief Executive Officer
ISD:	Informal Settlements Department
ISM:	Informal Settlements Manager
NCC:	Nairobi City Council
NCWSC:	Nairobi City Water and Sewerage Company
O&M:	Operation & Maintenance
SPSS:	Statistical Package for Social Sciences
TD:	Technical Director
UFW:	Un-Accounted for Water
WATSAN:	Water and Sanitation
WSB:	Water Services Board
WSD:	Water and Sewerage Services Department
WSP:	Water Service Provider
WSS:	Water Supply and Sanitation

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ABSTRACT

The purpose of the study was to establish institutional factors affecting the performance of Informal Settlement Department at Nairobi City Water and Sewerage Company (NCWSC). Specifically the study was guided by the following objectives. i) To assess the effect of resource base on performance of Informal settlement Department at Nairobi City Water and Sewerage Company. ii) To investigate the relationship between the organization structure and the performance of the Informal Settlement Department at Nairobi City Water and Sewerage Company. iii) To analyze how policies and procedures affects the Informal Settlement Department at Nairobi City Water and Sewerage Company.

The study used a descriptive research design. Stratified sampling technique was used to select the sample. The technique produced estimates of overall population parameters with greater precision. The study grouped the population into four strata i.e. Managers, Coordinators, Officers and Unionisable staffs totaling to 110 target population based on Human resource data. Mugenda and Mugenda says that if the population is 1000 and over 10% of the population should be sampled, because the population of the study was less than 1000 then 30% was used to sample using simple random sampling to select a total of 33 respondents. Both primary and secondary data was used in the study. Secondary data was collected through document review while primary data was collected through a field survey using questionnaires. A quantitative technique was used for data analysis using SPSS-Statistical Packages for Social Scientists. The study is expected to establish the institutional factors that affect performance of Informal Settlement Department at Nairobi City Water and Sewerage Company.

The findings indicate that employees are not motivated to perform their duties and responsibilities, there is lack of enough resources and when recruiting employees the Human resource does not consider competence of personnel so that they are compatible with informal settlement project. The staffs are less than the amount of work available on organization structure there is biased communication, the informal Settlement Department should be an independent department, the NCWSC Organizational structure is not acceptable to all employees. Majority of the employees have never seen guideline/policies and procedures, and those who have seen the documented Policies and procedures of Implementing WSS projects at the informal settlement say that they are not well outlined. There is a significant relationship between performance of informal settlement department and organization structure, resource base and policies and procedures. The government should provide a policy for serving informal settlement to enhance development of water and sanitation infrastructure to ensure right to water and sanitation is realized. The donors should provide funds for both resources and capacity building to the employees of the department. Nairobi water company should review and sensitize its employees on the policies and procedures of informal settlement, consider making the department independent through the review of its organization structure and motivating and provide necessary required resources for completion of projects.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter presents the background of the study, problem statement, research questions, scope of the study, and significance of the study, limitation of the study and definition of significant terms that was used in the study.

1.2 Background of the study

World Water Day (WWD) 2011 was hosted by the Government of South Africa at Cape Town International Convention Centre from 20-22 March 2011. The theme, "Water for Cities: responding to the urban challenge, aimed at spotlighting and encouraging governments, organizations, communities, and individual to actively engage in addressing the challenge of urban water management." Urban population is increasing faster and much beyond the growth of the required infrastructure Werchota & Milgo (2011). They continue to state that this is the first time in human history that most of the world's populations live in cities: 3.3 billion people and continues to grow. 38% of the growth is represented by expanding low income informal settlements/slums. Population forecasts in Kenya project that the urban population will equal the rural population by 2020. Nairobi has a population of 3.14 million people. Kenya population and Housing Census (2009). WSTF, GIZ, UN Habitat & Google (2009) estimates that 1.75 million of this population lives within the more than 300 informal settlements/ slums that exist within the city.

The population of the urban poor will most likely double within the next 15 years. This growth is accompanied by rising population density including previously planned low income settlements taking on the character of slums putting more pressure on infrastructure and making worse the living conditions in these areas. Werchota & Milgo(2011) asserts that even when the economy grows faster than population, informal settlements will continue to grow (number and size) because the gap and inequalities between the rich and the poor is increasing faster in urban than rural areas. Bartram ,Cairncross, , Cumming & Brocklehurst

(2010) observes that people living in urban informal settlement face a wider range of vulnerability hence the need to take note of the growing scale of the crisis in such settings. They continue to note that the informal settlements are easy prey to mobilize for political expediency and hence these settlements become potential hot spots for conflict as witnessed in 2007 post election violence. There is therefore need to improving living conditions in urban low income areas. Progress towards national goals depends on access to drinking water and basic sanitation in urban informal settlements.

Nairobi and other cities in Kenya have been unable to keep up the pace of planning and developing its infrastructure to meet the demands of a growing population with the population (4 to 5 percent average growth per year since 1990s). Rural migration and Natural growth of the urban population have been largely absorbed in the fast growing urban informal and unplanned settlements Alabaster (2010).

The asset holder, AWSB, and the operator (NCWSC), which is formally responsible for water services in Nairobi, currently have limited capacity to extend or improve services to informal settlements. Residents rely largely on kiosks and vendors providing services of lesser quality at higher costs. NCWSC and AWSB have recently increased their efforts to improve services in the informal settlements and both the board and the company recognize the importance of partnership with other players in the informal settlements NCWSC, AWSB & WSP (2009).

Interventions in informal settlements need a more coherent and strategic focus in order to move beyond piecemeal efforts, maximize long term impact, and ensure efficient use of resources. The overall objective of informal settlement department is to increase coverage, affordability and sustainable access to safe water services and basic sanitation facilities in the informal settlements of Nairobi. Although significant improvements have been made in this short time, NCWSC still faces major challenges in its service area, particularly in Nairobi's ever growing informal settlements.

Today in many African countries hardly 20% of the population in the informal settlements is served by utilities/formalized service providers. The majority (around 80%) of the urban poor depend on informal service provision with all the negative impact on living conditions and on

national development. It is the result of decades of neglect and discrimination of the urban poor by decision makers and utilities Werchota & Milgo (2011).

1.2.1 History of Informal Settlement Department

The Nairobi City water and Sewerage Company (NCWSC) was established in 2003 as a result of Water Act 2002 and started its operation in 2004. NCWSC inherited a myriad of problems from the City Council of Nairobi which included a bloated, demoralized workforce of 2,200 staff members with deep rooted public sector culture, dilapidated water and sewerage infrastructure, stalled projects, debts and a huge billing backlog, (Kamau 2007).

City Council of Nairobi had the freedom to ignore informal settlement areas and did not extent its services regarding them to be commercially unattractive and infrastructure too difficult to be managed. NGOs and local private initiatives filled the gap with small scale often community operated systems for which they collected money on humanitarian grounds. Other donors promoted “market forces” or “delegated management systems” in the implementation of the local or international) private sector participation approach. All these approaches have failed.

Due to the variety of infrastructure requirements water supply and sanitation WSS as a public service poses an especially difficult hurdle in these densely populated areas. The lack of clear rules of ownership and tenure on state owned land and privately owned housing structures have lead to high tenancy ratios, little faith in the future and haphazard solution for provision of basic WSS services. Indeed, the vast majority of the ‘informal’ residents purchase their water from semi-legal individual vendors, often paying up to 12.5 times more than a Nairobi consumer connected directly to the network.

NCWSC and the asset- holding entity, Athi Water Services Board (A.W.S.B), recognize the plight of these underserved residents, but have not had the capacity to address services to informal settlements. A step was taken by Starting an Informal Settlement/Donor Project Department to strengthen the capacity, to expand the networks, and manage services in these

marginalized areas. The company employed a team of sociologists to work on social components of services to informal settlements acknowledging the inadequacy of a purely engineering approach.

The motivation for the Nairobi City water and Sewerage Company (NCWSC) to develop a pro-poor strategy which is largely implemented by its informal settlements department and which enable the company to extend its services to the informal settlements and other (planned) low income areas is justified as follows NCWSC, AWSB, WSP (2009): Water Service Providers (WSPs), according to the service Provision Agreement (SPA) they sign with Water Services Board (WSB) have the obligation to provide adequate services to all the residents living within their service area. Low income areas represent a growth (business) opportunity for the company. Extending services to the low income areas not only allows the company to increase its customer base and revenue, it also allows for a significant reduction of unaccounted for water (U.f.W), through the improved maintenance of the distribution network, the elimination of illegal connections and (spaghetti) networks. Within the framework of its 2007 National Water Services Strategy (NWSS) and in line with the MDGs, the ministry of Water and Irrigation (MWI) is committed to specific goals for water, sewerage, and basic sanitation in urban areas. Water: Achieving 80% access to safe water by Kenyan standards of urban population (<30 Min to fetch, good quality), reducing UFW to 30%; achieving O&M cost recovery of all WSS systems by 2010; Increase access to waterborne sewage collection, treatment and disposal from 30% to 40%; increasing collaboration with other line ministries, particularly for sanitation. Sanitation: Access to basic sanitation from 55% to 77.5% in urban setting. Constitution of Kenya article 43 on social and Economic rights clause b and d states that every human being has a right to water and Sanitation.

1.2.2 Structure of Informal Settlement Department

The ISD is headed by an engineer as a manager then below the manager there are two coordinators, one is a technical coordinator who is also an engineer and the second coordinator is the Sociologist Coordinator. Under the coordinators we have the officers who

are technical officer and Sociologist officer and below the officers we have Supervisors and below the supervisors we have an artisan and a community development assistant.

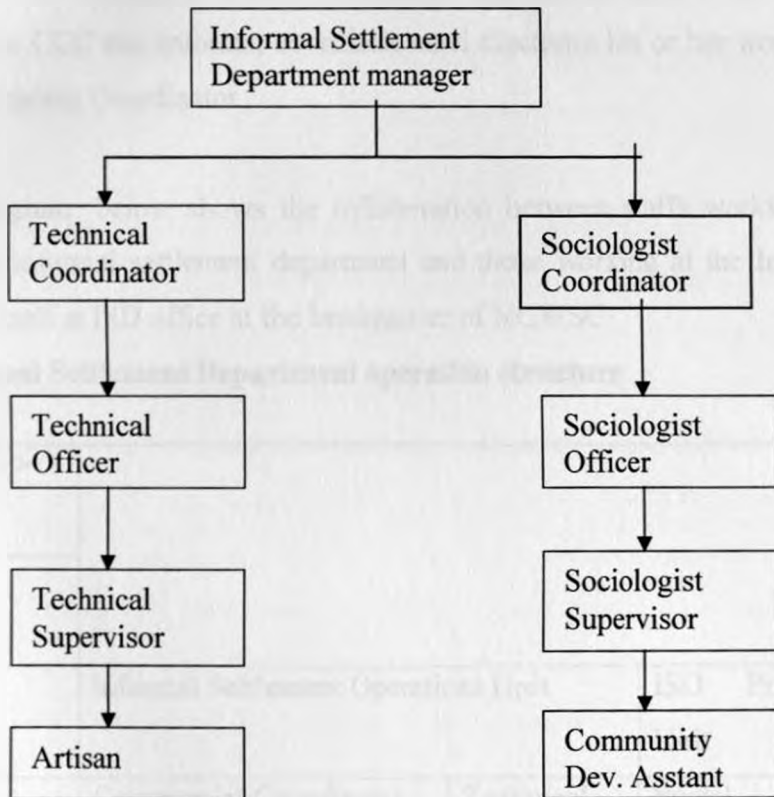


Figure 1. Informal Settlement Department structure

Source: NCWSC, AWSB, & WSP (2009), Strategic guidelines for improving Water and Sanitation Services in Nairobi's Informal Settlement

1.2.3 Roles and responsibilities of Informal Settlement Department

The informal settlement Department is mandated with the role of Project preparation and implementation or service extensions in informal settlement and while in collaboration of the regional offices which deals with operations and maintenance of the same projects. The ISD staff's working at the Regional office level, in addition to reporting to their superiors within the ISD, are also obliged to inform, coordinate and discuss their work with the Regional Manager. The CCC also informs, coordinates and discusses his or her work with the Billing and Meter Reading Coordinator

The Organogram below shows the collaboration between staffs working at the regional office under informal settlement department and those working at the Informal Settlement department itself at ISD office at the headquarter of NCWSC

Fig 2 Informal Settlement Department operation structure

ISD level >>				Regional Manager
	Informal Settlement Operations Unit		ISD Project Unit	
Section (Regions) >>	Commercial Coordinator	Technical Coordinator	Social Coordinator	Billing and Meter Reading Coordinator
	Commercial section	Technical Section		
Area/project level >>	Customer Care Coordinator	Technical Officer	Social Officer	
	Customer Care Assistant	Plumbers	Community	

			Development Assistant	
	Residents/water Operators etc	committee	Kiosk	Project Task Teams, residents, CBOs

Source: Adapted from AWSB, NCWSC & WSP 2009, Strategic guidelines for improving Water and Sanitation Services in Nairobi’s Informal Settlement.

1.2.4 History of Nairobi City Water and Sewerage Company

The Nairobi City Water & Sewerage Company Limited (NCWSC) was incorporated in December 2003 under the Company's Act Cap 486. The Company is a wholly owned subsidiary of the City Council of Nairobi (CCN). It took over the provision of water and sewerage services within Nairobi and its environs from the Water and Sewerage Department of CCN. The NWSC was launched in August 2004. The Company has the primary responsibility of providing affordable water and sewerage services through efficient, effective and sustainable utilization of available resources in an environmentally-friendly manner, and meets and exceed the expectations of their consumers and other stakeholders. Nairobi City Water and Sewerage Company Website (2007)

The first recorded water source for Nairobi was commissioned in 1899 based on the Nairobi river. This was later abandoned and Kikuyu springs commissioned in 1906 with a capacity of 5000m³ of water per day which was sufficient for the Nairobi’s population until 1930s. In 1938 the first phase of Ruiru river source was completed. This was further developed in 1946 to produce 21,000m³ of water per day. The next major source to be developed was Sasumua Dam which was commissioned in 1956 with a capacity of 57,000m³ of water per day, Kamau M. (2007). The first phase of Chania, Kimakia, Kiama and Thika rivers was completed in 1974 and produced an additional 61,000m³ of water per day. Further phases completed in 1983 increased supply to 179,000m³ per day. Third Nairobi Water Supply Project which involved construction of Thika dam and extension of Ngethu treatment works was started in

1985 and completed in 1994. This increased water supply to Nairobi to about 320,000m³ per day. However subsequent damage to Sasumua dam and huge water losses in the dilapidated distribution network reduced the available supply to only 248,000m³ per day, Kamau M. (2007).

The trunk and reticulation sewers on the other hand cover a total length of 163Km and serves an area of 208Km. Sanitation in the informal settlement is poor. Blockages and breakdowns of the main trunk sewers disrupt wastewater collection and pose a threat to the environment. Dandora Sewage treatment works is the largest with a wastewater treatment capacity of 40,000m³ per day against a design capacity of 80,000m³ per day. The Kariobangi Sewage Treatment Works can only handle 20,000m³ per day of sewage treatment. There have been delays in maintenance and rehabilitation of the sewerage infrastructure. The result is that the assets are run down and are in dire need of major rehabilitation; Kamau M. (2007) The Company has its headquarters on Kampala Road, Industrial Area and an extension at the city which is the Comcraft house office, and six (6) other Regional Business Centers within the City. The Vision of the company isto satisfy all our customers with water and sewerage services while its mission is to provide sustainable water and sewerage services that exceed customer needs. Some of the core values of NCWSC include integrity which means the Company craves to live beyond reproach and ensure employees work professionally without compromising work ethics. Customers service/focus recognition that the customer is the very reason why NCWSC exists and therefore the NCWSC will strive to be responsive to the needs of the customers. NCWSC also values Quality service, to be achieved through creativity and innovation, teamwork, effective communication, diversity, work life-balance, recognition and empowerment.

Prior to the most recent reform, Kenya's water and sanitation sector was financially unviable and debt-ridden. Poor management, inadequate maintenance of existing infrastructure, artificially low tariffs, and increasing debt loads all contributed to poor service delivery. In Nairobi, services provided by the WSD of the Nairobi City Council were characterized by low coverage and unreliable service, high levels of Unaccounted-for Water, considerable accounts receivable, tariffs set below cost recovery levels (and even for operations and

maintenance costs), and weak and ineffective management. Consequently, households that could afford to do so dug their own wells. While groundwater abstraction licenses were required by the Ministry of Water Resource Management and Development, the system was neither controlled nor coordinated.

NCWSC is organized along four key functional areas which includes technical directorate, commercial services directorate financial services directorate and finally the directorate of human resource management and administrative services

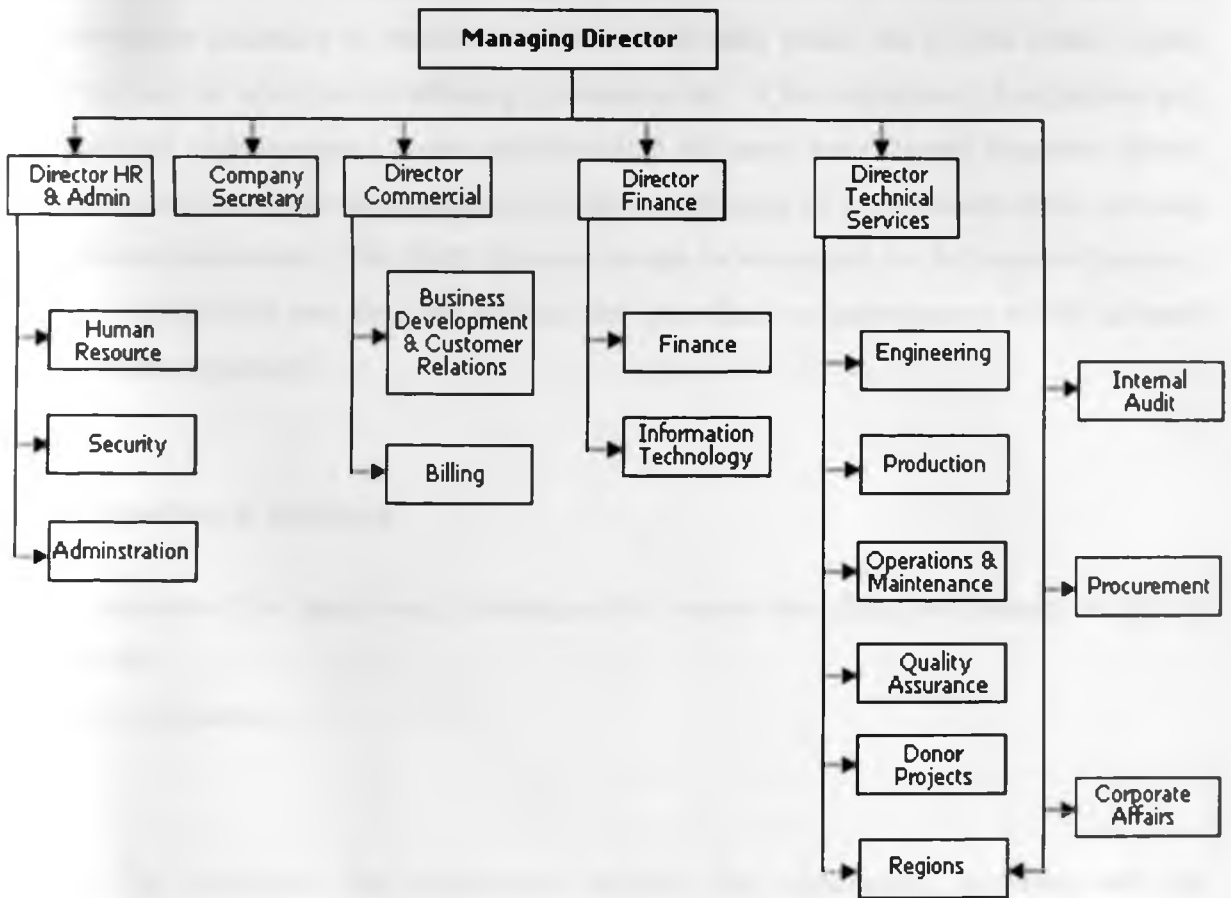


Figure 3: Nairobi City Water and Sewerage Company organization Structure

Source: NCWSC Website

1.3 Problem Statement

Despite the formation to the ISD department at NCWSC the department has received several external and internal complaints from the settlements dwellers, donors/partners and employees of other departments on the long duration its taking to implement WSS project, the quality of the project and higher cost than budgeted and while at other settlements no intervention at all despite the high demand of Water Supply and Sanitation. A case example is Mathare Water Project which was to be completed on 2010 but it is still ongoing. Yagan (2007) on his study on the relationship between organization culture and performance in selected Kenya State Corporations suggest further research to be conducted using other performance indicators to measure performance in both public and private sector. Ogeto (1994) lists the other factors affecting performance as: - Clear objectives, clear policies and procedures, right resources, organization structure and many more factors. It appears limited studies have been done to establish on the factors affecting the performance of the Informal Settlement department. This study therefore sought to investigate the influence of resource base, organization structure, and policies and procedure on performance of the informal settlement department

1.4 Objectives of the Study

The purpose of the study was to investigate the factors that affect performance of ISD of NCWSC

Specific Objective

1. To investigate the relationship between the organization structure and the performance of the Informal Settlement Department at NWSC.
2. To assess the effect of resource base on performance of Informal settlement Department at NCWSC
3. To analyze how policies and procedures affects the performance of Informal Settlement Department at NCWSC.

1.5 Research Questions

The research questions were linked to the objectives which the research sort to explore and were all based on the three independent variables of the studies which are resource base, organization structure and policies and procedures.

1. To what extent does the organization structure influence performance of Informal Settlement Department at Nairobi City Water and Sewerage Company?
2. How does resource influence the performance of Informal Settlement Department at Nairobi City Water and Sewerage Company?
3. How do policies and Procedures part of the problem behind low performance of the Informal Settlement Department at Nairobi City Water and Sewerage Company?

1.6 Scope of the Study

The study mainly focused on Nairobi City Water and Sewerage Company (Informal Settlement Department), data was collected from the former and current department employees and the employees working closely with ISD at the regional offices with a view of establishing the factors that affect ISD performance.

1.7 Significance of the Study

The research findings are expected to contribute to a better Informal Settlement Department performance at NCWSC. The study will be useful to the following groups: The report will aid the government in formulation of policies and especially related to water supply and sanitation to the poor. The findings of this study will also be invaluable to the NWSC as it will be able to understand vividly the factors that affect the performance of the Informal Settlement Department. The recommendations given in the study will help the NCWSC by equipping them with adequate tools to get the solutions to the problems posed by the identified factors; it will also help the company's management in laying the base for their long term strategic positioning and ensure the company's long-term survival. The development partners who are usually interested at helping the NWSC prosper will have an

understanding of a wide variety of factors that affect the Informal Settlement Department at NCWSC. Equipped with the right information, they will be able to know how best to come in and help the NWSC. The investors can use the report to carry out preliminary studies and due diligence before setting up WSS projects.

The scholars and researchers who would like to debate or carry out more studies on Informal Settlement Department at NCWSC will find this study useful as a basis of carrying out more studies in Kenya.

1.8 Limitation of the study

The limiting factors of this study included: Due to the veil of confidentiality surrounding the many firms, most of respondent are reluctant to participate. However, assurance was made to the respondents that the findings was used for academic purposes only.

1.9 Definition of Significant terms

Informal Settlements- The ever growing unplanned settlements located in the city of Nairobi, densely populated, lack clear rules of ownership, tenure on state owned land, and have a haphazard solution for provision of basic water and sanitation services.

Informal settlement Department – A department formed in year 2008 within Nairobi City Water and Sewerage Company to expand Water and Sanitation infrastructure within the underserved informal settlement and manage services in those areas

Organization structure- a formal framework of Nairobi City Water and Sewerage Company by which tasks, activities, relationships and communication are organized and coordinated.

Resource base- Any material Informal settlement department uses assist in implementation of the projects which includes physical, finance, human and technical.

Policies and procedures- directives designed to guide the thinking, decisions and actions of all the personnel involved at implementation and operations of Informal settlement projects.

1.10 Organization of the study

The study looked at the literature related to performance, resource base, organization structure and policies and procedures, then it also looked at research methodology which involves research design, sample design and data collection, in addition chapter four looked at the data analysis, presentation and interpretation and finally summary of findings discussions, conclusion and recommendations

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter looks at an account of what has been published on institutional factors which influences performance by accredited scholars and researchers.. it discusses theoretical framework on performance, then it looks at a review of research done on the three independent variables of the research which are: Organization structure, Resource base, and policies and procedures and how they affect performance. The literature review is based on both primary and secondary sources. Its objective is to show the ideas of previous researcher in the areas of the three independent variables which are organization structure, resource base and policies and procedures and how they affect performance of organizations. In addition it looks at the Conceptual framework of the study and finally the summary of research gaps to be filled.

2.2 Theoretical framework

Organization performance is the achievement of high levels of performance, profitability and customer satisfaction by enhancing skills and engaging the enthusiasm of employee's International labor organization (2005). According to Laitinen (2002), performance can be defined as the ability of an object to produce results in dimension determined a priori, relative to a target. He also suggests that a well organized system of performance measurement may be the single most powerful mechanism at management's disposal to enhance the probability of successful project implementation. Pettigrew (1987) defines organization performance as the ability of an organization to use its resources efficiently and to produce outputs that are consistent with objectives and relevant for its users.

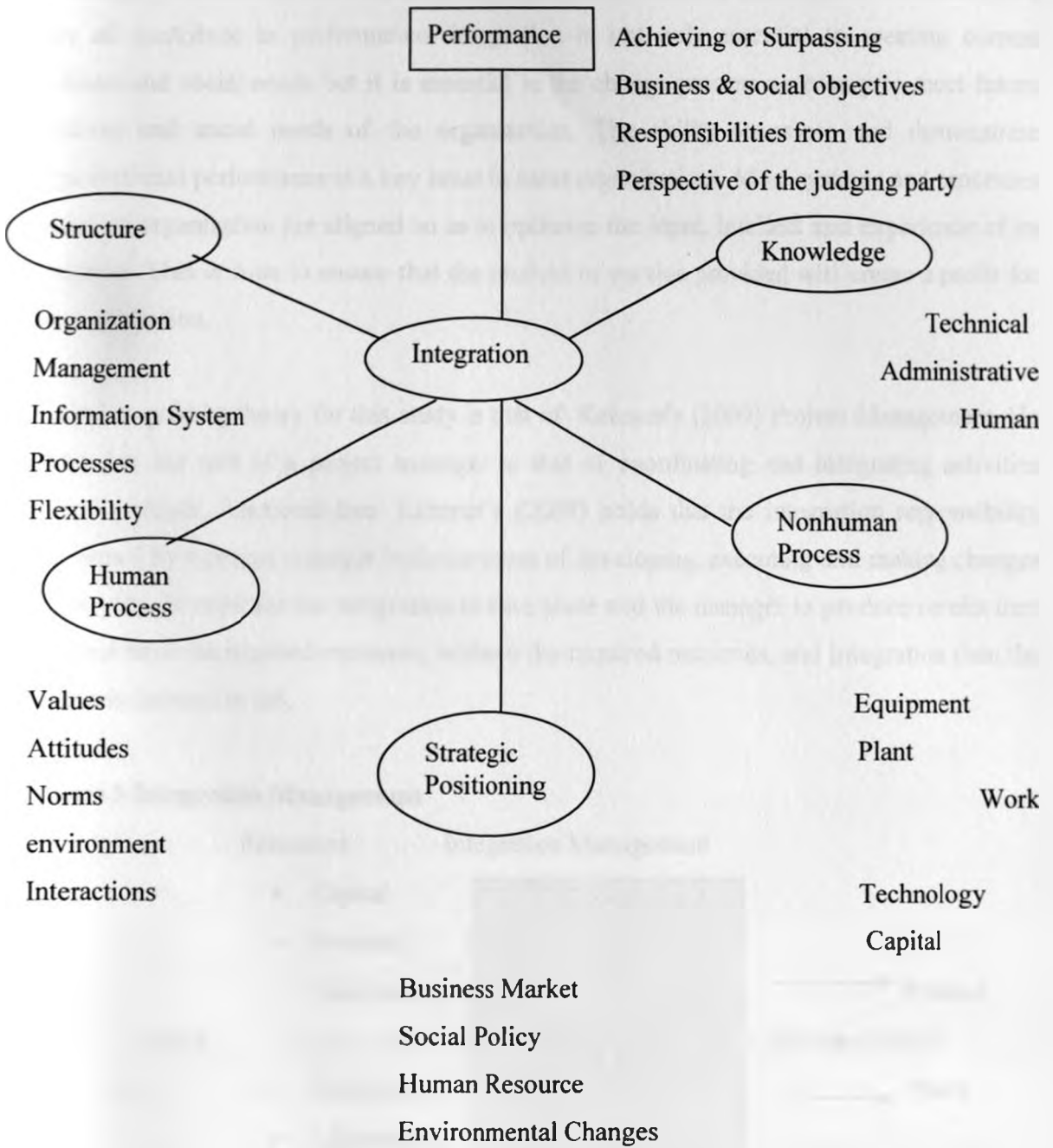
Performance in an organization may take many forms depending on whom and what the measurement is meant for. Different stakeholders require different performance indicators to enable them make informed decisions (Manyuru, 2005)

Measures of performance generally include such bottom-line financial indicators as sales, profits, cash flow, return on equity, and growth (Dess and Robinson, 1984). Thompson et al., (2007) notes that using financial measures alone overlooks the fact that what enables a company achieve or deliver better financial results from its operations is the achievement of strategic objectives that improves its competitiveness and market strength. Non-financial measures include innovativeness (Goldsmith & Clutterbuck, 1984) and market standing (Saunders and Wong, 1985; Hooley and Lynch, 1985). Nevertheless, Daily et al (2002) suggest that there is a distinct lack of consistency in what constitutes firm performance

Performance of firm in a given industry is influenced by various factors. According to McDonald (2000) these factors are covering the business environment, the market situation, competition in the industry and the industry itself. In the business environment, these include the economic factors, political legal factors, fiscal factors, the technological developments, social cultural factors as well as the intra- company issues such as the companies systems, structure, skills, staff, and style. McDonald(2000) states that the activities of trade associations, changes in cost structure, source of raw materials, technological developments and energy utilization of firms in a given industry have an impact on their long term performance.

According to Yesley Performance is a product of many interrelated factors Yesley (1984) in his book “Strategies and Actions for Improvising Organizational Performance” explained this by use of a strategic Model.

Fig 4 Satellite Model of Organizational Performance

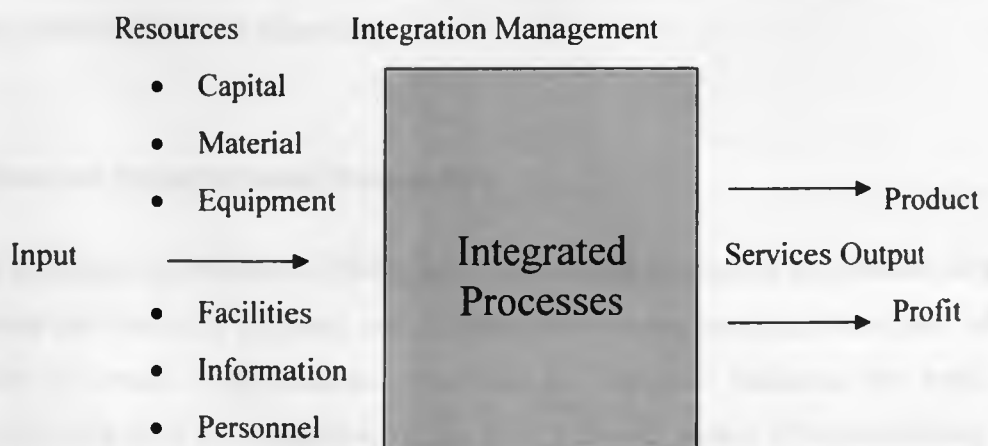


Source: Allan A Yesley "Strategies and Actions for Improving organizational Performance"
 Academy of Management Review, June 1984 American, Management Association New York

This model identifies several of the most important factors including organization structure, knowledge, nonhuman resources and human process. All these factors are interrelated and they all contribute to performance. Integration is not only essential to meeting current business and social needs but it is essential to the change process necessary to meet future business and social needs of the organization. The ability to assess and demonstrate organizational performance is a key issue in most organizations. Most systems and processes within an organization are aligned so as to optimize the input, intellect and experience of its employer. This is done to ensure that the product or service provided will create a profit for the organization.

A similar guiding theory for this study is that of Kerzner's (2009) Project Management. He states that the role of a project manager is that of coordinating and integrating activities across multiple, functional line. Kerzner's (2009) holds that the integration responsibility performed by a project manager includes those of developing, executing and making changes to the plan. In order for the integration to take place and the manager to produce results then he must have the required resources, without the required resources, and integration then the output is doomed to fail.

Figure 5 Integration Management



Source: Harold (2009)

The project manager works under difficult circumstances because he has a higher responsibility but lack authority. Lack of authority forces the project manager to negotiate with upper level management as well as functional management for control of company's resources. The project manager may often be treated as an outsider by the formal organization. The project department although task oriented it cannot exist independently from the traditional organization structure. This forces the project manager to play an interface role which involves managing relationships

Within the project team, between the project team and the functional organization, between the project team and the senior management, between the project team and the customer's organization, whether an internal or external organization.

Many authors have addressed the topic of factors affecting performance but little rigorous research has actually been undertaken. Peters and Waterman (1982) attempted to identify the firms that were successful- within a short span of time some companies which possessed the characteristics were unsuccessful. There are also studies done by Denison (1990) and those by Kotter and Heskett (1992) to attempt and address this issue in a rational and consistent manner.

Most studies have generally used "Performance" to refer to "economic Performance" often stating it as high and low economic performance. This is so because of the scarcity of data concerning other indicators of effectiveness

2.3 Structure and Organizational Performance

According to Pearce and Robinson (2003), an organizational structure is the division of tasks for efficiency and clarity of purpose, and coordination between interdependent parts of the organization to ensure organizational effectiveness. Structure balances the need for specialization with need for integration. It provides a formal means of decentralizing and centralizing consistent with the organizational and control needs. Structuring the organization involves decisions about how to coordinate activities, relationships, and communication

among the internal stakeholders. The organization can be structured by focusing on functionality, products, markets, projects or cooperation

Organizations have a structure, which is an established set of relationship with ordered and regularly occurring activities (Womack et al 1990). Because tasks in organization are almost interdependent, it is essential that personnel act in a calculable and predictable manner hence; performance and structure inextricably linked. Greenberg (2003) defines organization structure as a formal configuration between individual and groups with respect to allocation of tasks, responsibilities and authorities within organizations. One cannot see the structure of an organization. It is an abstract concept. However the connection between various clusters of function of which an organization is composed can be represented in the form of an organizational charts. Structure is also referred to formal framework by which tasks are organized and coordinated (Robin and Coulter, 2002), it is the basic way the firms different activities are organized to achieve efficiency and effectiveness (Pearce and Robinson (1997),

Poor organization structures hinder appropriate response to changing environment. Pearce and Robinson (2003) indicated that successful performance depends in large part on the firms' primary organizational structure. Chandler (1962) in his research findings found that the choice of a new venture result in new administrative problem leading to a decline in performance. Firms are then forced to shift the structure more in line with the strategy needs to achieve an improved strategy execution. However many organization today embark on new strategies without first evaluating the capacity of the current structure leading to a strategy structure misfit, information technology has also permeated the traditional organization structure significantly posing new challenges to the controls and reporting relationships between managers and employees.

However, in recent times the search for a better and more effective structure has not slackened. As ever bureaucracy is both the target of attack and benchmark. The Holy Grail that all are trying to achieve is structures that combines the efficiency, control and occupations stability of the normal hierarchy with an innovative capacity. The emphasis in modern structures is on identifying key business and production process around which to

build new networks and multifunctional teams. According to Mintzberg (1981) the structural types represent basic design choices and principals.

Among the recent ideas for designing such structures are the following: Lean Structures are structures which were closely linked with pre occupation of ‘ downsizing ‘ which drastically cut back white-collar functions and reduced overhead in many organizations, whilst retaining an even increasing capacity. Lean structures in management were also inspired by lean production model. Essentially, a modified version of line assembly was built around semi – autonomous teams and designed to meet the Japanese challenge in industries like auto assembly (Womack et al 1990)

Business Process Re-engineering is the brain child of 1990s, business guru Michael Hammer re-engineering advocated radical change and major improvement across a range of production criteria (Hammer, 1990) once again the normal bureaucratic methods and scientific management were the starting point. Under the re-engineering philosophy those are seen as breaking down the natural flow of work through an organization and imposing artificial structures or departments and divisions. The answer is to re-engineer the business process. This means starting from the basic and showing a willingness to obliterate the old structures and ways.

There is no such thing as a perfect or ideal organization structure neither are there universal rules for matching strategy with structure, structures that worked well in the past may not be suitable for the future Thompson and Strickland (1986). Firms have a habit of regularly outgrowing their prevailing organizational arrangement, these renders the structure obsolete hence this calls for either internal changes, change in size or change in scope of customer-product- technology. None of the types of organization structure is the best hence different structures have strengths and weaknesses. Use of one of the organization structure does not stop an organization to use different organization structure simultaneously. There is no need to adhere slavishly to one organization structure specifically. According to Thompson and Strickland (1986) the organization structure should be flexible and cater to the context of the situation. The more uncertain and diverse the organization’s product-market environment, the

more likely is that the firm will utilize a loose, “Organic” structure with considerable managerial latitude delegated to subordinates, the logic being that structural flexibility is more conducive to adapting organizational subunits to the unique features of their respective sub environments

There are five types of organization structural. Johnson and Scholes (2004) states them as include simple structure that is controlled by individuals, typical of small size operations, Functional structures with a Chief Executive Officer (CEO) with prime activities centered in areas like finance, Marketing, Production and others below him, Geographic structure that would have functional structure at the Headquarter plus geographical managers in different regions, divisional/strategic business unit structure that have some level of autonomy but reporting to corporate office, Matrix structure usually for large complex organizations that combine functional, divisional as well as geographic structures and finally team based structure that cut across functions as well as project based structures that are formed and dissolved on the basis of specific projects. Chandler (1962) on Strategy and Structure observed that there is a need for building an internal organization structure that is responsive to the needs of the strategy. Drucker (1974) observed that the simplest organization structure that will do the job is considered the best. The structural design of a firm has to have a clear key activities needed to produce the key results.

2.4 Resource base and Organizational Performance

Too little resources will not be enough and too much is a waste. Richard (1985) defines resources as both material and human that an organization has at its disposal for implementing the plan of action. They include financial, physical, and human and technical- Thompson (2007), he observed that targets/objectives are presumed to be realistic if the required resources are available. The allocation represents management commitment to plan of action. Aosa (1992) has talked about allocation of resources as the availing of material and human resources required for implementation. Pearce and Robinson (1997) have seen the annual budget as the main vehicle for resource allocation. (Thompson and Strickland 1986 and Mor Barak 1998) on linking the budget with the plan of action mean providing enough of

the right people and funds.. Implementing teams must be deeply involved in the budget process with such budgets being flexible enough to take into account evolving changes.

There are six types of resources that most company possess which are: money, Manpower, equipment facilities, materials, he continues to establish that project managers do have control on any resources except perhaps money which is the project budget. According to Harold Kerzner (2009) the project manager must control company's resources within time, cost and performance

Kerzner also states that due to the number of different bosses and offices involved in a project that is the functional bosses and project manager, it's advisable to have an effective and detailed program plan in place. According to him the program plan is the "statement of work" which establishes a basis for resource allocation.

A recent approach to help manager to decide what to control is a concept which is known as resource dependence. Resource dependence approach to controls argues that managers need to focus critically mainly on areas in which they depend on others for resources necessary to reach organizational goals. In addition to the six types of resources highlighted by Kerzner, Thompson and Strickland add parts, information and services on their list. Thompson and Strickland (1986) observes that it is of importance to evaluate whether and how organizational resources and skills can be used to enhance the performance of a particular department or unit and its more important in a department which is under performing or a new department

No organization can have generate internally all the necessary resource it needs to operate effectively. Gary and Prahalad (1994) highlight a model known as resource dependence model which is a view of the relationship between the organization and its environment. The model states that the organization depends on its environment to get resources yet it attempts to manipulate the same environment to reduce dependence. There is need to encourages the organizations to form relationships although sometimes such relationships are dangerous if not well managed because they can reduce an organization flexibility in decision making and hinder them from taking their own actions.

Two important questions a manager has to ask about the manpower are whether the department has sufficient personnel available to fulfill manpower requirement? And what is the rate at which the functional departments can staff the project? The individuals in a department must possess the knowledge skills, perception and behaviors needed to perform the jobs. There has to be manpower training and development activities, supplemented by performance appraisal and reward systems that reinforce the needed behaviors. Recruitment and selection systems must be adjusted to reflect the varied needs of various departments which requires different knowledge and skill to perform different roles and responsibilities

Project budget is the final result of the planning cycle of the planning cycle of the management control and cost systems. The budget must be reasonable, attainable and based on contractually negotiated costs and the statement of Works. The basis of the budget is historical cost, best estimates, or industrial engineering standards. The budget must identify planned manpower requirements, contract allocated funds, and management reserve.

The demographic data of the available human resource which may include age, academic qualification and experience may affect performance. Jack and Suzy (2005) content that there should be staff development program to build capacity, reward and incentive systems and performance evaluation program that will motivate and identify capability gaps..

Youths appears to be associated with corporate growth (child, 1974) possible explanations for the apparent conservative stance of older executives is: First, older employees may have less physical and mental stamina (Child, 1974) or may be less able to grasp new ideas and learn new behaviors. A second explanation is that older employees have greater psychological commitment to the organizational status quo (Labich, 1989) Third older employees may be at a point in their lives at which financial security and career security is important. There is some evidence older people face greater recruitment and selection barriers than young people. A recent study (McKay 1998 found that 25% of employers considered a person aged over 50 too old to recruit. One speculate that younger people tend to be more willing to take risks than older ones, possibly because older individual may have

diminishing physical and mental abilities (Child, 1972). The older senior employees, namely bureaucrats, whether male or female, and who see themselves as having had little or no exposure to development, or have not determined their own development, consider themselves as disadvantaged and hence emerge as more cynical and intolerant. The impact of such senior employees is that they de-motivate others in the organization, just as negatively as the younger age group, who are perceived by others as inhibiting dialogue and promoting anxiety.

A person's formal educational background may yield rich but complex information. An individual level of formal education reflects cognitive abilities and qualities. To some degree, education indicates a person's knowledge and skill base. Most people take seriously their decisions about education; education serves to some extent as an indicator of a person's value, cognitive preferences and so on. An individual level of formal education is associated with high ability to process information and to discriminate between wide varieties of alternatives. Educated individuals are more likely to tolerate ambiguity and to show themselves to be more able in complex situations (Dollinger 1985). Highest levels of education tend to be associated with receptivity to innovation (Becker 1970) Hitt and Tyler (1991) found that the type of academic education employees had influenced their strategic decisions- that is, certain academic disciplines are more oriented to innovation and change than others.

The length of time spent in an organization leads to the development of shared understanding and experiences (Wiersema and Bantel 1993) Katz (1982) points out that employee, with growing organizations experience, tend to rely increasingly on their past experiences and routine information sources rather than on new information.). Studies suggest that increased tenure in an organization is positively related to employee well-being and performance (Finkelstein and Hambrick 1990, Wiersema and Bantel 1992, Pfeffer 1993). Pfeffer (1993) argues that when an individual is provided with increased exposure to a given stimuli, a situation of "over-learning " results, which leads to clearly defined schema, and as a result only information consistent with the schema will be attended to.

2.5 Policies and procedure and organizational Performance

Pearce and Robinson (1991) indicate that policies are directives designed to guide the thinking, decisions and actions of the managers including all those involved in implementation. It is clear then that policies establish indirect control over action and provide uniform handling of activities. Effective policies therefore channel actions, behavior and practices towards the accomplishment of the strategy. Kazmi (2002) agrees with Pearce and Robinson by indicating that policies communicate guidelines to particular decisions. They are designed to control decisions while in effect empowering employees to conduct activities without direct interventions by top management. Policies establish indirect control over independent actions by clearly stating how things are to be done.

Thompson and Strickland (1986) assert that policies and procedures are needed to guide, support and communicate how the strategy is to be implemented. The role of new and revised policies and procedures is to promote internal shifts and to bring peoples actions, behavior, and administrative practices into closer alignment with the new strategy. According to Thompson and Strickland (1986) policies and procedure help enforce and make implementation easier in the following ways. Policy introduces supportive practices and operating procedures on the organization thus pushing day to day activities in the direction of efficient implementation. Policy set boundaries on kind and directions of action that can be taken. They state how things are now to be done, thus communicating what is expected and guides activities in a particular direction. Policy align actions and behavior throughout the organization , thereby minimizing wrong decisions and conflict practices and establishing regularity, stability and dependability in how the organization is attempting to make things work. Policy helps shape the character of the internal work climate and translates corporate philosophy into how things are done, how people are treated, and what the corporate beliefs and attitudes mean in terms of everyday activities. Policy operationalizes the corporate philosophies, thus potentially playing a key role in establishing a fit between corporate culture and strategy.

The alignment between existing policies and the strategy which for this case is the Informal settlement department should be checked regularly. Some existing policies and procedures will act as a burdensome obstacle to overcome if they are not reexamined and those who have vested interest in these policies may be able to thwart or even defeat the plan. The General Manager should diagnose the effect of existing policies on the plan and create a strong support between the two. Depending on the circumstances this can call for more policies, less policies or different policies. It can mean policies that requires things to be done in a certain way or policies that gives a person performing the job autonomy to do it the way he/she thinks best.

2.6 Conceptual Framework

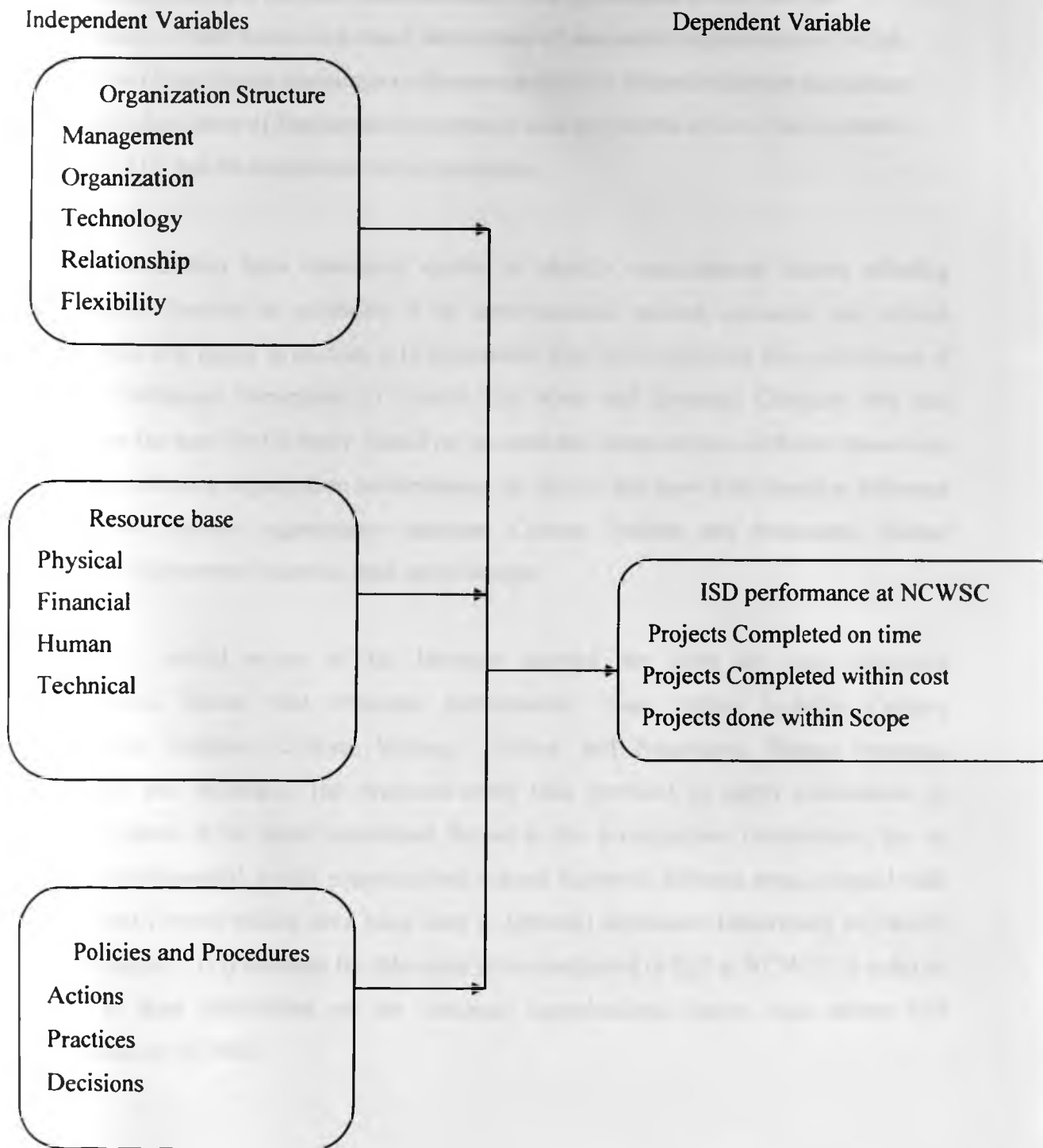


Figure 6: Conceptual frameworks of Institutional factors affecting performance of ISD

Whereas organization 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. In this context, two basic factors encourage or discourage effective action-leadership and culture. Two leadership issues of fundamental importance here are the role of the Chief Executive Officer (CEO) and the assignment of key managers.

Various researchers have conducted studies to identify organizational factors affecting performance. Because of variability in the environmental, societal, economic and cultural factors from one region to another, it is conceivable that factors affecting the performance of Informal Settlement Department in Nairobi City Water and Sewerage Company will also vary hence the need for the study. Based on the available literature from different researchers on factors affecting organization performance, the factors that have been found to influence performance include: organization structure, Culture, Policies and Procedure, Human Resource, Equipments/Materials, and capital/budget

However a critical review of the literature showed that there are some dominant organizational factors that influence performance. These factors includes Culture, organization Structure, Culture, Strategy, Policies and Procedures, Human resource, Equipment and Materials. The proposed study thus provided in depth information by including some of the above mentioned factors in the investigation. Furthermore, due to varying environmental, social, economic and cultural factors in different areas, coupled with the fact that limited studies have been done in Informal Settlement Department in Nairobi Water Company. It is essential for this study to be conducted in ISD at NCWSC in order to get up to date information on the dominant organizational factors that affects ISD performance at NCWSC.

2.7 Summary of the research gaps to be filled

This study established that most of the literature has been done in Western world thus little work has been done in Kenya. It appears limited studies have been done to establish effect of organization factors on performance of informal settlement department . Hence justifications for a research study especially in connection to Informal Settlement Department at NCWSC. Yagan (2007) on his study on the relationship between organization culture and performance in selected Kenya State Corporations suggest further research to be conducted using other performance indicators to measure performance in both public and private sector. Ogeto (1994) lists the other factors affecting performance as:- Clear objectives, clear policies and procedures, right resources, organization structure and many more factors. Thus this study therefore sought to fill that gap by exploring influence of organizational structure, resource base and policies and procedures on performance of the Informal Settlement Department at Nairobi City Water & Sewerage Company.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The objective of the study was to investigate influence of institutional factors on performance of Informal Settlement department at Nairobi City Water and Sewerage Company in relation to resource base, organizational structure and policies and procedures. The methodology was a road map that guided progress of the study and ensured that the objectives were met through the answering of the research questions. This chapter covers the research scope, and design, the target population, the sampling design, data collection technique and the development of research instrument.

3.2 Research Design

The study was modelled on a descriptive survey. Descriptive surveys portray an accurate profile of persons, events, or situations (Robson, 2002). Surveys allowed the collection of large amount of data from a sizable population in a highly economical way. It allowed this study to collect data which was analyzed quantitatively using descriptive and inferential statistics (Saunders *et al.*, 2007). Therefore, the descriptive survey was deemed the best strategy to fulfil the objectives of this study.

3.3 Target Population

Target population is defined as all the members of a real or hypothetical set of people, events or objects to which the study wishes to generalize the results of the research study (Borg and Gall,1989)The population of study focused on Managers, coordinators and officers, unionisable staff and casuals at NCWSC in the Head and regional office branch. The total staff population working with the ISD stood at 110 as indicated in the table 3.1. These were the people best placed to provide the required data.

Table 3.1: Distribution of target Population

Category	Population Frequency	Percentage
Managers	6	5.5
Coordinators	21	19
Officers	33	30
Unionisable staff	50	45.5
Total	110	100

Source: NCWSC: Human Resource Department 2011

3.4 Sample Design and Procedure

Sampling is a deliberate choice of a number of people who are to provide the data from which conclusion is drawn about some larger group, whom these people, represent Jankowicz, (2002). Stratified random sampling was used to divide the population into subgroups on the factor in question. These lists were then kept separate in the sampling frame and from this the sub samples were chosen at random. The sum of each of the sub samples gave the total sample size Jankowicz, (2002). He further adds that stratified random sampling is the most powerful means of generalizing findings based on samples to populations.

The choice of this technique is governed by the benefits that accrued to the researcher in terms of increasing the sample's statistical efficiency, provision of adequate data for analyzing the various sub-populations and that it enables different research methods and procedures to be used in different strata Cooper and Schindler, (2000). Stratified sampling technique was adopted. Each sampling unit or population member belongs to exactly one stratum.

There are no sampling units that belonged to none of the strata and no sampling units belonged to more than one stratum. The stratified sampling technique was deemed to produce estimates of overall population parameters with greater precision than estimates obtained from other sampling techniques. From each stratum the simple random sampling was used to select respondents.

Stratified sampling technique was used to select the sample. The technique produced estimates of overall population parameters with greater precision. The study grouped the population into four strata i.e. Managers, Coordinators and officers, unionsable staff and casuals. From each stratum the study used simple random sampling to select 33 respondents. Mugenda and Mugenda (2003) argue that for a sample to be representative enough, it should be at least 10% of the target population if the sample size is more than 1000 otherwise the percentage should be increased. since the sample size here was less than 1000, a sample of 30% was used in the research, which translated to 33 respondents (Cooper 2000).The distribution is shown in table below.

Table 3.2 Sample Size

Strata	Population	Sample ratio	Sample size
Managers	6	0.3	2
Coordinators	21	0.3	6
Officers	33	0.3	10
Unionisable Staff	50	0.3	15
Total	110		33

3.5 Data Collection

This section looked at the instrument which was used to gather data and the type of data to gather. The data gathered included both primary and secondary data and the main instrument used was a questionnaire

3.5.1 Research Instrument

The main tool for data collection for this study was a questionnaire. The questionnaire was used because it offers considerable advantages in the administration. It presents an even stimulus potentially to large numbers of people simultaneously and provides the investigation with an easy accumulation of data. Gay (1992) maintains that the questionnaire give respondents freedom to express their views or opinion and also to make suggestions. Anonymity helps to produce more candid answers that are possible in an interview. The research instrument was self-administered through drop and pick method.

3.5.2 Data Collection Procedure

A questionnaire was used as the primary data collection instrument. The questionnaire was developed in line with the objectives of the research. Data was collected using questionnaires from the Nairobi city water and sewerage workers at the headquarters and five regional offices. The questionnaire contained both closed and open ended questions covering institutional factors influencing performance of ISD. The questionnaire was preferred because it is simple to administer and convenient for collecting data within a short time. Questionnaire was administered using a drop and pick method. It was divided into two parts, part I and II. Part I was targeting at achieving a background data/demographic data of the respondent and the organization of the study. Part II was intended to capture data relevant to the objectives of the study i.e. to collect and gather information of various institutional factors that influence the performance of ISD at NCWSC, Kenya. The questionnaire was administered to managers, coordinators, officers, and unionisable staffs all who work both in ISD and regional offices. The respondents were chosen because of their involvement in project implementations and operations at the informal settlements within Nairobi

3.5.3 Reliability

Instrument reliability was ensured by using the split half parallel technique where the questionnaire of 34 questions were split into odd numbered questions 17 and even numbered questions 17 administered to the pilot group which was Nairobi Water Comcraft office which had same characteristic with the target population all being employees of Nairobi City Water

and Sewerage Company. The scores were then correlated to estimate reliability. The reliability coefficient was 0.81. This implied that the research instrument had good reliability.

3.5.4 Validity

To ensure that the questionnaire was measuring what the researcher intended to measure, the researcher pilot tested the instrument to determine its appropriateness. Validity is defined as the accuracy and meaningfulness of inferences, which are based on the research results (Mugenda and Mugenda, 1999). According to Borg and Gall (1989), validity, is the degree to which a test measures what it purports to measure. After constructing each question in the questionnaire, it was reviewed to determine to what extent it was related to the variable it was intended to measure. Irrelevant biased and ambiguous questions were removed this ensured face validity, to ensure sampling validity (Nachmiass and Nachmiass 2005), the researcher gave indicators or measure of content for each of the variables to be studied such that they adequately represented the qualities being measured. The researcher through the help of her supervisor was certain that the research instrument had content validity. To ensure construct validity, each questions or statement in the questionnaire was analyzed in relation to theoretical framework to determine if it measured the relevant properties of the concept under study and discrepancies were removed. Empirical validity was established by administering of the pilot questionnaire as the result obtained reflected a strong relationship with the result that the study had predicted.

3.6 Operationalization of Concepts

	Objectives	Variables	Measurement	Measurement Scale
1.	How does resource base influence the performance of Informal Settlement Department at Nairobi City Water and Sewerage Company?	<p>i) Dependent variable performance of informal settlement Department</p> <p>ii) Independent variable resource base</p>	<p>Which department are you in?</p> <p>Under which title does your job fall?</p> <p>Cumulative period of service in Nairobi Water?</p> <p>Level of education</p> <p>Assess of competence when recruiting ISD personnel</p> <p>Availability of resources</p> <p>Employees are motivated to perform their duties and responsibilities?</p> <p>The number of staffs to perform the duties is too few compared to the work load</p> <p>Resources are always available and enough to facilitate easy working at the informal settlements</p> <p>Job competence and qualification is the only criterion for hiring people in ISD?</p>	<p>Nominal</p> <p>Nominal</p> <p>Interval</p> <p>Nominal</p> <p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p>

2.	<p>To what extent does the organization structure influence performance of Informal Settlement Department at Nairobi City Water and Sewerage Company?</p>	<p>Independent Variable organizational Structure</p>	<p>Tasks and responsibilities are not adequately defined</p> <p>Organizational structure is acceptable to all employees</p> <p>The structure supports that field workers artisan and technicians determine the resources and support needed from the rest of the organization</p> <p>Employees feelings about the structure</p> <p>Flexibility of changing the structure</p> <p>Whether the structure is acceptable to all employees</p> <p>The informal settlement Department does not fit well in Nairobi Water organization structure?</p>	<p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p>
3.	<p>How do policies and Procedures part of the problem behind low performance of the Informal Settlement Department at Nairobi City Water and Sewerage Company</p>	<p>Independent Variable Policies and procedure</p>	<p>There are policies and procedures governing the implementation of water and sanitation services project between stakeholders</p> <p>Knowledge about policies Whether policies and procedures are well outlines</p> <p>I have never seen the strategic guideline/policies and procedures</p> <p>The informal settlement work independent without involving the regions.</p>	<p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p> <p>Ordinal</p>

3.7 Data Analysis

On completion of all questionnaires, they were checked to verify and ensure that there was consistency, exhaustiveness and completeness of the information expected. Data was analysed using Statistical Package for Social Sciences (SPSS) software for nominal elements. The results of the data was analyzed using descriptive statistics that is frequency distribution tables, figures, percentages and mean scores for easy understanding and interpretation. The data is presented using tables in chapter four. . Quantitative data was analyzed using factor analysis. Factor analysis is a collection of methods used to examine how underlying constructs influence the responses on a number of measured variables, DeCoster (1998).

3.8 Ethical Consideration

The following ethical considerations was taken into account during the study; the need for approval of the research proposal by the school of continuing and distance learning, University of Nairobi was essential and mandatory to give validity to the document and to show that the study was done according to approved research standards and practices. Informed consent from the participants was sorted before hand and the maintenance of confidentiality was vital especially for participants who preferred to remain anonymous for either official or personal reasons for fear of reprisals or otherwise.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter represents and explains the data collected in this research project. The data was collected in quantitative and qualitative form through a structured questionnaire administered to respondents by the collect and pick later method. The data was presented in the form of percentage and frequency tables. The chapter is organized into introduction, profiles then the specific objectives of the study and concludes by looking at summary of the chapter

4.2 Employees Profiles

This section sought to look at the demographic data of the employee in terms of his department, job title, employee's office location, cumulative period of service, and their level of education.

4.2.1 Department

The purpose of this question was to establish the number of respondent and their professions based on their departments.

Table 4.1 Department

Department	Frequency	Percentage
Technical	6	18
Corporate	5	15
Audit	4	13
Human resource	6	18
Commercial	12	36
Total	33	100

Results showed that most respondents were in commercial department comprising 36%, while 18% were in technical department while 18% were in human resource. 15% were in Corporate while 13% were in audit department.

4.2.2 Job title

The purpose of this research question was to establish the job titles of the respondents

Table 4.2 Job title

Title	Frequency	Percentage
Managers	2	6
Coordinators	6	18
Officers	10	30
Unionisable Staff	15	46
Total	33	100

Most respondents were union sable staff comprising 45% while 30% were officers. Coordinators were 18% while 6% were managers.

4.2.3 Office location

The question sought to establish the office location of the respondents.

Table 4.3 Office location

	Frequency	Percentage
Regional office	15	46
Headquarters	18	54
Total	33	100

Most respondents were based at the headquarters comprising 55% while 45% were based in the regional office.

4.2.4 Cumulative period of service in Nairobi Water

The question sought to establish the number of years the employees have worked in the company

Table 4.4 Cumulative period of service in Nairobi Water

Years	Freq	Percent
5-10	9	27
11-20	12	36
21-30	7	21
Over 30	5	15
Total	33	100

Findings on table 4.4 depicted that most of the respondents had worked for a period of 11-20 years and 5-10 years comprising 27% while 21 percent had worked for a period of 21-30 years. Only 5 percent had worked for a period of over 30 years.

4.2.5 Level of education

The question sought to establish education level of the respondents

Table 4.5 Level of education

Level of education	Freq	Percent
Secondary	9	27
College	15	46
University degree	6	18
Masters	3	9
Total	33	100

Results showed in table 4.5 revealed that most respondents had middle level college diplomas comprising 46%, 27% had secondary certificates% while 18% had university degrees. Only 9% had masters degrees.

4.2.6 Tasks and responsibilities

The question was meant to establish if tasks and responsibilities are not well defined

Table 4.6 Tasks and responsibilities

Response	Frequency	Percentage
Strongly Disagree	1	3
Disagree	8	24
Neutral	3	9
Agree	7	21
Strongly Agree	14	42
Total	33	100

From Table 4.6 the tasks and responsibilities in informal settlement Department are not adequately defined. According to the level of agreement of respondents, three percent strongly disagreed, 24 percent disagreed, nine percent were neutral, twenty one percent agreed and forty two percent strongly agree.

4.3 Organization structure and performance

This section inquired on the level of agreement on various statements on organizational structure using a likert scale of 5 - Strongly Agree 4 - Agree 3 - Neutral 2 - Disagree 1 - Strongly Disagree. The results were presented in tables (frequency and percentage), mean and standard deviation.

4.3.1 Organization structure

The question sought to establish if the organizational structure is acceptable to all the respondents.

Table 4.7 Organization structure

Response	Frequency	Percentage
Strongly Disagree	17	52
Disagree	11	33
Neutral	1	3
Agree	2	6
Strongly Agree	2	6
Total	33	100

From Table 4.7 the NCWSC organization structure is set up in a manner that its not acceptable to employees at all categories. According to the level of agreement of the respondents, 52 % strongly disagreed, 33% disagreed, 3 percent were neutral,6% agreed while 6% strongly agreed.

4.3.2 Coordination and Communication

The aim of the question was to establish whether there is inadequate coordination and communication between the informal settlement department and the regional offices

Table 4.8 Coordination and Communication

Response	Frequency	Percentage
Strongly Disagree	1	6
Disagree	3	9
Neutral	1	6
Agree	10	30
Strongly Agree	18	55
Total	33	100

Results on Table 4.8 showed that over 80% of the respondents were in agreement that coordination and communication between the informal settlement department and the regional offices is inadequate, 6% were neutral while 15 % disagreed

4.3.3 Nature of Organization structure

The question wanted to find out whether the organization structure is hierarchical

Table 4.9 Nature of organization structure

Response	Frequency	Percentage
Strongly Disagree	5	15
Disagree	5	15
Neutral	0	0
Agree	7	21
Strongly Agree	16	49
Total	33	100

Results on Table 4.9 revealed that the organization structure of NCWSC has so many hierarchies as indicated by the respondents. 70% of the respondents agreed that the structure has so many hierarchies while 30% disagreed.

4.3.4 Structure of Organization cannot be easily changed

The aim of the question was to find out if the organization structure cannot be easily changed

Table 4.10 Structure of Organization cannot be easily changed

Response	Frequency	Percentage
Strongly Disagree	12	24
Disagree	8	18
Neutral	4	12
Agree	6	18
Strongly Agree	2	6
Total	33	100

Table 4.10 revealed that, organization structure can be easily changed. According to the respondents 24% strongly disagreed, 18% disagreed, 4% were neutral while 18% agreed and 6% strongly agreed.

4.3.5 Structure shows the relationship between ISD and the region

The question sought to establish if the structure clearly shows the relationship between ISD and the regions

Table 4.11 Structure shows the relationship between ISD and the regions

Response	Frequency	Percentage
Strongly Disagree	16	48
Disagree	13	39
Neutral	0	0
Agree	3	9
Strongly Agree	2	6
Total	33	100

Table 4.11 revealed that the organization structure of NCWSC does not show the relationship between ISD and the regional offices. 48% of the respondents strongly disagreed, 39% disagreed, 9% agreed while 6% strongly disagreed.

4.3.6 Field workers determine the resources required for a job

The question was suppose to establish if the structure supports that the field workers artisans and technicians determine the resources and support needed from the rest of the organization

Table 4.12 Field workers determine the resources required for a job

Response	Frequency	Percentage
Strongly Disagree	14	42
Disagree	12	36
Neutral	2	6
Agree	4	12

Strongly Agree	1	3
Total	33	100

From the Table 4.12, 42% of the respondents strongly disagreed, 36% disagreed, 6 % were neutral, 12% agreed, while 3% strongly disagreed

4.3.7 Informal Settlement should be an independent department

The purpose of the question was to establish the feelings of the respondents on whether Informal Settlement Department should be an independent department

Table 4.13 Informal Settlement should be an independent department

Response	Frequency	Percentage
Strongly Disagree	3	9
Disagree	2	6
Neutral	0	0
Agree	9	27
Strongly Agree	19	58
Total	33	100

From the Table 4.13, 58% of the respondents strongly agree that ISD should be independent, 27% agreed, 6% disagreed, while 9% strongly disagreed.

4.3.8 Communication flow is based on who knows who

The question was meant to find out if communication flow is biased among the employees

Table 4.14 Communication flow is based on who knows who

Response	Frequency	Percentage
Strongly Disagree	6	18
Disagree	2	6
Neutral	5	15
Agree	9	27

Strongly Agree	11	33
Total	33	100

From the Table 4.14, 18% of the respondents strongly disagreed, 6% disagreed, 15% were neutral, while 27% agreed and 33% strongly agreed that communication flow is based on who knows who and what interest they have

4.3.9 Department does not fit well in NCWSC organization structure

The question was sought to establish whether the informal settlement department does not fit well in Nairobi Water organization structure.

Table 4.15 Department does not fit well in NCWSC organization structure

Response	Frequency	Percentage
Strongly Disagree	2	6
Disagree	5	15
Neutral	4	12
Agree	13	39
Strongly Agree	9	27
Total	33	100

From the Table 4.15, 6% strongly disagreed, 15% disagreed, 12% were neutral, 39% agreed while 27% strongly agreed.

4.3.10 Mean and standard deviation on organization structure

The results of the study were also analyzed using mean and standard deviation as indicated by the table 4.16 below

Table 4.16 Agreement on organizational structure

	Mean	StdDev
--	------	--------

Structure of the organization cannot be easily changed	1.394	.878
Structure of the organization is hierarchical	2.345	.423
There is inadequate coordination and communication of project implementation between ISD and regions	4.045	.245
The structure supports that the field workers artisan and technicians determine the resources and support needed from the rest of the organization	2.956	.768
The structure clearly shows the relationship between the ISD and the Regions	3.045	.878
Tasks and responsibilities are not adequately defined	4.034	.736
The informal settlement Department does not fit well in Nairobi Water organization structure	3.586	.567
Structure of organization has many levels	3.955	.879
ISD is appropriately placed as a smaller section under Engineering department	1.203	.689
The NCWSC Organizational structure is acceptable to all employees	1.034	.454
Informal Settlement Department should be an independent department	4.056	.243
Communication flow is based on who knows who in the department and what interest they have	4.122	.768

Results indicated that most respondents agreed that communication flow is based on who knows who in the department and what interest they have, the informal Settlement Department should be an independent department, tasks and responsibilities are not adequately designed and there is inadequate coordination and communication of project implementation between ISD and regions as was shown by high mean scores of 4.122, 4.056, 4.034 and 4.045 respectively. However, most respondent disagreed that the NCWSC Organizational structure is acceptable to all employees and that ISD is appropriately placed as a smaller section under Engineering department and that the structure of the organization cannot be easily changed as was shown by a mean score of 1.034,1.203 and 1.394 respectively.

4.4 Resource base and performance

This section inquired on the level of agreement on various statements on resource base using a likert scale of 5 - Strongly Agree 4 - Agree 3 - Neutral 2 - Disagree 1 - Strongly Disagree. The results were presented in tables (frequency and percentage) mean and standard deviation

4.4.1 Human resource assess competence when recruiting employees for ISD

The question sought to establish whether when recruiting new employees, human resource team assess the competence of personnel so that they are compatible with Informal settlement Department.

Table 4.17 Human resource assess competence when recruiting employees for ISD

Response	Frequency	Percentage
Strongly Disagree	14	42
Disagree	9	27
Neutral	3	9
Agree	5	15
Strongly Agree	2	6
Total	33	100

The Table 4.17. showed that 42% strongly disagree, 27% disagreed, 9% were neutral, 15% agreed while 6% strongly agreed, hence over fifty percent disagree that human resource assess competence when recruiting employees for ISD

4.4.2 Employees motivation to perform

The question sought to find out if employees are motivated to perform their duties and responsibilities

Table 4. 18 Employees motivation to perform

Response	Frequency	Percentage
Strongly Disagree	10	30

Disagree	11	33
Neutral	4	12
Agree	5	15
Strongly Agree	3	9
Total	33	100

Results on Table 4.18 showed how that 30% strongly disagreed that they are motivated, 33% disagreed that they are motivated, 12% were neutral while 15% agreed and 9% strongly agreed that they are motivated

4.4.3 Staffs and workload

The statement sought to establish whether the number of staffs to perform the duties is too few compared to the workload.

Table 4.19 Staffs and workload

Response	Frequency	Percentage
Strongly Disagree	1	3
Disagree	2	6
Neutral	6	18
Agree	13	39
Strongly Agree	11	33
Total	33	100

The Table 4.19 showed that 9% of the respondents disagreed that the number of staffs is few compared to the workload while 18% remained neutral, over 60% agreed that the number of staffs working at ISD are few compared to the workload

4.4.4 Resource availability

The question sought to establish if the resources are always available and enough to facilitate easy working at the informal settlements.

Table 4.20 Resource availability

Response	Frequency	Percentage
Strongly Disagree	15	46
Disagree	10	30
Neutral	4	12
Agree	2	6
Strongly Agree	2	6
Total	33	100

Results on Table 4.20 revealed that 46% of the respondent strongly disagreed that resources are always available and enough, 30% disagreed on the same, 12 % remained neutral, 6% agreed while 6% strongly agreed.

4.4.5 Department has enough required facilities like computers

The statement sought to establish whether the department has enough necessary required facilities e.g computers, furniture, office space and staffs

Table 4.21 Department has enough required facilities like computers

Response	Frequency	Percentage
Strongly Disagree	8	24
Disagree	13	39
Neutral	6	18
Agree	4	12
Strongly Agree	2	6
Total	33	100

The Table 4.21 results indicated that 24% of the respondent strongly disagreed, 39% disagreed, 18% remained neutral, 12% agreed while 6% strongly disagreed

4.4.6 Mean and standard deviation on organization Resources

The results of the study were also analyzed using mean and standard deviation as indicated by the table 4.25 below

Table 4.22 Agreement on Organizational Resources

	Mean	Std Dev
When recruiting new employees, Human Resource team assess the competence of personnel so that they are compatible with Informal Settlement Department projects	1.022	.754
Employees are motivated to perform their duties and responsibilities	1.394	.878
The number of staffs to perform the duties is too few compared to the workload	4.345	.423
Resources are always available and enough to facilitate easy working at the informal settlements	1.945	.245
Resources are not enough	4.956	.768
Transport for both materials and employees to the site is always available	1.045	.878
Resources are always available for the project whenever needed	1.345	.234
Job competence and qualification is the only criterion for hiring people in this ISD/ NCWSC.	1.586	.567
The department has enough the necessary required facilities e.g computer furniture and office space, staffs and funds	1.955	.879

Source; Researcher, 2012

Most respondents disagreed that employees are motivated to perform their duties and responsibilities, resources are always available and enough to facilitate easy working at the informal settlements and that resources are always available for the project whenever needed, the department has enough necessary required facilities e.g computer, furniture and office space and funds shown by mean scores of 1.394, 1.945 1.345 and 1.955 respectively. Majority of the respondents further cited that resources were not enough; the number of staffs to perform the duties is too few compared to the workload as shown by the mean score of 4.956 and 4.345 respectively.

4.5 Policies, Procedures and Performance

This section inquired on the level of agreement on various statements on Policies and procedures using a likert scale of 5 - Strongly Agree 4 - Agree 3 - Neutral 2 - Disagree 1 - Strongly Disagree. The results were presented in tables (frequency and percentage) mean and standard deviation

4.5.1 Existence of policies and procedures

The researcher sought to establish whether there are policies and procedures governing the implementation of Water and Sanitation Service project between the stakeholders

Table 4.23 Existence of policies and procedures

Response	Frequency	Percentage
Strongly Disagree	7	21
Disagree	8	24
Neutral	11	33
Agree	2	6
Strongly Agree	5	15
Total	33	100

From the Table 4.2 on whether the respondents agreed that there are policies and procedures, 21% strongly disagreed, 24% disagreed, 33% were neutral while 6% agreed and 15% strongly agreed

4.5.2 Clarity of policies and procedures

The researcher sought to establish if policies and procedure of implementing WSS projects at the informal settlement are not well outlined

Table 4.24 Clarity of policies and procedures

Response	Frequency	Percentage
Strongly Disagree	3	9
Disagree	2	6

Neutral	7	21
Agree	8	24
Strongly Agree	13	39
Total	33	100

Table 4.24 showed that 9% of the respondent strongly disagree, 6% disagree, 21% were neutral, 24% agreed, while 39% strongly agree that policies and procedures are not well outlined

4.5.3 Contact with strategic guidelines/ policies and procedures

The researcher wanted to find out whether the respondents have never seen the strategic guidelines/ policies and procedures governing the implementation of projects at the informal settlements.

Table 4.25 Contact strategic guidelines/ policies and procedures

Response	Frequency	Percentage
Strongly Disagree	2	6
Disagree	3	9
Neutral	1	3
Agree	16	48
Strongly Agree	11	33
Total	33	100

From Table 4.25 revealed that 6% of the respondents strongly disagreed, 9% disagreed, 3% were neutral, 48% were agreed while 33% strongly agreed

4.5.4 Lack of regions involvement

The researcher sought to establish if the informal settlement department work independent without involving the regions.

Table 4.26 Lack of regions involvement

Response	Frequency	Percentage
Strongly Disagree	2	6
Disagree	7	21
Neutral	5	15
Agree	12	36
Strongly Agree	7	21
Total	33	100

Results on Table 4.26 showed that 6% strongly disagreed, 21% disagreed, 15% remained neutral 36% agreed while 21 strongly agreed that informal settlement work independently

4.5.5 Mean and standard deviation on organization policies and procedures

The results of the study were also analyzed using mean and standard deviation as indicated by the table 4.27 below

Table 4.27 Agreement on Organizational Policies and Procedures

	Mean	Std Dev
The Informal settlement department work independent without involving the regions	3.045	.878
There is lack of proper communication between the regions and the Informal settlement department	3.459	.434
There are policies and Procedures governing the implementation of Water and Sanitation Services project between the stakeholders	1.394	.878
I have never seen the strategic guidelines/policies procedures governing the implementation of projects at the informal settlements	4.006	.768
The regions have fully responsibilities of ensuring the Project implemented by ISD are sustainable	.945	.245
Policies and procedure of Implementing WSS projects at the informal settlement are not well outlined	4.345	.423

Results showed that most respondents strongly agreed that Policies and procedure of Implementing WSS projects at the informal settlement are not well outlined, and that they have never seen the strategic guidelines/policies and procedures' governing the implementation of projects at informal settlement as was shown by a mean score of 4.345 and 4.006 respectively. However, most respondents disagreed that there are policies and procedures governing the implementation of water and sanitation services project between stakeholders and that the regions have fully responsibilities of ensuring the project implemented by ISD are sustainable as shown by the mean score of 1.394 and 1.395 each.

4.6 Summary of data analysis presentation and interpretation

The findings indicate that most respondents working with informal settlement department are unionisable staff 46% and are from commercial, technical and human resource department as indicated by 36%, 18% and 18% respectively. Majority of respondents are located at the headquarter, have worked 11-20years and have college education as indicated by 54%,36% and 46% respectively They disagreed that employees are motivated to perform their duties and responsibilities, resources are always available and enough for the project whenever needed and the department has enough required facilities e.g computer, furniture as shown by 63%, 76% and 63% respectively. On organization structure results indicated that most respondents agreed tasks and responsibilities are not well defined, there is inadequate coordination and communication between ISD and the regions, ISD does not fit well in NCWSC organization structure and communication flow is based on who knows who in the department and what interest they have, the informal Settlement Department should be an independent department, as was shown by the results from the respondents 63%,85%,66%,60% and 65% respectively. The findings on Policies and procedures showed that most respondents strongly agreed that Policies and procedure of Implementing WSS projects at the informal settlement are not well outlined as was shown by 63% of the respondents. However, most respondents disagreed that there are policies and procedures governing the implementation of water and sanitation services project between the stakeholder and that human resource assess the competence when recruiting employees for ISD as shown by 45% and 69% of the respondents respectively. There are other challenges facing informal settlement Department factors as pointed out by the respondent on the open

ended question which included: High turn over at the department, poor technology, lack of fund especially for social components, mistrust between management and lower cadre staff at the department, political influence, lack of capacity on informal settlement, frequent transfers of the staffs, lack of regional offices cooperation, poor leadership of the department, lack of information on the department by other staffs, lack of adherence to job description, lack of capacity on some employees .

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECCOMENDATIONS

5.1 Introduction

This chapter discusses the finding of the study. Based on these findings, it makes conclusions recommendations, suggestion for further research on the institutional factors that influence performance of Informal settlement department at Nairobi City Water and Sewerage Company Kenya.

5.2 Summary of Findings

This section present the briefs on the findings based on the response of the respondents to the questions. The questionnaire was divided into four sections which are organization profile, organization structure, Resources, and policies and procedure.

5.2.1 Resource base and performance

The findings indicate that most respondents are unionisable staff 46% and are from commercial, technical and human resource department as indicated by 36%, 18% and 18% respectively. Majority of respondents are located at the headquarter, have worked 11-20years and have college education as indicated by 54%,36% and 46% respectively They disagreed that employees are motivated to perform their duties and responsibilities, resources are always available and enough for the project whenever needed and the department has enough required facilities e.g computer, furniture as shown by 63%, 76% and 63% respectively.

5.2.2 Organization Structure and performance

On organization structure results indicated that most respondents agreed tasks and responsibilities are not well defined, there is inadequate coordination and communication between ISD and the regions, ISD does not fit well in NCWSC organization structure and communication flow is based on who knows who in the department and what interest they

have, the informal Settlement Department should be an independent department, as was shown by the results from the respondents 63%,85%,66%,60% and 65% respectively.

5.2.3 Policies and procedures and performance

The findings on Policies and procedures showed that most respondents strongly agreed that Policies and procedure of Implementing WSS projects at the informal settlement are not well outlined as was shown by 63% of the respondents. However, most respondents disagreed that there are policies and procedures governing the implementation of water and sanitation services project between the stakeholder and that human resource assess the competence when recruiting employees for ISD as shown by 45% and 69% of the respondents respectively. other challenges facing the department include High turnover, delay of fund , mistrust, lack of capacity settlement, frequent transfers of the staffs, lack of regional offices cooperation, poor leadership, lack of awareness of the department

5.3 Discussions

5.3.1 Resource base and performance

The study revealed that most respondents were in commercial department comprising 36%, while 18% were in technical department despite the fact that the department deals with implementation of the projects which means the technical personnel should be more than the rest of the departments. On the section of resources 72% of the respondents agree that the number of staffs is too few compared to the workload. Most respondents were based at the headquarters comprising 54% while 46% were based in the regional office, given the fact that the regions have the responsibilities of ensuring that the projects are sustainable, they should have more of informal settlement at the region. The study revealed that most of the respondents had worked for a period of 11-20years comprising 36% years which is an indicator that they have a better work experience and 5-10 years comprising 27% while 21 percent had worked for a period of 21-30 years. Only 15 percent had worked for a period of over 30 years. On level of education, most respondent had the necessary required education because college diplomas comprising 46% 18% had university degrees while 9% had masters degree, which means that employees have the necessary capacity, although the department is not performing well. This is an indication that there is a problem beyond the capacity of the

employees. There are different types of resources which includes physical, financial, human and technical. Resources are both material and human that an organization has at its disposal for implementing the plan of action (Richard 1985). The study established that employees are not recruited based on their competences, 69% disagreed that human resource assess competence before employing ISD employees despite the fact that 73% of the employees had college diplomas and above. There is lack of motivation towards the employees because 63% of respondents disagreed that there is motivation. 72% of the respondent agreed that the number of staffs available against the work load is wanting in the department. A manager has to ask two important questions which are whether the department has adequate personnel available to fulfill manpower requirement and the rate at which the functional department can staff the project. Jack and Suzy (2005) states that the demographic data of the available human resource which includes age, academic qualification and experience may also affect performance. Resources are not enough and available and the department lacks the necessary facilities despite the fact that there is no organization which can generate internally all the necessary resources it needs to operate effectively. Too little resources will not be enough and too much is a waste.

5.3.2 Organization structure and performance

The tasks and responsibilities are not well defined in ISD 63% of the respondent agreed with these statement. Organization structure is the division of tasks for efficiency and clarity of purpose, and coordination between interdependent parts of the organization to ensure organization effectiveness Pearce and Robinson (2003). The organization structure is not acceptable to all employees as agreed 85% of the respondent. There is no need to adhere slavishly to one organization structure. The organization structure should be flexible and cater to the context of the situation Thompson and Strickland (1986). Over 80% of the respondent agreed that there is inadequate coordination and communication of project implementation between the ISD and the regions, although the regions are the ones tasked with the responsibility of ensuring sustainability of the projects. Structuring the organization involves decisions about how to coordinate activities, relationships and communication among stakeholders. The findings indicated that communication flow within ISD is based on who knows who in the department and what interest they have as indicated by 60% of the

respondents. Majority of the respondent 66% also felt that Informal settlement Department does not fit well in Nairobi Water organization structure. Poor organization structures hinder appropriate response to changing environment thus ending up in poor performance. Pearce and Robinson (2003) indicates that successful performance depends in large part on the firms primary organization structure. Informal settlement department is a new department within NCWSC, hence there is need to adjust NCWSC structure to properly fit ISD, Even as NCWSC strives to find the best organization structure to fit ISD, it should understand that there is no such thing as a perfect or ideal organization structure neither are there universal rules for matching strategy with structure, structure that worked well in the past may not be suitable for the future. Drucker (1974) observed that the simplest organization structure that will do the job is considered the best. The structural design of an organization must have clear activities needed to produce the results.

5.3.3 Policies and Procedure and performance

45% of respondents disagreed that there are policies and procedures governing the implementation of water and sanitation services project between the stakeholders, though policies are directives designed to guide the thinking, decisions and actions of the managers including all those involved in the implementation, Pearce and Robinson (1991). 63% of the respondents who have seen the policies and procedures felt that are not well outlined. Policies establish indirect control over action and provide uniform handling of activities. The results also revealed that 81% of the ISD employees have never seen strategic guidelines/policies and procedures governing the implementation of projects at the informal settlement. The results also indicated that 57% of the respondent felt that informal settlement department work independently without involving the regional offices

5.4 Conclusions

Based on the findings of the study, it can be concluded that there a significant relationship between the dependent variable of the study which is performance of informal Settlement Department and the independent variable of the study which are: resource base , Organizational structure and policies and procedures .. Employees are not motivated, the

number of employee is less compared to the amount of work, the department has no enough resource and human resource office does not look at competence when it comes to recruitment Organization structure of the company is not accepted by the employees, the structure does not support that the field workers determine the resources required for the job despite the fact that they are the ones on the ground, there is poor communication and coordination between the departments, the structure is not flexible. Policies are directives designed to guide the thinking, decisions and actions of the managers including all those involved in implementation, although there are policies and procedures not all employees have come across them and even those who have, say that they are not well outlined. The informal settlement does not involve the region when working though the regions are the ones tasked with the responsibility of ensuring the projects are sustainable. .

5.5 Recommendations

Depending on the finding there are various proposed recommendations to various actors on water and sanitation provision to the informal settlement.

5.5.1 The government

There is need for the government to provide enough resources in terms of personnel, equipment and capacity building, the government should also thrive to have in place a policy of ensuring development of water and sanitation infrastructure to the informal settlement.

5.5.2 Donor agencies

The donors should avail enough funds for the projects and support the company in capacity building on informal settlements and management of projects which are new areas. This will ensure that the project are not stalled or take more time than expected.

5.5.3 Nairobi Water Company

There is need to train the ISD staffs on informal settlements and project management. The company also needs to review the structure in order to properly fit Informal Settlement Department, the project department should report directly to the Managing Director. There is

also for the company to review the policies and procedures and avail the same to all the employees within all the regions. There is also need to sensitize the employees on these policies and procedures to increase employee awareness. The company also needs to keep on encourage team work and communication because that is the only way that the department and the regions can be able to achieve their goals. The development partners can also come in and help the company staff in benchmarking with best performing water companies in the world through exchange programs. This will also ensure their projects are implemented successfully

5.5 Suggestions for further Research

The scope of this study was limited to Informal Settlement Department employees yet the research has shown that there is a significant relationship between performance of ISD and the three independent variables which are resource base, organization structure and policies and procedures. There is need also to hear from employees of other department how they view this informal settlement department; this is another area of possible research. . It would have been worthwhile to study the factors influencing informal settlement performance from the perspective of either the donor/ partners and also from the beneficiaries of the projects. The study was limited to three independent variables namely: resource base , Organizational structure, policies and procedures, the researcher also suggest other possible variable to be researched on in future which may include: leadership, funding, organizational culture, high turnover and internal politics. It would also be advisable for the same research to be carried out in other departments within NCWSC or same departments within other water companies.

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APPENDICES

APPENDIX I: LETTER OF INTRODUCTION TO RESPONDENTS

Department,

**University of Nairobi,
Extra Mural**

**P.O BOX 30197
Nairobi.
March 2012**

Dear Respondent,

RE: COLLECTION OF CASE DATA

I am a postgraduate student at University of Nairobi, school of continuing and distance education. In order to fulfill the Master of Arts degree requirements; I am undertaking a research project on **“The influence of Institutional factors on performance of Informal Settlement Department at Nairobi City Water and Sewerage Company, Kenya.”**

You have been selected to form part of the study. Therefore, I kindly request you to assist me collect the data by filling out the accompanying questions. The information you provide will be used strictly for academic purposes and will be treated with utmost confidence.

Thank you

Yours faithfully,

NYAMBURA RICKSON WACHIRA

Reg. No. L50/60506/2010

Tel: 0721453521

Email:rickywach@yahoo.co.uk

APPENDIX II: INTERVIEWER QUESTIONNAIRE

This section is divided into two sections: **PART 1** is Respondents' demographics. **PART 2** is meant to highlight departmental performance measures. Fill details as instructed:

RESEARCH INSTRUMENT

PART 1 Section 1: Organizational Profile (Tick where appropriate)

1. Name (optional)
2. Which department are you in?
 - (i) Finance
 - (ii) Commercial
 - (iii) Technical
 - (iv) Audit
 - (v) Corporate
 - (vi) Human resource
3. Under which title does your job fall?
 - (i) Directors
 - (ii) Managers
 - (iii) Head of departments
 - (iv) Management staff
 - (v) Unionisable Staff
4. Where are you based?
 - (i) Headquarters
 - (ii) Regional Office
5. What is your cumulative period of service in Nairobi Water?

- (i) 5-10 Years
- (ii) 11-20 Years
- (iii) 21-30 Years
- (iv) Over 30 Years

6. Level of education?

- (i) Primary
- (ii) Secondary
- (iii) Middle level College
- (iv) University (1st Degree)
- (v) University (Masters)

PART II FACTORS INFLUENCING THE PERFORMANCE OF INFORMAL SETTLEMENT DEPARTMENT AT NAIROBI CITY WATER AND SEWERAGE COMPANY

1) This sub section focuses on Organizational Resources

Please indicate your level of agreement with the statements given below.

Where: 5 - Strongly Agree 4 - Agree 3 - Neutral 2- Disagree 1- Strongly Disagree

	1	2	3	4	5
When recruiting new employees, Human Resource team assess the competence of personnel so that they are compatible with Informal Settlement Department projects					
Employees are motivated to perform their duties and responsibilities					
The number of staffs to perform the duties is too few compared to the workload					
Resources are always available and enough to facilitate easy working at the informal settlements					
Resources are not enough					

Transport for both materials and employees to the site is always available					
Resources are always available for the project whenever needed					
Job competence and qualification is the only criterion for hiring people in this ISD/ NCWSC.					
The department has enough the necessary required facilities e.g computer furniture and office space, staffs and funds					

2) This subsection focuses on Organizational Structure

Please indicate your level of agreement with the statements given below.

Where: 5 - Strongly Agree 4 - Agree 3 - Neutral

2 - Disagree 1 - Strongly Disagree.

	1	2	3	4	5
Tasks and responsibilities are not adequately defined					
The NCWSC Organizational structure is acceptable to all employees					
ISD is appropriately placed as a smaller section under Engineering department					
There is inadequate coordination and communication of project implementation between ISD and regions					
Structure of organization has many levels					
Structure of the organization cannot be easily changed					
Structure of the organization is hierarchical					
The structure clearly shows the relationship between the ISD and the Regions					
The structure supports that the field workers artisan and technicians determine the resources and support needed from the rest of the organization					
Informal Settlement Department should be an independent department					
Communication flow is based on who knows who in the department and what interest they have					

The informal settlement Department does not fit well in Nairobi Water organization structure					
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3) This sub section focuses on Organizational Policies and Procedures

Please indicate your level of agreement with the statements given below.

Where: 5 - Strongly Agree 4 - Agree 3 - Neutral

2 - Disagree 1 - Strongly Disagree.

	1	2	3	4	5
There are policies and Procedures governing the implementation of Water and Sanitation Services project between the stakeholders					
Policies and procedure of Implementing WSS projects at the informal settlement are not well outlined					
The regions have fully responsibilities of ensuring the Project implemented by ISD are sustainable					
I have never seen the strategic guidelines/policies/procedures governing the implementation of projects at the informal settlements					
The Informal settlement department work independent without involving the regions					
There is lack of proper communication between the regions and the Informal settlement department					

What other challenges does the Informal Settlement Department face? Please explain.....

.....

THANK YOU FOR YOUR TIME