THE ROLE OF ORGANIZATIONAL STRUCTURE IN THE RELATIONSHIP BETWEEN STRATEGIC LEADERSHIP AND SERVICE DELIVERY OF COUNTY GOVERNMENTS IN KENYA

[1] Nyaberi, Justry P. Lumumba

Senior lecturer, School of Law, Catholic University of Eastern Africa, Kenya, P.O Box 62157. 00200

Abstract: **The objective of the study was to determine whether organizational structure influence the relationship between strategic leadership and service delivery of County Governments in Kenya. The findings would aid the audit, review and strengthening of existing policies aimed at ensuring good ethical practices in public entities. The relevant theories reviewed for this study was the institutional theory. This study used a positivism research philosophy. The study used a cross sectional survey. The target population for the study was drawn from the 47 Counties in Kenya as per 2010 constitution. The study used both primary and secondary data which were collected using questionnaires, interviews and desk review. Data analysis took place at two levels – descriptive statistics level and inferential statistics level. To test the study hypothesis, simple and multiple linear regressions were used. Multiple regression analysis was carried out to predict the dependent variable given the independent variable. P-value was used to check for significance of individual variables in the regression equations, whereby a relationship was considered to be statistically significant if the p-value was ≤ 0.05. The study found that organizational structure has a significant influence on the relationship between strategic leadership and service delivery of the county governments in Kenya. The positive effects have higher contributions to the service delivery and this implies that county officers should concentrate not only on monitoring the ethical behaviours but also on building on the areas that impact on service delivery including better structure. This should form the basis of how organizational structure has to be observed by the counties if it has to succeed.**

Keywords: **Strategic leadership, Organizational structure, Ethical practices and Service delivery.**

1. INTRODUCTION

Organizational structure encompasses how the duties of the work to be done are arranged and also involves the architectural representation of the leadership, relationships that are functional and talent within an organization workforce (Aiken & Hage, 2005). Strategic leaders have to put in place proper organizational structure to achieve desired results which in the case of public entities such as counties relate to service delivery. The study thus conceptualises that quest for satisfactory service delivery in public entities is interlinked with strategic leadership, ethical practices and organizational structure and faces varied challenges (Van Rooyen, 2008). Strategic leadership concept therefore emanates from the contention that good leaders are tied around strategies, good organizational structure in place and ethical practices in enhancing service delivery in public entities (Allio, 2015).

The propositions of structure according to Thompson (2012) is about controlling resources and limiting powers of the roles and responsibilities of the personnel in an organization. The mechanisms of administration and allocating work roles to employees in a coordinated manner constitute the structure (Jelinek 2010). The classification according to Hitt, Ireland and Harrison (2012) for the structure of the organization includes controlling, formalization and centralization where formalization entails the use of procedures and rules that govern behavioral change. These rules and procedures are provided to govern workers and also encourage them to create and learn. This will in turn facilitate innovations that will gear the organization to the required course (Jelinek, 2010).

Centralization is the hierarchical scenario with decision making channels including decision at lower level referred to as decentralization and at higher level which implies centralized unit (Thompson, Strickland & Gamble, 2010). The centralized system limits participation, communication and commitment efforts and also non-involvement of participants with tasks. The organization also exhibits control through a three stage void including setting target, monitoring or measuring and feedback. In the bureaucratic setting control involves standards, rules and internal procedures. Therefore performance control enforcement is likely to enhance decisions and the predictability in performance (Musyoka, 2011).

2. LITERATURE REVIEW

The relevant theory reviewed for this study was the institutional theory. Institutional theory assumptions are founded on the argument that organizations are operated under a certain structure that takes in to consideration both social, environmental and internal performance goals and objectives (Cohen et al., 2007). This therefore demands the ability of strategic leaders to ensure that goals and objectives are formulated in line with the structure in place to avoid inefficiencies in operations. It calls for understanding of norms and processes of the organizations both traditional and new changes that may facilitate strategy implementation processes.

According to Weir et al. (2002) organizational structure is linked to the concept of institutional theory. The theory explains the deeper and more resilient aspects of structure, processes, schemes, rules, norms and routines that have become established as authoritative guidelines for the organizational behaviour and also integrate the financial structure and capital structure which are key to strategy implementation. The theory also looks at how organizational structure are created, diffused, adopted and adapted over space and time, and how they fall into decline and disuse but fails to clearly show the applicability in organizations especially during strategic leadership decision making process (Markiewicz, 2011). It is therefore asserted that the choice of processes and structures of an organization is reflected on external institutions that prefer such choice. There are rules and other beliefs that should be rewarded in well-coordinated economic transactions based on strict adherence to the set structures (Hinton, 2012). The paper applies institutional theory to underpin the concept brought out in the literature review concerning the applicability of organizational structure in adding on the concept of strategy implementation.

The manner in which changes especially pressure to offer better services to the citizen among public service organizations has forced the strategic leaders to apply better strategies such as proper structures to counter such changes that can aid decision making and foster service delivery process (Daft, 2011). Blind (2011) notes that in any serious organization, organizational structure should be framed in a manner that strategic leaders can encourage the flow of information to foster better service deliver. According to Blind (2011) for employees in an organization to be able to act on the information there is need for a better organizational structure where leaders respond to and make decision based on better service delivery.

Strategic leadership offers greatest influence in shaping and transforming organisations through good structures (Resick et al., 2009). Strategic leaders have the responsibility of setting the right structure depending on how they intend to distribute information towards achieving key results. Service delivery is deemed crucial in the organization and also helps to steer the right decisions that are generated within the framework of the right structures. According to Gupta and Michailova (2004) the right structure in place gives a notion that leaders should also be recruited carefully to match with the structures in place and the intended services to be delivered.

Organizations that are well guided by objectives and goals to deliver quality services should therefore strive to achieve the right leaders in place who should fit the right structure to achieve the desired goals in satisfying customers (Slater, Olsen & Hult, 2010). It is imperative therefore to study how strategic leadership and organizational structure work together to

influence service delivery based on empirical evidence previously studied. Zheng, Ynag and McLean (2008) on linking organizational culture through leadership, structure, strategy and organizational effectiveness found that a change in any strategy will follow the decision from strategic leaders that must be changed in the structure so that service delivery is achieved. Jacobides (2007) studying the inherent limits of organizational structure and the unfulfilled role of hierarchy in the leadership found that for service delivery to be realized, a structure must be considered for the smooth flow of information concerning that strategy. Further according to Hitt, Ireland and Harrison (2012) for an organization to achieve its purpose in effective manner, issues such as allocating resources, leadership, culture and structure cannot be left out. These must be aligned with the strategy during formulation, adoption and implementation phases and recommends that an organization should put in place proper organizational structure to foster service delivery.

Further Musyoka (2011) postulates that at times strategy and structure can be independent and thus it is important for strategic leaders to choose a strategy that works well in accordance with the structure in place to avoid confusion for service delivery to be realized. According to Tasmin and Woods (2008) it is in the best interest to get the right structure on course and interlink it with the right leadership for service delivery to be achieved. Alavi and Leidner (2001) also stated that structure of an organization can influence service delivery through communication and how strategic leaders control information flows, controlling the resources allocation and further assigning roles. They further contend that structure defines jobs in project teams, quality circles and departments and also technological influence and the culture to be followed in the organization.

3. METHODS

The target population for the study was drawn from the 47 Counties in Kenya as per 2010 constitution. The study selected participants based on how the study deems their input necessary to accomplish the objectives of the study and also their availability during data collection period. The study purposively selected six departments which were common across all the counties and offers services which are the same in all the counties that is, Education, Health services, Public works, Economic planning, Natural resources and Agriculture. Chief Officers and administrators were selected to participate in the study since they were directly involved in the service delivery process and capable of giving information especially on strategic leadership and service delivery.

The study used primary data collected using questionnaires. A close-ended questionnaire was used to collect primary data relating to the all variables. The questionnaire enabled the researcher to collect views of respondents on the manifestations of strategic leadership and service delivery. The questionnaire adopted a 5-likert scale. The use of 5-likert scale made it possible to quantify the qualitative data, and therefore, enable the attainment of more objective results regarding the views of respondents on the different manifestations. Before administering the data collection instrument, respondents were assured of complete confidentiality and anonymity regarding their responses. The questionnaire was administered using the 'drop and pick up later' method so as to allow the respondents ample time to respond to the questions, thereby enhancing accuracy in responses and improve response rate.

4. RESULTS

The study sought to determine the extent to which organizational structure influence the association between strategic leadership and service delivery through a hypothesis that **H: Organizational structure have a significant moderating effect on the association between strategic leaderships and service delivery of County governments in Kenya.**

The composite index was computed for both strategic leadership, organizational structure and service delivery and the hypothesis tested through hierarchical regression analysis. It involved testing the effect of the independent variable (strategic leadership) and the moderator variable (organizational structure) on the dependent variable (service delivery), and the interaction between strategic leadership and organizational structure.

Hence in step one; strategic leadership was regressed on service delivery. In step two strategic leadership was regressed on organizational structure. In step three, the interaction term between strategic leadership and organizational structure (calculated by obtaining the product of strategic leadership and organizational structure) was introduced. The moderation effect is confirmed when the effect of interaction term is statistically significant. The results were as presented in Table 1.

Table 1: Moderation Results of the Effect of Organizational Structure on Relationship Strategic Leadership and Service Delivery

a)Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1 Strategic leadership	.585[a]	.342	.340	.38402	.083	4.181	3	269	.047
2 Strategic leadership, organization structure	.177[a]	.031	.010	.64747	.083	4.462	2	270	.040
3 Strategic leadership, organizational structure interaction	.700	.489	.394	.59014	.281	4.634	2	5	.150
b)ANOVA									
Model			Sum of Squares		df		Mean Square	F	Sig.
1 Strategic leadership	Regression		.556		1		.556	4.181	.047
	Residual		6.118		271		.133		
	Total		6.675		271				
2 Strategic leadership, organization structure	Regression		1.108		2		.554	4.479	.017
	Residual		5.566		270		.124		
	Total		6.675		272				
3 Strategic leadership, organizational structure interaction	Regression		1.337		5		.446	3.672	.019
	Residual		5.338		267		.121		
	Total		6.675		272				
c) Coefficients									
Model		Unstandardized Coefficients		Standardized Coefficients		T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta				Tolerance	VIF
1	(Constant)	2.120	.314			7.782	.013		
	Strategic leadership	.202	. 086	.289		2.045[*]	. 000	1.00	1.000
	Service delivery	.1.570	.106	.332		4.244[*]	.047	.977	1.023
2	(constant)	.233	.319			2.414[*]	.023		
	Strategic leadership	.157	.086	.291		2.112[*]	.000	.977	1.023
	Organizational structure	.131	.108	.380		4.218[*]	.003	.977	1.090
3	Strategic leadership and organizational structure interaction	-.078	.068	.199		1.372[*]	.040	.958	1.044
a. Predictors: (Constant), Organizational structure, Strategic leadership									
b. Predictors: (Constant), Organizational structure, Strategic leadership, Interaction term between organizational structure and strategic leadership									
c. Dependent Variable: Service delivery									

Source: Field Data (2018)

Table 1 shows that the regression model was robust and thus fit for analytical task for which it was intended (F=4.181, P<0.05). Both R, R^2 and beta coefficient are significant (R=.585[a] R^2=.342, P<0.05) suggesting that strategic leadership explains 34.2% of variance in service delivery. Further, it is evident in model one in the table that for every unit change in strategic leadership, there is a corresponding 20.2% change in service delivery (β=0.202, t = 2.045, P<0.05). In model two, the variance changes to 15.7% for strategic leadership (β=0.157, t=2.112, P<0.05) and the variance in service delivery is 13.1% with respect of organizational structure (β=0.131, t=4.218, P<0.05).

The findings from the test of moderating effect of organizational structure suggest that organizational structure positively affects the association between strategic leadership and service delivery (β= .078, t=1.372, P<0.05). This is confirmed in model one where R^2=0.342 and model three, after firm characteristics are considered by obtaining the interaction variable (SL *OS), R^2 increases to 0.489, which is a 14.7% increase. This result implies that the relationship is statistically significant (p-value=.040 at P<0.05), organizational structure moderates the association between strategic leadership and service delivery.

5. CONCLUSIONS

The study supported the hypothesis that the organizational structure moderate strategic leadership and service delivery. The relatively high change in R^2 was an indication that the interaction term had significant effect to explain the relationship. While the structure in which an organization operates influences its service delivery counties in Kenya provide services differently due to individual structure in place. Organizational internal competences, resources, shared values, skills, knowledge and structures will play a pivotal role in crafting strategic plans that customer focussed. Strategic leadership offers greatest influence in shaping and transforming organisations through good structures. Strategic leaders therefore have the responsibility of setting the right structure depending on how they intend to distribute information towards achieving the key results.

Organizations that are well guided by objectives and goals to deliver quality services should therefore strive to achieve the right leaders in place who should fit the right structure to achieve the desired goals in satisfying customers. Linking organizational culture through leadership, structure, strategy and organizational effectiveness stated that a change in any strategy will follow the decision from strategic leaders that must be changed in the structure so that service delivery is achieved and therefore a structure must be considered for the smooth flow of information concerning that strategy.

For any organization to achieve its purpose in effective manner, issues such as allocating resources, leadership, culture and structure cannot be left out. These must be aligned with the strategy during formulation, adoption and implementation phases and recommends that an organization should put in place proper organizational structure to foster service delivery. It can therefore be argued that organizational structure of the county government plays a key role in the relationships between strategic leadership and service delivery in Kenya. Therefore the study concludes that organizational structure has a moderating role on the relationship between strategic leadership and service delivery. This implies that strategic leaders depend on organizational structure in determining service offered to the citizens within the county.

6. IMPLICATIONS OF THE STUDY

The findings of this study demonstrate that the variables considered are important in a developing country and that it helps in identifying theories unique to county governments and enhances how conceptualization of the variables are important in building further on these variables. The study has demonstrated that county governments do operate in a situation where service delivery is expected by the citizens and therefore need to apply various leadership paradigms. The agency theory and institutional theory have also been supported in that the county governments are supposed to act on behalf of the national government and deliver to the agenda. These study findings statistically confirmed that significance to support the proposition.

The results of the study show that organizational structure has significant influence on the strategic leadership dimensions that counties can apply. The findings that ethical practices and organizational structure give better service delivery in line with strategic leadership are areas which counties need to focus their efforts. They need to strengthen their structures in place, enforce ethical practices and get best leadership acumen in an effort to give best services to the locals. It will create a clear road map on how service delivery will be achieved. The results of this study will assist policy makers to ensure county governments give correct and timely data on drafted policy decisions.

The findings that organizational structure moderates the relationship between strategic leadership and service delivery certainly make their work easier. The positive effects have higher contributions to the service delivery and this implies that county officers should concentrate not only on monitoring the ethical behaviours but also on building on the areas that impact on service delivery including better structure. This should form the basis of how organizational structure have to be observed by the counties if it has to succeed. They should not pay excessive attention to one factor as the service delivery is imperative.

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