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ORGANIZATIONAL CONTROL AND PERFORMANCE OF KISII AND KAKAMEGA COUNTY GOVERNMENTS IN KENYA: THE MODERATING ROLE OF GOVERNMENT POLICIES

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Abstract

Devolution in Kenya was intended to improve local governance and equitable resource distribution. However, persistent issues including corruption, inadequate organizational control, and breaches of government policies have systemically hindered performance of the counties in Kenya. The problem perhaps lies in the inadequate adherence to organizational controls, such as budgetary oversight and public participation within counties. This non-compliance to government policies, such as the Public Procurement and Asset Disposal Act, is thought to undermine effective resource management. Despite these concerns, no empirical research has explored the moderating effect of government policies on the association between organizational controls and the performance of Kisii and Kakamega county governments. This study sought to address this gap by assessing how government policies influence the relationship between organizational controls and the performance of Kisii and Kakamega *counties in Kenya. The study adopts a positivism research philosophy and a cross-sectional survey design. The target population comprised of Chief officers, Directors and Assistant Director at various ministries, Sub- County administrators and Members of County Assembly (N=325). The study adopts the Yamane (1967) formula for sample size determination, which gives a sample size of 136 for Kakamega County and 92 for Kisii County (n=228). The study adopts structured questionnaires in data collection, which were distributed using online platform (Google Forms). Stata version 17 was used to compute descriptive statistics and inferential statistics. Findings indicate that organizational control has a statistically significant association with the performance of the county governments of Kisii and Kakamega ($p<.05$). Additionally, government policies have a statistically significant moderating effect on the relationship between organizational control and performance of Kisii and Kakamega County Governments ($p<.05$). It is recommended that the County Governments of Kisii and Kakamega embrace public participation processes so as to ensure government policies reflect the needs of all citizens, especially the vulnerable.*

Keywords: Organizational control, county government, performance, government policies, standard operating procedures, institutions, feedback mechanisms

INTRODUCTION

The primary objective of devolution was to meet local needs more effectively, enhance democratic and accountable exercise of power, foster national unity, and enable self-governance (Kenya Constitution, 2010). Devolution was intended to ensure equitable resource distribution and improve service delivery, as seen in improvements in healthcare and revenue performance in various counties (KIPPRA, 2020; Institute of Economic Affairs, 2021). A solid organizational control system is crucial for achieving these goals, ensuring reliable financial reporting, protecting assets, and evaluating operational effectiveness (Keya, 2023). Despite these benefits, challenges such as corruption and mismanagement of funds persist. The Ethics and Anti-Corruption Commission (EACC) has highlighted various forms of corruption within county governments, including ghost projects, conflicts of interest, and bribery (EACC, 2021). This undermines the effectiveness of devolution, despite its potential to bring governance closer to the people and enhance transparency and accountability.

Lajili (2023) observes that all organizations prioritize directing human efforts toward achieving organizational objectives. Regardless of their formal purposes, organizations consist of individuals with their own self-interests. Therefore, it is crucial that even if these individuals and groups are willing to contribute to organizational goals, the organization must coordinate their efforts and align them toward specific objectives. Consequently, the concept of organizational control emerges from the necessity of organizations to influence or regulate the behavior of individuals or staff in order to execute their plans and accomplish their objectives.

Similarly, Serenko (2024) proposes a framework for understanding the nature of organizational control. According to this framework, the fundamental components of an organizational control system include the core control system, organizational structure, and organizational culture. The core control system comprises feedback and measurement subsystems, planning subsystems, evaluation subsystems, and reward subsystems. The feedback component measures the system's output in comparison to the input signal. According to Islam et al. (2021), the most crucial element of a control system is to identify performance objectives and allocate rewards accordingly among the controlled individuals based on the degree to which they have achieved these objectives.

Scholars examining the effect of organizational control on performance have generally reached consistent conclusions. For instance, Hoai, Hung, and Nguyen (2022) investigated the relationship between internal control systems (ICSs) and public sector organizational performance in Vietnam and found that internal control systems have a significant effect on the intensity of innovation and organizational performance. However, little effort was devoted toward analysis of devolved government. Towards this, the current study examined the effect of organization control elements: resources mobilization, fiscal and regulatory compliances, and citizens service delivery satisfaction on organizational performance.

Government policies are rules, regulations, and guidelines established by the national government to define its priorities, goals, and actions in various sectors (Igalla et al., 2020). These policies serve as a framework for county governments to operate within and guide their decision-making processes (Nyandiko, 2020). Whereas counties have some autonomy, national policies often set overarching objectives and standards that counties must adhere to or build upon.

From above, it is important to state that government policies establish clear expectations and priorities for county leadership. They outline desired outcomes, resource allocation, and permissible avenues for achieving goals. This clarity helps leaders focus their efforts, prioritize initiatives, and align their strategies with national objectives. Besides, government policies influence the resources available to counties and the constraints they face (Hoai. et al., 2022). For example, fiscal policies determine budget allocations, while economic policies might impact county revenue generation. Leaders must navigate these external factors to optimize performance within the given environment. Towards this, it is probable to argue that government policies serve as benchmarks for service delivery, transparency, and accountability. This shape public expectations of county leadership and guides how performance is evaluated. To this end, however, the moderating influence of government policies appear to be scantly addressed in the extant empirical evidence, a gap the current study seeks to fill.

Before the thought of having a devolved government, many of the regions in this country were left struggling to get the national cake. There were critical issues in health services, infrastructure, education and other governance issues which were only at the national level. No development could be realized in such regions and therefore marginalization was the word to be used. The 2010 constitution was the deliverer of such regions. It was agreed to divide these regions to units that were given the name as counties and decentralize resources and power to every county and allow them grow and develop themselves. This brought about a Greek name called devolution.

Devolution refers to the process of shifting decision-making authority, implementation powers, functions, responsibilities, and resources to locally elected governments that are legally constituted and popularly elected (Wanyande, 2021). In contrast to de-concentration, devolution involves transferring both political and administrative decision-making powers and authority to sub-national entities (Transparency International, 2021). This transfer aims to enhance both citizen participation and management, which, as highlighted by Winchester and Storey (2008), fosters effectiveness, responsiveness, and accountability to stakeholders. Effective utilization of these mechanisms is expected to enhance productivity and ultimately lead to higher performance.

Decentralization has been widely practiced worldwide, with a global emphasis on efficiency and performance in devolution arguments. According to O'Brien, Pike, and Tomaney (2003), devolved governance is seen as a method for achieving greater efficiency in a globalized context, characterized by varying degrees of autonomy. Otoo and Danquah, 2021) have it that devolution improves efficiency in public spending, thereby enhancing the delivery of public services. In the United States (US), Staeheli et al. (1997) noted the success of devolution in Los Angeles County, which comprises 88 cities within California, through federalism. Similarly, in the United Kingdom (UK), Regan et at. (2021) observed the government's adoption of devolution to promote greater economic efficiency in English regions.

Brazil stands out as one of the most decentralized democracies in the developing world, with sub-national governments accounting for approximately half of public expenditure (Orduz Perdomo et al., 2022). Similarly, Souza (2020) has it that Brazil’s devolution comprises 26 states and the Federal District of Brasilia, represented in the Chamber of Deputies based on population and in the Senate with an equal basis of three senators per state. Brazilian states are responsible for a broad and expanding range of taxation, expenditure, and investment functions and are among the few sub-national units, alongside Canadian provinces, to administer their own value-added tax, known as the ICMS (Uzun & Kurtcu, 2022).). According to Wanyande (2021), devolution's most notable contributions to economic growth come through policy innovation, facilitated by a certain degree of autonomy in investment and expenditure decisions, allowing sub-national units to pursue tailored economic development policies based on local needs and resources.

The structure of devolution in Sri Lanka mirrors the Westminster model of cabinet government, featuring a French-style Executive President at the helm, provincial councils below, and a public sector designed to offer additional support to the cabinet. De Alwis (2020) has it that devolution in Sri Lanka is grounded in principles of de-concentration, delegation, devolution, and privatization. De-concentration involves the central government transferring authority to field units, while delegation entails the transfer of authority to semi-autonomous public bodies or corporations, as well as area-wide regional or functional authorities (Resnick, 2022). Privatization, on the other hand, involves the transfer of authority to non-governmental private organizations.

In Ireland, the model of devolution resembles that of Scotland, featuring an elected assembly (parliament) and executive (cabinet), with the devolution of legislative, executive, financial, and administrative powers across a broad spectrum of functions (Shattock & Horvath, 2020). This includes responsibility for significant areas of social policy such as education, health, social care, housing, planning, youth services, aspects of employment, and, formally in Northern Ireland, social security (Rivenbark et al., 2023). All three devolved governments maintain central administrative structures, with Northern Ireland benefiting from the presence of a separate civil service.

In Africa, several countries have adopted devolution. For example, South Africa operates under a devolved system of government, where regional governments are led by a premier, with supervisory and oversight roles provided by the national government (Bhengu, 2021). Similarly, Nigeria employs a federal system of government, dividing the country into 30 regional states, each headed by executive governors, regional assemblies, and government bodies.

In Kenya, the enactment of the new constitution in 2010 heralded the establishment of county governments, marking a significant milestone in the country's development trajectory. The constitution delineates the mechanisms for resource and power sharing between the national and devolved governments, including the allocation of funding to counties and the phased transfer of functions. As noted by Nyamberi et al. (2023), county governments are tasked with overseeing functions such as agriculture, health facilities, sanitation, transport, trade, and revenue generation for the county. Meanwhile, the national government retains responsibility for sectors like education, security, foreign policy, and national economic policy and planning.

Despite the notable contribution of counties to the economic growth of the country, several challenges remain unresolved, most of which keeps recurring especially following regime changes. Ochieng and Ireri (2022) have it that a significant portion of functions has been shifted from the national government to the county government, leading to governors shouldering overarching responsibilities across various sectors. This situation underscores the critical need for the support of dedicated staff or manpower (Cannon & Ali, 2018). However, it is notable that many county governments, if not all, face challenges in adequately absorbing all devolved functions and accompanying powers due to the scarcity of trained and experienced manpower (Irungu, 2014). Over and above, most counties have experienced industrial unrest, where staffs have downed their tools for lack of or delay of remunerations (delaying up to six months), poor working environment and several other mistreatments.

The OAG continues to raise numerous observations and/or misuse of public funds. Many of the audit questions relate to ineffectiveness and inefficiency in management and accountability of devolved resources (National Audit Office, 2022). Skewed custodianship of public resources has notably led to adverse opinion since the published financial statement do not present a fair financial position of the Counties. Additionally, poor management of public resources fails to comply with the "International Public Sector Accounting Standards (Cash Basis), County Governments Act, 2012 and the Public Finance Management Act, 2012. Towards this, it is possible to infer that although counties have made notable strides in bringing services closer to the people, they have largely failed to live to their expectations in terms of prudent resource utilization, transparency and accountability.

Statement of the Problem

Before the advent of devolution in 2010, Kenya's governance was centralized, which led to significant challenges, such as unequal resource distribution, limited local autonomy, and insufficient responsiveness to regional needs (Kiambati, 2020). The centralized decision-making process facilitated corruption and misuse of public resources, prompting a shift towards a more accountable and inclusive governance model (Daudi, Ouma, & Ongera, 2022b). Devolution aimed to rectify these issues by establishing 47 counties, each with an elected governor and county assembly. This structure was intended to enhance local governance, promote equitable resource distribution, and address historical imbalances. While the devolution process has brought some improvements, it has also faced persistent challenges, particularly in the management and performance of county governments.

Despite the promise of devolution, many Kenyan counties continue to underperform due to systemic issues such as corruption, inadequate human capital management, and organizational cultures that undermine employee trust and motivation (Daud et al., 2022a; Kiricho, 2020). The 2022 Auditor General's report revealed that 87% of counties lost a combined Ksh.216 billion ($2 billion) through irregular procurement, misappropriation, and wasteful spending (National Audit Office, 2022). These losses indicate severe inefficiencies and gaps in service delivery. Efforts by county leadership to implement control measures have not yielded the desired outcomes, as public accountability mechanisms have proven insufficient in curbing these problems (Abdi, 2021). As a result, resources meant for essential services, such as infrastructure, healthcare, and education, are frequently misappropriated, leading to widespread disenfranchisement and disengagement among citizens (Njiiri et al., 2021).

The disillusionment of citizens with county leadership due to corruption and mismanagement poses a significant threat to the aims of devolution, particularly citizen participation. Despite various studies highlighting these issues, there is a notable lack of empirical research specifically focused on the extent to which organizational control influences the performance of counties, especially in Kisii and Kakamega. The recurring issues highlighted by the Office of the Auditor General, such as unauthorized expenditures and poor budgetary controls, underscore the need for stronger management and visionary leadership that can foster a culture of transparency and accountability (National Audit Office, 2022).

National government policies, such as the Public Procurement and Assets Disposal Act, 2015, and the Public Finance Management County Governments Regulations, 2015, provide a framework for county operations (Kiremu, 2020). However, persistent breaches of these laws suggest that policies, alone, are insufficient to resolve management challenges at the county level. Effective governance requires leadership that exercises custodianship of public resources and encourages ethical behavior among subordinates. Despite the recognition of these issues in literature, there is a dearth of empirical studies on the the influence of government policies as a moderating variable on the relationship between organizational control and county performance. This study aimed to fill this gap by investigating how government policies moderate the relationship between organizational control and performance of county governments.

METHODOLOGY

The research paradigm for this study was positivism. Cross-sectional survey research design was adopted to investigate the moderating effect of government policies on the association between organizational control and performance of Kisii and

Kakamega county governments, Kenya. The use of this design was justified on the basis that the data for the study variables was collected at a point in time to examine the relationship. Furthermore, a cross-sectional design enabled the researcher to collect data for all the variables at a point in time so as to establish whether associations were statistically significant or spurious.

In this study, the target population or unit of analysis is Kisii and Kakamega county governments. The choice of these counties was based on performance ranking of county governments in Kenya. According to County Track Performance Index (CTPI) 2019/2020 report, among the Lake Region Economic Block (LREB) counties, Kakamega and Kisii were ranked the best and worst performing county at 57.2% and 43.6%, respectively. Conversely, the study unit of observation were leadership and senior management of both county governments. The respondents were Chief officers (CO), Directors and Assistant Director at various ministries, Sub- County administrators and Members of County Assembly (MCAs). The total population was 325.

The sample size for the study will be determined using the Taro Yamane (1967) for sample size determination.

$$n = \frac{N}{1+\mathrm{N}\ (e)^2}$$

Where;

n = Sample size

N= Population size = 325

e = 0.05(Precision level) assuming the confidence level is 95% i.e.: ± 5

Therefore, sample size for Kakamega County is calculated as follows:

n = 206 / (1 + 206 * 0.05^2) = 135.97

Rounding up, the sample size is 136.

On the other hand, the sample size for Kisii County is calculated as follows:

n = 119 / (1 + 119 * 0.05^2) = 91.71

Rounding up, the sample size is 92.

The total sample size for the 2 county governments was 228 respondents. The sample size was distributed among the categories of the population for each county. This ensured each category had a chance of representation in the study. Table 1 shows composition of the calculated sample population.

Table 1: Sample Size

Category	Kakamega County Government			Kisii County Government		
	N	%	Sample size	N	%	Sample size
Chief Officers (CO)	14	6.8	9	14	11.8	11
Directors	20	9.7	13	20	16.8	15
Assistant Directors	40	19.4	26	40	33.6	31
Sub-county administrators	12	5.8	8	5	4.2	4
Ward Administrators	60	29.1	40	20	16.8	15
Members of County Assembly	60	29.1	40	20	16.8	15
Total	**206**	**100.0**	**136**	**119**	**100.0**	**92**

The counties of Kisii and Kakamega were first purposively selected. Subsequently, the study adopted stratified random sampling technique. Since the target group was heterogeneous, the sampling technique entailed categorization of population into similar groupings or strata according to leadership titles or appointments at the county government as shown in Table 1 under category column. Subsequently, proportionate random samples were drawn from each stratum. Stratified sampling technique ensured that all elements in the target population were represented in the final sample.

Stata version 17 was used in data analysis so as to test the moderation effect. According to Fassott et al. (2016), the moderation model examines whether the impact of the predictor X on outcome Y changes when the third variable Z is introduced. It is important to recognize that introducing a moderator variable can alter both the direction and strength of the association between the predictor variable and the outcome variable. Assaker and O'Connor (2023) have it that a moderator variable has the potential to modify, diminish, or amplify the influence of the explanatory variable. The model for testing moderation is outlined below:

$Y = \beta_0 + \beta_1 X + \beta_2 Z + \beta_3 X*Z + ẹ$

Where:

Y = Performance of County governments of Kisii and Kakamega

β_0 = Constant Term,

β_0= Constant,

$\beta_1 – \beta_3$= Regression coefficients,

X = Organizational Controls,

Z= Government Policies

X*Z **=** Interaction term

ẹ= error term

FINDINGS

This section presents results and discussions of the findings on the moderating influence of government policies on the association between organizational control and performance. This means that policies at the county level are and should be implemented within the confines of the devolution policies, which in this study are referred to as government policies. The study was quantitative in nature and aimed to test hypothesis. The following hypothesis was tested:

$H_{0:}$ National government policies have no significant moderating effect on the relationship between organizational control and performance of Kisii and Kakamega counties in Kenya.

Descriptive Statistics

Before testing hypothesis, the perceptions of the respondents were collected and analyzed based on a 5-poiint Likert scale as presented below in Table 2. It will be remembered that government policies are essentially the principles and guidelines that define how a government operates and achieves its goals.

Table 2: Government Policies

Government Policies	**1**	**2**	**3**	**4**	**5**	**M**	**S.D.**	**C.V.**
Our collaboration with the national government proves to be efficient.	4.7%	11.5%	25.1%	38.7%	19.9%	3.6	1.08	30.1
County-level policies mirror the desires of the population.	3.1%	5.2%	22.0%	45.0%	24.6%	3.8	0.97	25.2
Regular public participation sessions are conducted.	6.8%	32.5%	23.0%	27.2%	10.5%	3.0	1.14	37.7
The public actively engages in our ongoing projects.	8.4%	25.1%	26.2%	29.3%	11.0%	3.1	1.15	37.1
The county possesses a well-defined service charter.	7.3%	17.3%	27.2%	33.0%	15.2%	3.3	1.15	34.6
Timely responses are provided to the needs of service seekers.	6.3%	14.7%	29.3%	37.7%	12.0%	3.3	1.07	32.0
Effective coordination exists among departments within our county.	4.7%	11.0%	23.6%	45.5%	15.2%	3.6	1.03	28.9
An open-door policy is in place for information access.	3.1%	10.5%	13.6%	41.9%	30.9%	3.9	1.07	27.5

Table 2…

We consistently gather feedback regarding the public's perspectives on the county government.	5.2%	9.4%	15.7%	38.7%	30.9%	3.8	1.13	29.8
The alignment between county government strategies and government policies significantly impacts performance outcomes.	3.7%	18.3%	24.1%	33.5%	20.4%	3.5	1.12	32.1
Government policies play a crucial role in determining the efficiency and effectiveness of county government performance	4.7%	12.6%	13.1%	36.6%	33.0%	3.8	1.16	30.6
The formulation and implementation of public policies, such as fiscal and economic policies, have a direct impact on the performance of county governments	1.6%	4.2%	12.6%	34.0%	47.6%	4.2	0.93	22.1
Average	**5.0%**	**14.4%**	**21.3%**	**36.8%**	**22.6%**	**3.6**	**1.08**	**30.6**

Key: 1-Strongly disagree; 2-Disagree; 3-Moderate; 4-Agree; 5-Strongly agree

Table 2 presents an analysis of data on the moderating influence of government policies on the performance of county governments of Kisii and Kakamega. Notably, more than half (58.6%) of the respondents agreed and strongly agreed that the collaboration with the national government was efficient. It will be recalled that collaboration allows counties to leverage the national government’s wider resource pool for projects that benefit their communities. Thus, when county governments work harmoniously with the national government, they are able to receive their fair allocation of resources so as to offer services to the people and implement projects. This result is related to the work of Kosgey et al. (2021) who stated that efficient collaboration of county governments and the national governments enables the former to access human and financial resources that are critical to the performance of the county governments.

Focusing on county level policies, a notable majority (69.6%) of the respondents agreed and strongly agreed that county-level policies mirrored the desires of the population. From the results, it is possible to argue that aligning policies with the needs and aspirations of the people increases the buy-in and ownership of the projects at the grass-root level. As a result, there is improved trust between citizens and their government, which in turn is thought to enhance civic engagement, and contributes to the development and well-being of the community. This finding resonates with the views of Musili et al. (2022) who observed that county-level policies are essential since they reflect the needs of the local population that the national government may not be aware of. Thus, it can be deduced that sub-national policies are crucial in the prioritization of the local needs and making of budgets that mirror the same demands.

Shifting to public participation, most (39.3%) of the respondents disagreed and strongly disagreed that regular public participation sessions were conducted. The Kenyan Constitution 2010 places significant emphasis on public participation, which refers to the active involvement of citizens in decision-making processes that affect their lives (see, Article 10 of the Kenyan constitution). Reflecting on the finding, it can be elucidated that ignoring the principles of public participation negates the input of the citizens, which increases the risk of prioritizing projects that do not address the community's most pressing needs. This has the potential to disconnect services offered and what residents actually require. This perspective agrees with the views of Chacha (2024) who observed that overlooking public participation undermines the performance of county governments by hindering their ability to address local needs effectively and promote inclusive and sustainable development.

Regarding the participation of the citizens in the ongoing projects, many (40.3%) of the respondents agreed and strongly agreed that the public actively engaged in ongoing projects. Although this result indicates that most of the respondents agreed that there was participation by the masses in the on-going projects, it can be deduced that a notable number (33.5%) disagreed, signifying that the participation was not resounding. Just as public participation, involvement of the local population in the current projects is thought to increase ownership, which is a key approach to the realization of the long-term impacts of interventions. This assertion is likewise reflected by Kosgey et al. (2020) who stated that participation of the local communities in interventions that touch on their lives improves outcomes as seen from the number of citizens ready to use the service.

On the service charter, it was established that the county governments of Kisii and Kakamega possessed well-defined service charter as evidenced by nearly half (48.2%) of the respondents who agreed and strongly agreed. A service charter is a formal document that outlines the standards, commitments, and expectations of service delivery provided by an organization to its customers or stakeholders (see Mmene, 2021). It entails information such as the services offered, quality standards, service delivery timelines, channels for accessing services, and mechanisms for addressing complaints or feedback. From the results, it can be argued that county governments of Kisii and Kakamega have service charters with clear standards and commitments for service delivery, which outline expectations and mechanisms for feedback. As a result of existence of service charter, it is possible to infer that resources are allocated and utilized in more transparent and accountable ways, which is thought to improve citizen satisfaction, which is a key indicator of county government performance.

On the timely response to the needs of the service seekers, half (49.7%) of the respondents agreed and strongly agreed that timely responses were provided to the needs of service seekers. Judicious response to the needs of service seekers is crucial as it enhances customer satisfaction and builds trust, which is an important approach in building a rapport between county government employees and the citizens. As a result of this rapport, it is possible to infer that there is efficiency in the delivery of services, thus less consumption of resources and time. This viewpoint is likewise mirrored by Ngoyoni (2021) who stated that timely provision of services to the citizens builds positive perception of the service seekers and improves customer experience.

With regards to the county departmental coordination, a resounding majority (60.7%) agreed and strongly agreed that effective coordination existed among departments in the county governments. It is crucial to note that coordination is a key enabler of organizational efficiency since duties and responsibilities are allocated synchronized so as to avoid duplication. Importantly, coordination between departments integrates experiences, skills, knowledge, and competences of the staff so as to expedite achievement of desired goals. This argument is also mirrored by Daud et al. (2021b) who stated that coordination saves of time and resources since expertise is merged for effective decision-making as one entity lacks all the knowledge and/or the technical know-how on all the governance matters. Towards this, it is possible to argue that coordination integrates competences across various disciplines, thus creating a multidisciplinary team that perhaps has more experts compared to a single entity.

Focusing on the open-door policy, it was established county governments of Kisii and Kakamega had an open-door policy so to support access to information as supported by more than two thirds (72.8%) of the respondents who agreed and strongly agreed. An open-door policy is the commitment by an organization or government agency to make information readily available to the public. This means citizens have an accessible way to request and receive information about the organization's operations, policies, and decision-making processes. From the above results, it is possible to elucidate that the county governments of Kisii and Kakamega readily make available information needed by the citizens, which is thought to increase transparency and accountability. This perspective resonates with Daud et al. (2021a) and Thiong'o and Minja (2023) who stated that provision of information whenever needed reduces misinformation and improves accountability and public trust, which are key predictors of performance.

On feedback mechanism, more than two thirds (69.6%) of the respondents agreed and strongly agreed that their county governments consistently gathered feedback regarding the public's perspectives on the county government. It is important to note that feedback mechanisms in public sector management are channels that allow citizens and other stakeholders to provide input on the performance of government agencies and devolved units (see, Kivoi et al., 2022; Opalo, 2020). Based on the results, it is possible to infer that county governments of Kisii and Kakamega have feedback mechanisms, which have perhaps enabled them to receive complaints and compliments. This is said to improve adaptive management where the feedback is used to improve delivery of services to the citizenry. This assertion is in tandem with Maina and Mberia (2023) who stated that feedback mechanisms are crucial in enabling participation of citizens in decision-making, thus ensuring that policies and priorities are citizen-centred and reflect the needs and desires of the people at the grassroot level.

Shifting to strategy alignment on the two levels of government, half (53.9%) of the respondents agreed and strongly agreed that the alignment between county government strategies and government policies significantly influenced performance outcomes. Configuration of county government strategies and national government policies is essential for effective governance, coordinated development, and national cohesion since it ensures coherence and consistency in development priorities, resource allocation, and implementation approaches across different levels of government. Based on the results, it is possible deduce that county governments of Kisii and Kakamega have existing synergies with the national government, which has perhaps ensured that functions of the national government are not usurped by the sub-national governments and vice versa. As a result, this has reduced duplication of resources and bureaucratic red tapes that has the potential to influence service delivery. This argument resonates with the views of Daud et al. (2022b) and Kosgey et al. (2020) who contended that strategy alignment between the national government and the county governments creates seamless flow of services to the people as both levels of government know and understand their roles and responsibilities.

It was established by more than two thirds (69.6%) of the respondents who agreed and strongly agreed that government policies play a crucial role in determining the efficiency and effectiveness of county government performance. As already argued from the previous section on organizational control, government policies provide a blue-print upon which sub-national governments use to offer services to the people, suggesting that county governments do not operate in a vacuum. Rather, they are bound by the various articles of the Kenyan constitution and legislations, such as County Governments Act. In other words, adherence to the devolution framework ensures that county governments operate under constrained power, thus they have to prepare reports to the Controller of Budget and Auditor general. As a result, this improves the efficiency and effectiveness which are key attributes of performance by county governments. This argument is in tandem with the views of Thiong'o and Minja (2023) who stated that government policies provide an extra insulation on how county governments are run, which increases adherence to the devolution framework.

On policy formulation and implementation, a resounding majority (81.6%) of the respondents agreed and strongly agreed that formulation and implementation of public policies, such as fiscal and economic policies, have a direct impact on the performance of county governments. National government policies provide a framework upon which sub-national governments follow in enactment of their policies. For instance, 30 percent of the county budgets should be devoted to development expenditure and the first charge should go towards pending bills (see, Ngai, 2022). Although counties have overlooked these guidelines, it is noteworthy to state that all the county governments operate under the shadows of autonomy, whereas it is constitutional prerogative for them to align with fiscal requirements.

Overall, most (59.4%) of the respondents agreed and strongly agreed that government policies moderate the manner in which county governments perform. It will be recalled that national government policies dictate resource allocation, determining how much funding and personnel counties receive from the national government (see, Daudi et al., 2022b). Adequate resources are essential for counties to deliver services, such as healthcare and infrastructure development. Thus, it can be elucidated that clear national policies set the specific mandates and goals for counties. This ensures counties understand their roles and responsibilities, avoiding duplication of efforts and ensuring alignment with national priorities. From the results, it can be argued that the county governments of Kisii and Kakamega have a relatively clear understanding of the national government policies, such as the County Governments Act 2012, which outlines devolved functions and those that the national government ought to carry out.

In conclusion, it can be illuminated that government policies play a very essential moderating role on how county governments operate. It can be established that policies on information access and budgetary allocation should reflect the meds of the people. Whereas public participation has been overlooked by counties, it is an indispensable process that ensures the needs of the local population are reflected in policy making. Likewise, access to information is a constitutional right that has been somewhat adhered by the county governments. It was established that alignment of the strategies and policies between the county governments and the national government is crucial in ensuring that duplication of roles is eliminated and each level of government plays their rightful role.

Test of Hypothesis

The moderating effect of government policies on the relationship between organizational control and performance of Kisii and Kakamega counties in Kenya was investigated using the test of moderation effect. The equation of moderating effect of government policies on county performance stated: $Y = \alpha + \beta 1X + \beta 2Z + \beta 3X * Z + \varepsilon$, where α =constant (intercept), X= is the composite index of government policies, ε = Error term. The probability value corresponding to β_1- β_3 was calculated and hypothesis determined through P-value ≤ α, reject H_0.

Before establishing the moderation effect of government policies, the study tested the effect of organizational control on performance as follows:

***H_0:** Organizational control has no significant effect on the performance of Kisii and Kakamega counties in Kenya.*

To establish the effect of organizational control, simple linear regression was applied to test statistical association. The univariate linear regression model of organizational control on performance stated: $Y = \alpha + \beta 1X + \varepsilon$, where α =constant (intercept), X= is the composite index of organizational control, ε = Error term. The p-value corresponding to β1 was calculated and ***Ho*** tested through P-value ≤ α, reject H_0. Table 3 presents the results.

Table 3: Organizational Control

Performance	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
Organizational Control	. 48885	.042	11.61	0.000	.406	.572	***
Constant	1.896	.158	11.97	0.000	1.584	2.209	***
Mean dependent var	3.654		SD dependent var		0.837		
R-squared	0.416		Number of obs		191.000		
F-test	134.727		Prob > F		0.000		
Akaike crit. (AIC)	374.397		Bayesian crit. (BIC)		380.902		

*** p<.01, ** p<.05, * p<.1

The model goodness of fit, that is, the explanatory power of the model was tested using the F-test. As indicated in Table 3, the probability value of the F-test was less than the set significance level of 0.05. Results shows that the model is statistically significant at the all levels of significance (*** p<.01, ** p<.05, * p<.1). In other words, since the p-value is less than 0.01, there is 99% confidence that the model is fit to predict the effect of Organizational Control on performance. If the p-value was greater than 0.05, the regression model could not be deemed fit to predict the association as the R-Square will be equal to zero. From the coefficient of determination of 0.416, Organizational Control explains 41.6% variation in the performance of the county governments of Kisii and Kakamega.

The univariate linear regression $Y = \alpha + \beta 1X + \varepsilon$ is populated as follows:

$Performance = 1.896 + 0.489$ Organizational Control

The regression coefficients indicate that a unit change in Organizational Control corresponds to an increase of 0.489 units in performance of the county government of Kisii and Kakamega. The probability value of the t-statistic below 0.05 show that performance of the county governments of Kisii and Kakamega is statistically influenced by Organizational Control (t=11.61, p=0.000). Based on this result, the null hypothesis is rejected and the study concludes that Organizational Control has a statistically significant effect on the performance of Kisii and Kakamega counties in Kenya.

Furthermore, the study aimed to determine if government policies had a statistically significant effect on the performance of the County Government of Kisii and Kakamega. This was assessed using simple linear regression analysis. The equation representing government policies' effect on county performance was: $Y = \alpha + \beta 1X + \varepsilon$, where α is the constant (intercept), X is the composite index of government policies, and ε is the error term. The p-value associated with β1 was calculated, and the hypothesis was tested using the criterion P-value ≤ α to decide whether to reject H0. The results are summarized in Table 4.

Table 4: Government Policies and Performance

Performance	**Coef.**	**St.Err.**	**t-value**	**p-value**	**[95% Conf**	**Interval]**	**Sig**
Government Policy	.509	.039	13.15	0.000	.432	.585	***
Constant	1.804	.147	12.24	0.000	1.513	2.094	***
Mean dependent var		3.654	SD dependent var		0.837		
R-squared		0.478	Number of obs		191.000		
F-test		173.019	Prob > F		0.000		
Akaike crit. (AIC)		353.045	Bayesian crit. (BIC)		359.549		

*** p<.01, ** p<.05, * p<.1

Before testing null hypothesis, the model goodness of fit, that is, the explanatory power of the model was tested using the F-test statistic. As indicated in Table 5, the probability value of the F-test was less than the set significance level of 0.05. Results shows that the model is statistically significant at the all levels of significance (*** p<.01, ** p<.05, * p<.1). In other words, since the p-value is less than 0.01, there is 99% confidence that the model is fit to predict the effect of Government Policies on performance. If the p-value was greater than 0.05, the regression model could not be deemed fit to predict the association as the R-Square will be equal to zero. From the coefficient of determination of 0.478, Government Policies explains 47.8% variation in the performance of the county governments of Kisii and Kakamega.

The univariate linear regression $Y = \alpha + \beta 1X + \varepsilon$ is populated as follows:

$Performance = 1.804 + 0.509 \text{ Government Polici}es$

The regression coefficients indicate that a unit change in government policies corresponds to an increase of 0.509 units in performance of the county government of Kisii and Kakamega. The probability value of the t-statistic below 0.05 show that performance of the county governments of Kisii and Kakamega is statistically influenced by Government Policies (t=13.15, p=0.000). Based on this result, the null hypothesis is rejected and the study concludes that Government Policies has a statistically significant effect on the performance of Kisii and Kakamega counties in Kenya.

After testing the direct effect of government policies on performance, the study aimed to determine the moderating effect of government policies on the relationship between organizational control and the performance of the County Governments of Kisii and Kakamega in Kenya. To test this, ***H_0*** was evaluated using regression to explore the presence or absence of the moderating effect. The regression equation used was:

$$Y = \alpha + \beta 1 \text{ Organizational Control} + \beta 2 \, Government\ Policies + \beta 3 \text{ Organizational Control } * Government\ Policies + \varepsilon,$$

Where, α is the constant (intercept). The probability values for β1, β2, and β3 were calculated, and the hypothesis was tested using the criterion P-value ≤ α to decide whether to reject H_0. The results are detailed in Table 5.

Table 5: Organizational Control, Government Policies and Performance

Performance	**Coef.**	**St.Err.**	**t-value**	**p-value**	**[95% Conf**	**Interval]**	**Sig**
Organizational Control	.294	.039	7.55	.000	.217	.371	***
Government Policies	.098	.072	1.35	.178	-.045	.241	
Interaction	.059	.014	4.25	.000	.032	.087	***
Constant	1.43	.149	9.60	.000	1.137	1.724	***

Table 5…

Mean dependent var	3.654	SD dependent var	0.837
R-squared	0.632	Number of obs	191.000
F-test	107.016	Prob > F	0.000
Akaike crit. (AIC)	290.287	Bayesian crit. (BIC)	303.296

*** p<.01, ** p<.05, * p<.1

As illustrated in Table 5, the model demonstrates a strong fit to predict the moderating effect of government policies on the relationship between Organizational Control and Performance, as evidenced by the R-squared value of 0.632. This indicates that approximately 63.2% of the variance in Performance is explained by the independent variables in the model, suggesting a good fit.

The linear regression equation becomes:

P=1.43+0.294Organizational Control+0.098Government Policies+0.059 Organizational Control Government Policies*

The coefficients indicate the estimated change in Performance for a one-unit increase in each independent variable, holding other variables constant. Organizational Control (Coef. = 0.294) has a statistically significant positive effect on Performance, suggesting that for each one-unit increase in Organizational Control, Performance is estimated to increase by 0.294 units. However, Government Policies (Coef. = 0.098) alone do not have a statistically significant effect on Performance. The Interaction term (Organizational Control * Government Policies) (Coef. = 0.059) has a statistically significant positive effect on Performance, indicating that the combined influence of Organizational Control and Government Policies significantly affects Performance.

CONCLUSION

It is concluded that organizational control has a statistically significance effect on the performance of the county government of Kisii and Kakamega (P=0.000). It further concluded that institutional controls, such as internal controls, standard operating procedures significantly predict the extent to which county governments translate formulated policies into action and final results. The study makes a conclusion that organizational control has a strong positive association with performance (r=0.645, p<.05), signifying that effective organizational control is significantly associated with better performance.

It is further concluded that government policies moderate the relationship between Organizational Culture (t=3.69, p=0.000), human capital (t=13.15, p=0.000), organizational control (t=4.25, p=0.000) and Performance of the county government of Kisii and Kakamega. It is further concluded that government policies exhibit strong positive association with performance, (r =0.691, p<.05.), suggesting that favorable government policies are significantly associated with enhanced performance.

RECOMMENDATIONS

It is recommended that the County Governments of Kisii and Kakamega develop and implement well-documented standard operating procedures (SOPs) for all significant service delivery processes. These SOPs should be clearly communicated to all employees to ensure they are well-versed in the internal policies and procedures guiding their work. Additionally, top county government executives should prioritize regular training opportunities to improve staff competencies and ensure effective performance contracting.

It is recommended that the County Governments of Kisii and Kakamega should embrace public participation processes so as to ensure that government policies reflect the needs of all citizens, especially those at the bottom of the pyramid and the vulnerable. This could involve conducting regular public participation sessions and actively engaging the community in ongoing projects to gather their input and prioritize projects accordingly. Additionally, the counties should ensure transparency and accountability in their governance by maintaining well-defined service charters, providing timely responses to service seekers' needs, and adopting an open-door policy to facilitate access to information. It is further recommended that mechanisms for monitoring and adjusting alignment between county government strategies and government policies be strengthened to optimize performance outcomes.

SUGGESTIONS FOR FURTHER RESEARCH

It is recommended to extend the study to all 47 county governments in Kenya to better understand the moderating influence of government policies on the association between organizational controls and performance. Furthermore, the research relied on primary cross-sectional data, highlighting the need to utilize other forms of data and research designs, such as longitudinal or panel data, to provide a more comprehensive perspective on the performance of county governments in Kenya.

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