



The KENYA INSTITUTE for PUBLIC  
POLICY RESEARCH and ANALYSIS

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ANALYSIS (KIPPRA)

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Kenya Institute for Public Policy  
Research and Analysis

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## **KIPPRA in Brief**

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## Executive Summary

The Kenya Vision 2030 recognizes transformative leadership as critical in achieving the transformation agenda. In doing so, it identifies an efficient, motivated and well-trained public service as critical, and seeks to intensify efforts towards attitudinal change in public service where values, transparency, and accountability to citizens of Kenya are upheld and enforced. Kenya is also committed to the SDGs Agenda 2030 and AU Agenda 2063 that embrace bold, visionary, ethical, responsive leadership as critical in successful implementation of the agenda. At continental level, various initiatives are coming up to honor African leaders in embracing transformative leadership. At country level, there are Presidential Awards presented during Madaraka and Jamhuri day.

The public sector is a benchmark in transforming leadership in the rest of the economy given its critical role in the development process. As such, the public sector reform process is crucial in improving public service delivery while cultivating leadership in the sector. Importantly, is that various factors characterize implementation of the reforms, including political will, relationship with development partners, involvement of citizenry including the private sector, and having in place a policy, legislative and regulatory framework. Further, there are guiding tenets in characterizing transformative leadership that include ethical standards, values of integrity and service, concern for the welfare of the people, statesmanship in attitude and purpose, and the ability to stimulate and inspire followers to achieve extraordinary outcomes in the process and develop their own leadership capacity (Regier, 2017).

This paper traces the efforts made over time in promoting transformative leadership in the public service in Kenya. The paper looks at the policy, political and institutional environment surrounding public service delivery in Kenya in identifying factors demonstrating and promoting leadership in the public sector. It also identifies strategies used over time to nurture and strengthen transformative leadership and analyzes key indicators that point to the outcomes of the reform efforts in public sector. The key principles of transformative leadership including ethical standards, values of integrity, welfare of people, attitudinal change, and stimulating and inspiring leaders guided the discussions in the paper.

The key findings and recommendations are as follows.

The journey to promoting transformative leadership in Kenya started immediately at independence, guided by various policies and legislative framework. For example, the Africanization Policy saw efforts made to have Kenyans occupy leadership positions in public service with the exit of the colonial government. Similarly, the Africanization policy oriented the public service to focus on developmental issues in uplifting the status of the citizenry. Several initiatives were made towards motivating the civil servants and enhancing productivity in improving service delivery. In addition, the introduction of Presidential Commendations attempt to reward leadership at country level. However, it is with the 2010 Constitution of Kenya and its related legislations that transformative leadership became legislatively entrenched in promoting good governance and thus set ethical standards in public service and strengthen the institutional structures. That said, the country is yet to reap the expected benefits from legislative and institutional reforms. For example, corruption has persisted despite the comprehensive legislative and institutional framework. As such, the fight against corruption remains a key priority in promoting leadership in the public service. Further, it is important that the Presidential Award processes are reviewed to allow public participation in recognizing leadership in the public service.

Kenya has implemented various public sector reforms focused on improving delivery of public service by nurturing attitudinal change in the sector. Initially, the focus of reforms

was on the civil service but a more comprehensive approach was adopted focused on the public sector during the Economic Recovery Strategy for Wealth and Employment Creation from 2003. The subsequent Kenya Vision 2030 also identified public sector reforms as a key flagship project in ensuring public service is citizen-focused. With devolution, though, coordination of public sector reforms at both national and county levels is crucial in realizing the objectives of the process. Further, the County Public Service Boards need to practice or inculcate the same level of meritocracy as the Public Service Commission to ensure the quality and competence of personnel recruited at county level is maintained. This will help in institutionalizing professionalism, values of integrity and service, and ethical standards. There is also need to entrench results-based management and performance contracting in the whole public sector including at county level.

Since independence, efforts have been made in developing leadership capacity through training of public servants. The Kenya Institute of Administration was established at independence targeting to instill relevant competencies to civil servants taking over from the colonial government. Under the Kenya Vision 2030, the Institute transformed to Kenya School of Government and was identified as a key flagship in leadership development. There is need to continuously review the curriculum to accommodate emerging issues and dynamisms in the public service. Furthermore, it is important to address the notion that the courses being offered by KSG are merely for promotion as this may constrain achieving the intended outcomes.

Public participation has become a key factor in the public policy making process, in ensuring that there is a focus on welfare of the people. The Constitution places citizens at the center of public service provision by appreciating the role of public participation in all government operations. Public participation aims to transition leadership from planning for citizens to planning with them. However, it faces various challenges including limited capacity of community level participation and lack of political will at county government leadership. There is need to have a clear policy and regulatory framework to guide public participation at both national and county levels.

Political leadership has influenced transformation in public sector management with demonstrated commitment to implementation of recommendations and reform agenda. Further, development partners have influenced the pace and scope of reforms including the constitutional reforms. For example, it was not until in early 1990s that a structured civil service reform was implemented. However, it was in 2004 that Public Sector Transformation Department was established to coordinate public sector reforms. Further, an integrated approach to service delivery was adopted in 2013. There is need to cultivate political will for successful implementation of the reforms.

The involvement of the private sector in the development process has created an opportunity for dialogue with government in addressing issues facing the business environment. This ensures there are consultations with stakeholders in implementation of the development agenda. That said, with the informal sector growing to be a critical partner in addressing development issues, there is need to create a platform for dialogue with the sector. In addition, given that the youth are an asset for the future of the nation, having a platform for regular dialogue will ensure that the government is focused on more closely on their welfare.

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## **Abbreviations and Acronyms**

|        |   |
|--------|---|
| AU     | African Union   |
| CARPS  | Capacity Assessment and Rationalization of the Public Service |
| CDF    | Constituency Development Fund                                 |
| CPIA   | Country Policy and Institutional Assessment                   |
| CSRП   | Civil Service Reform Programme                                |
| DCI    | Directorate of Criminal Investigation                         |
| DFRD   | District Focus for Rural Development                          |
| ERSWEC | Economic Recovery Strategy for Wealth and Employment Creation |
| GDP    | Gross Domestic Product  |
| GTI    | Government Training Institute                                 |
| GHRIS  | Government Human Resource Information System                  |
| ICDC   | Industrial and Commercial Development Corporation             |
| ICT    | Information Communication Technology                          |
| IMF    | International Monetary Fund                                   |
| IGSC   | Inter-Governmental Steering Committee                         |
| JSC    | Judicial Service Commission                                   |
| KAM    | Kenya Association of Manufacturers                            |
| KIA    | Kenya Institute of Administration                             |
| KSG    | Kenya School of Government                                    |
| KANU   | Kenya African National Union                                  |
| KEPSA  | Kenya Private Sector Alliance                                 |
| KIBT   | Institute of Business Training                                |
| KIRDI  | Kenya Industrial Research and Development Institute           |
| KITI   | Kenya Industrial Training Institute                           |
| KNCCI  | Kenya National Chamber of Commerce and Industry               |
| KRA    | Kenya Revenue Authority                                       |
| LASDAP | Local Authority Service Delivery Action Plan                  |
| MDAs   | Ministries, Departments and Agencies                          |
| MDGs   | Millennium Development Goals                                  |
| NARC   | National Rainbow Coalition                                    |



|       |  |
|-------|--|
| NCRC  | National Crime Research Centre                       |
| NIMES | National Integrated Monitoring and Evaluation System |
| PFM   | Public Finance Management                            |
| PRSP  | Poverty Reduction Strategy Paper                     |
| PSTD  | Public Service Transformation Department             |
| PSC   | Public Service Commission                            |
| RBM   | Results-based Management                             |
| SAP   | Structural Adjustment Program                        |
| SDG   | Sustainable Development Goals                        |
| SMEs  | Small and Medium Enterprises                         |
| SLDP  | Strategic Leadership Development Programme           |
| SRC   | Salaries and Remuneration Commission                 |
| UN    | United Nations                                       |

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# 1. Introduction

Transformative leadership is identified as a key driver of development agenda globally. Bertucci and Duggett (2002) observe that faced with challenges in public administration, countries worldwide adopt transformative leadership to improve on public service delivery. In this context, Murwa and Zairi (2009) emphasize the need for civil service reforms to focus on strengthening management and leadership and having a revolutionary breed of transformative leaders that consistently promote efficiency, honesty, productivity and public offerings. While visionary and transformative leadership is necessary for good governance to flourish, a stable and ethical civil service is necessary to implement good governance.

Transformative leadership is defined as a leadership approach that is grounded on four principles attributed to Freire (1970). These are: critical awareness, critical reflection, critical analysis and critical action. It is characterized by ethical standards, exhibits values of integrity and service, and demonstrates concern for the welfare of the people. It emphasizes statesmanship in attitude and purpose, stimulates and inspires followers to both achieve extraordinary outcomes and, in the process, develops their own leadership capacity (Regier, 2017). Thus, leaders in institutions of public service delivery are expected to be change agents.

Kenya, in the Vision 2030, recognizes leadership as a key enabler in the achievement of the transformation agenda. This development blueprint identifies “an efficient, motivated and well-trained public service” as a critical foundation of the development agenda. The Vision seeks to intensify efforts towards attitudinal change in public service where “values, transparency and accountability to the citizens of Kenya” are upheld and enforced, a key characteristic of transformative leadership. Kenya is also a signatory to other regional and international policies, among them the AU Agenda 2063, Africa’s development blueprint, and Agenda 2030 (Sustainable Development Goals) that emphasize on the role of leadership in delivering on the transformation agenda.

For example, the AU Agenda 2063 points to the need for a bold, visionary, ethical and responsive leadership in its Third Aspiration “An Africa of good governance, democracy, respect for human rights, justice and the rule of law”. It also recognizes that change readiness, ability to shift mind-sets and the pooling of expertise and specialized skills training are essential ingredients in building institutional capacities to successfully implement the Agenda, all requiring having “capable institutions and transformative leadership” in place.

For SDGs Agenda 2030, Goal 16 recognizes the need to “build effective, accountable and inclusive institutions to achieve sustainable development at all levels”. Therefore, transforming public institutions becomes imperative to supporting

the type of inclusive and integrated policies needed for the achievement of SDGs. This implies, first and foremost, reviewing the role of the public service in implementation of the Agenda and then determining characteristics of the public service required to effectively play this role so that the transformation agenda is driven by clear objectives, and lastly identifying capacities of leaders that are uniquely positioned to push forward ideas, galvanize others and create immediate transformation towards meeting development goals.

Various initiatives such as the Mo Ibrahim Foundation have stepped in to honor African leaders whose service to citizens is exemplary. This will ensure that the entire continent embraces transformative leadership. To incentivize and recognize exceptional leadership in the continent, the Mo Ibrahim Prize was established in 2006. Prize recipients are given US\$ 5 million over a 10-year period and US\$ 200,000 each year thereafter. Since its inception, five former African Heads of State have been awarded this prize as indicated in Table 1. The award is not given every year but rather only to former African Heads of State or government whose election to public office were not controversial and who served only for the duration of their mandated term while demonstrating exceptional leadership throughout that term. It is therefore notable that the woman who was the first elected female president in Africa, President Ellen Johnson Sirleaf, was also the first woman to be awarded the Mo Ibrahim Prize.

**Table 1: The Mo Ibrahim prize awards, 2007-2018**

|    | Year | Winner                          | Country        |
|----|------|---------------------------------|----------------|
| 1  | 2007 | President Joaquim Chissano      | Mozambique     |
| 2  | 2008 | President Festus Mogae          | Botswana       |
| 3  | 2009 | No award given                  | No award given |
| 4  | 2010 | No award given                  | No award given |
| 5  | 2011 | President Pedro Pires           | Cape Verde     |
| 6  | 2012 | No award given                  | No award given |
| 7  | 2013 | No award given                  | No award given |
| 8  | 2014 | President Hifikipunye Pohamba   | Namibia        |
| 9  | 2015 | No award given                  | No award given |
| 10 | 2016 | No award given                  | No award given |
| 11 | 2017 | No award given                  | No award given |
| 12 | 2018 | President Ellen Johnson Sirleaf | Liberia        |

*Source: Compiled by authors from <http://mo.ibrahim.foundation/prize/>*

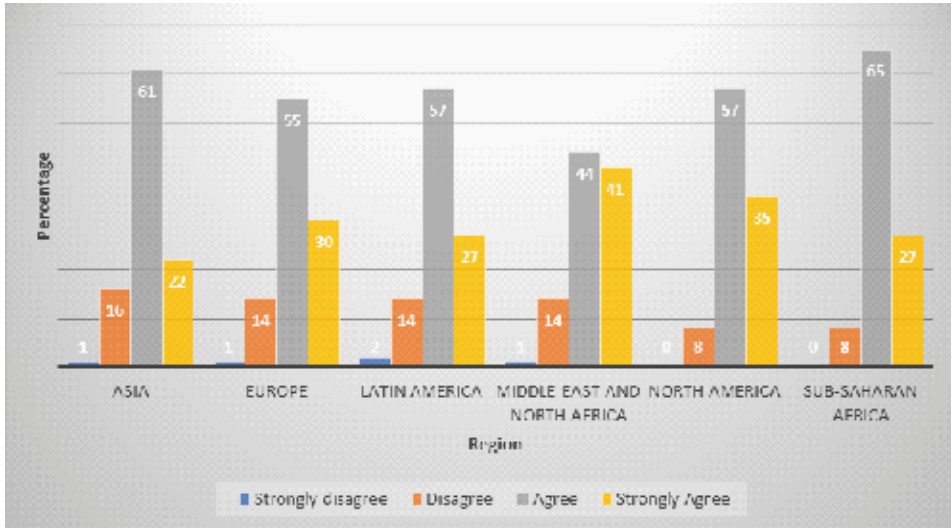
The Mo Ibrahim Prize has been successful in focusing attention and stimulating debate on the importance of transformative leadership in Africa. It has also provided the platform for outstanding African political leaders to continue their invaluable work in public life. President Pires, the 2011 Laureate, used the Prize to set up an Institute for Leadership to give young leaders the capability to drive development in Cape Verde and across Africa. In 2007, Laureate President Chissano became the first to win the prize followed by Laureate President Mogae in 2008 and Laureate President Pohamba in 2014 who together are champions for an HIV-free generation, pressing for effective solutions to the malady that is ravaging the African continent. Both Presidents Chissano and Mogae have also been active in mediating conflicts and disputes, notably in Madagascar, Northern Uganda and South Sudan and are both also involved in promoting strong governance in Africa.

In deciding on who to be awarded the prize, the Mo Ibrahim Prize Committee draws heavily on first-hand experience of the unique challenges of political leadership in Africa and beyond. This allows the Committee to assess excellence in leadership against the diversity of national challenges. For example, President Chissano, the first Ibrahim Laureate, played a big role in healing the divisions of his country torn apart by civil war. In other cases, as was the position with President Mogae, the second Laureate, it is keeping a country's progress on track in the face of unprecedented economic challenges. In presenting President Sirleaf with this award, the Mo Ibrahim Foundation has done a commendable job of portraying leadership by women in a positive light. More than this, it has encouraged other women and girls to seek active participation in their countries and continent's political processes, including through active leadership.

At country level, there are Orders, decorations, and medals of Kenya awarded by the President of Kenya to citizens and public officers "in recognition of outstanding or distinguished services rendered to the nation in various capacities and responsibilities". The awards recognize heroism, patriotism or leadership, by one who has made an exemplary contribution to the country in the economic, scientific, academic, sports, journalism, business, security or other fields. State officers or public officers who have made an exemplary contribution to the betterment of the national or county governments are also decorated.

However, leadership gaps tend to persist globally. For example, in a survey carried out by World Economic Forum in 2015, it was established that 27 per cent and 65 per cent of the respondents in Sub-Saharan Africa strongly agreed and agreed, respectively, that there was a leadership crisis in their countries. Only a paltry 8 per cent of the respondents disagreed there was leadership crisis.

**Figure 1: Is there a leadership crisis in the world today?**



Source: Compiled by authors from <http://reports.weforum.org/outlook-global-agenda-2015/>

This paper therefore traces the path to entrenching transformative leadership in the public sector in Kenya. The paper looks at the policy, political and institutional environment surrounding public service delivery in Kenya in identifying factors demonstrating and promoting leadership in the public sector. It also identifies strategies used over time to nurture and strengthen transformative leadership and analyzes key indicators that point to the outcomes of the reform efforts in the public sector. While a historical perspective is followed, the analysis is guided by principles of transformative leadership that include: ethical standards, values of integrity and service, welfare of the people, attitude and purpose, and stimulating and inspiring followers to develop their own leadership capacity (Regier, 2017).

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## **2. Policy and Institutional Environment for Public Service in Kenya**

Several factors have shaped development of the public service in Kenya since independence in an effort to steer development of the country. Among these include: the Africanization/Nationalization policy focusing on inclusive improvement of welfare; public sector reform agenda aimed at strengthening institutional capacity and productivity; political regimes providing leadership and ownership of the reform agenda; relationship with development partners supporting implantation of the reforms; and the Kenya Vision 2030 that defines the long-term development agenda and the 2010 Constitution of Kenya.

### ***a) Africanisation/Kenyanization policy***

Kenya inherited its first independent government from the British colonialist government modelled along the Westminster-Whitehall tradition (Hyden, 1970) and with minimal participation of Kenyans in leadership positions. While the post-colonial public service was guided by the professional ethics of impartiality, effectiveness and discipline in the management of public affairs, it suffered from three major weaknesses. The service was racially constituted, with its top echelon comprising exclusively of a white population; the middle grades were predominately occupied by the Asian community while the lower and subordinate positions were left for Kenyans. Salaries and other benefits were discriminatory where the white employees were paid higher salaries and enjoyed better benefits followed by the Asians, while Africans earned much lower salaries and were accorded poor work benefits. Further, the service emphasized the maintenance of law and order as its primary role without focusing on development aspects.

Immediately after independence, the official development policy termed “African Socialism”, was developed as outlined in Sessional Paper No. 10 of 1965. The policy called for a mixed economy and its Kenyanization, thus demonstrating concerns on the welfare of people. The first government preferred a public service that was more development-oriented and took upon itself the task of providing basic needs and services in response to the needs and aspirations of its citizens. Therefore, apart from its traditional role of maintenance of law and order, the public service was given the following other responsibilities: coordination of national development; promotion of economic growth and development especially among the Africans; and managing industrial and commercial concerns where government had an interest. The State not only encouraged domestic and foreign private enterprise but also created large public-sector corporations and invested heavily in physical and social infrastructure.



The Africanization policy saw a speedy recruitment and promotion of Africans in the lower and middle ranks of the senior civil service, giving them a leadership role in driving the development process. This notwithstanding, the transition came with various challenges. First, the forcible retirement of British civil servants created a huge financial commitment for the new State. Like other British colonies, Kenya had to agree during the independence negotiations to pay very generous compensation schemes to the retiring civil servants. Secondly, the long-term consequence of this rapid Africanization was that it took place within the old distorted salary structure of the colonial civil service. As Africans took over the posts held by whites, they exerted pressure on the government to retain the colonial salary structure. The great inequalities built into the colonial salary structure were hence continued. Thirdly, a result of this speedy Kenyanization was the rapid promotion of personnel. Africans became permanent secretaries or even ministers in their thirties. Other young school leavers occupied the senior service level, thus effectively blocking the advancement for succeeding generations of civil servants in spite of their being generally better educated than their senior colleagues by virtue of them having joined the service immediately after independence. In the following years, and in response to the slow job creation in the rest of the modern sector, there was a dramatic expansion in the size of the civil service.

The significant expansion of civil service and this rapid growth in public service brought forth various challenges in the country. These included the decline in productivity of the civil service and unequal distribution of staff within ministries and across grade levels and regions, resulting in overstaffing of lower cadre employees and understaffing of management staff, which created supervision and coordination problems (Lorete, 2002). To address these challenges the Government of Kenya put in place several commissions to advise on how to streamline operations of the civil service in giving the leadership required to drive the economy.

**b) *Public sector reform agenda***

Several commissions were established to review emoluments and terms of service in the civil service. The Pratt Commission (1963) recommendations led to rapid increases in salaries amongst the top echelon of the civil service. The 1964 Adu Review Committee focusing on training recommended the expansion of the curricula offered by the Kenya Institute of Administration (KIA) by introducing new programmes to continue improving performance and productivity of the public servants. The Millar-Craig Commission of 1967 noted that the earnings of civil servants had improved considerably in comparison to the incomes of

smallholders and recommended increases for low-wage earners only (Government of Kenya, 1967).

In the 1970s, the public service had developed new challenges that constrained its effectiveness. Public servants were viewed as corrupt and lacked accountability, thus not exhibiting values of integrity and service which is a core characteristic of transformative leadership. This necessitated the government to launch reviews of the terms of service of public servants by setting up various commissions including the Ndegwa (1971), Wamalwa (1972-80), Waruhiu (1979) and Ramtu (1985). These Commissions focused on various challenges including lack of political will in implementing the various recommendations that emanated from their findings.

The key finding with these commissions/committees was that performance, productivity and service delivery of the civil service required improvement. For example, the Ndegwa Commission noted that the structure of the Kenya civil service constituted a serious barrier to efficient performance, there was poor communication and coordination and lack of clarity on job roles. Recommendations made focused on governance structures, salary structure, and staff training. Despite implementation of the commissions/committee's recommendations, the government felt they had not reversed the decline in the performance of the civil service. For instance, the Ndegwa Commission was faulted for failing to provide a framework on how the government was going to ensure that civil servants did not abuse office.

In the late 1980s, there was renewed momentum to reform the public sector to improve on service delivery. This came as part of the Structural Adjustment Programmes (SAPs) and reform agenda spelt out in Sessional Paper No.1 of 1986 on Economic Management for Renewed Growth. By then, it was clear that the government could no longer sustain high levels of civil service employment. There was also pressure from the donor community and the multilateral institutions to reform the sector. Civil service reform, they argued, would help reduce the number of public employees to manageable levels, increase wages and other conditions of service for those remaining in the system, and generally raise morale.

In early 1990s, Kenya started implementing a phased Civil Service Reform Programme (CSRP) with a goal to building a public service workforce that was responsive to the needs of citizens. The first phase of the programme focused on enhancing the effectiveness and productivity of the public service. This involved downsizing positions and staff, implementing standards for all cadres of staff, improving establishment control, rationalization of selected ministries and pay reform. The second phase which was termed as a comprehensive and integrated public-sector reform programme focused on rationalization of government ministries/departments to determine appropriate structures and optimal size

of civil service for effective performance of government functions. Not much was realized under CSRP due to continued political interference and overriding political interests in the operations of the civil service.

Public service reform was for the first time embedded in a national development strategy, the Economic Recovery Strategy for Wealth and Employment Creation (2003-2008). Immediately after taking office, the National Rainbow Coalition (NARC) Government commenced the process of preparing an Economic Recovery Programme, which focused on reviving the economy and creating employment opportunities especially in the private sector. The Economic Recovery Programme (ERP) outlined the development strategy and policies that the government planned to pursue by 2008. It sought to reduce the cost of doing business and to reduce poverty by providing people with income earning opportunities, demonstrating concerns on the welfare of the people. A key policy action identified as necessary to spur the recovery of the Kenyan economy was strengthening governance institutions through various reforms in public administration, national security, and law and order.

Under the Economic Recovery Programme, the reforms included intensification of efforts aimed at nurturing and instilling attitudinal change in the public service, a key characteristic of transformative leadership. A scheme to attract, reward and retain high achievers in the civil service was developed and is being implemented currently. In this period, 471 Ministries, Departments and Agencies (MDAs) were put on performance contract. Performance contracting process has been automated and performance contract evaluation carried out and results released. Sector performance standards were also introduced. Performance contracting resulted in improved performance and public service delivery amongst MDAs, and commercial state corporations registered profits in their operations. Also, all MDAs introduced citizen service charters refocusing their mandates on delivering services against specific service standards. There has been improved levels of transparency and accountability where obligations of all public agencies are included in the publicly signed performance contracts and in most cases uploaded on the agencies' website for stakeholder reference.

Further, the Kenya Vision 2030 identified public sector reforms as a key flagship in delivery of the transformative agenda. The expectation is for a public service that is "citizen-focused and results-oriented", serving a rapidly growing economy and society. In this context, public service reform in Kenya has placed citizen satisfaction at the heart of policy making and service delivery. Kenya is in the process of building a public service that is more citizen-focused and results-oriented, a process whose achievements so far have received international recognition and awards. In the first MTP (2008-2012), the overall objective was

to realize a higher and sustainable growth of the economy in a more equitable environment, accompanied by increased employment opportunities.

In the second MTP (2013-2017), various initiatives were undertaken in creating a “world class public sector that effectively facilitates the private sector activity for a thriving economy”. The government put together a Public Service Transformation Strategy aimed at creating an efficient and effective public service with moral and ethical values and ethical standards, and a highly motivated human resource for efficient public service delivery. This strategy sought to address the global governance environment by enhancing responsible citizenship and value-based socialization. The government also continued to deepen the NPM with institutionalization of Results-based Management and implementing the Kenya Integrated Service Delivery Model with the establishment of Huduma Centers and the Integrated Human Resource Information System with development of a Government Human Resource Information System (GHRIS).

**c) *The 2010 Constitution of Kenya***

The Constitution of Kenya 2010 marked a major step in instilling transformative leadership among the public servants. The Constitution has established ‘values and principles of public service’ (Article 232) which entrench high standards of professionalism in the public service. The responsibility for ensuring that these values and principles are enforced falls to the Public Service Commission, one of the independent commissions, though members are appointed by the President with the approval of the National Assembly. Although there are strict rules governing the conduct of public servants, they are protected against victimization or discrimination for performing their duties in accordance with the Constitution and cannot be dismissed without a fair procedure as stipulated in Article 236 of the Constitution. The government has enacted various legislations to ensure that public service provision adheres to the constitutional requirements.

Further, the 2010 Constitution of Kenya devolved some public service provision functions to the forty-seven (47) county governments while ensuring the national government has a crucial support function of policy development, regulatory function, capacity building and financial facilitation to the counties. The idea behind a devolved system of government was to address equity in the development process. Each level of government is expected to satisfactorily undertake their portion of service delivery for devolution to deliver the desired outputs. Every county has its own public service, known as the County Public Service Board which is independent from the Public Service Commission which provides capacity building and technical assistance whenever asked to do so. The County

Governments Act provides the framework of uniform norms and standards for staffing for county governments.

The Constitution (Article 230) provides for setting up of Salaries and Remuneration Commission to address the challenge of public wage bill while enhancing productivity by stimulating and inspiring public servants. The SRC is mandated to set and regularly review the remuneration and benefits of all State officers and advise the national government and county governments on the remuneration and benefits of all other public officers. The Commission serves both the national and county governments to ensure that the public compensation bill is fiscally sustainable, that productivity and performance are recognized and rewarded, transparency and fairness in the public sector is upheld and that the public sector can attract and retain the skills required to effectively execute their functions.

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### **3. Strategies to Enhance Transformative Leadership in Public Service in Kenya**

Several strategies were used in enhancing transformative leadership, including through human capacity building; strengthening management of resources; introducing performance management including results-based initiatives and enhancing governance at all levels.

#### **3.1 Human Capacity Development**

At independence, there was a realized need to develop competencies of the Africans taking up senior and middle level positions with the exit of the colonialists. This prompted the idea of launching a training institute for public servants. The Kenya Institute of Administration was established in April 1961 as the country's premier training institution in public administration and management with the aim of promoting a culture of decency, honesty, hard work, performance, competency, transparency and accountability in the public service. Further, the Government Training Institutes (GTIs) at Mombasa and Embu were also established. KIA successfully trained competent civil service staff who negated corruption and applied their knowledge in their respective positions.

From when the KIA opened its doors, most of the trainees were provincial administration personnel and assistant secretaries working in ministries. They received training and initial induction after which they would be eligible for advanced public administration courses. Initially, the curricula covered English language, geography, government organization and security in addition to military exercises and mountain climbing. This curriculum continued to undergo reviews even as the needs of the trainees expanded. For instance, magistrates and probation officers were trained from 1973 to 1996 where a total of 130 lay magistrates graduated to assist in the law courts countrywide.

The lay magistrates were Africans who were non-qualified lawyers trained to act as lay magistrates in the District Magistrates Courts which replaced the Native Tribunals (African Courts) that existed during the colonial era. This was part of the restructuring of the judicial system after independence. Before independence, there were two Court systems – for African natives and for European settlers. On the advent of colonization, it was felt that the African customary system of justice should continue to operate, administered by the African natives. The Natives Tribunal was thus staffed by Africans and applied the different customary laws of the various Kenyan tribes, provided they were not repugnant to justice or morality, while the general courts were staffed with English speaking personnel

who applied English common law. However, after independence, there was need to integrate the two systems to move from a dual to a unified judicial system which applied both English law and African Customary law. As it was deemed undesirable for non-citizens to be serving as judges and for a majority of judges to comprise of non-citizens and further motivated by the Kenyanization policy, the Judicial Department embarked on filling judicial posts with locals. After independence, the African Courts were to be replaced with primary courts located in districts to be presided over by lay magistrates.

Thus, the Kenya Institute of Administration offered a course for trainee lay magistrates to persons who were not qualified lawyers but had sufficient knowledge of English and had fulfilled the prescribed entry requirements. The lay magistrates were to serve in any district in Kenya (Kenya Gazette, 1965). The lay magistrates were to be trained in the basics of the law to assist in the court work which was not complex, and which could be performed by non-qualified persons. Thus, in this regard, while the Kenya School of Law trained law students to qualify to practice, the Kenya Institute of Administration trainee lay magistrate course trained persons without professional legal education or training to work as lay magistrates in the district courts. The course provided practical emphasis and grounding in criminal and civil law and procedure, customary law, evidence, the conduct of the proceedings in a magistrate's court and the duties and ethics of the judicial profession (Kenya Gazette, 1965). Eventually, following restructuring of the magistrate's court system, the district lay magistrates were phased out and replaced with persons who had received professional legal education and training.

The KIA training curricula underwent several reviews. The first review came through the Adu Committee 1964 which proposed several reforms including: training of senior officers, one-month long orientation course for new graduates; one-month senior administrators' course; full induction training programme of seven months for graduate entry into the administrative service; three-month course for district assistants just to mention a few. These reforms meant that the institution needed to increase its physical and human capacity. The implementation of these recommendations saw the KIA triple its annual budget and expand its teaching staff through the Africanization programme. Unfortunately, the new trainers had little or no practical experience, and opportunities for career progression were slim because of the youthfulness of the staff. Thus, staff morale began to decline, which necessitated the need for further reforms.

By 1971, several courses were being offered in building skills and nurturing leadership. They included Public Administration 1,240 graduates; Local government 843; Executive Training 2,050; Cooperative training 910; Social Development 1,245; Language 67; and Audio-visual Skills 32 graduates. All

these graduates worked in the different ministry departments, and several received promotions. For instance, the five graduates of 1962 and 1967 from the public administration course were Permanent Secretaries in 1971; Provincial Commissioners (6); and other promotions made trainees municipal treasurers and clerks.

Subsequent committees appointed to look at the public service reforms continued to argue and recommend the continuous review of the curriculum, the role of KIA and training programmes. Notably, the First Wamalwa training review committee 1970-72 recommended a reorganization of the training locations for several courses and proposed five instructional departments, namely: Department of Administration to offer all executive part-time courses; Department of Accountancy; Department of Social Development; Department of Language and Communication; and the Department of Law that did not take off.

The next review happened in 1978-79 by the second Wamalwa Committee. The courses were expanded to accommodate senior assistant secretaries/undersecretaries. Departments were reviewed and five new ones proposed. Provisions were made for a board of management and lecturer-trainees, while infrastructure was renovated and, in some cases, built a new. All these reforms at KIA occurred while the training of public servants continued.

A training policy for civil service was developed as the government implemented the CSR. The government aimed to conduct a training needs assessment to determine the existing performance gaps in terms of the skills requirements; addressing issues of succession management in the public service; continuity; retraining of civil servants to cope with the increased job demands and improve operational flexibility by extending the range of skills through multi-skilling; and strengthening the Kenya Institute of Administration (KIA) in providing high quality market-oriented training courses to current civil servants and retirees (OP/PSRDS, 2005; World Bank, 2001; Oyugi, 2006). However, it was not until 2005 that the government began strategic implementation of a recruitment and training policy. Because of various changes brought about by the development of the Kenya Vision 2030 and promulgation of the Constitution of Kenya 2010, the training policy was reviewed in 2015. The policy provides a framework for structured training, competency development and assessment; knowledge and talent management; entrenchment of values and principles of public service, human resource development audit and development of a monitoring, evaluation and reporting framework for human resource development programmes (Government of Kenya, 2015). Unfortunately, there has been no impact evaluation carried out to map out the achievements of the training policy that informed the curricula reforms at KIA.



In its renewed efforts to build capacity for the public service, the government in Kenya Vision 2030 identified the Kenya School of Government (KSG) as a key flagship project and one of the ways to propel public sector reforms. The School replaced the Kenya Institute of Administration (KIA), aiming at providing research and training for transformative leadership. The KSG is expected to “provide research and training for transformative leadership to the highest international standards” (Government of Kenya, 2007: ix). Thus, the KSG was envisaged as a programmatic and systematic approach for the development of enlightened transformative leaders, a path endorsed by Caillier (2016).

Currently, the School has several leadership and management programmes for senior managers in government, including senior management courses which focus on building the competences of middle managers to prepare them for senior managerial roles (Kenya Institute of Administration, 2008). These include the Strategic Leadership Development Programme (SLDP) and the newly developed Accounting Officers Programme,<sup>1</sup> which is a sequel to the (SLDP). In ensuring that civil servants pursue the courses, the Public Service Commission has insisted on applicants providing evidence on KSG course certifications. However, this has created a perception that these courses are merely promotional courses with no evidence of lessons learnt and skills acquired from the courses.

### **3.2 Results-Based Management**

Under the Economic Recovery Strategy for Wealth and Employment Creation (2003-2008), the government outlined its intention to revolutionize public service delivery by adopting Results-Based Management (RBM) in all public institutions through Cabinet Memo No. (04) 106 of 24<sup>th</sup> September 2004, which led to the creation of the Public Service Reforms Secretariat. In 2005, Results for Kenyans (RfK) Programme was launched to operationalize RBM. The programme was intended to foster openness to stakeholder input on the design and delivery of public services, transformative leadership and public service values and ethics. The Rapid Results Approach (RRA) as an RBM tool was introduced to fast-track improvements in service delivery or working conditions by several government institutions, with impressive results. Many rapid results initiatives (RRI) succeeded in delivering tangible results to citizens and helped consolidate support for reform.

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<sup>1</sup> Programme targets Cabinet Secretaries, Principal Secretaries, SLDP alumni, Governors and their Deputies, Chief Executive Committee Members, Chief Officers and Directors in both the national and county governments.

The government's approach to results-based management (RBM) was encompassed under four overarching principles. These included: (i) Performance management; (ii) Stakeholder participation; (iii) Performance monitoring, evaluation, and reporting; and (iv) Leadership values and ethics. The RBM tools used to drive the transformation programme, include: (i) Performance contracting; (ii) Performance appraisal system; (iii) Strategic plans; (iv) Service/Citizen charters; (v) Rapid Results Initiatives; (vi) RBM Capacity Scan (CAPSCAN); (vii) Results-based budgeting; (viii) Business process re-engineering; (ix) Transformative Leadership and Change Management; (x) Institutional Capacity Building and Strategic partnerships-PPP; (xi) and Integrated service delivery centre/One-stop shops (Huduma Centres). Individual government ministries, departments and agencies (MDAs) were compelled to develop strategic plans and new performance management systems in their respective dockets through performance contracts.

### ***i) Stakeholder participation***

Public participation aims to transition leadership from planning for citizens to planning with them. This encourages community ownership and enhances mutual social accountability where citizens validate decisions reached by leaders. Public participation emphasizes openness, accountability and meaningful engagement of the public in decision making. There are requirements on public participation in matters concerning planning, budgeting and implementation of projects and development programmes that continue to be implemented.

Early public participation approaches in Kenya can be traced to the early 1980s and initially focused on community development projects. As an attempt to decentralize planning and implementation of such projects at the community level, the District Focus for Rural Development (DFRD) Strategy was developed. However, due to emphasis of public servants in implementing these plans, an approach that contradicted a participatory spirit, and a lack of legal backing, the DFRD was not very successful (TISA, 2011).

Attempts to address these challenges were through the Physical Planning Act of 1996 that provided for community participation in the preparation and implementation of physical and development plans. However, the lack of a mechanism for sensitizing communities and inclusion of communities residing in remote areas posed a challenge to effective citizen engagement and participation in decision making (Okello et al, 2008).

Thereafter, the Constituencies Development Fund (CDF) (later renamed National Government - Constituencies Development Fund NG-CDF in 2015 through an Act of Parliament) was introduced in 2001 to enhance local community

participation in planning and budgeting of development projects at the local level. The projects were targeted towards pro-poor sectors such as health and education, and infrastructure projects (Ministry of Local Government, 2009). Again, mechanisms for community engagement and decision making remained ambiguous. Particularly inadequate capacity of CDF Account Managers to develop participatory planning processes; poor accountability structures to beneficiary communities by fund managers and project implementing agencies; poor matching of projects to actual need of the community; inadequate participation of the public in the identification, implementation, low citizen participation in monitoring and evaluation of public funded projects; lack of factual information to citizens on development resources available, and inadequate capacity of citizens to meaningfully participate significantly affected the success of the projects (IEA, 2012).

Until the promulgation of the Constitution of Kenya 2010, delivery of public services was often perceived as unilateral, autonomous, non-inclusive and non-responsive to citizen needs. The government has demonstrated its commitment to ensuring effective and quality public participation through the provisions on public participation. This is to enable citizens, at both national and county, gain individual and collective power to demand public service, end poverty and challenge inequalities while benefiting from an enabling environment that can be promoted through transformative leadership. As such, the Constitution and key legislations such as the Public Finance Management Act and the County Governments Act 2012 place strong emphasis on strengthening public participation, as part and parcel of public service delivery which promotes inclusive leadership and citizen-driven decision making, a tenet of transformative leadership.

Even though public participation in Kenya is a crucial pillar in the Constitution of Kenya, there exists challenges towards its realization. Some of the challenges include but are not limited to: limited capacity of community level participation and insufficient investment in community capacity building. Some public officers see public participation as a time-consuming process, hence delay in decision making. Other challenges include resource constraints, marginalization of historically marginalized communities from decision making, demand for incentives from citizens before attending meetings, lack of designated venues for meetings, some citizens have negative attitude towards government officers and services, and lack of political good will from county government leadership.

**(ii) *Performance management, monitoring, evaluation and reporting***

The government has since early 1990s implemented performance contracting. This was initially introduced through the Parastatal Reform Strategy Paper of 1991 as a management tool to ensure traceability of results and transparency in the management of public resources. The Kenya Railways Corporation and the National Cereals and Produce Board were used initially as pilot case studies to introduce performance contracting (Government of Kenya, 2010). Performance contracting was intended for improved service delivery; improved efficiency in resources utilization; institutionalization of a performance-oriented culture in the public service; measurement and evaluation of performance; traceability of performance and results; accountability for work rendered; answerability of public and State officers; reduction or elimination of reliance of public agencies on exchequer funding; and enhancing overall performance.

In 2003, Kenya adopted the National Integrated Monitoring and Evaluation System (NIMES) and later the County Integrated System (CIMES) to track all government and public programmes, including ERS and Kenya Vision 2030 through its Medium-Term Plans, and other development indicators for various declarations signed by the government such as the Millennium Development Goals (MDGs) and Sustainable Development Goals. NIMES was to provide the government with reliable policy implementation feedback to efficiently allocate and/or reallocate resources over time. The NIMES integrates M&E systems within the public sector and it seeks to provide a reliable mechanism to monitor and evaluate implementation of government programmes, policies and projects.

The specific objectives of the NIMES/CIMES are to build an M&E system for reporting at both national and the devolved levels. In addition, it is aimed to promote a culture and practice of M&E (application and use of M&E) throughout the government; and provide timely and reliable feedback to the budgetary preparation process through M&E reports (Public Expenditure Reports and Annual Progress Reports); provide regular, timely and reliable reporting on the performance and effectiveness of government programmes and projects as evidenced in policy making to government itself, and to the wider stakeholder group and development partners; and ensure active participation of development stakeholders including civil society organizations, NGOs, the academic community, private sector among others in the national M&E system.

There are challenges to full implementation of NIMES. The include weak M&E capacities (financial, technical and logistical support) within government which limits the quality of reporting, practice and use of M&E findings and information.

Further, in counties, M&E systems are generally underdeveloped and inadequate. In addition, counties are at different levels on establishment of CIMES; some counties have developed county M&E policies while others have focused on M&E capacity development, and others on formation of M&E committees.

Going forward, there is need for development of a legal framework for M&E while building and promoting an M&E culture and practice. Enactment of the draft M&E Bill and roll out of E-NIMES/CIMES in all government MDAs and county governments would also ensure success of M&E. Further, there is need to establish a harmonized county reporting mechanism while enhancing support to county governments through county M&E policy development, building technical skills, implementation of CIMES and advocacy/sensitization.

### ***(iii) Leadership, values and ethics***

There has been an increasing focus on getting skilled and committed leaders that can champion ethical standards in the public sector. The standards and values in the public sector are set within various legislative frameworks and institutions. They cover different levels of public officers, rules on transparency and accountability, controls and provisions of disciplinary procedures against leaders who violate the set rules.

Further, the Kenya Vision 2030 advocates for good governance practices guided by the rule of law. Further, Chapter Six of the Constitution on leadership and integrity as entrenched in the Leadership and Integrity Act 2012 sets out principles of leadership and governance that requires every State officer to respect and abide by the Constitution and the law, provides for the establishment and enforcement of leadership and integrity codes, defines offences and provides for lodging of complaints and investigations against public officers. The Act forms the constitutional benchmarks and standards for leadership and integrity obligations of State officers.

**Table 2: Summary of Constitutional Standards, Ethos for Leaders in the Public Sector**

| Constitution (Article) | Standards and Ethos   |
|------------------------|---|
| Article 73 (1) and (2) | <ul style="list-style-type: none"> <li>• Calls for a leadership that upholds the rule of law and personal integrity</li> <li>• Appointments are based on suitability and competence</li> <li>• Objectivity and impartiality in decision-making</li> <li>• Selfless service based on public interest; accountability and; commitment in service of the people</li> <li>• Charges State officers with the responsibility to, <i>inter alia</i>, exercise their authority in a manner consistent with the purposes and objects of the Constitution</li> <li>• Authority bestowed upon public officer should be exercised in accordance with, and is subject to, the principles derived from the concept of public trust</li> </ul> |
| Article 73 (2)         | <ul style="list-style-type: none"> <li>• Empowers State officers with the responsibility to serve the people rather than power to rule them</li> </ul>  |
| Article 75             | <ul style="list-style-type: none"> <li>• Prescribes conduct required of State officers in public, official and private capacity or in association with other persons which requires them to act in a manner that avoids conflict of interest in exercise of their public or official duties, avoids compromise of a public or official duty in favour of a personal interest and to avoid conduct that demeans the office they holder</li> </ul>  |
| Article 76             | <ul style="list-style-type: none"> <li>• Makes provision regarding the integrity of State officers in financial matters</li> </ul>  |
| Article 77             | <ul style="list-style-type: none"> <li>• Restricts the activities that current and retired State officers may participate in. These provisions operate to prescribe the standards required of current and former State officers (where applicable) in their appointment, exercise of their authority, performance of their public or official duties and in participation of activities, remunerative positions and employment</li> </ul>   |
| Article 79             | <ul style="list-style-type: none"> <li>• Established the Ethics and Anti-Corruption Commission through an Act of Parliament</li> </ul>  |

Chapter Six of the Constitution of Kenya 2010 makes provisions for institution of disciplinary procedures against State officers who violate Articles 75, 76, 77 and 78 of the Constitution. These standards form the integral cornerstones of leadership and inform and impact the eventual composition of the Acts of Parliament which have been enacted in pursuance thereof. Article 79 of the Constitution requires

Parliament to enact a law establishing an independent commission with similar status and power of the commissions envisaged under Chapter Fifteen of the Constitution with the mandate of ensuring compliance with the provisions captured in Chapter Six. This mandate placed on Parliament was realized through the passing of the Ethics and Anti-Corruption Commission Act No. 22 of 2011 which established the Ethics and Anti-Corruption Commission.

There are other legal frameworks that promote good governance. These include: the Anti-Corruption and Economic Crimes Act No. 3 of 2003, the Public Officer Ethics Act No. 4 of 2003, the Ethics and Anti-Corruption Commission Act No. 22 of 2011 (which establishes the Ethics and Anti-Corruption Commission), the Public Procurement and Asset Disposal Act No. 33 of 2015, the Leadership and Integrity Act No. 19 of 2012, the Public Finance Management Act No. 18 of 2012, the Public Appointments (Parliamentary Approval) Act No. 33 of 2011, the Public Service Commission Act 2012, the Government Financial Management Act 2004, the Fiscal Management Act 2009, the Public Service (Values and Principles) Act 2015 and Executive Order No. 6 on Ethics and Integrity in the Public Service. Further, the governance of State Corporations, the *Mwongozo Code of Conduct* was introduced and provides guidelines for all public institutions to operate effectively and efficiently to assist in realization of the shared national development goals. The code allocates the responsibilities for supervision, implementation and enforcement to different institutions while respecting the role of complementary agencies and this helps to provide checks and balances in utilization of public resources .

The Constitution of Kenya also inculcates national values under Articles 10 and 232. Article 10 of the Constitution sets out the National Values and Principles of Governance which, among other principles, include good governance, integrity and transparency. Article 232 of the Constitution prescribes values of the public service including maintaining high standards of professional ethics by being honest, displaying high standards of integrity, executing functions in a transparent and accountable manner, demonstrating respect towards others, being objective, patriotic and observing the rule of law. To bring the principles thereunder into effect, the Public Service (Values and Principles) Act 2015 and the Fair Administrative Action Act 2015 were enacted. The Public Service (Values and Principles) Act prescribes standards for professionalism in the public service by public officers and stipulates that a professional in the public service shall comply with the provisions of the relevant professional association regarding registration and continuous professional development and shall be bound by the code of ethics prescribed for his or her relevant professional association. It also prescribes disciplinary action to be meted out by the relevant professional association for any act of professional misconduct in addition to any disciplinary action of the public

service for such professional misconduct. Public officers are mandated to use public resources in an efficient, effective and economic manner as prescribed by the Act. The PSC has also reviewed and approved thirteen (13) schemes of service and several codes of ethics and conduct of several MDAs.

For public officers, the Leadership and Integrity Act 2012 requires a person to observe and maintain various ethical and moral requirements. Among them is to demonstrate honesty in the conduct of public affairs subject to the Public Officer Ethics Act 2003; not to engage in activities that amount to abuse of office; accurately and honestly represent information to the public; not engage in wrongful conduct in furtherance of personal benefit; not misuse public resources; not discriminate against any person, except as expressly provided for under the law; not falsify any records; not engage in actions which would lead to the State officer's removal from the membership of a professional body in accordance with the law; and not commit offences. A State officer is also required to carry out duties with impartiality and objectivity and shall not practice favouritism, nepotism, tribalism, cronyism, religious bias or engage in corrupt or unethical practices.

In addition, when seeking employment in a public organization, various requirements under the Leadership and Integrity Act 2012 must be met. These include obtaining clearances from the Ethics and Anti-Corruption Commission, the Kenya Revenue Authority, the Directorate of Criminal Investigations, the Higher Education Loans Board, the Credit Reference Bureau and the Commission for University Education as proof that they are in good standing and that their academic, professional and personal integrity can be corroborated. These standards and requirements are aimed at shifting the threshold for leadership in the country, whereby leadership standards are envisaged as being distinguished. Leadership is seen as having passed a series of tests, met certain thresholds and attained certain standards to affirm their suitability to serve as leaders, in line with the aspirations of achieving transformative leadership.



#### **4. Assessing Political Environment for Transformative Leadership in Kenya**

New political leadership in the dawn of the millennium inspired a series of transformations in public sector management. This was done by directing the initiatives towards redefining the role of government, linking policy to planning and budgeting, and the emphasis on results-based management of the civil service. Inculcation of values and ethics, institutional strengthening, development of competencies and expectations of performance and delivery of results were considered imperative towards transformative leadership. This was attributed, *inter alia*, to inadequate capacity among civil servants in project management and implementation, especially among “top and mid-level managers” (Majeed, 2012).

Political leadership is critical for successful implementation of public sector reforms. Kenya inherited the Westminster style of democratic leadership from the colonial government which was based on open debate and electoral processes (Mazrui and Tidy, 1984). At independence, this transitioned into various patterns of leadership which appeared to be revolutionary or at least radical. In part, this transition was attributed to leadership traditions of Africa’s pre-colonial past, which was characterized by the elder, sage and warrior leadership traditions. The ‘elder’ tradition was evident in the country; the founding President Mzee Jomo Kenyatta had prerogatives not only in politics but also in opinion formation. He chose not to involve himself with the “nitty-gritty” affairs of the nation but instead, dominate the scene from the background, thus combining the African reverence for age and wisdom (Tordoff, 2003).

The first president launched a massive training programme where Africans being integrated into the civil service were trained both locally and internationally to take over positions left by departing colonial officers. He focused on three broad areas of development, namely poverty reduction, education and health care service provision. He championed for the development of Sessional Paper No. 10 of 1965 on African socialism and its applications to planning and leadership in Kenya. This paper registered initial success with the economy and led to the transformation of the civil service from all white dominated to being run by African personnel. This strategy was aimed at filling all public sector posts left by departing colonial officers.

The second President, Daniel Arap Moi, adopted a governance approach that centralized power. For instance, the Constitution of Kenya Amendment Act No. 7 of 1982 made the country a one-party state with no tolerance of dissent. Although the era was marked with Structural Adjustment Programme (SAP), minimum legislative and administrative reforms were achieved. Further, patronage and

loyalty characterized public sector recruitment and appointments and, over time, the civil service became ineffective and was riddled with corruption.

By 1990, pressure from local opposition politicians and foreign donors saw various political reforms. This included the legalization of political parties and the restoration of voting by secret ballot, and restriction of the president's tenure to two terms and clamor for multi-party elections. Whereas the elections were held in 1992, with Moi emerging the winner, pressure from the diplomatic community, donor countries and local opposition leaders, due to rampant corruption in government, low performance by public sector employees and poor service delivery continued. Consequently, the World Bank and other donor countries would cut off aid to the Kenyan government.

In 2002, a new government took office after a peaceful transfer of power. A new political leadership emerged in 2003 with energy to push for public sector reforms in supporting an ambitious development agenda. The leadership started thinking big in terms of projects to drive the development agenda which required building capacity in the public sector and the private sector for successful implementation. The Economic Recovery Strategy for Wealth and Employment Creation (ERSWEC) was launched and focused on employment creation for the youth, a strategy that consciously combined ensuring macroeconomic stability, facilitating the private sector and improving on democratic governance. It also recognized public sector reforms as key in providing a mechanism and framework that supports the achievement of the Economic Recovery Strategy (ERS) and the attainment of the Millennium Development Goals (MDGs). Further, in 2007 the government launched the Kenya Vision 2030, a long-term development blueprint that recognized that an effective and efficient public sector is essential in creating an enabling environment for the private sector to play its part as the engine of growth for the economy.

Public Sector Transformation department was established in 2004 to drive public sector reforms. The government introduced Results-Based Management system and adopted performance contracting, placing all public officers on performance contracts. In 2005, the Results for Kenyans (RFK) programme was launched with the objective to improve the quality of public services offered to Kenyan citizens and inculcate a culture of professionalism in the entire public sector. The Public Service (Sector) Transformation Department (PSTD) was later launched immediately after the 2007 elections and developed a public sector transformation strategy entitled Public Sector Transformation Strategy: From Reform to Transformation 2010-2014 (PSTS) (OPM/PSTD, 2010). As these public sector reforms were being initiated and implemented, there were also constitutional reforms that were going on, with the country drafting a new constitution.

The promulgation of the 2010 Constitution of Kenya transformed radically the way the public sector would be managed. It created two levels of government, (national government and forty-seven county governments) where management of some functions and funds were transferred. It also marked the beginning of another era in improving public service delivery to citizens in all the forty-seven counties. Further, the Constitution embraced public sector transformation strategy and included provisions aimed at entrenching and inculcating professionalism and good work ethics in the leadership of public office in the public sector. For example, as required under Article 80 of the Constitution, the National Assembly enacted the Leadership and Integrity Act 2012, hence establishing procedures and mechanisms for effective administration.

In March 2013, a new government was formed under President Uhuru Kenyatta. This saw the implementation of the devolved system of government. An integrated approach to service delivery was also adopted, such as the one-stop government service Huduma centers across the country which won a United Nations award for innovation. Further, an e-government policy was initiated, where ministries and MDAs were required to offer most of their services online for easy access by citizens. As a result, most public services are now digitized and available online, where payment of public services is enabled through mobile payments. For example, in the Immigration Department, citizens can apply for, renew or replace their passports and pay for them online. Application for birth certificates and renewal of driving licenses has also been automated.

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## 5. Private Sector and Transformative Leadership

The private sector has undergone tremendous changes since independence and continues to play a crucial role in the growth process. The government has also continued to support growth of the private sector. This was spurred initially by establishment of institutions and regulations to Africanize the retail sector and the “Africa commerce architecture”. Later, in its attempt to increase participation in the productive sectors of the economy, the government also strategically, wholly or partly acquired privately-owned enterprises.<sup>2</sup> The establishment of institutions such as the Industrial and Commercial Development Corporation (ICDC) were championed to support small and medium enterprises (SMEs). The Kenya Industrial Estates (KIE) was launched in 1967 to promote indigenous entrepreneurship by financing and developing small-scale and micro-enterprises and working shades for “Jua Kali” industry. Further, the establishment of Kenya Industrial Research and Development Institute (KIRDI) in 1979 would provide research to support SMEs and the Kenya National Trading Corporation was established to promote wholesale and retail trade and Uchumi as an outlet for goods produced by SMEs, and KENATCO for transport services. To provide training for private sector, the Kenya Industrial Training Institute (KITI) and Kenya Institute of Business Training (KIBT) were also established.

At the beginning, initiatives to include the private sector in public reforms were embedded in improving performance of public enterprises. The 1982 report of the Working Party on Government Expenditures found that State-owned enterprises were not efficient and were faced with a myriad of financial challenges. With rising debt, increased operational overheads, minimal returns and ineffective parastatal regulations and interventions, it became apparent that State participation in the economy had grown well beyond the government’s original intention (World Bank, 1991). The need for a comprehensive programme to transform the public enterprises became apparent (Muindi, 1992). In 1992, the Public Enterprise Reform Programme (PERP), and privatization programme were developed to “enhance the role of the private sector in the economy by shifting more of the responsibility for production and delivery of goods and services from the public to the private sector; to create a more level playing field by eliminating preferential treatment, including monopoly rights and to enable the private sector to enter the areas of activity of the public enterprises on an equitable basis” (Government of Kenya, 1992) - see annex 2.

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<sup>2</sup> Refer to Kenya’s First Development Plan, 1966-70. The institutions developed to promote “Africanization” are documented.

In financing the implementation of the Economic Recovery Strategy, the government between 2003 and 2008 through the Investment Programme financing framework privatized various agencies. These included the Kenya Electricity Generating Company, Mumias Sugar, Safaricom and the Kenya Reinsurance Corporation through Initial Public Offering (IPOs) while privatization of the Kenya Railways and Telkom Kenya were done through concession and strategic sale, respectively (Privatization Commission). While it is commendable that with privatization the government and leadership had taken a bold and comprehensive approach towards economic recovery, the challenge was whether with privatization of public enterprises, the private sector was able to take on responsibilities previously undertaken by the public sector (KCG, 2003).

The government prepared a Private Sector Development Strategy (PSDS) 2006-2010 and Private Sector Development Strategy Implementation Plan (PIP) 2007-2012 to support the development of the private sector. The policy documents were focused on addressing the poor business environment and improving competitiveness and productivity of the private sector, especially micro, small and medium enterprises (AfDB, 2013). Two key issues drove the clamor for additional private sector reforms. First, the simplification of the regulatory environment for business in Kenya was identified as a key problem for private sector development.<sup>3</sup> At the time, 27 permits were required to begin a business (Blouin and Njoroge, 2004). Secondly, the need to address the absence of a single voice for the private sector on common issues supported the creation of the Kenya Private Sector Alliance (KEPSA).

KEPSA was established through a Department of International Development (DfID) funded project on “enabled environment for business” or the “Umbrella Project” in 2003-04. It covered three components: (i) research on regulatory reforms and Simplifying the Regulatory Environment for Business (SREB) which KIPPRA was engaged to undertake; (ii) improving the capacity of the private sector to put pressure on the government to adopt the reforms needed to improve the business environment; and (iii) enhancing the capacity of the Government to implement regulatory reforms. KEPSA has been instrumental in formulating key policies such as Poverty Reduction Strategy Paper (PRSP) and the ERS. The Association is also strategically represented in all sector working groups and makes its submission to the Medium-Term Plan (MTP) and participates in the preparation of the national budget. It is a member of the Interagency Technical Committee on SDGS implementation at the Ministry of Devolution and Planning.

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<sup>3</sup>Reforms were introduced by the 2005 Working Committee on Regulatory Reforms for Business Activities in Kenya. The report is referred to as the Musau report. The Committee reviewed 1,325 licenses and gave recommendation for elimination, simplification or retention.

KEPSA is working towards improved economic performance that will see the country's ranking on the Ease of Doing Business, competitiveness and corruption indices improve. To this end, in 2016, KEPSA advocated for competitiveness as an added mandate for the Productivity Centre because it is a key criterion for assessing success of countries, companies and industries. Similarly, productivity is also included as the catalyst in improving Kenya's competitiveness. It is also attempting to initiate a private sector anti-corruption charter, which will rely on voluntary audits to curtail private sector participation in corrupt activities. This is because the private sector plays a critical role in either being the catalyst for corruption in government and/or being a key partner in its prevention. Corporate governance has also been strengthened in Kenya. More recently KEPSA was involved in the restructuring of the Kenya National Chamber of Commerce and Industry (KNCCI) "that promotes, coordinates and protects commercial and industrial interests in Kenya".

Other private sector institutions that play a role in advocating for their members include the Kenya Association of Manufacturers (KAM). KAM "promotes trade and investment and standards and encourages the formulation, enactment and administration of sound policies that facilitate a competitive business environment and reduce the cost of doing business". The Kenya Agri-business and Agro-industry Alliance (KAAA) is aimed at "strengthening Kenyan agro-industrial competitiveness", while other key informal sector players such as the Kenya National Federation of Jua Kali Associations bring together informal manufacturing, particularly metal works and furniture.

Recent developments in the private sector include establishment of the MSE registrar under the MSE Act to enhance the governance of MSE/Jua Kali associations. There are also plans to establish an umbrella MSE/Jua kali Association referred to "Micro & Small Enterprises Federation (MSEF)". This will serve as a platform for dialogue between the government and the enterprises. Further, a code of ethics has been introduced for private sector players for contracting with the government. Secondly, there are enhanced corporate governance provisions in the Companies Act 2015 which apply to all companies.

## **6. Analyzing the Relationship Between Leadership and Public Service Performance**

The Kenyan civil service operated effectively since independence and was one of the best in Sub-Saharan Africa. Its performance began declining around the end of the 1970s given the problems related to rapid expansion of the sector, including excessive employment with attendant overstaffing, and declining productivity, service levels, pay, morale, discipline and ethics (World Bank, 2001). It was not until 2003 that the government focused on a comprehensive public sector reform agenda, a major shift from focus on civil service reforms previously. This saw emphasis on accountability to the citizens and improved productivity through performance-based management. Significant support to the momentum for public sector reform came from promulgation of the Constitution of Kenya in 2010 and the launch of the Kenya Vision 2030, the development blueprint for the country.

This study has looked at various indicators in gauging the outcome of the various reform process. Among these include the Country Policy and Institutional Assessment (CPIA) index computed by the World Bank. The CPIA evaluates countries in four areas to determine the institutional strength. These areas are: economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions. The study focused on public sector management and institutions cluster which included property rights and rule-based governance, quality of budgetary and financial management, efficiency of revenue mobilization, quality of public administration, and transparency, accountability, and corruption in the public sector. In addition, the study zeroed in on corruption, ease of doing business, and competitiveness indices.

Table 3 provides trends in the overall CPIA index and the public sector management and institution cluster index. It is important to note that the CPIA Index dates to 2005 and, therefore, it is not possible to compare different regimes in terms of outcomes of the reform efforts. In this regard, the study compares the score for Kenya against the average Sub-Saharan score and selected countries, especially those performing above regional average. The public sector management and institutions scores above the SSA average has been fluctuating over time, with an improved and consistent performance since 2012. This contrasts with Rwanda which shows continuance improvement since 2005. This is attributable to efforts made to enhance resource mobilization and improve quality of budgetary and financial management. For example, the PFM Act was enacted in 2012, guiding the efforts to improve on public finance management.

Focusing on the corruption aspect, the study looked at the CPIA index on Transparency, Accountability and Corruption in the Public Sector as reported

**Table 3: Country Policy and Institutional Assessment (CPIA) 2005 – 2017**

|      | CPIA Overall Scores |       |        |          |         | CPIA Public Sector Management and Institutions Score |       |        |          |         |  |
|------|---------------------|-------|--------|----------|---------|--|-------|--------|----------|---------|--|
|      | SSA                 | Kenya | Rwanda | Tanzania | Senegal | SSA  | Kenya | Rwanda | Tanzania | Senegal |  |
| 2005 | 3.2                 | 3.7   | 3.6    | 3.9      | 4.0     | 3.0  | 3.3   | 3.3    | 3.3      | 3.6     |  |
| 2006 | 3.2                 | 3.9   | 3.8    | 4.0      | 3.9     | 3.0  | 3.4   | 3.4    | 3.8      | 3.6     |  |
| 2007 | 3.2                 | 3.9   | 4.0    | 4.0      | 4.1     | 3.0  | 3.3   | 3.5    | 3.7      | 3.5     |  |
| 2008 | 3.2                 | 3.6   | 3.7    | 3.8      | 3.6     | 3.0  | 3.3   | 3.5    | 3.5      | 3.4     |  |
| 2009 | 3.2                 | 3.7   | 3.8    | 3.8      | 3.7     | 3.0  | 3.3   | 3.5    | 3.5      | 3.4     |  |
| 2010 | 3.2                 | 3.8   | 3.8    | 3.8      | 3.7     | 3.0  | 3.3   | 3.7    | 3.3      | 3.5     |  |
| 2011 | 3.2                 | 3.8   | 3.8    | 3.7      | 3.8     | 3.0  | 3.3   | 3.6    | 3.3      | 3.6     |  |
| 2012 | 3.2                 | 3.9   | 3.8    | 3.8      | 3.8     | 3.0  | 3.4   | 3.6    | 3.3      | 3.6     |  |
| 2013 | 3.2                 | 3.9   | 3.9    | 3.8      | 3.8     | 3.0  | 3.4   | 3.6    | 3.4      | 3.6     |  |
| 2014 | 3.2                 | 3.8   | 4.0    | 3.8      | 3.8     | 3.0  | 3.4   | 3.6    | 3.4      | 3.6     |  |
| 2015 | 3.2                 | 3.8   | 4.0    | 3.7      | 3.8     | 3.0  | 3.4   | 3.7    | 3.3      | 3.6     |  |
| 2016 | 3.1                 | 3.8   | 4.0    | 3.7      | 3.8     | 3.0  | 3.4   | 3.7    | 3.4      | 3.6     |  |
| 2017 | 3.1                 | 3.7   | 4.0    | 3.7      | 3.8     | 3.0  | 3.4   | 3.7    | 3.4      | 3.6     |  |

Source: World Bank



in Table 4. The index shows no change in Kenya’s rating for Transparency, Accountability and Corruption in the Public Sector despite various measures which have been put in place by Kenya, indicating that anti-corruption measures have been ineffective in fighting or reducing corruption whereas the scores for both Rwanda and Tanzania improved after 2006 and maintained their consistency. Nonetheless, Kenya performed better than average Sub-Saharan Africa score. Over time, various efforts were made to address corruption in Kenya including enactment of various laws and establishment of various institutions. The Constitution of Kenya 2010 led to the enactment of the Leadership and Integrity Act (No. 19 of 2012) pursuant to Article 79 of the Constitution and standards outlined in Chapter Six of the Constitution, on Leadership and Integrity. Besides the Constitution of Kenya, there are several legal instruments which directly or indirectly facilitate the fight against corruption. The legal instruments include United Nations Convention Against Corruption; the African Union Convention on Preventing and Combating Corruption which Kenya has ratified; the Anti-Corruption and Economic Crimes Act; the Ethics and Anti-Corruption Commission Act 2011; Public Officers Ethics Act; the Public Procurement and Asset Disposal Act 2015; the Proceeds of Crime and Anti-Money Laundering Act 2009; the Public Audit Act 2015; and the Bribery Act 2016. Others include the Leadership and Integrity Act 2012; the Elections Act 2011; the Mutual Legal Assistance Act 2011; the Commission on Administration of Justice Act 2011, and the Fair Administrative Action Act 2015, among others. However, incidents of corruption have continued to occur persistently through various political regimes.

**Table 4: Select countries CPIA transparency, accountability and corruption in the public sector**

|          | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|----------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| SSA      | 2.8  | 2.8  | 2.8  | 2.8  | 2.7  | 2.7  | 2.8  | 2.7  | 2.7  | 2.7  | 2.7  | 2.7  | 2.7  |
| Kenya    | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  |
| Rwanda   | 3.0  | 3.0  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  |
| Tanzania | 3.0  | 3.0  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  |
| Senegal  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  |

*Source: World Bank*

The enactment of the Ethics and Anti-Corruption Commission Act in September 2011 saw establishment of the Ethics and Anti-Corruption Commission. The Commission is mandated to conduct investigations on its own initiative or on a complaint made by a member of the public; educate and create awareness

on corruption; undertake preventive measures against unethical and corrupt practices; conduct mediation, conciliation and negotiation; and undertake monitoring and asset recovery. In addition, the enactment of the Public Service Commission Act 2012, the Leadership and Integrity Act 2012, and the Public Finance Management Act 2012 introduced new management of the public service based on merit; higher standards for leadership and integrity; and efficient public finance management based on openness and accountability, prudent and responsible use of public money and responsible financial management.

Kenya has also made significant efforts in strengthening resource mobilization. This has seen efforts made towards strengthening capacity of Kenya Revenue Authority (KRA) by improving human resources, logistical measures, reviewing various tax policies and improving technology, including introduction of electronic tax receipt (ETR) machines and I-tax. The efficiency in revenue mobilization score shows that Kenya and Lesotho have had the most consistent rankings with scores of 4.0 throughout 2005 to 2017 whereas Ghana consistently scored high rankings of 4.5 until 2009; however, thereafter the score has fluctuated. Tanzania has also been relatively consistent having scored 4.0 from 2005 until 2017; however, they recorded a lower score of 3.0 in 2006. Comparably, Senegal managed to score 4.5 in 2005 and 2006; however, the score has declined over the years. Rwanda has caught up with Kenya in the score for efficient revenue mobilization.

**Table 5: CPIA on efficiency in revenue mobilization for selected countries**

|            | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| SSA        | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  | 3.4  |
| Kenya      | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  |
| Ghana      | 4.5  | 4.5  | 4.5  | 4.5  | 4.5  | 4.0  | 4.0  | 4.0  | 4.0  | 3.5  | 4.0  | 4.0  | 3.5  |
| Tanzania   | 4.0  | 3.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  |
| Senegal    | 4.5  | 4.5  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 3.5  | 3.5  |
| Lesotho    | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  |
| Mozambique | 3.5  | 3.5  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  | 4.0  |
| Rwanda     | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 3.5  | 4.0  | 4.0  | 4.0  |

Source: Various

Business environment has improved over time. Kenya has moved from position 113 (score of 58.1) in 2016 to position 80 with a score of 65.15 per cent in 2018 out of 190 countries in the *World Bank Ease of Doing Business* ranking. In addition, the competitiveness of the country has improved, with the maintained

momentum in implementation of the structural reforms. For example, the Global Competitiveness Index improved from position 106 in 2010 to position 93 in 2018. Further, Kenya was ranked the sixth most competitive economy in Africa behind Mauritius, South Africa, Morocco, Botswana and Algeria in the 2018 results. Kenya's vibrant private sector, advanced infrastructure, human skills and economic stability base are its main selling assets in the global competitiveness index. But corruption and fears of political instability remain its drawbacks. Improvement in Kenya's competitiveness is attributable to the sustained momentum on reforms. Kenya's ranking has improved largely due to the introduction of Huduma Centres, campaign to increase electricity connections, reforms geared towards reducing bureaucracy in government operations, among other deliberate efforts to improve the country's competitiveness.

**Table 6: Global Competitive Index for Kenya (2005-2018)**

| <b>Year</b> | <b>Rank</b> | <b>Number of Countries Surveyed</b> |
|-------------|-------------|-------------------------------------|
| 2005/2006   | 93          | 117                                 |
| 2006/2007   | 94          | 125                                 |
| 2007/2008   | 99          | 131                                 |
| 2008/2009   | 92          | 134                                 |
| 2009/2010   | 98          | 133                                 |
| 2010/2011   | 106         | 139                                 |
| 2011/2012   | 102         | 142                                 |
| 2012/2013   | 106         | 144                                 |
| 2013/2014   | 96          | 148                                 |
| 2014/2015   | 90          | 144                                 |
| 2015/2016   | 99          | 140                                 |
| 2016/2017   | 96          | 138                                 |
| 2017/2018   | 93          | 140                                 |

Source: <http://www.weforum.org>

Finally, considering the economic performance, there was overall improvement as the government continued implementing the reform agenda. For example, Kenya realized its highest GDP growth rate of 7 per cent in 2007 after two decades of slower growth, but this is yet to be attained again even as the country implements the Vision 2030. The level of poverty has declined but the population facing poverty remain almost unchanged. Further, although unemployment rate

has declined, the significantly high unemployment among the youth remains a challenge in realizing the youth dividend. A gini coefficient of 0.447 in 1995/1996 reflected a high level of inequality, which has been bridged to 0.368 in 2015/2016 due to government programmes over time aimed at addressing inequality gaps between the poor and the rich, the urban and the rural populations.

**Table 7: Kenya's economic performance (1995-2016)**

| <b>Indicators</b>       | <b>1995/96<br/>KIHBS</b> | <b>KIHBS<br/>2000/01</b> | <b>KIHBS<br/>2005/06</b> | <b>KIHBS<br/>2015/16</b> |
|-------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| GDP growth              | 4.1%                     | 4.0%                     | 5.9%                     | 3.8%                     |
| Basic poverty levels    | 56%                      | 50.2%                    | 46.6%                    | 36.1%                    |
| Unemployment rate       | 14.6%                    | 12.9%                    | 12.7%                    | 7.4%                     |
| Inequality (Gini Index) | 0.447                    | 0.440                    | 0.380                    | 0.368                    |

*Source: Various KNBS KIHBS Reports*

## **7. Conclusion and Recommendations**

The Kenya Vision 2030, like other international and regional development agenda Kenya is committed to, recognizes transformative leadership as critical in achieving the transformation agenda. It identifies an efficient, motivated and well-trained public service as critical, and seeks to intensify efforts towards attitudinal change in public service where values, transparency, and accountability to citizens of Kenya are upheld and enforced. This paper traces the efforts towards nurturing transformative leadership in Kenya, guided by the various attributes of transformative leadership that include ethical standards, values of integrity and service, concern for the welfare of the people, statesmanship in attitude and purpose, and stimulate and inspire followers to achieve extraordinary outcomes in the process and develop their own leadership capacity (Regier, 2017). The study finds the following:

- a) Transformative leadership is not a new phenomenon in Kenya. There has always been efforts to stimulate and inspire leadership in the public sector since independence. However, it is through the 2010 Constitution of Kenya and its related legislations, that transformative leadership became legislatively entrenched in promoting good governance. This serves to entrench ethical standards in public service and strengthen the institutional structures. The country is yet to reap the expected benefits from legislative reforms. The fight on corruption remains a priority in strengthening integrity and service delivery in the public sector. Further, it is important that the Presidential Award processes allow wider public participation in recognizing leadership in the public service.
- b) Through public sector reforms, efforts have been made to improve delivery of public service by among other things nurturing attitudinal change in the sector. The Kenya Vision 2030 has identified public sector reforms as a key flagship project in ensuring that the public service is citizen focused. With devolution though, coordination of public sector reforms at both national and county levels is crucial in realizing the objectives of the process. Further, County Public Service Boards need to practice or inculcate the same level of meritocracy as the Public Service Commission to ensure the quality and competence of personnel recruited at county level is maintained. This will help in institutionalizing professionalism, values of integrity and service, and ethical standards. There is need also to entrench results-based management and performance contracting at county level to achieve a citizen-focused public sector.

- c) Developing leadership capacity through training of public servants has continued since independence. In the Kenya Vision 2030, the Kenya Institute of Administration transformed to Kenya School of Government and was identified as a key flagship in leadership development. There is need to continuously review the curriculum to accommodate emerging issues and dynamism in the public service. Furthermore, it is important to address the notion that the courses being offered by KSG are merely for promotion, as this may constrain achieving the intended outcomes.
- d) Public participation is a key channel in molding leadership at community level that is focused on welfare of the people. Public participation is aimed at transitioning leadership from planning for citizens to planning with them. However, it faces various challenges including limited capacity of community level participation, and lack of political will at county government leadership. There is need to have clear and consistent guidelines to guide the process of public participation at both national and county levels.
- e) Political leadership influences transformation of the public sector. With political will, implementation of public sector reforms gains ownership. Further, development partners have influenced the pace and scope of reforms including the constitutional reforms. It was not until 2004 that the Public Sector Transformation Department was established to coordinate the public sector reforms and in 2013, an integrated approach to service delivery was adopted. There is need to cultivate political will for successful implementation of the reforms.
- f) The involvement of the private sector in the development process has created an opportunity to demonstrate concern on the welfare of the people. Consultations with stakeholders help provide a business environment that supports implementation of the development agenda. For the informal sector that is becoming a critical partner in the growth process, there is need to create a platform for dialogue to address specific challenges facing the sector. In addition, given that the youth are the future of the nation, having a platform for regular dialogue will ensure that the government is able to focus more closely on the welfare of the youth.

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## Annex 1: Summary of recommendations by committees and commissions on public sector reforms, 1963-1985

| Year | Name                 | Challenge   | Recommendation  |
|------|----------------------|---|---|
| 1964 | Adu Review Committee | <ul style="list-style-type: none"> <li>• Training for Africanization</li> <li>• Recognition that training was a continuous process and even trained personnel required retraining</li> <li>• Quality and quantity of training was important</li> <li>• Training was necessary for all cadres in the public service</li> </ul> | <p><b>Principle</b></p> <ul style="list-style-type: none"> <li>• Training of public servants is a continuous activity; therefore, aim was to improve their performance and productivity; expand the curricula by introducing new programmes focusing on national leadership development strategies</li> <li>• Training should lead to local examinations for local qualifications</li> </ul> <p><b>The role of the Institution</b></p> <ul style="list-style-type: none"> <li>• In addition to training for Africanization, the activities at the KIA should be expanded to include consultancy and research and the focus should be to cater for the needs of the public sector</li> </ul> <p><b>Organizational Structure</b></p> <ul style="list-style-type: none"> <li>• The institution should work with the Directorate of Personnel, supported by an Advisory Committee. A central personnel agency should be established to facilitate the adequate use of manpower trained at KIA</li> <li>• The Principal of KIA was required to attend staff meeting at the Directorate of Personnel Management and a syllabus committee established. Further the Institute should have 5 teaching departments, and the scheduling of courses should follow the annual calendar taking into account vacations</li> </ul> <p><b>Course programme and Activities</b></p> <ul style="list-style-type: none"> <li>• Senior management courses where national development issues were to be deliberated on. A compulsory one month orientation course for fresh graduates entering into the service. A number of course were proposed</li> </ul> <p><b>Expansion of facilities</b></p> <ul style="list-style-type: none"> <li>• Proposals were made to increase the capacity of the institution from 400 to 500, and nine additional classrooms, and accommodation blocks and staff housing.</li> </ul> <p><b>Division of responsibility</b></p> <ul style="list-style-type: none"> <li>• It was recommended that collaboration be maintained with Maseno Government training Institute and other similar institutions overseas and in Africa</li> </ul> |

|         |                       |  |   |
|---------|-----------------------|--|---|
| 1970-71 | The Ndegwa Commission | <ul style="list-style-type: none"> <li>• Self-aggrandizement</li> <li>• Governance: corrupt and lacked accountability, ethnicity. Lack of honor and integrity among public servants</li> <li>• Laxity in service delivery and general commitment to personal goals</li> </ul>  | <ul style="list-style-type: none"> <li>• Definition of a public servant: this included ministers, Members of Parliament and all the personnel that receive part or whole of their remuneration from the government</li> <li>• Principles in the conduct of government business the committee outline principle that referred to the code of conduct for public servants</li> <li>• Ownership of property or involvement in business by public servants. It allowed participation of public servants in business and owning property just like other Kenyans</li> <li>• The need for continuous curriculum review by a committee</li> <li>• Proposed an integrated national approach to training; i.e. in reference to training held at KIA and the Government Training Institute in Maseno</li> </ul> |
| 1972    | 1st Wamaiwa Committee | <ul style="list-style-type: none"> <li>• Courses were based on the scheme of service, and non-professional courses such as senior managements, police course and management development were used to facilitate promotions</li> <li>• A curriculum review had not taken place</li> <li>• Mandate was expanded to review government training systems</li> </ul> | <ul style="list-style-type: none"> <li>• Implementation of a new scheme of service and ensure harmonization between government training institutes</li> <li>• Relocation of Cooperative training department to Karen.</li> <li>• Training of supervisor staff at KIA, including on the use of secretarial services</li> <li>• Expand seminars to rural areas</li> <li>• KIA structure should account for five departments (Administration, Accountancy, Social development, Languages and communications, and Law)</li> </ul>   |

|         |                                       |   |  |
|---------|---------------------------------------|---|--|
| 1979-80 | 2nd Wamalwa Commission                | <ul style="list-style-type: none"> <li>• A curriculum review had not taken place</li> <li>• Dismal performance and degeneration in public service</li> <li>• Increased smuggling and corruption</li> <li>• Failure to fully implement the first Wamalwa report recommendations</li> <li>• KIA was not fulfilling its mandate</li> </ul> | <ul style="list-style-type: none"> <li>• Develop a training policy that is comprehensive and flexible</li> <li>• The responsibility of initiation, formulation, implementation and monitoring lie with the Director of Personnel Management</li> <li>• Individual ministries were to be responsible for their own training on advisory of the Director who was to be responsible for the centrally organized trainings</li> </ul> <p>Role of KIA</p> <ul style="list-style-type: none"> <li>• Focus on training in administration and management, including action research and providing consultancy services</li> <li>• Develop adult training techniques</li> <li>• Teach KANU philosophy and its interpretation</li> <li>• Training management trainees</li> <li>• Continue in the role of Kenyanization</li> </ul> <p>Future KIA</p> <ul style="list-style-type: none"> <li>• KIA operate like a semi-autonomous government institution under the management of a board of directors appointed by the Minister responsible of the civil service</li> <li>• Restructure the curricula to account for the different cadres, offer diplomas course in conjunction with the Ministry of Education and University of Nairobi</li> <li>• Restructure departments into five (Management and Administration, Accountancy and Business studies, Research and Development, Social Development and Communications and General studies</li> <li>• Recommended staffing levels, their qualifications, and proposed additional physical facilities (residential seminar complex, office blocks, audio-visual centre, publications centre and staff houses)</li> <li>• Proposed the development of a training strategy</li> <li>• The government was expected to full fund the KIA five-year development plan</li> </ul> |
| 1979-80 | Wamthi Civil Service Review Committee | Review existing structure of salaries and other fringe benefits in the public sector and seek to harmonize them where appropriate   | The commission recommends a grading structure for the personnel working at KIA in line with the others in the public sector; by recommending salary increments   |
|         | Ramthi Salaries Review Committee      | Decline in the performance of the civil service   | The recommendations created disparities in the terms and conditions of service   |

## Annex 2: Parastatal reforms in Kenya

| Year       | Document/Policy  | Reforms  |
|------------|--|--|
| 1979       | Committee on Review of Statutory Boards<br><br>Government report on statutory bodies | Enlarged the role of the Inspectorate of Statutory Boards in the Office of the President, which served as a trouble-shooting, management audit and consulting service for parastatals  |
| 1986       | Sessional Paper No. 1 of 1986 on Economic Management for Renewed Growth              | Shifted paradigm from African Socialism to a market economy “aimed at restructuring the economy, mapping out patterns of government expenditure, and reorienting parastatal investments”   |
| 1982- 1990 | Working Party on Expenditure (Recommendations)                                       | <p><b>1986-90</b></p> <p>Initiated measures to reduce the scope of public sector intervention in the economy through market-oriented liberalization measures in the areas of agriculture, industry, trade and finance - criticized the over-extension of public enterprise into sectors that were strictly commercial, called for a programme of divestiture</p> <p>Establishment of the Capital Market Authority to support divestiture programmes.</p> <p>Government initiated (with IDA financing from the Financial Parastatals TA Project) a program of adjustment for the two major development finance institutions in the economy - the Industrial Development Bank (IDB) and the Industrial and Commercial Development Corporation (ICDC); this program includes specific actions with respect to the divestiture of state owned Assets</p> <p><b>Case by case</b></p> <p>Restructure of the largest public enterprises, Kenya Airways, Kenya Railways, National Cereals and Produce Board (NCPB), Cotton Lint and Seeds Marketing Board (CLSMB), East African Sugar Industries, Kenya Tea Development Authority (KTDA), the Coffee Board, and parastatal textile mills</p> |
| 1990       | Re-Investing in Stabilization and Growth Through Public Sector Adjustment            | Emphasized the need for comprehensive parastatal reform arguing that the sectoral adjustment measures, which helped the economy to raise its growth performance over the last five years [1986-1990]. Recommended a parastatal reform program should that would not only embrace divestiture, but also regulatory, and the restructuring of strategic enterprises which were expected to remain in the public sector   |
| 1991       | Policy Paper on Public Enterprises and Reform and Privatization                      | <p>Divest in a preliminary list of 207 public enterprises (PEs) through the public enterprise reform programme (PERP) and a privatization programme</p> <p>PERP was also geared towards introducing major changes in corporate governance</p> <p>The World Bank conducted a training programme, in collaboration with the Kenya Institute of Management and local training institutions, aimed at building up local capabilities for carrying out privatization, undertaking enterprise diagnoses and mastering various techniques of divestiture and project finance</p>  |







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