

THE INFLUENCE OF STAKEHOLDER PARTICIPATION ON CORRUPTION LEVELS IN THE PUBLIC SERVICE IN KENYA

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©2018

International Academic Journal of Innovation, Leadership and Entrepreneurship

(IAJILE) | ISSN 2518-2382

Received: 19th February 2018

Accepted: 5th March 2018

Full Length Research

Available Online at:

http://www.iajournals.org/articles/iajile_v2_i2_17_36.pdf

Citation: Orina, J. O., Were, S. & Muturi, W. (2018). The influence of stakeholder participation on corruption levels in the public service in Kenya. *International Academic Journal of Innovation, Leadership and Entrepreneurship*, 2(2), 17-36

ABSTRACT

The study sought to establish the influence of governance on corruption levels in the Public Service in Kenya. One of the study objectives was to: assess the influence of stakeholder participation on corruption levels in the Public Service. A review of literature was done anchored on Stakeholder Theory. Further, the empirical review, critique of reviewed literature, a summary and the research gaps were presented. The study adopted both the correlational and descriptive research designs. A study population of 265 institutions (as at 2015) provided a target sample size of 157 institutions where 133 were positive. The target respondents (unit of observation) in the sampled institutions were public officers who had undergone training on the following disciplines: leadership, integrity, values and principles of the public service and management during the study period (2010-2015). These purposely selected respondents were subjected to questionnaire as a primary tool of data collection. To augment data from the questionnaires, 23 key informant interviews were conducted targeting senior officers in the public service, non-state actors and experts. Data collected was analyzed by descriptive and

inferential statistics. Data was presented in form of pie charts, graphs, tables and equations. The overall correlation analysis results showed that there was a significant but negative relationship between stakeholder participation and corruption levels as supported by correlation coefficient of -0.741 . The regression analysis results showed the coefficient of determination R^2 is 0.548 and R is 0.720 at 0.05 significance level. The coefficient of determination indicates that 54.8% of the variation on corruption level is influenced by stakeholder participation. The findings from the study are to benefit the policy makers, public service, citizens of Kenya and other stakeholders. It also fills the knowledge gap owed to previous little research on the influence of stakeholder participation on corruption levels. The study recommended that the public service should be keen to design policies and implement programs targeted on addressing the specific stakeholder sub constructs (stakeholder voice, openness, and partnership) so as to address the run-away corruption in the public service.

Key Words: *stakeholder participation, corruption levels, public service, Kenya*

INTRODUCTION

Globally, there has been an emerging and intense debate on the subject of governance. Mo Ibrahim foundation (2015) defines governance as the provision of the political, social and economic goods that a citizen has the right to expect from the state, and that a state has the responsibility to deliver to its citizens. The World Bank intimately refers to governance as the process by which public institutions exercise authority in the conduct of public affairs, management of public resources and provision of goods and services (World Bank, 2010). The United Nations Economic and Social Commission for Asia and Pacific (UNESCAP) also

perceives governance as the process of decision-making and the process by which decisions are implemented (or not implemented) (AfriMap, 2015).

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

In Kenya, governance initiatives, especially towards anti-corruption started during the pre-independence days (Republic of Kenya, 2015; NACP, 2012). This is evidenced as the National Anti-Corruption Plan (2012) cites existence of the Prevention of Corruption Act which was in operation from August 1956 to May 2003. The efforts climaxed in 2010 when the country promulgated and adopted a new constitution (EACC, 2014; PSC, 2015). The Constitution is specific on good governance in the Public Service through: enhanced integrity in leadership, embracement of national values and anti-corruption (CoK, 2010).

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

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

According to the National Anti-Corruption Task Force Report (2015), some of the other agencies include: the Office of the Auditor-General; the Office of the Controller of Budget; the National Treasury; the Independent Electoral and Boundaries Commission; Parliament; the Commission on Administrative Justice; the National Anticorruption Campaign Steering Committee; the

National Police Service; the National Intelligence Service; the Criminal Investigations Department; the Mutual Legal Assistance Central Authority; the Assets Recovery Agency; the Financial Reporting Centre; the Witness Protection Agency; the Inspectorate of State Corporations, the Efficiency Monitoring Unit (EMU) and the Director of Public Prosecutions.

At Public Service level; Anti-Corruption units, Corruption Prevention Committees and reporting mechanisms within state Ministries, Departments and Agencies (MDAs) have been established (PSC, 2015; Kenya Gazette, 2015). These MDAs are annually required to undergo performance contracting where corruption eradication is one of the targets under governance (PSC, 2015). Similarly, a number of public service reforms have been initiated (PSC, 2015). These reforms are in response to the constitutional provisions and existing anti-corruption legislation (PSC, 2015). Leadership on anti-corruption is expected from the top of the executive. In this regard, the President of Kenya is obligated under the law to annually report to parliament on the status of implementation of national values and principles of governance (CoK, 2010; Kenya Gazette, 2015). The reports summarize governance measures undertaken to curb corruption, the status, outcomes, challenges and specific recommendations (Kenya Gazette, 2015).

STATEMENT OF THE PROBLEM

Governance's influence on corruption is little known amid several initiatives towards anti-corruption especially in Public Service. According to Covey (2011), governance is a multi-faceted concept encompassing all aspects of the exercise of authority through formal and informal institutions in the management of the resource endowment of a state. In the Public Service, it is the process by which public institutions conduct public affairs and manage public resources (World Bank, 2010). Good governance in the Public Service is measured from; stability, accountability, effectiveness, rule of law, quality of regulation, effective leadership, participation and control of corruption (Kaufmann, Kraay & Mastruzzi, 2012). Studies by Chung, Kim, Park and Sung (2013), Yang (2012), Daniele (2014) and Solomon (2013) have indicated that governance could influence corruption levels in an institution. It has been further demonstrated that countries such as Denmark, New-Zealand and Finland which often top in the least of the least corrupt seem to have significant improvement in governance (TI, 2011). On the contrary, corruption seems to be prevalent in spite of the many governance efforts to control the vice in the Public Service Kenya (EACC, 2012; NACP, 2012; Kenya Gazette, 2015). In 2010, the country adopted a Constitution that dedicates several articles to good governance in the Public Service (CoK, 2010). The country was ranked at position 12 out of 54 countries reflecting a general governance improvement in 2016 (IIAG, 2016). However, Corruption Perceptions Index, ranked Kenya at position 145 out of 176 in 2015 compared to position 154 out of 178 in 2010 (TI, 2015; TI, 2010). Further, a National Ethics and Corruption Survey in 2015 cites a 67% rating of corruption as high (EACC, 2015). The perception surveys are collaborated by empirical reports by the Auditor General and the EACC citing an approximate loss 30 % of the country's national revenue to corruption (EACC, 2014). This situation largely affects the

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

GENERAL OBJECTIVE

The objective of the study was to establish the influence of governance on corruption levels in the Public Service in Kenya.

SPECIFIC OBJECTIVE

To determine the influence of stakeholder participation on corruption levels in the Public Service.

RESEARCH HYPOTHESIS

H0: Stakeholder Participation has no statistically significant influence effect on corruption levels in the Public Service.

THEORETICAL REVIEW

The stakeholder theory was advanced by Freeman who poses the need for acceptable involvement of all in the management of an organization (Freeman, 2010). According to Freeman, stakeholders are persons or groups with legitimate interests in procedural and/or substantive aspects of corporate activity. Stakeholders are therefore identified by their special claims and interests on the institution (Freeman, 2010; Donaldson & Preston, 2015). This theory is further propounded by Aidt (2009) who alludes that public goods exist. He opines that “public goods” make sense in an accountable and transparent environment. This is so because the name public goods suggest public-sector production through government involvement in the social, economic and political processes.

The theory suggests that public service institutions are public entities. The Constitution of Kenya also alludes as to how public service needs to conduct itself (CoK, 2010). It has dedicated article 232 as a framework on values and principles of public service. In line with the theory, the Public Service is aimed at achieving the common welfare of the citizens of Kenya through public participation (CoK, 2010). It is compounded by the principle of involving this public in governance affairs. Researchers have attributed corruption and other scandals to institutions that

fail to consider stakeholder concerns in decision making (Clarke & Branson, 2012; Watkins, 2013; Zandstra, 2012). A proactive approach is recommended by establishing necessary stakeholder participation structures in governance (Schouten, Wade & Wit, 2014).

The theory is integral in the postulation that stakeholder participation could be one of the approaches that can be used to give citizens and other interested parties a voice in governance (Bjorkman & Svensson, 2009). OECD (2008) maintains that this approach to governance is more sustainable and socially efficient. Donaldson and Preston (2015) insightfully propose that institutional structures should have environments that set in motion a kind of “feed-back mechanism” or “engagement” for all stakeholders. This study adopts this “magical key” as a governance indicator in anti-corruption. This theory supports stakeholder participation variable by espousing the need for having stakeholders` voice in decisions, openness and partnership in public service governance.

EMPIRICAL REVIEW

There are many practical benefits claimed for stakeholder participation including: increased quality, durability and public trust of decisions; reduction of marginalization; and increased accountability (Reed, 2008). Studies have found that participation by parties with a stake in the resource not only increases the level of understanding and support but also reduces potential conflict of interests. Bjorkman and Svensson (2009) also in a randomized field experiment found positive the effects of community monitoring, information dissemination in improving the quality and quantity of health services in Uganda. Similarly, Francken (2009) on a budget tracking survey in Madagascar found media campaigns to have significantly reduced state capture.

In a report (Gaventa & Barrett, 2010) evaluating 100 case studies that mapped the outcomes of citizen engagement; over 30 cases are found to reflect significant impacts in service delivery. For example, in Brazil, the new participatory governance councils have been significant in improving access, voice and partnership in health care services` provision. In Bangladesh, parents of girls in schools mobilized to monitor teacher attendance and discourage absenteeism. In another survey, of the impact of information sharing on the ability of communities to engage in accountability mechanisms has had a great impact in anti-corruption (Banerjee, Duflo, Glennerster, Banerji, & Khemani , 2010).

In another initiative, Lok Satta, a citizen group in Andhra Pradesh, worked with municipal authorities to publicize citizen charters for forty common public services in one hundred municipalities in the state combined with efficient complaint and training mechanisms (Joshi, 2010). A review of this experience suggests that the charters have worked better in improving transparency. In Uganda, community monitoring by the Uganda Debt Network has been successful in improving facilities at the local level (Joshi, 2010). Monitoring by trained

community workers led to the identification of ‘shoddy work’ by contractors in the construction of classrooms and health posts (Renzio, Azeem, & Ramkumar, 2006).

In several cases community monitoring reported some of the equipment allocated to a health post as missing, and official investigation led to recovery of the missing material. Community monitoring can in this way prevent theft of public resources. In an experiment Bjorkman and Svensson (2009) found that when local NGOs encouraged communities to partner with local health services, they were more likely to monitor providers. As a result, provider absenteeism declined and responsiveness increased in terms of shorter waiting times, greater efforts to respond to community needs. Other, two successful studies involving community monitoring and capacity building programmes supported by local NGOs reduced corruption risks (Bjorkman & Svensson, 2009).

A further study on the way local communities and the state dealt with allegations of corruption in Indonesia stresses the interactions between local processes and the state (Olken, 2007). Corruption reduction among local, public construction projects was later established in Indonesia through federal community monitoring and engagements (Olken, 2007). Literature further documents successful attempts to reduce corruption among officials through programmes that combined community and institutional level monitoring (Francken, 2009; Reinikka & Svensson, 2011). While the results are promising from empirical reviews, research is yet to establish if these findings could be applicable to Kenya’s public service.

RESEARCH METHODOLOGY

Research Design

The study adopted both descriptive and correlation research designs. Tashakkori and Teddlie (2010) share insights on the significance of mixed methods and allay challenges posed by pragmatism, paradigms and politics mixed methods in contemporary research. Creswell (2011) suggests that a descriptive research design is appropriate when data is collected to describe organizations. It is based on the premise that if a statistically significant relationship exist between two variables, then it is possible to predict one variable using the information available on another variable (Kothari, 2011). A descriptive research approach thus attempts to systematically describe attitudes towards an issue (Bryman, 2015). On the other hand, a correlation research approach attempts to discover or establish the existence of a relationship between two or more aspects of a situation (Creswell, 2011). Correlation analysis also facilitates determination of the relationships between the independent variables and their influence on the dependent variable (Cooper & Schindler, 2014). This study collected data from the public service institutions. Similar studies (Andreas & Maria, 2014; Fukuyama, 2015; Okpokwu, 2016) have employed such a study design and arrived at reliable conclusions. It also tested whether governance (institutional leadership) has any statistically significant influence on corruption levels.

Population

A population is the entire set of individuals or other entities to which study findings are to be generalized (Berg, 2009). Kothari (2011) refers population to all items in any field of inquiry which is also known as the universe. A study population comprises of individuals, households, or organizations with similar characteristics about which a researcher wants to make inferences (Cooper & Schindler, 2014). The study population was the 265 public service institutions (under the Public Service) which were evaluated on compliance with national values and ethics as provided for in the 2010 Constitution (PSC, 2015). The evaluation year 2015 is critical as it signals the end of the Constitution implementation transition period. It is also the apex year when the Public Service ought to have been comprehensively constituted in the framework of the values and principles of the Public Service (CoK, 2010). In addition, Mugenda and Mugenda (2012) terms target population as that population to which a researcher wants to generalize the results of their study. The target population (target respondents) comprised of 2,116 public officers (from the National public service) who underwent training on leadership, principles and values of public service, management and or related disciplines during the study period (2010-2015). Additionally interviews were administered to public officials and other experts selected the public service and other relevant institutions. These were selected as they are deemed to have pivotal knowledge and in-depth understanding of governance issues within the Public Service.

Sampling Frame

A sampling frame refers to list of all items in any field of inquiry that constitute a “Universe” or “Population” (Kothari, 2011). Cooper and Schindler (2014) also agree it as constituting the elements from which a sample is actually drawn. It is further said to comprise of all those elements that can be sampled and may include individuals, households, or institutions (Berg, 2009). The sampling frame for this study comprised of 265 Public Service institutions that were evaluated on the principles and values of public service by the Public Service Commission. These were further stratified into four categories: Constitutional Commissions and Independent Offices (9); Ministries (25); State Corporations (221) and SCs and As (10) as provided by the Public Service Commission evaluation report (PSC, 2015).

Sample Size and Sampling Technique

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

classification (PSC, 2015). Proportional allocation was used to determine the size of each sample for different strata (Saunders, Lewis & Thornhill, 2009). In addition; purposive selection of the Public Service Institutions where data collected were based on relevance to the study; cross cutting mandate, role in governance and proximity. Purposive sampling is confined to specific types of people or institutions who/which can provide the desired information, either because they are the only ones who have it or conform to some criteria set by the researcher (Sekaran & Bougie, 2010). Based on Kothari (2011) model, the sample size was determined using the following formula:

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

Where: n is the sample size, Z denotes the z score at 0.05 level significance which is equivalent to 1.96, p is the proportion in the target population estimated to have the characteristics being measured and q is 1- p. N is the target population, e is the precision of error taken as 5% for the study. Kothari (2011) suggests that a sample size of at least 30% is considered acceptable. Using the formula illustrated above, a sample size of 157 constituting 59 % of the population was computed as follows:

$$n = (1.96^2 * 0.5 * 0.5 * 265) \div \{(0.05^{2*} (265-1)) + 1.96^2 * 0.5 * 0.5\} \approx \mathbf{157}$$

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

Data Collection Instruments

According to Oso and Onen (2011), data is anything given or admitted as a fact on which a research inference is based. Cooper and Schindler (2011) and Mugenda and Mugenda (2012) defined data collection instruments as the tools and procedures used in the measurement of variables in research. Data collection can be derived from a number of methods, which include interviews, focus groups, surveys, telephone interviews, fieldnotes, taped social interaction or questionnaires (Cooper and Schindler, 2011). Data was collected using instruments appropriate for each category of data source. The tools were critically examined and fine-tuned before the commencement of fieldwork.

Primary data was collected using questionnaires and interview schedules which are most commonly used methods (Creswell, 2011). A questionnaire is a technique of data collection in which each person is asked to respond to the same set of questions in a predetermined order (Cooper & Schindler, 2011; Burns & Burns, 2012). Questionnaires were used as they have an advantage of collecting data from large groups within a short time and less costs. Besides, questionnaires can provide time for respondents to think about responses and are easy to administer and score (Kothari, 2011). They also help to reduce the biases which might result from personal encounters and attitudes (Kasomo, 2010). Both open and closed questions were used to elicit information based on the study variables. On the other hand, interviews are a systematic way of talking and listening to respondents often using open questions (Kothari, 2011). It has been explained that an interview is not simply concerned with collecting data about phenomena: it is part of life itself; its human embeddedness is inescapable (Creswell, 2011). Interviews are a preferred method of qualitative data collection for: ease of obtaining personalized data, ability to observe and or record non-verbal cues, probing opportunities and a high return rate (Cooper & Schindler, 2011). Qualitative interviews give a new insight into a social phenomenon as they allow the respondents to reflect and reason on a variety of subjects in a different way (Folkestad, 2008). Specifically, this study adopted structured interviews which are strict to the interview schedule. Having an interview schedule helps in the identification of key themes and sub-questions and gives the researcher a sense of order from which to draw questions from unplanned encounters (Kothari, 2011). Further, using a structured method, relevant questions can be shared in advance and help in the collection of rich data. Here, in-depth data will be collected as interviews usually allow the interviewer to probe respondents (Kasomo, 2010). The interview guides thus augmented data from the questionnaire and were applied to the senior managers of the PSC institutions, key stakeholders and anti-corruption experts. Information collected greatly enhanced the drawing of inferences and conclusions relating to the study.

Data Collection Procedures

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

RESEARCH RESULTS

Influence of Stakeholder Participation on Corruption Levels

Research results on whether stakeholder participation was considered important in public service institutions under study based on the following parameters: stakeholder voice; openness and partnership, indicated that stakeholder voice was a highly important stakeholder participation sub-indicator in the public service in Kenya as indicated by a mean of 3.91. The dispersion was little as indicated by variance of 0.569. Openness was also a highly important sub indicator as indicated by mean values of 3.71 and confirmed by a positional average by the median of 4.00, the dispersion was also small among the institutions as indicated by variance value of 0.554.

With regard to the extent to which stakeholder participation was practiced in the institutions under study using the following parameters: stakeholder voice, openness and partnership, findings revealed that stake holder voice was greatly practiced as indicated by mean scores of 3.71 and confirmed by a positional average by the median of 4.00. A variance of 0.494 was less than 1 indicating low variance in practice of stakeholder voice among the institutions. Openness and partnership had means of 3.29 respectively were moderately practiced. The dispersion for openness was greater than 1 indicating huge dispersion while partnership had less than 1 variance indicating low variance.

Effect of Stakeholder Participation on Corruption Levels

Research results on whether stakeholder participation had an effect on corruption levels based on a yes or no response, revealed that 86% (n = 115) indicated that openness, 77% (n = 102) indicated that stakeholder voice and 65% (n=87) partnership affected corruption levels. Results on the effect of stakeholder participation on corruption levels in the public service in Kenya, that was tested using a five point Likert scale of 1-5 where 1 – very little, 2 - Little, 3 - moderate, 4 - great and 5 – very great, indicated that stakeholder voice greatly affected corruption levels in the public service in Kenya as shown by a mean value of 4.29. The dispersion was high as indicated by variance of 1.933 which was greater than 1, implying high variation in stakeholder voice`s influence on corruption levels among the institutions under study. Openness affected corruption levels as indicated by a mean value of 4.14 as confirmed by a positional average by the median of 4.00. The dispersion for openness was low as indicated by variance of 0.091 which was less than 1, implying little variation. Partnership least affected corruption as shown by a mean of 3.86.

Further, the study sought to establish how extent of stakeholder participation influenced corruption levels. Data from the field indicates that stakeholder voice greatly influenced corruption risks as depicted by a mean value of 4.14. The dispersion rate was 0.411 which was less than 1 indicating low variance in public service in Kenya. Openness greatly influenced corruption reports (experiences) as shown by mean values of 4.14 and confirmed by a positional average by the median of 4.00. The dispersion rate was 0.411 for openness of corruption reports

was less than 1 indicating low variance among the institutions under study. Lastly, partnership greatly influenced corruption risks as shown by a mean of 4.00, variance was 0.411 which was less than 1 indicating low variance among the institutions.

Written responses also supported that stakeholder participation could greatly enhance the fight against corruption. Some even suggested that minimal interactions to understand operations of the Public Service would reduce the corruption perceptions. Additionally, interviewees agreed that slight improvement in stakeholder participation (voice and partnership) would reduce corruption related risks. Whilst such an argument is credible, according to the research findings, stakeholder participation is dependent on information available to the “stakeholder” as suggested by some of the interview respondents. The results and conclusions support prior studies that found out that a higher proportion of stakeholders' ownership was associated with improved corporate governance (Healy, Hutton & Palepu, 2011; Noe, 2012; Saunders, 2014). These results concur with observations in a study in the police sector by Murphy and McKenna (2007) who noted that good policing requires public cooperation because members of the public may be witnesses and victims of crime, and they can provide the police with relevant information. These scholars are supported by observations by Karn, (2013) who also points out that partners are a crucial component of problem-oriented policing in the delivery of problem-solving interventions. These findings are a strong statement on the need to strengthen stakeholder participation in the Public Service in Kenya.

Correlation Analysis for Stakeholder Participation

Results in table 1 present the Pearson bivariate correlation coefficients between corruption levels and stakeholder participation. The results indicated that stakeholder participation has a significant negative relationship with corruption level. The negative relationship was represented by correlation coefficient of 0.741, and the number of respondents considered was 133. It is further shown that the p-value was at $p = 0.000$ and this meets the threshold since $p < 0.05$ at 95% level of confidence. The finding concurs with the work of Ogbeidi (2012) who noted that stakeholder participation in the public sector organizations influences corruption level in Nigeria. These results also affirm observations in previous similar scholarly work (Healy, Hutton & Palepu, 2011; Noe, 2012; Saunders, 2014; Karn, 2013).

Table 1: Stakeholder Participation Correlation Result

		Stakeholder Participation	Corruption Level
Stakeholder Participation	Pearson Correlation	1	-.741(**)
	Sig. (2-tailed)	.	.000
	N	133	133
Corruption Level	Pearson Correlation	-.741(**)	1
	Sig. (2-tailed)	.000	.
	N	133	133

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

Regression Analysis for Stakeholder Participation Vs Corruption Levels

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

H0: Stakeholder participation has no statistically significant influence on corruption levels in the public service in Kenya

Figure 1 illustrates scatter plot diagram of regression analysis results of significance of stakeholder participation versus corruption levels. The Figure shows that all the plots appear in the first quadrante and the line of best of fit indicates an estimate line that is increasingly negatively downwards. This implies that there is a negative linear relationship between stakeholder participation and corruption levels.

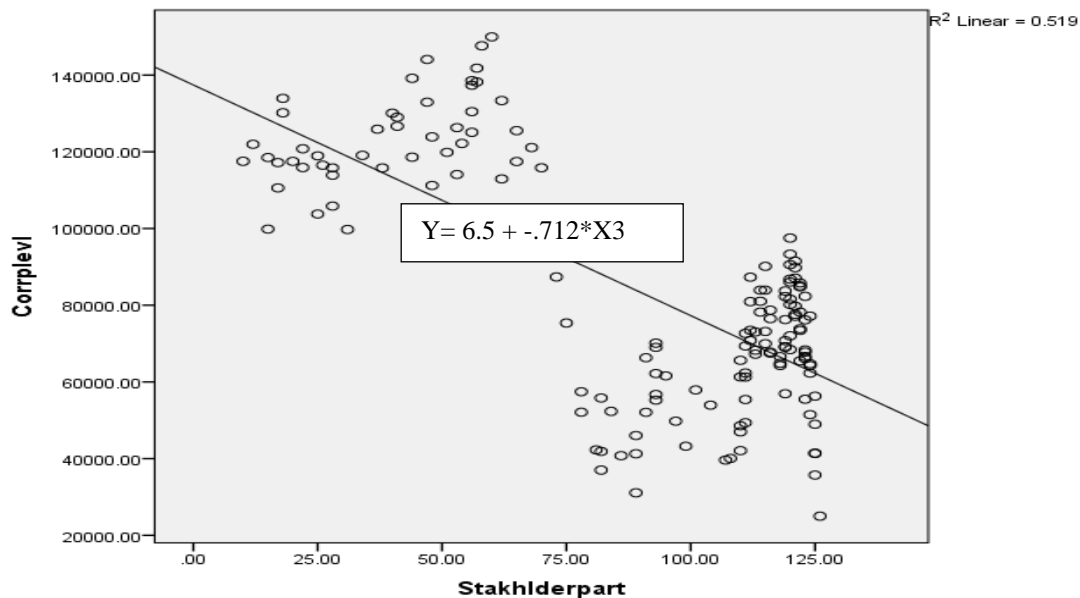


Figure 1: Line of Best fit for Stakeholder Participation Vs Corruption Levels

Table 2 presents the regression model on stakeholders’ participation against corruption levels. As presented in the table, the coefficient of determination R square is 0.548 and R is 0.741 at 0.05 significance level. The coefficient of determination indicates that 54.8% of the variation on corruption level is influenced by stakeholders’ participation. This implies that there exists a significant relationship between stakeholders’ participation and corruption levels.

Table 2: Model Summary for Stakeholder Participation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.741 ^a	.548	.545	.67012

a. Predictors: (Constant), Stakeholder Participation

The Analysis of variance (ANOVA) results as shown in Table 4.51 further confirms that the model fit is appropriate for this data since p -value of 0.000 which is less than 0.05. This implies that there is a significant relationship between stakeholder participation and corruption levels.

Table 3: Analysis of Variance (ANOVA) for Stakeholder Participation

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	71.459	1	71.459	159.130	.000 ^b
	Residual	58.827	131	.449		
	Total	130.286	132			

a. Dependent Variable: Corruption levels

b. Predictors: (Constant), Stakeholder Participation

The results in table 4 further indicate that stakeholders’ participation have negative and significant effects on corruption level. The fitted model $Y = 6.5 + (-0.712) \cdot X_3$. This implies that a unit increase in stakeholder participation will decrease corruption level by the rate of 0.712. Even when stakeholder participation is non-existence, corruption level is still positive at 6.5 indicating that there are other drivers promoting corruption level in the public service in Kenya. In terms of significant associations found between stakeholder participation and corruption levels with regard to the entire tested sample it concluded that: Null Hypothesis **H0: Stakeholder participation has no statistically significant influence on corruption levels in the public service in Kenya**, is rejected and alternative hypothesis, “stakeholders’ participation has significant influence on corruption level” is accepted.

Table 4: Stakeholder Participation Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	6.500	.217			29.897	.000
Stakeholder Participation	-.712	.056	-.741		-12.615	.000

a. Dependent Variable: Corruption levels

CONCLUSIONS

The study thus confirms the hypothesis that there is a statistically significant influence of stakeholder participation on corruption levels in the public service in Kenya. Specifically, a positive increase in stakeholder participation leads to a decrease in corruption levels in the public service. This influence was positively moderated by the regulatory framework. It was thus found that a 0.886 corruption reduction would be accounted for by unit enhancement of stakeholder participation after moderation. This is supported in literature by findings of previous studies. The study concludes that stakeholder participation should be enhanced in the public service alongside other corruption level predictors.

RECOMMENDATIONS

The study discussed the importance of correlations between stakeholder participation and corruption levels in the public service. Literature reviewed indicated that corruption may seem to have thrived partly because the public service was unable to statistically identify how stakeholder participation would contribute to reduced corruption. To balance the equation, stakeholder initiatives targeted at corruption control need to focus on all sectors, levels of administration and society. Greater still, the public service should foster the practice and proactive implementation of the stakeholder participation sub-constructs (stakeholder voice, openness and partnership) which were found significant in the study.

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