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ABSTRACT

This study aimed at analyzing the effect of board size on service delivery in six counties namely, Nyeri, Taita Taveta, Muranga, Embu, Bomet and Kericho. The target population was 347 comprising of senior county administrators, clinical officers, nurses and doctors, at Level 5 hospitals. The questionnaire was piloted in Nairobi County. The study adopted a descriptive research design. The study collected quantitative data using questionnaires and qualitative data using interview guide. The quantitative data was analyzed using descriptive statistics generated from Statistical Software for Social Sciences (SPSS) and the qualitative data was analyzed using content analysis. Descriptive research design was used in a combination of qualitative and quantitative models, techniques and measures. The independent variable comprise of board size. The moderating variable was policy framework and comprised international conventions, intergovernmental mechanism and political insurgence. Dependent variable comprised accessibility and efficiency of health services and citizen participation. Further, the study employed multiple regression models for analysis quantitative data collected through use of questionnaire. The paper proposes recommendation on how to implement efficient service delivery in line with the uniqueness of the County Health Management Teams. The finding is useful to academicians, county governments, policy makers and donors.

Keywords: Board Size, Service Delivery, Policy Framework, CHMT

INTRODUCTION

It is widely recognized that board structure is an important governance mechanism, particularly in developing and emerging countries where other control mechanisms are commonly weaker Claessens and Yurtoglu (2013). Indeed, boards of directors are an important focus of policy responses to corporate scandals. As such, board structure and its diversity can be crucial and significantly related to performance Anderson et al., (2004). Hence, when directors are regarded as important resources to the firm, various dimensions regarding their background and skills clearly become very important Ferreira, (2010). This then calls to question the structure and composition of such boards. Indeed, Coles, McWilliams, Sen (2001) called on organizations to address how to make the work of the board meaningful and consequential.

The board monitors the management and set the strategic direction for the organization. In addition, the board reviews and ratifies management proposals, and it is the primary and dominant internal corporate governance mechanism in the organization (Brennan, 2006).

Bossert (2002) found that health service delivery reforms were inherently political, and may not be sustained without a strong political will and legal framework. Indeed, Liu and Mills (2002) recommended that public health services should be given top priority for government funds. Further, issues of equity and fairness in apportioning public health resources cannot be resolved through science and laws alone, but require normative judgments Nancy (2010). Further, stewards of public health resources and health officials are trusted to make these judgments and to be efficient and fair in their decision-making. For example, Rannan-Eliya and de Mel (1997) concluded that in Sri Lanka, the national health spending is between 3.2 and 3.5 percent of GDP, of which the public share is about 60 percent. As a result, Sri Lank has reaped benefits after devolving health and has been

attributed to political will with an increased field-based intervention.

Consequently, in 1992, Kenya adopted new measures inspired mainly by the New Public Management rhetoric such as introduction of performance management and advocacy for the empowerment of managers. Wamai (2008) posited that Provincial Health Management Teams (PHMT) and District Health Management Boards (DHMBs) were created in the country's 8 provinces and 71 districts. The Provincial Health Management Team was directly accountable to the Director Medical Services. The Provincial Health Management Team (PHMT) provided supervision and management support to the districts and sub-districts within the province. Indeed, the Provincial Health Management Team and District Health Management Team had a clear budget allocation and dedicated vehicles to supervise service provision. In theory, the PHMT they were responsible for ensuring equitable allocation of resources and resource generation through the capacity to set user charges, providing oversight and coordination with other district-level health sector actors; planning and regulation of district health systems and implementation of policies from the central government. The Constitution of Kenya (2010) noted that the health sector is to provide affordable and quality health care to all citizens. Hence, a devolution approach was adopted to facilitate the allocation of funds and responsibility for delivery of health care to district hospitals. Indeed, the most recent policy initiative (2013-2017) suggest a continued devolution of power to counties administrators. Alongside this shift there has been an increasing discourse in policy on the need for management skills, if not for professional management by health committees, but over the last twenty years this discourse has largely focused on senior management.

On the concept of policy framework, the policy embraces the principles of protection of the rights and fundamental freedoms of specific groups of

persons, including the right to health of children, persons with disabilities, youth, minorities, the marginalised and older members of the society, in accordance with the Constitution. The plan gives directions to ensure a significant improvement in overall status, health in Kenya in line with Vision 2030, the Constitution of Kenya 2010 and global commitments. It demonstrates the health sector's commitment, under government stewardship, to ensuring that the Country attains the highest possible standards of health, in a manner responsive to the needs of the population. The policy focuses on ensuring equity, people centeredness and participatory approach, efficiency, multisectoral approach and social accountability in the delivery of health care services. Further, Kenya Health Policy, 2014–2030 currently on implementation was formulated in 2014. Furthermore, there are emerging global efforts and commitments on aid effectiveness, which include Rome 2003, Paris 2005, Accra 2008, and Busan 2011, that focus on aligning donor support to country policies, strategies, and priorities, and using country systems during implementation for purposes of ownership. In line with Article 2 of the Constitution, the policy purposed to conform to these internationally ratified obligations by Kenya.

Statement of the Problem

Board size is currently a widely recognized phenomenon in service delivery. One stand of the literature revealed that every government's priority is to provide equal access to service, increased productivity and lowering cost (Sisulu, 2012) however no much is explained by the author and the role of board size.

Indeed, following promulgation of the Constitution 2010, all counties are expected to form County Health Management Teams. The Constitution of Kenya 2010 enshrines the right to the highest attainable standard of Health, and further entrenches the principles of service delivery such as

efficiency, transparency, accountability and equity COK (2010).

As a result, all counties in Kenya are expected to form County Health Management Teams (CHMT) to manage health service delivery in accordance with Part 2 Section 2 of the Fourth Schedule of the Constitution (COK, 2010). However, there are so many issues have come up that are either directly or indirectly connected or linked to corporate governance. It is noted that even though health is a devolved function, National government still dictates what counties should do or not do. Accordingly, this has compromised the efficiency of health service delivery by denying counties a closer match between governance of public institutions and the desires and needs of local people.

Over the last five years, the health sector has undergone various transformations, developments, and challenges. In addition, devolution of health services has introduced new challenges to the county governments. In spite of a significant economic growth, Kenya's health service delivery remains underdeveloped. Indeed, since devolution of health services in 2010 there has been an outcry by people about poor governance and ineffective service delivery at county levels. Further, at the second Council of Governors' Devolution Conference held in Kisumu in early April 2015, Governors noted that health service delivery is not resourced as per the 4th Schedule of the Constitution of Kenya, 2010. Sebudubudu (2010) contends that government institutions lack good governance practices, transparency and accountability.

Indeed, access to quality health service is a constitutional right, however, millions of Kenyans cannot afford to pay for health services at public or private clinics. A survey done by Mombasa County opined that Coast Provincial General Hospital, which is the main referral hospital in coast province, is rated below average on most of the service attributes. Health Policy in 2015 in the same county showed that County Health Management Teams

various units and departments lacked coordination. Health Policy Project (2015).

Equally, a report by the County Assembly Health Committee of Laikipia (2014) opined that the Laikipia County Executive Committee Health Services submitted their quarterly and annual reports very late; hence, it was difficult for the committee to assess the performance of the Health sector and perform the overall mandate of oversight. Another study by Joint Learning Network (2015) revealed that Kenya has poor quality health services; weak supply side that leads to lack of trust in health services among population.

The researcher used the six counties to explore this research gap by investigating the effects board size which inhibits efficient and effective health service delivery. The study was motivated by the need to establish the effect of corporate governance in health service delivery in Kenya.

Objectives of the Study

The general objective of the study is to establish the effect of corporate governance on health service delivery in Kenya. The specific objectives were:-

- To establish whether board size influences health service delivery in Kenya
- To determine whether moderating effect affect policy framework on the relationship between corporate governance and health service delivery.

Hypothesis of the Study

H₀: There is no significant relationship between board size and service delivery in Kenya

H₀₁: There is significant relationship between board size and service delivery in Kenya

H₀: There is moderating effect of policy framework and service delivery in Kenya

H₀₂: There is no moderating effect of governance mechanism and service delivery in Kenya

LITREATURE REVIEW

Theoretical Review

The Principal-Agent Theory

This theory was proposed by Jensen and Meckling (1976). They advocated that managerial interests may not be aligned with the 'principals' but rather concerned with the maximisation of their own monetary rewards. Indeed, the principal-agent relationship originates when a principal hires an agent to perform a service or to act on his behalf (Jensen & Meckling, 1976). Managers in a firm are agents of shareholders who assume that the principle guiding them are those geared towards maximization of shareholders wealth.

The agency role of the directors refers to the governance function of the board of directors in serving the shareholders by ratifying the decisions made by the managers and monitoring the implementation of those decisions. This role has been examined in a large body of literature Fama & Jensen, (1983); Baysinger & Butler, (1995); Lorsch & MacIver, (1989; Baysinger & Hoskisson, (1990) Daily & Dalton, (1994). Much of this research has examined board composition due to the importance of the monitoring and governance function of the board. Pearce & Zahra, (1992); Barnhart, Marr & Rosenstein, (1994); Daily & Dalton, 1994; Gales & Kesner, (1994) Bhagat & Black, 1998; Kiel & Nicholson, (2003;), because according to the perspective of agency theory the primary responsibility of the board of directors is towards the shareholders to ensure maximization of shareholder value.

The Principal-Agent theory is said to be the dominant theoretical framework on governance research (Davis, Schoorman and Donaldson, 1997; Cornforth, 2003). Indeed, it is one of the theory used in describing and analyzing governance

reforms. The theory was proposed by Jensen and Meckling (1976). Jensen and Meckling (1976) advocated that managerial interests may not be aligned with the 'principals' but rather concerned with the maximisation of their own monetary rewards. Indeed, the principal-agent relationship originates when a principal hires an agent to perform a service or to act on his behalf (Jensen & Meckling, 1976). Managers in a firm are agents of shareholders who assume that the principle guiding them are those geared towards maximization of shareholders wealth.

Indeed, the agency theory is the starting point whenever any debate is enduring on the topic of corporate governance and its mechanisms. Consequently, much debate on governance issues of business firms rely on the concept of principal-agent emanating from the work of Adam Smith (1776) and Berle and Means (1932) who identified the issue of separation of ownership and control in modern corporations and provided the base to understand the agency theory assumptions, agency cost, use of incentives and control mechanisms.

Berle and Means (1932) highlighted the concept of separation of ownership from the management of the firms in the form of agency problem that is primarily rooted from the partition of control between managers and shareholders. In modern firms, generally owners do not take active part in the operations of organizations and as a result they hire managers for managing the firm's resources on their behalf. This issue creates problems when managers neglect the concerns of their principals (shareholders) and put their self-interests on priority line and collect private benefits by building empires, enjoying perquisites, get pecuniary benefits by manipulating accounting records. This divergence in agents' actions and principals' interests create agency problem Shleifer & Vishny, (1997). So at this point question arises how manager's tasks can be aligned with the shareholders' interests? One answer to this question is that give right and sufficient incentives

to the managers that must linked with their performance of doing best in the favor of their principals Berle & Means (1932). These comprise monitoring expenditures by the owners such as auditing, budgeting, control mechanism, incentives and compensation systems, bonding expenditures by the agent and residual loss due to interest difference between owner and agent Jensen & Meckling, (1976). If firm is successful in mitigating the agency problem, the firm value increases Hart, (1995).

This Agency-theory was relevant to the study variable board size, number of members, diversity and composition and how it affects corporate governance in health service delivery in Kenya. In addition, the agency theory was useful when evaluating the variable on accountability structures, access to information, quality of information and transparency.

This theory was also important in understanding the service delivery variable. The principals are the citizens while managers as representative in decision-making organs are agents. Hence, the study used Principal-Agency theory to examine service delivery, accessibility of health services efficiency of health services and citizen satisfaction on health service delivery.

The agency model assumes that individuals have access to complete information and investors possess significant knowledge of whether or not governance activities conform to their preferences and the board has knowledge of investors' preferences Smallman (2004). Therefore, according to the view of the agency theorists, an efficient market is considered a solution to mitigate the agency problem, which includes an efficient market for corporate control, management labour and corporate information Clarke (2008). According to Johanson and Ostergen (2010) agency theory provides a valuable insight into corporate governance. Various governance mechanisms have been discussed by agency theorists in relation to protecting the shareholder interests, minimizing

agency costs and ensure alignment of the agent-principal relationship. Among the mechanisms that have received substantial attention, and are within the scope of this study, are the governance structures (Davis, Schoorman & Donaldson, 1997).

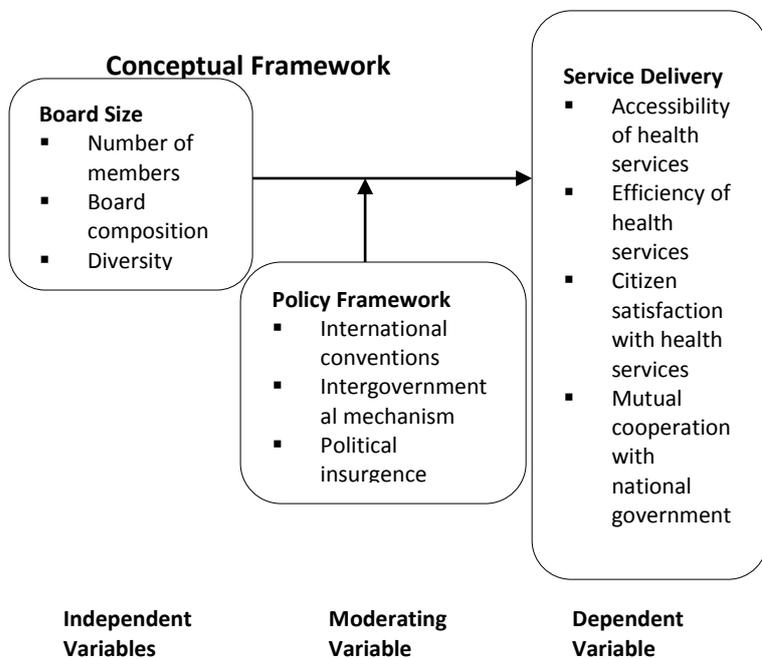


Figure 1: Conceptual Framework

Review of Study Variables

Board Size

Board size refers to the total number of directors that sits on the institutions board. It is a very important structural attributes of the governing board. The earliest literature on board size is by Lipton and Lorch (1992) and Jensen (1993). Jensen (1993) argued that the preference for smaller board size stems from technological and organizational change, which ultimately leads to cost cutting and downsizing. Hermalin and Weisbach (2003) argued the possibility that larger boards can be less effective than small boards. Cheng (2008) in his article suggested that larger boards are less efficient and slower in decision-making, because it is more difficult for the firm to arrange board meetings and for the board to reach a consensus.

Policy Framework

In the Health sector, an explicit policy focusing on curative and preventive services was published in Sessional Paper No. 1 of 1965. Policy is a law, regulation, procedure, administrative action, incentive or voluntary practice of governments and other institutions. Policy decisions are frequently reflected in resource allocations. Smith (2003) opines that polices can be classified into two: those that are currently on the public agenda and those that are not. Health sector policies and strategies in Kenya are geared towards reducing the incidence of diseases and improving the health status and quality of life of the population Health Policy Framework paper (1994). The objectives of these policies and strategies have included the promotion of primary health care, increasing access to health care services, encouraging the private sector to play a bigger role in the delivery, and financing of health care. In Kenya, a new Health Policy (2012–2030) was adopted by the Government in 2012. The strategic objectives of National Health Sector Strategic Plan (NHSSP) are (i) strengthening governance, (ii) improving resource allocation, (iii) decentralization of health services and management, (iv) shift of resources from curative to preventive and PHC services, (v) provision of autonomy to provincial and national hospitals and (vi) enhancing collaboration with stakeholders under a Sector Wide Approach (SWAp) modality.

Service Delivery

Service delivery is the provision of health care services to the public in an efficient and effective manner. This includes efficiency, consultations, diagnosis, administering of drugs, and admission of patients among others. Parameters for measuring efficient and effective health care service delivery include delivery time and reduced operation costs. Indicators of efficiency in health care service delivery according to Mills (1995) are cost effectiveness (obtaining maximum health benefit using the least cost).

Empirical Literature Review

Board Size and Service Delivery

Khan et al.(2014) empirically investigated board size using a sample of 1154 firm-year observations over the seven-year period 2000-2006. The researchers documented a negative relation between board size and performance followed by a positive relation. Likewise, Chiang (2005) also found that director shareholding was statistically significant but negatively related to corporate performance. Another study in Finnish, Lappalainen & Niskanen (2012) evaluated the impact that ownership structure and board composition have on financial performance in a sample of Finnish small to medium-sized enterprises. The study found that ownership structure affects both the growth and the profitability of small private firms. Firms with high managerial ownership levels exhibit higher profitability ratios but have lower growth rates.

Another study in United States by Bart & McQueen (2013) studied why women make better directors. Using the Defined Issues Test (DIT) instrument , 624 board directors (75% male; 25% female) were surveyed to determine their reliance on three reasoning methods (personal interest, normative and complex moral reasoning) to make decisions .The study reported positive correlation between the presence of female directors on boards and corporate performance suggesting that women appear to make better directors than men.

Policy framework and Service Delivery

A study done by Sundet (2004) concluded that policy change is really more a function of how much public discussion the survey generates and how widely the report is shared than anything else. The researcher repeats the same finding in 2007 by arguing that the Tanzania experience shows that Public Expenditure Tracking System is not a silver bullet and vested interests can easily derail the process Sundet (2007). In addition, using distance to newspaper outlet as an instrument variable, Reinikka & Svensson (2006) concluded that it is not

much supervision, but the recipients' ability to voice their claims for funds that explains.

METHODOLOGY

The study adopted descriptive research design, which in essence describes data and characteristics about the population or phenomena being studied. A descriptive research design was used in this study. The major purpose of descriptive research design provides information on characteristics of a population or phenomenon Mugenda& Mugenda (2003). Further, descriptive research is used as a pre-cursor to more quantitative research designs with the general overview giving some valuable pointers as to what variables are worth testing quantitatively. The study population comprised all the health workers in all the six counties. The study population targeted all senior county administrators, clinical offices, nurses and doctors. In addition, and ten (10) partners such as World Bank, USAID, DANIDA, DFID, GIZ among others working at the National level. A total of 347 respondents were taken as the target population of the study. The county health officials were stratified in 6 counties. The researcher randomly selected specific number of county health officials allocated to each selected county as respondent for the study as recommended by Kothari (2004). The six counties in Kenya formed the sampling frame for this study. Data was organized and accounted for in terms of themes, patterns, categories and regularity. The qualitative data was analyzed by coding, categorizing into themes and analyzing using appropriate statistical tests for descriptive statistics and frequency distributions such as mean, percentage, standard deviation and measures of central tendency. Quantitative data was analyzed using The Statistical Package for Social Science (SPSS).Quantitative data was analyzed by creating categories, themes and patterns using SPSS text editor. The data collected was analyzed using: descriptive and inferential statistics. Chandran (2004) articulates that descriptive design is

appropriate to describe and portray characteristics of an event, situation, and a group of people, community or a population.

FINDINGS

Descriptive Statistics for Board size

The objective of the study sought to determine the influence of Board size on Service delivery in Kenya. The respondents were asked to rate the extent do they agree or disagree with the following aspects of Board size on service delivery in Kenya. With an aim of knowing to what extent they agree or disagree that Members of the county health management team (CHMT) had been formally appointed (Board size); 40.6% of the respondents strongly disagreed, 44% disagreed 12.6% were neutral, 2.3% agreed and 0.6%strongly agreed. Besides that, on scale of 1 to 5, an average score rate of 3.87 was recorded with standard deviation of 0.888. This indicated that majority of the respondents agreed that members of the county health management team had been formally appointed. In regard to know the extent to which county health management team (CHMT) had adequate range of qualifications and experience to govern, 31.0% of the were of very great extent, 32.8% were of great extent 15.9% were Moderate extent, 6.6% were little extent

while 13.7% did not at all. On scale of 1 to 5, an average score rate of 3.87 was recorded with standard deviation of 0.888. This indicates that majority of the respondents agreed that county health management team (CHMT) has adequate range of qualifications and experience to govern. To investigate if county health management team (CHMT) has consistent schedule of quarterly meetings was also rated as follows: 18.5% of the were of very great extent, 18.5% were of great extent 28.0% were Moderate extent, 21.0% were little extent while 14.0% did not at all. Out of a possible scale 5, an average score rate of 3.87 was recorded with standard deviation of 0.888. This also implies that majority of the respondents agreed that County health management team (CHMT) has consistent schedule of quarterly meetings. Concerning whether the county health management team (CHMT) minutes were readily available for scrutiny was rated as follows: 21.0% of the were of very great extent, 42.8% were of great extent 25.9% were Moderate extent, 16.6% were little extent while 3.7% did not at all. Out of a possible scale 5, an average score rate of 3.84 was recorded with standard deviation of 0.970. This also suggested that majority of the respondents agreed that the county health management team (CHMT) minutes were readily available for scrutiny.

Table 1: Board size Descriptive Analysis

Statement	S.A	D	N	A	S.A	Mean	Std. Deviation
CHMT had been formally appointed county health management team	0.6%	2.3%	12.6%	44%	40.6%	4.22	0.794
CHMT has adequate range of qualifications and experience to govern	4.6%	7.4%	22.3%	38.3%	26.9%	3.76	1.072
CHMT has consistent schedule of quarterly meetings	1.7%	9.7%	25.1%	38.3%	25.1%	3.75	0.995
CHMT minutes are readily available for scrutiny	2.3%	3.4%	16.6%	50.3%	27.4%	3.97	0.887
Total						3.84	0.970

Key: SD- Strongly Agree; D-Disagree, N- Neural, A- Agree, SA- Strongly Disagree

The study findings collaborated with Golden and Zajac (2001) who surveyed 3198 USA hospitals and found that the relationship between board size and strategic decisions was non-linear. In particular, they found that as board size increased for smaller boards, there was a positive effect on the firm's strategic decisions but further increases in board size led to negative effects on strategic decisions. In other words, an increase in the number of directors on an existing large board would reduce its efficiency. Further, the findings are in concurrence with Kiel and Nickelson (2003) studies that examined the relationships between board demographics and corporate performance in 348 of Australia's largest publicly listed companies and described the attributes of these firms and their boards. They found that board size is positively correlated with firm value. In addition, Chaganti et al. (1985) reported that in a paired sample of non-failed and failed firms, non-failed firms had larger boards than failed firms. The study conducted by Bozec and Dia (2005) for the Canada's state-owned enterprises found a positive relation between board size, board independence and firm technical efficiency.

However, Yermack's (1996) seminal paper presented evidence of a negative effect of board size on performance. The board's role is to actively question the CEO and seek for open information and open dialogue in order to have an effective decision-making process Kiel & Nicholson (2003). A strong and independent board of directors is therefore the bedrock on which effective corporate governance must be founded Parker (1994). There is plenty of evidence to show that a weak and inefficient board will sooner or later allow even a good company to falter, lose its way, and perhaps even fail.

From this objective, it was hypothesized that there is no relationship between board size and service delivery in county governments in Kenya. The results of this study showed a positive statistically significant relationship between board size and

service delivery in county governments in Kenya. Therefore, hypothesis **H01**: there is no significant relationship between board size and service delivery in county governments in Kenya was rejected and concluded that board size has a significant effect on service delivery. The findings therefore confirmed that board size is a determinant of service delivery in county governments in Kenya. It was notable that the relationship at this stage was not as strong as expected. The researcher attributes this to the fact that devolution in Kenya is still young and we are at initial stage of implementation of county governments in Kenya.

Descriptive Statistics for Policy Framework

The second objective of the study was to assess the moderating effect of Policy Framework on health service delivery in Kenya. The respondents were asked to state their level of agreement with the following items based on Policy Framework and how they were associated with county health service delivery in Kenya. The results were as follows: On whether the CHMT focused its attention on policy issues, 59.5% of the respondents agreed and 11.9% strongly agreed, 16.7% were neutral, 11.9% disagreed and only 0.0% of the respondents strongly disagreed. An average score rate of 3.71 was recorded with standard deviation of 0.844. This indicated that majority of the respondents agreed that the county health management team focused its attention on policy issues. On whether CHMT was represented in intergovernmental meetings, 59.5% of the respondents agreed, 7.1% strongly agreed, 28.6% were undecided 4.8% disagreed and 0.0% strongly disagreed. An average score rate of 3.68 was recorded with standard deviation of 0.687. This suggested that county health management team was represented in intergovernmental meetings.

The respondents were asked whether The CHMT had enacted policies for the management of the health service delivery in the county. 57.1% of

respondents agreed, 16.7% strongly agreed, 21.4% were undecided but 4.8% disagreed and 0.0% strongly disagreed. Average scale of 3.85 out possible 5 and standard deviation of 0.760 was recorded. This means that the respondent were in agreement that the county health management team had enacted policies for the management of the health service delivery in the county. To find out CHMT monitors the implementations of projects on

a quarterly basis. Majority of the respondents at 46.3% were undecided, 19.5% agreed, 4.9% strongly agreed, but 19.5% disagreed and 9.8% strongly disagreed. Average score rate was 2.90 out of 5 and standard deviation of 0.995 was recorded. This also indicated the respondents were undecided that county health management team monitors the implementations of projects on a quarterly basis.

Table 2: Policy Framework Descriptive Statistics

Statement	S.D	D	N	A	S. A	Mean	Std. Dev
CHMT focuses its attention on policy issues	0.0%	11.9%	16.7%	59.5%	11.9%	3.71	.844
CHMT is represented in intergovernmental meetings	0.0%	4.8%	28.6%	59.5%	7.1%	3.68	.687
CHMT has enacted policies for the management of the health service delivery in the county	0.0%	4.8%	21.4%	57.1%	16.7%	3.85	.760
CHMT monitors the implementations of projects on a quarterly basis	9.8%	19.5%	46.3%	19.5%	4.9%	2.90	.995
TOTAL						3.51	1.102

Further, Lewis (2006) argues that the accumulation of, and use of, power is crucial to the health policy process. Other scholars go further to link the political ideologies of governing parties to health outcomes. Navarro, Muntaner et al. (2006) examine the interaction between political traditions, policies and public health outcomes to see if different political traditions are associated with systematic patterns in population health over time. Hence, it is important to integrate all policies with Kenya's Vision 2030 and the corresponding Medium Term Plan II.

It was hypothesized that there is no moderating effect of policy framework on the relationship between corporate governance and service delivery in county governments in Kenya. Consequently, the study rejected the null hypothesis **H02**: that policy framework had no significant moderating effect on the relationship between corporate governance and service delivery of county governments in Kenya. The study concluded that policy framework does

moderate the relationship between corporate governance and service delivery.

The study also tested the role of moderating variable on the relationship between each predictor variable and service delivery.

Descriptive Statistics for Health Service Delivery

In this section we were concerned with descriptive analysis of the dependence variable (Service Delivery). The respondents were asked to state their level of agreement on the following items as far as health Service Delivery in Kenya is concerned. The findings were as follows: On whether in the last four years, the quality of health services rendered by the county has greatly improved, 41.1% of the respondents agreed and 49.7% strongly agreed, 6.9% were undecided, 1.7% disagreed and only 0.6% of the respondents strongly disagreed. An average score rate of 4.38 was recorded with standard deviation of 0.0739. This suggested that majority of the respondents agreed that in the last

four years, the quality of health services rendered in their county had greatly improved. Concerning whether in the last four years, drugs were always provided to all patients in the county government health facilities, majority of the respondents strongly disagreed at 54.3%, 37.1% agreed, 6.9% were neutral, 1.1% agreed and 0.6% strongly disagreed. This also indicated that majority of the respondents were agreement that in the last four years; drugs were always provided to all patients in the county government health facilities with an overall mean rate of 2.23 and standard deviation 0.723. In addition to that, to establish whether equipment and supplies (exam tables, lab tests, pharmaceutical commodities, sterilization and disinfection) had greatly improved, 40.6% of the respondents agreed, 41.7% strongly agreed, 13.7% were undecided 2.9% disagreed and 1.1% strongly disagreed. An average score rate of 4.19 was recorded with standard deviation of 0.86. This also indicated that majority of respondents agreed that the equipment's and supplies of exam tables, lab tests, pharmaceutical commodities, sterilization and disinfection had greatly improved.

The Respondents were asked whether the Management systems (adequate information system for clients, logistics systems, and equipment maintenance) had greatly improved, 42.3% of respondents agreed, 45.1% strongly agreed, 8.6% were undecided but 3.4% disagreed and 0.6% strongly disagreed. Average scale of 4.28 out possible 5 and standard deviation of 0.80 was recorded. This means that Management systems (adequate information system for clients, logistics systems, equipment maintenance) had greatly improved. To find out whether Service County reporting systems (Health Management Information Systems) had improved, majority of the respondents at 35.4% agreed, 37.7% strongly agreed, 24.0% were undecided but 2.9% disagreed and 0.0% strongly disagreed. Mean score of 4.20 out of 5 and standard deviation of 0.832 was recorded. In general, the respondents were in agreement as far as the items listed under Service Delivery. The rest of the findings were shown in table 3.

Table 3: Service Delivery Descriptive Statistics

Statement	S.D	D	N	A	S. A	Mean	Std. Dev
The quality of health services rendered by the county has greatly improved	0.6%	1.7%	6.9%	41.1%	49.7%	4.38	0.739
In the last four years, drugs are always provided to all patients in the county government health facilities	0.6%	1.1%	6.9%	37.1%	54.3%	4.43	0.723
The drugs are always provided to all patients in the county government health facilities	1.1%	2.9%	13.7%	40.6%	41.7%	4.19	0.860
Has equipment and supplies has improved	0.6%	3.4%	8.6%	42.3%	45.1%	4.28	0.807
The Management systems has improved	0.0%	2.9%	24.0%	35.4%	37.7%	4.08	0.854
The Service County reporting systems had improved	0.0%	4.6%	12.6%	45.1%	37.7%	4.16	0.815
County infrastructure (water, electricity, latrines, infection	0.6%	1.1%	6.9%	37.1%	54.3%	4.43	0.723

control) has improved

In the last four years, medical practitioners to patient ratio has improved	1.1%	2.9%	13.7%	40.6%	41.7%	4.19	0.860
In the last four years, the number of reported complaints has greatly reduced	0.6%	3.4%	8.6%	42.3%	45.1%	4.28	0.807
In the last four years, working environment has improved	0.0%	2.9%	24.0%	35.4%	37.7%	4.08	0.854
Total						4.20	0.832

The study finding agreed with Ackerman (2004); Brinkerhoff (2004); Fiszbein (2005); Goetz and Jenkins (2005); Paul (1992) who concluded that one way to influence service delivery is accountability. On the other hand, Le Grand (2007) describes the desired characteristics of public services as high quality services, managed efficiently, and delivered equitably. He argues that models of service delivery such as trust, voice, and command and control, have not given the right incentives to service providers. Instead, he suggests a choice and competition model, where user choice together with provider competition, may offer better incentives to providers in order to deliver high quality services efficiently, equitably and in a responsive way. Governments world over exist to provide services to the public. Provision of quality core services to the population as mandated by law (COK, 2010).

CONCLUSIONS AND RECOMMENDATIONS

The findings confirmed that there is a statistically significant effect of Board size on service delivery in county governments in Kenya. A positive increase in board size led to an increase in service delivery in county governments in Kenya. It was concluded from this study that board size was statistically significant in explaining service delivery in county governments in Kenya. These results were in line with those of Dalton and Dalton (2005) who concluded that larger boards are correlated with higher firm performance. Additionally, Adam and Mehran (2005) found a positive relationship

between board size and performance in the U.S banking industry.

The study also concluded that policy framework has a significant moderating effect on the relationship between board size and service delivery in county governments in Kenya. This concurs with a study by Prakash (2015) who found that regulatory framework is critical in steering healthcare service delivery.

Recommendations

The study found that board size has a positive statically significant relationship on service delivery in county governments in Kenya. The study recommended that national and county should put in place a set of deliberate and proactive processes, policies and structures that supports board size. The national government should review existing policy on allocation of resources and timely release of funds to ensure smooth service delivery. Additionally, the study recommended that the national government should come up with strategic interventions to promote allocation of resources to enhance service delivery to the citizens. Further, the study recommends that central government, (executive and parliament) should appreciate the strategic philosophy of corporate governance by restraining their line ministries from interfering in the management of decentralized services. This eliminated conflict between the national government and county governments. Further the National Government should consider forming a Health Service Commission to address issue of service delivery. The findings also confirmed that

there is a moderating effect of policy framework on the relationship between board size and service delivery in county governments in Kenya. The study recommended that the national government should continuously develop the policy guidelines and share them with the counties. Further, continuous training and funding should be undertaken to ensure that all policies are interpreted and implemented. The study also recommended use of technological framework to enhance efficient service delivery.

Suggestion for Further Research

This study restricted itself to board size which is not exhaustive in investigating service delivery. Further empirical work could be conducted to expose other corporate governance variables such as voice and accountability, political stability, government effectiveness, regulatory quality, rule of law and control of corruption which may influence service delivery in county governments in Kenya. In addition, this study examined the link between board size and service delivery based on data from

a single country. While this approach has the advantage of presenting a more focused and detailed view, it does not help to provide international comparisons and cross-country empirical evidence. Hence, this study suggested that future authors extend the sampling to other countries and the duration of study from five years to enable international comparisons and cross-country empirical evidence.

Further, since the study applied questionnaire survey, descriptive and explanatory research design, further studies could be carried using additional qualitative or mixed methods to enrich the findings. Future studies should apply different research instruments like focus group discussions to involve respondents in discussions in order to generate detailed information which would help improve service delivery. Moreover, uses cross-sectional surveys which limits the identification of causality between board size and service delivery. Future researchers may undertake longitudinal studies to address this issue more conclusively.

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