

THE INFLUENCE OF INSTITUTIONAL LEADERSHIP ON CORRUPTION LEVELS IN THE PUBLIC SERVICE IN KENYA

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Abstract

The study sought to establish the influence of governance on corruption levels from the perspective of the Public Service in Kenya. One of the study objectives was to: assess the influence of institutional leadership on corruption levels in the Public Service. A review of literature was done anchored on Principal-Agent Theory. The study adopted both the correlational and descriptive research designs. A study population of 265 institutions (as on 2015) provided a target sample size of 157 institutions. The target respondents in the sampled institutions were public officers who had undergone training on the following disciplines: leadership, integrity, values and principles of the public service and management during the study period (2010-2015). These purposely selected respondents were subjected to questionnaire. To augment data from the questionnaires, 23 key informant interviews were conducted targeting senior officers in the public service, non-state actors and experts. Data collected was analyzed by descriptive and inferential statistics. The overall correlation analysis results showed that there was a significant but negative relationship between institutional leadership and corruption levels as supported by correlation coefficient of $-.525$. The regression analysis results showed the coefficient of determination R square is $.291$ and R is $.540$ at 0.05 level of significance. The coefficient of determination indicates that 29.1% of the variation on corruption level is influenced by institutional leadership. The findings

from the study are to benefit the policy makers, public service, citizens of Kenya and other stakeholders. It also fills the knowledge gap owed to previous little research on the influence of institutional leadership on corruption levels. The study recommended that the public service should be keen to design policies and implement programs targeted on addressing the specific leadership sub constructs (quality policies, responsibility, and commitment) so as to address the run-away corruption in the public service.

Keywords: Institutional Leadership, Governance, Corruption, Quality Policies, Commitment, Responsibility

INTRODUCTION

Globally, there has been an emerging and intense debate on the subject of governance. Mo Ibrahim foundation (2015) defines governance as the provision of the political, social and economic goods that a citizen has the right to expect from the state, and that a state has the responsibility to deliver to its citizens. The World Bank intimately refers to governance as the process by which public institutions exercise authority in the conduct of public affairs, management of public resources and provision of goods and services (World Bank, 2010). The United Nations Economic and Social Commission for Asia and Pacific (UNESCAP) also perceives governance as the process of decision-making and the process by which decisions are implemented (or not implemented) (AfriMap, 2015).

Governance and its link to reducing corruption remains a complex phenomenon but still under-researched and little understood (Mak & Byron, 2014). It is now acknowledged that corruption in the public service is a much broader concept that covers all actions that put private interests above public interests in relation to legislation, policy and administration (IDEA, 2004). This perspective introduces the corruption`s critical link to governance. This is made clearer as it involves effective functioning of institutions and management of society through its political, economic, social and judicial mechanisms (Doig, Watt, & Williams, 2005). When these formal and informal institutions break down, laws and policies that ensure accountability and transparency of the government become harder to implement (Cho, 2014). The subject can be viewed from global, regional and local perspectives as discussed below.

Local Perspective of Governance and Corruption

In Kenya, governance initiatives, especially towards anti-corruption started during the pre-independence days (Republic of Kenya, 2015; NACP, 2012). This is evidenced as the National

Anti-Corruption Plan (2012) cites existence of the Prevention of Corruption Act which was in operation from August 1956 to May 2003. The efforts climaxed in 2010 when the country promulgated and adopted a new constitution (EACC, 2014; PSC, 2015). The Constitution is specific on good governance in the Public Service through: enhanced integrity in leadership, embracement of national values and anti-corruption (CoK, 2010).

Particularly, the CoK, 2010 has dedicated a number of chapters on Public Service governance: Values and Principles of the Public Service (Chapters 232-234), integrity in leadership (Chapter 6), National Values (Article 10) and the formation of an independent Ethics and Anti-Corruption Commission (Article 79) (Republic of Kenya, 2010). Additionally, the CoK (2010) article 2 (6) requires treaties and conventions ratified by Kenya to become part of Kenyan law (CoK, 2010). This creates a governance framework to promote local and international cooperation in anti-corruption.

To augment these local anti-corruption policy initiatives, Kenya has been keen on championing anti-corruption through the regional and international mechanism. For instance, Kenya is a signatory to the United Nations Convention Against Corruption (UNCAC) and is a member to many other international and regional anti-corruption and good governance instruments (APRM, 2016). Several institutions have also been established and mandated to fight corruption with the Ethics and Anti-Corruption Commission (EACC) as the primary agency (CoK, 2010; Republic of Kenya, 2015).

According to the National Anti-Corruption Task Force Report (2015), some of the other agencies include: the Office of the Auditor-General; the Office of the Controller of Budget; the National Treasury; the Independent Electoral and Boundaries Commission; Parliament; the Commission on Administrative Justice; the National Anticorruption Campaign Steering Committee; the National Police Service; the National Intelligence Service; the Criminal Investigations Department; the Mutual Legal Assistance Central Authority; the Assets Recovery Agency; the Financial Reporting Centre; the Witness Protection Agency; the Inspectorate of State Corporations, the Efficiency Monitoring Unit (EMU) and the Director of Public Prosecutions.

At Public Service level; Anti-Corruption units, Corruption Prevention Committees and reporting mechanisms within state Ministries, Departments and Agencies (MDAs) have been established (PSC, 2015; Kenya Gazette, 2015). These MDAs are annually required to undergo performance contracting where corruption eradication is one of the targets under governance (PSC, 2015). Similarly, a number of public service reforms have been initiated (PSC, 2015). These reforms are in response to the constitutional provisions and existing anti-corruption legislation (PSC, 2015). Leadership on anti-corruption is expected from the top of the

executive. In this regard, the President of Kenya is obligated under the law to annually report to parliament on the status of implementation of national values and principles of governance (CoK, 2010; Kenya Gazette, 2015). The reports summarize governance measures undertaken to curb corruption, the status, outcomes, challenges and specific recommendations (Kenya Gazette, 2015).

The Public Service in Kenya

The Public Service in Kenya refers all state organs (MDAs) at both levels of government and state corporations (CoK, 2010). It serves as a critical bridge between the citizens and the state, defined as political entity that possesses people, territory, a government and sovereignty. Kenya has two levels of governance; National and County as established in the Constitution of Kenya 2010 (CoK, 2010). Kenya`s public service sectors could be broadly divided into three: executive, legislative and judicial (CoK, 2010). However, Article 232 (2) of the Constitution on Values and Principles assigns only all MDAs under the Public Service Commission (CoK, 2010).

The Public Service is a critical institution in the processes of managing public affairs. The Public Service in Kenya has the responsibility of ensuring that all citizens, irrespective of their physical, biological or social differences receive governmental attention, access their human and social needs, receive protection for their life and property and enjoy other fundamental freedoms and rights (CoK, 2010). It thus plays a major role in national development through service delivery and the promotion and maintenance of a conducive socio-economic and political environment for other sectors to thrive (PSC, 2015).

Statement of the Problem

Governance`s influence on corruption is little known amid several initiatives towards anti-corruption especially in Public Service. According to Covey (2011), governance is a multi-faceted concept encompassing all aspects of the exercise of authority through formal and informal institutions in the management of the resource endowment of a state. In the Public Service, it is the process by which public institutions conduct public affairs and manage public resources (World Bank, 2010). Good governance in the Public Service is measured from; stability, accountability, effectiveness, rule of law, quality of regulation, effective leadership, participation and control of corruption (Kaufmann, Kraay&Mastruzzi, 2012). Studies by Chung, Kim, Park and Sung (2013), Yang (2012), Daniele (2014) and Solomon (2013) have indicated that governance could influence corruption levels in an institution. It has been further demonstrated that countries such as Denmark, New-Zealand and Finland which often top in the least of the least corrupt seem to have significant improvement in governance (TI, 2011).

On the contrary, corruption seems to be prevalent in spite of the many governance efforts to control the vice in the Public Service Kenya (EACC, 2012; NACP, 2012; Kenya Gazette, 2015). In 2010, the country adopted a Constitution that dedicates several articles to good governance in the Public Service (CoK, 2010). The country was ranked at position 12 out of 54 countries reflecting a general governance improvement in 2016 (IIAG, 2016). However, Corruption Perceptions Index, ranked Kenya at position 145 out of 176 in 2015 compared to position 154 out of 178 in 2010 (TI, 2015; TI, 2010). Further, a National Ethics and Corruption Survey in 2015 cites a 67% rating of corruption as high (EACC, 2015). The perception surveys are collaborated by empirical reports by the Auditor General and the EACC citing an approximate loss 30 % of the country's national revenue to corruption (EACC, 2014). This situation largely affects the public service and hinders service delivery, growth and development.

While there is still an acknowledgment on the influence of governance on corruption, little research has been done on the subject using the public service as a unit of analysis. Additionally, previous scholarly studies have largely focused on the subject from country and regional levels using cross sectional and secondary data. Several initiatives have thus focused on improving governance with insufficient information on the causal effect on corruption levels (Wrong, 2009; World Bank, 2010; UN, 2012). This disconnect has also affected public service institutions which despite actively improving governance, are cited to be ridden with rising corruption levels (EACC, 2014; Kaufmann, Kraay & Mastruzzi, 2012). This study sought to address this gap with a focus on the Public Service in Kenya.

Research Objective

The objective of the study was to establish the influence of governance on corruption levels in the Public Service in Kenya. Specifically, study intends to assess the influence of institutional leadership on corruption levels in the Public Service;

Research Hypotheses

H₀: Institutional Leadership has no statistically significant influence on corruption levels in the Public Service;

THEORETICAL REVIEW

Principal-Agent Theory

This model is an advancement of Eisenhardt's (1989) Agency Theory and is advanced by (Klitgaard, 1988). Both proponents agree that there are two actors in a transaction (Principal

and Agent). However Klitgaard points out that there could be a third party (client or the public, involved in any transaction) (Klitgaard, 2008). The relationship between the principal and agent is inherently a contractual one and is based on mutual trust (Yang & Jun-Yi, 2007; Ogbeidi, 2012). It has been suggested that the principal plays the most vital role. The principal selects the agent, assigns powers to the agent, defines the relationship between the agent and the client and chooses the incentives and penalties for the agent.

This theory provides a framework that links governance with corruption levels in an institution. According to the PAC framework, the pursuit of self-interest may supersede the contract between the principal and the agent and corruption occurs, 'when an agent betrays the principal's interest in pursuit of his own' (Klitgaard, 2008; Angus-Leppan, Metcalf, & Benn, 2010). Some studies have further established, that anticorruption efforts in most developing countries should observe the rationality of Principal Agent Theory (Arndt & Oman, 2006; Lawson, 2009). Such measures have previously focused on reducing levels of discretion, increasing commitments and probabilities of being detected (Shah, 2007; Klitgaard 2008; Johnson, Whittington, & Scholes, 2011).

This follows a generic understanding that whenever state agents are given the opportunity to serve, they may involve illegal practices unless they are closely supervised and effectively monitored (Mudashiru, et al, 2014). According to this theory the level of corruption, C, could be expressed in terms of the following equation:

Principal Agent Model

$$C = M + D - A$$

Where:

M -refers to monopoly powers,

D -discretion of the officials, and

A -level of accountability within an institution

This model suggests that corruption may happen because effective monitoring and commitment by the leadership governing an institution is inadequate. Studies further indicate that since governance mechanisms provide additional checks on behaviour, this will not only reduce the possibility that top managers will enhance their interests by using information asymmetries but also facilitate the realization of the shareholders' (Liu & Subramaniam, 2013). This theory supports institutional leadership variable by propelling the need for quality policies, responsibility and commitment in the public service leadership.

Institutional Leadership and Corruption Levels

Institutional leadership in governance of the public service is a complex phenomenon. Cho (2014) suggests that it involves: the setting of strategic vision and policy frameworks, consensus building, provision of appropriate regulations and incentives. More fundamentally it anchors the day to day decision making and effective oversight over institutional systems and personnel. Leadership also articulates and communicates the organization shared values (Aras & Crowther, 2013). This is more critical in public service where the citizens and other stakeholders anticipate public goods and services. In the context of anti-corruption, it is rendered in terms of principals and agents.

Institutional leadership has emerged as a useful tool in anti-corruption on the basis on the principal agency power relationship between the agents and principals. When leadership is committed and actively involved in curbing corruption, employees (agents) are more likely to follow suit (Covey, 2011). This is true as principals (leadership) delegate authority to agents, who are expected to act on the principals' behalf. Typically managers need to have a sufficient understanding of the work practices to recognize corrupt activities (Stephen, Muna, & Koma, 2015). They also put emphasis on the need to assess and manage risk factors that may provide opportunities for corrupt conduct in a context of uncertainty and reduced oversight. At lower levels within the Public Service, adequate supervision and work review practices requires institutional leadership to have adequate knowledge, skills and experience to curb corrupt behavior (Arnold & Carnes 2012).

Organizations have different levels of leadership (lower, middle and strategic). Responsibility and commitment should be placed at all these stratus (Washington, Boal, & Davis, 2007). Arnold and Carnes (2012) offer the need to have constraints on the behavior of public officials and increased accountability. To achieve this, leadership needs to set the pace by being setting quality policies and proactively implementing them. Leadership also has to take responsibility for decision and actions with a focus on building strong institutions (Angus-Leppan, Metcalf & Benn, 2010). This concurs with Ogbeidi (2012) and Mudashiru et al. (2014) who advocate for responsibility, commitment and exemplary stewardship in the framework of public service.

There is empirical evidence that effective institutional leadership can aid in enhancing public office accountability (Aras & Crowther, 2013). An empirical study by Loree (2006) reflects the critical role of leadership in promoting integrity and combating corruption in the Police force in Nigeria. This is so because, police officers in leadership positions wield considerable influence within the organization, directly in terms of their actions or inactions and indirectly in how they and their actions are perceived (Loree, 2006; Adam, & Aiden, 2012). These findings

affirm the commonly held assertion that institutions without an accountable leadership are a recipe for increased corruption and that anti-corruption reforms are bound to fail (Brown, Trevino, & Harrison, 2005).

This has been further demonstrated in Singapore and Hong Kong where corruption levels have reduced largely based on strengthened managerial and horizontal accountability (Lambsdorff, 2006). Other, studies have found that institutional leadership has an impact on levels of petty or bureaucratic corruption in some countries (Thang, Huyen&Thang, 2016). Huberts, Kaptein, and Lasthuizen, (2007) investigated the impact of three aspects of leadership: role modeling, strictness, and openness on integrity violations committed by police officers. They observed that the influence of these aspects varies but that they have a significant impact on the frequency of corrupt behaviors. The studies contend that the aspect of leadership which has the strongest impact on internal corruption in the workplace is role-modeling.

External corruption is influenced primarily by inadequate: strictness, quality policies in an institution and commitment(EU, 2014). The impact of leadership commitment has also been demonstrated in the case of Zambia. Here due to inadequate commitment; there was heightened obstruction in corruption investigations and corruption levels rose by almost 40% (Doig, Watt, & Williams , 2005) .These findings point to the need for well-designed structures of managerial and horizontal accountability to enhance corruption reduction in the Public Service. This can be achievable with high commitment levels, responsibility and quality policies.

RESEARCH METHODOLOGY

The study adopted both descriptive and correlation research designs. Tashakkori and Teddlie (2010) share insights on the significance of mixed methods and allay challenges posed by pragmatism, paradigms and politics mixed methods in contemporary research. Creswell (2011) suggests that a descriptive research design is appropriate when data is collected to describe organizations. It is based on the premise that if a statistically significant relationship exist between two variables, then it is possible to predict one variable using the information available on another variable (Kothari, 2011).

A descriptive research approach thus attempts to systematically describe attitudes towards an issue (Bryman, 2015). On the other hand, a correlation research approach attempts to discover or establish the existence of a relationship between two or more aspects of a situation (Creswell, 2011). Correlation analysis also facilitates determination of the relationships between the independent variables and their influence on the dependent variable (Cooper & Schindler, 2014). This study collected data from the public service institutions. It also tested

whether governance (institutional leadership) has any statistically significant influence on corruption levels.

Population

A population is the entire set of individuals or other entities to which study findings are to be generalized (Berg, 2009). Kothari (2011) refers population to all items in any field of inquiry which is also known as the universe. A study population comprises of individuals, households, or organizations with similar characteristics about which a researcher wants to make inferences (Cooper & Schindler, 2014). The study population was the 265 public service institutions (under the Public Service) which were evaluated on compliance with national values and ethics as provided for in the 2010 Constitution (PSC, 2015). The evaluation year 2015 is critical as it signals the end of the Constitution implementation transition period. It is also the apex year when the Public Service ought to have been comprehensively constituted in the framework of the values and principles of the Public Service (CoK, 2010).

In addition, Mugenda and Mugenda (2012) terms target population as that population to which a researcher wants to generalize the results of their study. The target population (target respondents) comprised of 2,116 public officers (from the National public service) who underwent training on leadership, principles and values of public service, management and or related disciplines during the study period (2010-2015). Additionally interviews were administered to public officials and other experts selected the public service and other relevant institutions. These were selected as they are deemed to have pivotal knowledge and in-depth understanding of governance issues within the Public Service.

Sampling Frame

A sampling frame refers to list of all items in any field of inquiry that constitute a “Universe” or “Population” (Kothari, 2011). Cooper and Schindler (2014) also agree it as constituting the elements from which a sample is actually drawn.

It is further said to comprise of all those elements that can be sampled and may include individuals, households, or institutions (Berg, 2009). The sampling frame for this study comprised of 265 Public Service institutions that were evaluated on the principles and values of public service by the Public Service Commission. These were further stratified into four categories: Constitutional Commissions and Independent Offices (CCs and IOs); Ministries; State Corporations (SCs) and (SCs and As) as provided by the Public Service Commission evaluation report (PSC, 2015).

Table 1: Categorization of Public Service Institutions

Institution Category	Number of the Institutions	% ratio
CC & IOs	9	3.4
Ministries	25	9.4
State Corporations	221	83.4
SCs and As	10	3.4
Total	265	100

Source: Public Service Commission Report, 2015

Sample Size and Sampling Technique

Bryman (2008) and Spiegel (2008) define a sample as a part of the total population. Kothari (2011) refers it to a collection of units chosen from the universe to represent it. The study applied stratified random sampling where subjects were selected in such a way that the existing sub-groups in the population were more or less reproduced in the sample (Mugenda and Mugenda, 2012). This technique is appropriate where most population can be segregated into several mutually exclusive sub-populations or strata (Bryman, 2015; Cooper & Schindler, 2014). Therefore the 265 MDAs were stratified into the four subsectors as per PSC 2015 classification (PSC, 2015).

Proportional allocation was used to determine the size of each sample for different strata (Saunders, Lewis & Thornhill, 2009). In addition; purposive selection of the Public Service Institutions where data collected were based on relevance to the study; cross cutting mandate, role in governance and proximity. Purposive sampling is confined to specific types of people or institutions who/which can provide the desired information, either because they are the only ones who have it or conform to some criteria set by the researcher (Sekaran & Bougie, 2010). Based on Kothari (2011) model, the sample size was determined using the following formula:

$$\frac{Z^2}{e^2 (N-1) + Z^2 pq}$$

Where:

n is the sample size, Z denotes the z score at 0.05 level significance which is equivalent to 1.96, p is the proportion in the target population estimated to have the characteristics being measured and q is 1- p. N is the target population, e is the precision of error taken as 5% for the study. Kothari (2011) suggests that a sample size of at least 30% is considered acceptable. Using the

formula illustrated above, a sample size of 157 constituting 59 % of the population was computed as follows:

$$n = (1.96^2 * 0.5 * 0.5 * 265) \div \{(0.05^2 * (265 - 1)) + 1.96^2 * 0.5 * 0.5\}$$

$$\approx 157$$

Table 2: Questionnaire Sample Size Distribution

MDA Category	Population	% ratio	Sample (% * n)
CC & IOs	9	3.396	5
Ministries	25	9.433	15
State Corporations	221	83.396	131
SCs and As	10	3.773	6
Total	265	100	157

Creswell (2011) contends that it is good to study few samples in qualitative studies. Sekaran & Bougie offer that for interview based PhD studies, at least 28- 30 interviews would be considered acceptable. This study used a total of 30 interviews that were sampled from the Public Service (senior officials) and experts from the non-state sectors (CSOs, private sector and the public). The sample size of 5 respondents for each cluster was evenly distributed. Target institutions and respondents were selected based on their expertise and contributions in governance.

Table 3: Interview Sample Distribution

Cluster	Sample	% Ratio
CC & IOs	5	16.6
Ministries	5	16.6
State Corporations	5	16.6
SCs and As	5	16.6
CSOs	5	16.6
Private Sector	5	16.6
Total	30	100

Data Collection Instruments

According to Oso and Onen (2011), data is anything given or admitted as a fact on which a research inference is based. Cooper and Schindler (2011) and Mugenda and Mugenda (2012) defined data collection instruments as the tools and procedures used in the measurement of variables in research. Data collection can be derived from a number of methods, which include interviews, focus groups, surveys, telephone interviews, fieldnotes, taped social interaction or

questionnaires (Cooper and Schindler, 2011). Data was collected using instruments appropriate for each category of data source. The tools were critically examined and fine-tuned before the commencement of fieldwork. The following were the data collection instruments and tools:

Questionnaire

Primary data was collected using questionnaires which is a most commonly used method (Creswell, 2011). A questionnaire is a technique of data collection in which each person is asked to respond to the same set of questions in a predetermined order (Cooper & Schindler, 2011; Burns & Burns, 2012). Questionnaires were used as they have an advantage of collecting data from large groups within a short time and less costs. Besides, questionnaires can provide time for respondents to think about responses and are easy to administer and score (Kothari, 2011). They also help to reduce the biases which might result from personal encounters and attitudes (Kasomo, 2010). Both open and closed questions were used to elicit information based on the study variables. The questionnaires were self-designed in collaboration of the views of the pilot study.

Interview Schedule

Interviews are a systematic way of talking and listening to respondents often using open questions (Kothari, 2011). It has been explained that an interview is not simply concerned with collecting data about phenomena: it is part of life itself; its human embeddedness is inescapable (Creswell, 2011). Interviews are a preferred method of qualitative data collection for: ease of obtaining personalized data, ability to observe and or record non-verbal cues, probing opportunities and a high return rate (Cooper & Schindler, 2011). Qualitative interviews give a new insight into a social phenomenon as they allow the respondents to reflect and reason on a variety of subjects in a different way (Folkestad, 2008). Specifically, this study adopted structured interviews which are strict to the interview schedule.

Having an interview schedule helps in the identification of key themes and sub-questions and gives the researcher a sense of order from which to draw questions from unplanned encounters (Kothari, 2011). Further, using a structured method, relevant questions can be shared in advance and help in the collection of rich data. Here, in-depth data will be collected as interviews usually allow the interviewer to probe respondents (Kasomo, 2010). The interview guides thus augmented data from the questionnaire and were applied to the senior managers of the PSC institutions, key stakeholders and anti-corruption experts. Information collected greatly enhanced the drawing of inferences and conclusions relating to the study.

Data Collection Procedures

An introduction letter from the university and a research permit from the National Commission for Science, Technology and Innovation (NACOSTI) were obtained. Thereafter, a letter requesting for authorization to carry out research from each of the target sample public service institutions was distributed (prior to visiting). Follow up was done using contact persons who also helped in the identification of personnel who had undergone relevant training during the study period (2010-2015). The researcher and research assistants thereafter systematically distributed the questionnaires to the identified personnel using the Drop-off and Pick-up (DOPU) method. Interview data collection from the target respondents was by way of face to face and or telephone interviews.

Pilot Test

Scholars suggest that a pilot test helps in finding out the accuracy and appropriateness of the research design and instrumentation (Saunders, Lewis & Thornhill, 2009; Sekaran & Bougie 2010). It also helps in the identification of flaws in the design and implementation of data instruments and collection procedures (Cooper & Schindler, 2014). It aids in identification of potential problems, review of mistakes and provides an indication of time required for actual field work. This study subjected the two major data collection instruments (Questionnaire and Interview schedule) to 10% of the sample to ensure that the instruments were relevant and reliable. The pilot test respondents were not statistically selected while testing for validity and reliability (Cooper & Schindler, 2014).

ANALYSIS AND FINDINGS

Response Rate

A response rate was calculated on the basis of the primary data collection instrument i.e. the number of questionnaires distributed. 133 (85%) out of 157 questionnaires were duly filled and returned as shown in Table 3. The response rates were considered admissible given the recommendations by Mugenda and Mugenda (2012) that a response rate of 50% is adequate for analysis and reporting a rate of 60% is generally good while a response rate of above 70% is excellent. This is also the same position taken by Kothari (2011) who adds that a response rate of above 70% is deemed to be very good. Additionally, 23 out of 30 respondents targeted for key informant interviews fully participated; this represented a response rate of 76.67%. Based on these assertions, this implies that the response rate for this study was adequate and increases confidence for generalization.

Table 3: Response Rate

Description	Frequency	Response Rate (%)
Questionnaires distributed	157	100
Duly filled and returned questionnaires	133	85.0

Influence of Institutional Leadership on Corruption Levels

Descriptive Analysis for Institutional Leadership

Table 4 shows results on whether institutional leadership was considered important in public service institutions under study based on the following parameters: quality policies, responsibility and commitment. The data reviewed shows that responsibility was the most important, followed by commitment and quality policies as shown by means of 3.95, 3.86 and 3.65 respectively. The dispersion values were less than 1 indicating low variance.

Table 4: Importance of Institutional Leadership

Institutional leadership	Mean	Median	Std. deviation	Variance
Quality policies	3.65	4.00	.720	.518
Responsibility	3.95	4.00	.581	.338
Commitment	3.86	4.00	.993	.987

Table 5 shows the extent to which institutional leadership was practiced in the institutions under study using the following parameters: quality policies, responsibility and commitment. Results indicate that quality policies, responsibility and commitment were moderately practiced as shown by a mean score of 3.14, 3.17 and 3.04 respectively and confirmed by a positional average by the median of 3.00 each. Dispersion was less than 1 indicating low variance in practice of quality policies, responsibility and commitment among the institutions.

Table 5: Extent of Institutional Leadership in Public Service in Kenya

Institutional Leadership	Mean	Median	Std. deviation	Variance
Quality policies	3.14	3.00	.650	.563
Responsibility	3.17	3.00	.731	.535
Commitment	3.04	3.00	.462	.539

Effect of Institutional Leadership on Corruption Levels

Results in Table 6 show whether institutional leadership had an effect on corruption levels based on yes and no responses. According to the findings 91% (n = 121) indicated that commitment; 74% (n = 99) indicated that responsibility; while 56% (n=74) indicated that quality policies affected corruption levels.

Table 6: Institutional Leadership and Corruption Levels

Institutional Leadership	Yes		No		Asymp. Sig. (2 sided)
	F	%	F	%	
Quality policies	74	56	59	44	0.000
Responsibility	99	74	60	26	0.000
Commitment	121	91	37	9	0.000

Table 6 shows results on the extent to which institutional leadership influenced corruption levels. This was based on a five point Likert scale of 1-5 where 1 – very little, 2 - Little, 3 - moderate, 4 - great and 5 – very great. Data from the field revealed that quality policies greatly affected corruption levels in the public service in Kenya as indicated by a mean value of 3.99. The dispersion was huge as indicated by a standard deviation of 1.011. The study also established that responsibility and commitment by leadership greatly influenced corruption levels as shown by mean values of 3.95 respectively and confirmed by a positional average by the median of 4.00.

Table 7: Effect of Institutional Leadership on Corruption Levels

Institutional Leadership	Mean	Median	Std. Dev	Variance
Quality policies	3.99	4.00	1.011	1.023
Responsibility	3.95	4.00	1.578	2.490
Commitment	3.29	4.00	1.283	1.645

Table 7 shows the results on how the extent of institutional leadership influenced corruption levels (perceptions, risks, reports). Data from the field indicated that extent of quality policies highly influenced perceptions as depicted by a mean value of 3.71. The dispersion rate was 1.069. The study also established that leadership responsibility highly affected corruption reports as shown by a mean value of 3.71 and confirmed by a positional average by the median of 4.00. The dispersion rate was 0.206.

The respondents indicated that commitment highly influenced corruption perceptions as shown by a mean score of 3.57 and confirmed by a positional average by the median of 4.00, and dispersion rate of 0.823.

Table 8: Influence of Institutional Leadership on Corruption Levels

Institutional Leadership	Corruption level	Mean	Median	Std. Dev	Variance
Quality policies	Perceptions	3.71	4.00	1.034	1.069
	Risks	3.57	3.00	1.054	1.110
	Reports	3.57	4.00	1.299	1.686
Responsibility	Perceptions	3.43	4.00	1.054	1.110
	Risks	3.57	3.00	0.731	.535
	Reports	3.71	4.00	0.453	.206
Commitment	Perceptions	3.57	4.00	0.907	.823
	Risks	3.29	4.00	1.034	1.069
	Reports	3.29	3.00	0.453	.206

The findings were fully supported by interviewees and the open ended responses in the questionnaires. As chapter two demonstrates, grand corruption takes place at the high levels of the political system when politicians entitled to make and enforce laws use authority to sustain their power, status and wealth. Grand corruption perverts the manner in which decisions are made and leads to misallocation of resources (Aras & Crowther, 2013). The literature reviewed that laws and regulations are abused by the rulers, side-stepped, ignored, or even tailored to fit their interests. Actually, Ogbeidi (2012) suggests that responsible and credible leaders must emerge to implant the act of good and selfless governance in the country.

The results further support observations by (Johnson, Whittington, & Scholes, 2011) who noted that leadership processes can have a major influence on success or failure of those organizations. Mudashiru, et al (2014) also argued that the leaders should provide sound leadership and structures in order to be in firm control of the affairs of the company in a lawful, efficient and effective manner. This is true because leadership structures, according to Covey (2011) and Mudashiru et al. (2014) is organizing a group of people to achieve a common goal. This study has demonstrated the need for an appropriate institutional leadership to help in control of corruption in the public service.

Correlation Analysis for Institutional Leadership

Table 9 presents the Pearson bivariate correlation coefficients between corruption levels and Institutional leadership. The results indicated that institutional leadership has a significant negative relationship with corruption level. It is further shown that the p-value was at $p = 0.000$ and this meets the threshold since $p < 0.05$ at 95% level of confidence. The negative relationship was represented by correlation coefficient of -0.525 , and the number of respondents considered was 133. The results further support observations by other scholars who have noted that leadership processes in an organization can have a major influence on success or failure of those organizations (Johnson et al. 2011; Mudashiru et al. 2014; Aras & Crowther, 2013).

Table 9: Institutional Leadership Correlation Result

		Institutional Leadership	Corruption level
Institutional Leadership	Pearson Correlation	1	-.525(**)
	Sig. (2-tailed)	.	.000
	N	133	133
Corruption level	Pearson Correlation	-.525(**)	1
	Sig. (2-tailed)	.000	.
	N	133	133

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

Regression Analysis for Institutional Leadership Vs Corruption Levels

Regression analysis was used to establish the influence of institutional leadership on corruption levels. Hypothesis testing using p value was used because it gave the strength of the decision. The p - values were used to measures the hypotheses of the study. According to (Mugenda & Mugenda, 2012) a significance level of 0.05 is recommended as it represents that results are at 95% confidence level. The regression analysis results were presented using a scatter plot diagram, regression model summary tables, Analysis of Variance (ANOVA) table and beta coefficients tables.

Null Hypothesis Ho: Institutional leadership has no statistically significant effect on corruption levels in the public service in Kenya

Figure 1 illustrates scatter plot diagram of regression analysis results of significance of institutional leadership versus corruption level. The Figure illustrates that all the plots appear in the first quadrante and the line of best of fit indicates an estimate line that is increasingly

negatively downwards. This implies that there is a negative linear relationship between institutional leadership and corruption levels.

Figure 1: Line of Best fit for Institutional Leadership Vs Corruption Levels

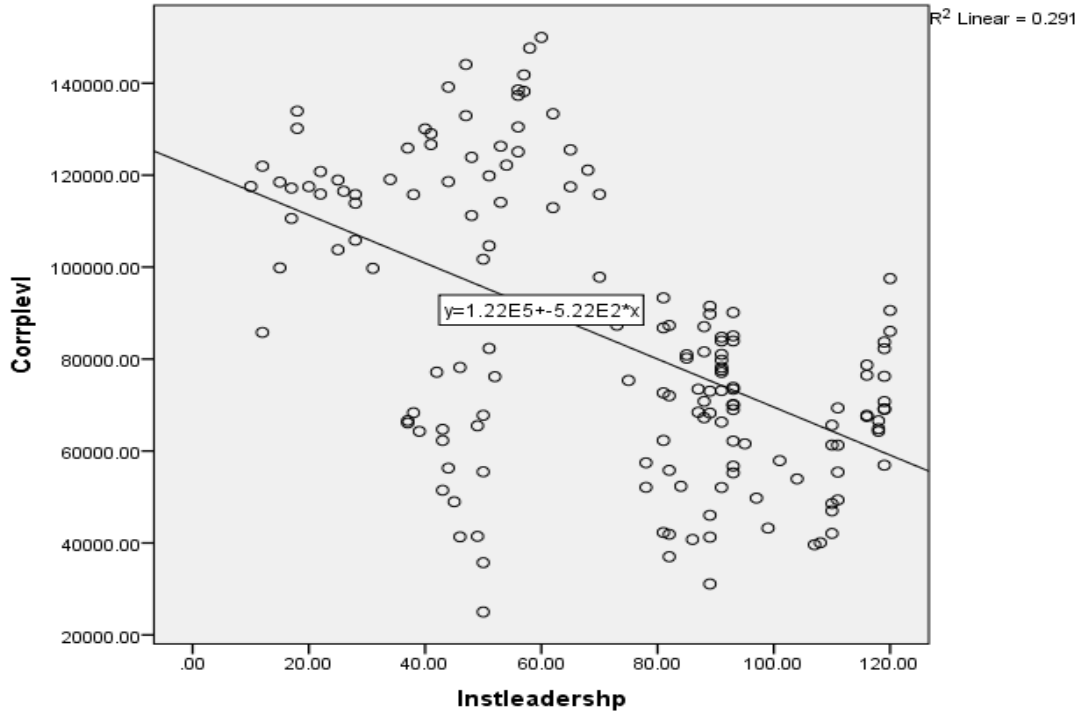


Table 10 presents the regression model on institutional leadership versus corruption levels. As presented in the table, the coefficient of determination R square is .291 and R is .540 at 0.05 level of significance. The coefficient of determination indicates that 29.1% of the variation on corruption level is influenced by institutional leadership. This implies that there exists a significant relationship between institutional leadership and corruption levels.

Table 10: Model Summary for Institutional Leadership

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.540 ^a	.291	.287	25408.02779

a. Predictors: (Constant), Institutional Leadership

The Analysis of variance (ANOVA) results as shown in Table 11 further confirms that the model fit is appropriate for this data since p -value of 0.000 which is less than 0.05. This implies that there is a significant relationship between institutional leadership and corruption levels.

Table 11: Analysis of Variance (ANOVA) for Institutional Leadership

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.036	1	26.036	32.716	.000
	Residual	104.250	131	.796		
	Total	130.286	132			

a. Dependent Variable: Corruption levels

b. Predictors: (Constant), Institutional Leadership

The results in Table 12 further indicate that institutional leadership have negative and significant influence on corruption level. The fitted model $Y = 1.217 + -0.522 \times X_4$. This implies that a unit increase in institutional leadership reduce corruption level by the rate of 0.522. Even when institutional leadership is non-existence, corruption level will still be positive at 1.217 indicating that there are other drivers promoting corruption including rule of law, organization effectiveness and stakeholder participation. In terms of significant associations found between institutional leadership and corruption levels with regard to the entire tested sample it concluded that at 5% level of significance; Null Hypothesis "Ho: Institutional leadership has no statistically significant effect on corruption levels in the public service in Kenya" is rejected and alternative hypothesis, "institutional leadership has significant influence on corruption level" is accepted.

Table 12: Institutional Leadership Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	(Constant)	1.217	5121.325		23.778	.000
	Institutional Leadership	-.522	65.403	-.540	-7.985	.000

a. Dependent Variable: Corruption Levels

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The study sought to establish the influence of institutional leadership (quality policies, responsibility, and commitment) on corruption levels in public service in Kenya. Descriptive statistics were used to analyze this objective and other subsequent analysis was done. The results showed that responsibility was considered as highly important followed by quality policies and commitment. The study also confirmed that the regulatory framework (oversight

structures, internal regulations, and organization norms) moderated the influence of institutional leadership on corruption levels.

The overall correlation analysis results showed that there was a significant but negative relationship between institutional leadership and corruption levels as supported by correlation coefficient of $-.525$. The regression analysis results showed the coefficient of determination R square is $.291$ and R is $.540$ at 0.05 level of significance. The coefficient of determination indicates that 29.1% of the variation on corruption level is influenced by institutional leadership. The uni-variate regression analysis results showed that there is a significant and negative influence of institutional leadership on corruption levels as supported by a p -value of 0.000 and a beta coefficient of $-.522$. This implies that a unit increase in institutional leadership would decrease corruption levels in the public service in Kenya by 0.522 units. The multivariate regression analysis results also showed that institutional leadership had a significant negative influence on corruption levels as supported by beta coefficient of $-.157$. This implies that (*ceteris paribus*) a unit increase in institutional leadership should decrease the overall corruption levels in public service in Kenya by 0.157 .

Majority of the interview respondents and open ended responses also indicated that institutional leadership (quality policies, responsibility and commitment) highly affected corruption levels in the public service. The results further indicated that this effect was moderated by the regulatory framework indicators; oversight structures, internal regulations, and organization norms. These findings resonate with the literature reviewed that institutional leadership in institutions could lead to low corruption levels (Bekiris, 2013; Mallin, 2015; Mensah; 2012; Demirbas&Yukhanaev, 2011; Okpokwu, 2016). Given the definition of corruption as the abuse of public office for private gain; the results indicate that institutional leadership which develops quality policies, takes responsibility and is committed would contribute towards corruption reduction in public service. The study therefore supports Eisenhardt (1989) on the underlying assumptions of the principal-agent theory that institutional leadership influences corruption levels.

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