

Effects of Organizational Structure Centralization on Employee Performance in Narok County Government

Angela Lankas¹, Dr. Daniel Naikuni², Mr. Jackson Kulet²

¹Masters student Maasai Mara University, Kenya

²Lecturer Maasai Mara University, Kenya

Abstract: Organizational structure describes the formal arrangement of jobs and tasks in organizations. It describes the allocation of authority and responsibility, and how rules and regulation are executed by workers in firms. Locally, studies on the relationship between organizational structure and organizational performance remain inconclusive and contradictory as evidenced from previous studies. This study used Kenyan data and government institutions by investigating the likely impact of organizational structure on performance of County governments of Kenya taking a case of Narok County government. The specific objectives of the study examine the effect of organizational structural centralization on employee performance. The study was anchored on Goal theory and equity theory. This study adopted a descriptive research design. Both primary and secondary data was used in this study. Primary data was obtained by use of questionnaires while secondary data by use of existing records. The population of the study was all staff working in Narok County Government. The study targets a total population of 5345 distributed in all departments and a sample size of 372 respondents was obtained from it. The County Executives, chief officers and directors will be randomly selected from the county. Other employees were selected using stratified random sampling thus the study draw 10% of each department employees using strata method. The collected data was processed and analyzed using SPSS Version 26.0 where linear regression was used to establish the relationship between (structural complexity, structural centralization, and structural formalization) and employee performance. The study has a lot of significance to Narok County Government as it will shed light on the importance of utilizing and improving effective organizational structure in order to enhance the performance of individual employees. The findings of this study are likely to benefit researchers in their efforts towards understanding the relationship between organizational structure and the performance of employee which is directly related to their organization productivity.

Key words: County governments, organizational performance, Organizational structure, structural centralization

I. BACKGROUND OF THE STUDY

According to Robbins and Coulter (2007) Organizational structure describes the formal arrangement of jobs and tasks in organizations it describes the allocation of authority and responsibility, and how rules and regulation are executed by workers in firms (Nahm et al., 2003). Nelson and Quick (2011) posit that the organization's structure gives it the form to fulfill its functions in the environment. Acknowledging the views of these authors on the indispensability of structural decisions and the on-going debate on the interrelationships between strategy, structure and performance, one would want

to agree with Joris, Brand, Marco and Zoetermeer (2002) that the outcome of the organizational design process is unmistakably an important determinant of the performance of firms

Ledbetter (2003) investigated the effect of organizational structure on Organizational effectiveness in Texas Grand Prairie Fire Department. The results showed that environment, technology, size, strategy, goals, culture and philosophy impact on organizational structure and a definite connection is between organizational effectiveness and organizational structure. Hao and colleagues (2007) studied about the relationship between organizational structure and performance, especially through organizational learning and innovation, based on evidence from Austria and China.

Employees in all organizations want to work in an environment of trust and respect. This is where they feel they are making a real contribution to organizational goals and objectives. They want to be able to have the opportunity to show management that they can accomplish a task with the creativity. There is a consensus in the literature reviewed that trust and job satisfaction are essential elements to an organization's success. Trust between individuals and groups within organizations are a highly important ingredient in the long-term stability of the organization and the well-being of its members (Srivastava, 2013).

Many organizations still operate within "traditional" hierarchical structures which can have a detrimental effect on productivity and the flow of information because each employee is only accountable to one person. It also can result in what is called the "silo mentality." In a traditional "one person, one boss" organizational structure, information is restricted, and co-operation between employees and other departments is stifled (Dancer, and Raine, 2010). This traditional hierarchical structure becomes progressively more problematic as organizations become more specialized and require employees with specific areas of expertise. To capitalize fully on their increasingly complicated nature, many organizations are currently using more complex structures.

1.1 Statement of the problem

A well-functioning organizational structure indicates the general efficiency of operational system. Organizational structure has been widely disparaged for the drop in service delivery and organizational performance (Uadiale, 2010). Locally, studies on the relationship between organizational

structure and organizational performance are still questionable and contradictory. Ngetich (2005) undertook a study to find the connection between, ownership structure, governance structure and performance among the Firms Listed with the Nairobi Stock Exchange. Some of the empirical evidence that supports a negative relationship between firm performance and organizational structure are from studies undertaken by Waiyaki (2006), Ndeto (2007), and Chacha (2005). These studies reported that small size are associated with higher market evaluations, returns on assets (ROA), and returns on sales (ROS), he highlighted that the scale and nature of that impact is actually dependent on the size of a company, and may become different as a structure becomes too large. None of these studies has touched on the effect of organizational structural on performance in Narok County government. The study seek to address the knowledge gap by asking questions like; What is the effect of centralization on employee performance?

1.2 Objectives of the study

To determine the effect of organizational structural centralization on employee performance in Narok County Government

1.3 Research Hypotheses

H0₂: There is no significant relationship between organizational structural centralization and employee performance in in Narok County Government

II. ORGANIZATIONAL STRUCTURE

The fact that employees and leaders in an organization are involved in idea generation and implementation makes the incorporation of the concept of organizational structure very crucial to any management (Agbim, 2013). In an extensive overview of organizational structure and its many component parts, Nadler (2011) discussed ways many of those parts are related to one another and therefore affects organizational structure. He maintained that organization structure defines task allocation, reporting relationship and formal coordination mechanism in an organization. Structural complexity refers to the extent to which there is differentiation or a division of labour in an organization. A complex structure has a greater need for communication across many departments horizontally or between many levels vertically. In reference to Herath (2017) preposition, the more complex an organization is the greater the need for effective communication, coordination and control. On the other hand, structural centralization determines where the decision-making authority in the organization lies where highly centralized decision-making leads the senior executives to make judgement. In organizations that are less centralized, decision-making authority trickles down to lower levels. Highly complex organizations are generally more decentralized. Organizations lower in job specialization requires a central locus of control. Decentralized organizations require more communication and employee involvement (Nahm, 2013)

2.1. Employee Performance

Employee performance involves all aspects which directly or indirectly affect and relate to the work of the employees as reflected on behaviour and results. Behaviour emanates from the performer and transforms performance from abstraction to action. Not just the instruments for results, behaviours are also outcomes in their own right- the product of mental and physical effort applied to tasks and can be judged apart from results (Brumbranch, 2013). Studies have shown that employee who have attained plateau have a high degree of intention to quit due to reduced opportunity for growth in the present organization (Amunga, 2016). In Kenya, Ongori & Agolla (2015), contend that lack of personal growth in organizations results in career plateau which leads to increased employees intentions to quit. Thus the employee motivation and organizational effectiveness are directly related (Muhammad, 2011). In reflection of the above insights it is eminent that organizations should work out and make such policies and organizational structures that support employee recognition and empowerment.

2.2 Goal theory

Goal theory plays a key part in performance management process and was evolved from the largely discredited management-by-objective (MBO) approach. It was postulated by Locke and Latham (1979) and they stated that motivation and performance are higher when individuals set specific goal, when accepted goals are difficult, and when there is feedback on performance. The basic premise of this theory is that people's goals or intentions play an important part in determining behaviour. Goals guide people's response and action by directing work behaviour and performance, and lead to certain feedback. Locke stressed that goal setting is viewed as a motivational technique rather than a formal theory of motivation. Erez and Zidon (1984) emphasized the need for acceptance of and commitment to goal. This emphasis was based on findings that, as long as they agree, demanding goals lead to a better performance than easy ones. Erez (1977) also stressed on the importance of feedback as Robertson et al. (1992) pointed out: "Goals inform individuals to achieve particular levels of performance, in order for them to direct and evaluate their actions; while performance feedback allows the individual to track how well an individual has been doing in relation to the goal, so that, if necessary adjustment in effort, direction or possibly task strategies can be made" (Armstrong, 2006). Individuals with specific and difficult goals perform better than those with vague and easier goals. This goes to confirm Gratton (2000) stretch goals which are ambitious, highly targeted opportunities for breakthrough improvement in performance. Hannagan has suggested that "at present goal-setting is one of the most influential theories of work motivation applicable to all cultures" (Mullins, 2005)

The theory is applicable to this study as it emphasis the relevance of goal settings to enable the employees to be in know-how on what is expected of them in order to enhance their performance correspondingly. Also the theory emphasize on relevance of organization setting specific performance goals

which should be challenging but at a realistic level as a way of directing behaviour and maintain motivation. More emphasis is on feedback/ communication where organization should provide complete, accurate and timely feedback and knowledge of results to the employees as to enhance motivation hence high performance. In a nutshell these can only be achieved where there is a well-defined and effective organizational structure as it will stipulate work specialization, chain of command as well as the rigidity of the rules and regulation governing the organization.

2.3 Structural Centralization and Employee performance

Mechanistic structured organization harbours a highly complex, formalized and centralized complexity where tasks are greatly specialized, workers receive little discretion through the presence of strict procedures and decisions are made at the highest level of the organization (Murphy, 2013). According to Daft and Willmott (2015), top management has the last word when it comes to decision making in a firm. The hierarchy of command is considered to be tall since information has to pass through different levels before it gets to the end user (Tolbert and Hall, 2012).

Organic structure organizations under centralization are characterized by high proportions of job occupants being involved in making decisions in a firm (Dubinsky, 2013). Decision making is delegated to staff members meaning that the mandate to decide on issues affecting organization is not a responsibility of the top management only. There is the absence of tall hierarchies in this structure since authority is spread throughout the departments (Jones, 2013). It is evident that organic structure of organization allows employee to feel and become part of decision making and are also in a position to offer feedback on their issues which make them motivated and encouraged to offer their best in their respective job position thus better performance.

In reference to Zheng and Yang (2010) the major dilemma on many modern organizations is to what extent centralize the decision making power should be centralized or decentralized. As McLean defines it (2010) centralization is concentration of authority and decision-making toward the top of the organization. Decentralization on the other hand is can be the distribution of authority and decision-making units throughout an organization. As Theodosiou (2014) puts it, centralization determines how bureaucratic an organization and is here to stay due to its effective ability to deal with big and complicated tasks. The study findings by Leavitt (2015) suggest that the large size of the organization and high specialization of personnel enable less centralization leading to better employee performance as while organization which are more centralized leads to poor job performance as decision comes as command from top management thus they are perceived as inferior in matter relating to organization and incompetent which demotivate them to put any effort on their part.

A study by Katsikea, Theodosiou, Perdakis and Kehagias (2011); Al-Qataweh (2014) concludes that tall organizational structure is characterized by few people being managed by one

supervisor and the command chain being large this means that the employee's performance is hindered since the communication has to pass through a large chain of command and the top management have no direct contact with the employee but supervisors. Contrary, flatter organizational structure involves many people being managed by one supervisor on few hierarchical levels. This means that the managers in the flatter organization must take on greater responsibility than managers within a tall organizational structure; this is because help, support and direction from a supervisor within a flatter structure are limited and the manager has to deal with employees directly. These findings shows how important it is that each individual manager in an organization with flatter structure is able to make his own decisions and work autonomously for an effective job situation which is reflected on employee performance since they are in direct contact with the manager.

Similarly, a study by Senior and Swailes (2010) on organizational structure and control of employee in marketing segment noted that flatter organizational structure span of control which consist of a larger number of employees reporting to one manager is more effective in managing competitive business enterprises. The merit of this structure is that it will shorten response time to the markets changes due to reduced number of hierarchical levels within the organization hence employees can provide feedback instantly. Bloisi et al. (2013) study on organization centrality and employee performance on telecommunication sector in Ghana recommended that one way to flatten organization's structure is to widen the span of control, especially when the organization is large as this will maintain flexibility without becoming too hierarchical which will lead to better organization performance as employee will feel they are part of the success.

Locally, Barako et al (2014) study provides longitudinal examination of organizational hierarchical effect on the performance of agricultural corporations in Kenya from 2002 to 2011. Their study investigated the extent to which organizational structural complexity influence the performance of organization. The results indicate that dissemination of information within its supply chain process was greatly influenced by the nature of hierarchical structure of the organization but the results were inconclusive. On one perspective the study noted that the less bureaucratic nature the agricultural corporation was the more efficient in that the adjustment to conform to the market conditions could easily be factored in without more delays. However the study argued that where there is no define source of information there will be conflicting sources which may inhibit the performance hence the need of bureaucracy.

III. METHODOLOGY

3.1 Research design

This study will adopt a simple random sampling which is a part of the sampling technique in which each sample has an equal probability of being chosen. A sample chosen randomly is

meant to be an unbiased representation of the total population. The goal of descriptive research is to describe a phenomenon and its characteristics (Nassaji, 2015). This research is more concerned with what rather than how or why something has happened. It is a method of collecting information by interviewing or administering a questionnaire to a sample of individuals (Orodho, 2003).

3.2 Target population

The population of the study was all staff working in Narok County Government entailing; County Executives, Chief Officers, Directors, Departmental managers and employees in the county. The study targets a total population of 5345 distributed in all departments. A sample is a strata obtained from the accessible population (Mugenda & Mugenda, 2003). For the purposes of getting accurate sample the study will use simple random stratified techniques to select a representative sample from the target population. To get the sample size the study utilized Solvin's (Tejada, 2012) formula:-

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

$$N = \frac{5345}{1 + 5345(0.05)^2} = \frac{5345}{14.36} = 372 \text{ Samples}$$

Hence the total sample size of the study will be 372 respondents

A sample of 372 employees, which satisfied the necessities of competence, representativeness, reliability and validity, was chosen basing on cost, acknowledged confidence level and population size (Mugenda & Mugenda, 2012). So as to assist the researcher to acquire information about the population. The County Executives, chief officers and directors were deliberately chosen from the county. Other employees were selected using stratified random sampling since this method assists the researcher to attain the anticipated representation from the several subgroups in the population and assurance that if a different sample of the same size is selected the results from the two samples were alike to a high extent.

3.3 Data collection instruments.

The study will utilize questionnaire as the main instrument to collect data from the respondents. Questionnaires provide a relatively cheap, quick and efficient way of obtaining large amounts of information from a large sample of people. Since our sample is relatively large, this instrument will enable us obtain data quickly. The questionnaires will consist both closed ended and open-ended questions for effective data collection. Closed ended questions is a standardized way to structure the answer by only allowing responses which fit into pre-decided categories. This is an economical way to reduce unwanted responses in the data. The open ended-ended questions will enrich the study with qualitative data. The respondents will be allowed to elaborate on their answer. Use of questionnaires enables the researcher to collect data from many respondents with no biasness and saves time for analysis (Kasomo, 2007).

3.4 Data analysis and presentation

Data analysis is the process of bringing meaning to raw data collected (Mugenda and Mugenda, 2003). Descriptive statistics was used to analyse the research data. Descriptive statistics describe the main features of a collection of data quantitatively using frequency tables, percentages, arithmetic mean and standard deviation (Cooper & Emory (2008). After the data had been collected, it was cross examined to ascertain its accuracy and completeness. Data was processed and analyzed using SPSS Version 20.0 where linear regression analysis was used to establish the relationship between (structural centralization) and employee performance. The regressive analysis is reliable method of identifying which variables have impact on the topic of interest. The regression equation that was used to guide the study was in a form $Y = \alpha + \beta_1 X_1 + \epsilon \dots$

Y = Performance (employee performance)
 α = Constant term
 X_1 = Structural centralization
 B_1 = Coefficient of centralization
 ϵ = Error term

IV. FINDINGS OF THE STUDY

The outcomes of the study are presented in this section after data analysis for the purpose of interpretation and making appropriate conclusions and recommendations. The respondents were asked to indicate their level of agreement regarding the various statements that defined the objectives of the study based on a five Likert scale where ; 1- *Strongly Disagree*; 2 -*Disagree*, 3- *Not Sure*; 4 -*Agree*; 5- *Strongly Agree*. The results are presented as follows.

4.1 The effect of organizational structural centralization on employee performance

The study sought to assess the effect of organizational centralization on employee's performance in county government. The respondents were asked to give their opinion on the various statements that defined the objectives of the study .The results of the study were analyzed descriptively using percentages, mean and standard deviation. The respondents were asked if subordinate staffs participate in decision making on matters relating to day to day operations of the organization. 24.1% of the respondents strongly disagreed with the statement as the majority, 34.4%, disagreed. 31.1% of the respondents were neutral. Conversely, 10.4% of the respondents agreed with the statement. This indicates that subordinate staffs do not participate in decision making on matters relating to day to day operations of the organization. The findings by Herath (2017) also established that there was minimal participation of the lower cadre staff in the in the day to day running of the organization.

On whether all investment decisions must be approved by heads of departments before are undertaken by the organization, 7.8% of the respondents strongly disagreed with the statement as the majority, 53.3%, disagreed. 25.9% of the respondents were neutral. In contrast, 13.0% of the respondents agreed with the statement. This shows that all investment

decisions must not be approved by board of directors before are undertaken by the organization. The findings of Rober and Olive, (2013) supported these findings by indicating that most investment decision in the organization are approved by heads of departments in most public institutions.

When asked if all operation activities to be undertaken by the organization are approved by the heads of departments or sections , 10.7% of the respondents strongly disagreed with the statement while the majority, 49.6% disagreed. 31.9% of the respondents were neutral. In contrast, 5.2% of the respondents agreed with the statement as 2.6% strongly agreed. This implies that all operation activities to be undertaken by the organization are not approved by heads of departments. This agrees with the findings of Theodosiou (2014) who also established that most decisions are taken by the top and middle level management and passed on to the lower staff for implementation.

From the findings, 13.0% of the respondents strongly disagreed with the statement that staffs are asked to give their input on the adoption of new policies and procedures. Majority of the respondents, 42.2%, agreed with the statement while 31.9% of the respondents were neutral. On the other hand, 10.4% agreed with the statement as 2.6% strongly agreed. This means that staffs are not asked to give their input on the adoption of new policies and procedures. The findings of Herath, (2017) also support the current study that there is little staff participation in the decision making process in the organization. Most of the lower staff take institutions and just implement them.

Regarding the statement that no or little action can be taken by a staff on any matter without supervisor, 18.1% of the respondents strongly disagreed with the statement while 28.9% disagreed. 32.2% of the respondents were neutral. 13.0% of the respondents agreed with the statement as 7.8% strongly agreed. This shows that no or little action cannot be taken by a staff on any matter without supervisor. The findings are in tentum with the work of Souitaris and Zerbinati (2016) who indicated that centralised decision making is key to improving performance of the organization . A similar view was also held by (Rober and Olive, 2013) and Lunenburg (2012) who also noted that centralization has an influence on the performance employee in government institutions. The organizational structure has an overall impact on the organization performance and its efficiency. When there is a poor organization structure the performance becomes poor irrespective of the ability of the manager.

4.2 Performance of Employees at the County Government

This was the dependent variable of the study that defined the performance of the county. The respondents were required to give their opinion by indicating the extent to which they agreed or disagreed with the various statements. The results of the study were analyzed descriptively using percentages, mean and standard deviation. On whether the County productivity level has really increased, majority, 39.3% of the respondents strongly disagreed with the statement while 23.7% disagreed. 24.1% of the respondents were neutral. On the other hand, 5.2% of the respondents agreed with the statement while 7.8% of the

respondents strongly agreed. This shows that the county productivity level has not really increased.

The respondents were asked if problem solving in our county government is of higher level and 13.0% of the respondents strongly disagreed with the statement while the majority, 42.2%, disagreed. 39.6% were neutral. On the other hand, 5.2% of the respondents agreed with the statement. This implies that problem solving in our county government is not of higher level.

Regarding the level of communication in the county being commendable, 13.3% of the respondents strongly disagreed with the statement whereas the majority, 54.8%, disagreed. 29.3% of the respondents were neutral. On the other hand, 2.6% of the respondents agreed with the statement. This indicates that the level of communication in the county is not commendable.

When asked if the services in the organization are of high quality, 15.6% of the respondents strongly disagreed with the statement while majority of the respondents, 37.4%, disagreed. 36.7% of the respondents were neutral. On the other hand, 10.4% of the respondents agreed with the statement. This shows that the services in the organization are not of high quality.

On whether there is good time management in the county, 18.5% of the respondents strongly disagreed with the statement while majority of the respondents, 55.2%, disagreed. 15.9% were neutral. On the other hand, 5.2% agreed with the statement whereas 5.2% strongly agreed with the statement. This indicates that there is no good time management in the county.

4.3 Inferential statistics

The study sought to establish the nature of the relationship between organizational structural centralization and employee performance in Narok County Government. This was tested using correlation coefficients as suggested by Cohen, West and Aiken, (2003). Correlation analysis helps to test the Linearity of the study variables in order to make inferences. The study used Pearson correlation (r) to test whether the relationship between the variables was significant or not at 95% level of confidence. The relationship between the two variables was considered significant if the p value was less than 0.05. It was considered to be weak if the correlation (r) < 0.5 and it was considered to be strong if the correlation (r) was > 0.5 . The results are presented in Table 1

Table 1: Pearson's Correlations analysis

		Structural centralization	Employee performance
Structural centralization	Pearson Correlation	1	.585**
	Sig. (2-tailed)		.000
	N	270	270
Employee performance	Pearson Correlation	.585**	1
	Sig. (2-tailed)	.000	
	N	270	270

The results further show that there is a moderate positive and significant correlation between structural centralization and employee performance ($r = .585^{**}$ and a p-value of 0.000). This implies that the relationship between the variables is moderate and significant hence has an effect on employee performance in county. A study by Robert and Olive (2013) and Lunenburg (2012) indicated that there is a positive correlation between organizational structure and organization performance and its efficiency. The results implies that firms that have embraced effective organizational structure have also gained in terms of high level of employee performance.

This is used to test the effectiveness of a variable in predicting the dependent variable in study. The analysis helps to establish the relationship between two variables (dependent variable and independent variable). In this study, the independent variables were structural formalization, structural complexity and structural centralization. Linear regression was therefore used to assess how employee performance can be predicted by each of the independent variables. The results for this study are summarized in the regression model summary shown in Table 2.

Table 2: Model Summary

Independent variables	R	R - Square	Adjusted R Square	Std. Error of the Estimate	P-value
Structural centralization	.585 ^a	.342	.339	.499	.000

Further analysis was done using the R-square which indicates the proportion of variance in the dependent variable that can be explained by a unit change in the independent variable. The results show that a unit change in structural centralization can explain 34.2% change in employee performance ($R^2 = 0.342$). The adjusted r-square is used to estimate the population R square for the model and gives a more realistic indication of its predictive power. This is in agreement with the findings of Tran and Tian (2013) and Tanja et al (2012) who also established that positive correlation between organizational structure indicators and the performance of employees in county governments. This indicates that a good organizational structure enhances the performance of employees and hence the overall firm performance.

The results were further analysed to develop the simple linear regression models for the objectives. The results were presented in Table 3.

Table 3: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	.960	.116	8.262	.000
	Structural centralization	.542	.046	.585	11.801

Using the standardized beta values which have been corrected for any errors in the data, the results show that the four independent variables have a relationship with the dependent

variable hence they can be used as good predictors. The variables had a positive and very significance effect on employee’s performance have a positive beta value. the beta values show the contribution of each independent variable on the dependent variable. From the table it is shown that holding other factors constant structural formalization contributes 24.2% to employee’s performance, structural complexity contributes 17.6% while structural centralization contributes 54.2%. This implies that centralized organizational structure are more effective in enhancing employee performance compared to other factors. The study findings agreed with the findings of Obuocha (2016) who noted that the contribution of organizational structure on performance was noticeable and that the performance of organizational improved by a good percentage with effective adoption of an appropriate organizational structure.

The simple linear regression can be modeled as follows for each of the variables; $Y = 0.960 + 0.542x + 0.116$ (Simple linear regression model for structural centralization) the model is statistically significant given that the *t* statistic (8.262) is more +2 and p value <0.05.

4.4 Test of hypothesis

The study used Analysis of variance test to either accept or reject the null hypothesis. ANOVA is used to compute the F-statistic which is a measure of the variance in the means of the test variables. ANOVA is used to test the hypothesis and establish whether the test is significant at 5% level of significance. It also helps in checking whether the model fit is appropriate in making inference to the entire study population. The study established the model fitness by comparing the F-calculated and F-critical values.

The null hypothesis is that there is no significant relationship between structural centralization and employee performance in County governments. This was also tested at a 5% level of significance and the results presented in Table 4. as shown below.

Table 4: Anova on the relationship between structural centralization and employee performance

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	34.737	1	34.737	139.254	.000 ^b
	Residual	66.852	268	.249		
	Total	101.588	269			

The results in the table show that the F-statistic was significant at 5% level of significance implying that the model is a good predictor of the relationship between the variables. This is indicated by comparing the F- calculated and F-critical values. The results show that the F calculated, $F_{(0.05, 1, 268)} = 15.181$, was greater than F-Critical, $F_{(0.05, 1, 268)} = 3.873$. The study concluded that the model fits well in explaining the relationship between the variables since the F-calculated is greater than the F-critical. The null hypothesis is therefore rejected implying that there is a statistical relationship between structural

centralization and employee performance in Narok County. This is further supported by a p-value of 0.000 which indicates very high level of significance implying that the model is a good predictor of the relationship between the variables. This support the findings of Herath (2017); Tran and Tian, (2013) and Souitaris and Zerbinati (2016) who also established that there was strong and positive correlation between organizational structure and performance .

The results generally have indicated that there is a significant relationship between organizational structure and employee performance. The results are in line with the findings of Dubinsky (2013) and Jones (2013) who also established as significant correlation between organization structure adopted by a firm and the employee job performance. The organizational structure has an overall impact on the organization performance. When there is a poor organization structure the performance of employees is also going to be poor irrespective of other factors such as ability of the manager

V. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The study sought to assess the effect of organizational centralization on employee's performance in county government. The results showed that most of the respondents disagreed that subordinate staffs participate in decision making on matters relating to day to day operations of the organization. Which implies that decision making is done by just a few people in the top management. The rest of the employees take the orders. The study also established that most respondents 53.3%, disagreed with the statement that investment decisions must be approved by the board of directors before they are undertaken by the organization. When asked if all operation activities to be undertaken by the organization are approved by Chief Executive Officer, most of the respondents 49.6% disagreed. This shows that though the chief officer and the various boards are incharge of the decision making process they don't necessarily have to be in charge of the process.

It was also established that 42.2%, of the respondents agreed that staffs are asked to give their input on the adoption of new policies and procedures. Finally, the study established that employee were free to take up issues and work on them without necessarily seeking the approval of the supervisor. The findings further indicated that there was a strong statistical relationship between the organizational structural centralization. This is based on the correlation and regression analysis results. This implies that organizational structural centralization has an effect on employee performance. When decision are centralised it affects how employees make decisions and performance.

5.1 Conclusion of the study

Based on the findings of the study, it is concluded that the three measures of organizational structure at the county government and how it affects employee performance are statistically significant. The study also concluded that organizational

structure centralization has a very significant effect on the performance of the employees at the county government.

5.2 Recommendations to the Study

The findings if this study have shed light on the opinion and perceptions of the employees regarding the effect of organizational structure on the performance of the employees. The study therefore recommends that;

- i) There is need to have organizations effectively understand and formulate their structure so that it is a motivation to the employees to put in efforts and enhance their performance.
- ii) The study also recommends that the management of the county government should consider simplifying their structure to ensure that all employees participation the decision making at the county.
- iii) Lastly, the study recommends that the management of county governments should ensure that through centralization they are in a position to involve all stake holders including the employees in the decision making process of the organization.

5.3 Recommendation for areas for further study

This study was a case study limited only one county and use of only one instrument of data collection possess some challenges to generalization of the results. Therefore the study recommends a study with a wider scope of counties so that the results can be effectively generalized to the entire country.

REFERENCES

- [1] Agbim, K.C (2013). The Impact of Organization Structure and Leadership Styles on innovation. *Journal of Business Management*, 6(6), 56-63
- [2] Al-Qatawneh, M. I. (2014). The impact of organizational structure on organizational commitment: A comparison between public and private sector firms in Jordan. *European Journal of Business and management*, 6(12), 30-37.
- [3] Amunga (2016), The Relationship Between Organizational Structure and Employee Creativity, "Australian Journal of Basic and Applied Science", 7(2).
- [4] Armstrong, M. (2006). Competition in two-sided markets. *The RAND Journal of Economics*, 37(3), 668-691.
- [5] Barako J., 2007, How Does Organizational Structure Influence Performance through Learning and Innovation in Austria and China? "Chinese Management Studies", 6(1).
- [6] Bloisi, C., Schaufeli, W. B., & Leiter, M. P. (2010), Job burnout, *Annual Review of Psychology*, 52, 397-422.
- [7] Brumbranch, R.P. (2013). Virtual Organization: Conceptual Analysis of The limits of its Decentralization. *Knowledge and Process Management*, 8 (1), 55-62
- [8] Daft, L.A., & Willmot, D. M. (2015). Excellent Public Relations and Effective Organizations.
- [9] Dubinsky, J., & Joachmsthaler, A. (2013). Influence of Formalization on the Organizational Commitment and Work Alienation of Salespeople and Industrial Buyers. *Journal of Marketing Research*, 25, 376-383.
- [10] Erez, M. (1977). Feedback: A necessary condition for the goal setting-performance relationship. *Journal of Applied psychology*, 62(5), 624.
- [11] Erez, M., & Zidon, I. (1984). Effect of goal acceptance on the relationship of goal difficulty to performance. *Journal of applied psychology*, 69(1), 69.

- [12] Gratton, L. (2000). *Living strategy: Putting people at the heart of corporate purpose*. FT Press.
- [13] Herath, S.K (2017). A Framework for Management Control Research. *Journal of Management Development*, 26 (9), 895-915
- [14] Karani, H. (2005). *Visualizing Project Management*. Hoboken: John Wiley & Sons.
- [15] Katsikea, E., Theodosiou, M., & Makri, K. (2019). The interplay between market intelligence activities and sales strategy as drivers of performance in foreign markets. *European Journal of Marketing*.
- [16] Leavit, T.R. (2015). The cost of turnover: Putting a price on the learning curve. *Cornell Hotel and Restaurant Administration Quarterly*, 41, 14–21.
- [17] Locke, E. A., & Latham, G. P (1979). Goal setting—A motivational technique that works. *Organizational dynamics*, 8(2), 68-80.
- [18] Lunenburg, F.C. (2012). Mechanistic- Organic Organization – An Axiomatic Theory: Authority Based of Bureaucracy Or Professional Norm. *International Journal of Scholarly Academic Intellectual Diversity*, 14(1) 1-7
- [19] Mullins, L. (2005). Resistance to change and ways of reducing resistance in educational organizations. *European journal of research on education*, 1(1), 14-21.
- [20] Murphy, T.T. (2013). *Organizational Effectiveness as Explained by Social Structure In a Faith Based Business Network Organization*. Unpublished Doctoral Dissertation, Regent University, Virginia Beach, VA.
- [21] Nadler, D. & Jean-Claude, M. (2011). *Competing By Design*. New York: Oxford University Press
- [22] Nahma, A, Vonderembse, M, & Koufteros, X. (2003). The EFFECTS of organizational structure on time-based manufacturing and plant performance, *Journal of Operations Management*, 21, 281–306
- [23] Nassaji, H. (2015). Qualitative and descriptive research: Data type versus data analysis.
- [24] Obuocha, D.G (2016). Factors Influencing Voluntary Corporate Disclosure by Kenya County Governments. *Organization Structure: An International Review*, 14(2), 107-125
- [25] Ongori, L. G & Agola, T. E. (2003) , *Reframing Organization: Artistry, Choice, and Leadership*, 3rd Edition, Jossey-Bass Press, San Francisco, U.S.
- [26] Onwuchakwa, H. (2013). *Leadership styles and organizational performance*. UMI Dissertation Publishing, ProQuest LLC, East Eisenhower Parkway.
- [27] Robbins, S.P. (2007). *Organizational behavior*. 10th Ed. New Jersey, USA: Prentice Hall.
- [28] Rober, W. & Olive, M. (2013). *The Effect of Formal Organizational Structures on Inter-Organizational Network*. In Northern Sweden. Master Thesis of School of Business and Economics
- [29] Robertson, R. (1992). *Globalization: Social theory and global culture* (Vol. 16). Sage.
- [30] Senior, B., Swailes, S., London, O. C., Times, P. H. F., Hardy, B., & Student, M. S. (2010). *Managing Organisational Change*. SOAS, University of London, London.
- [31] Souitaris, C. & Zerbinati, J. (2007). How Organizational Climate and Structure Affect Knowledge Management- The Social Interaction Perspective. *International Journal of Information Management*, 27 (2), 104-118
- [32] Tanja, G. (2013). *Organizational Theory, Design, and Change*, (7th ed.), Pearson, Harlow, England.
- [33] Tejada, J. J., & Punzalan, J. R. B. (2012). On the misuse of Slovin's formula. *The Philippine Statistician*, 61(1), 129-136.
- [34] Theodosiou R.T. (2014). Determinants of Organizational Performance. *An Interdisciplinary Review, Strategic Management Journal*, 2(2), 131-154.
- [35] Tolbert, Z., & Hall, S. K. (2012). *Virtual Organization: A Stratagem*. *Singapore Management Review*, 24 (2), 29-46
- [36] Tran, J., & Tian, M. (2013). Relationship of Centralization to other Structural Properties. *Administrative Science Quarterly*, 12, 72- 92
- [37] Zeng, Z. Y., & Yang, Li. (2010). University faculty awareness and attitudes towards open access publishing and the institutional repository: A case study.