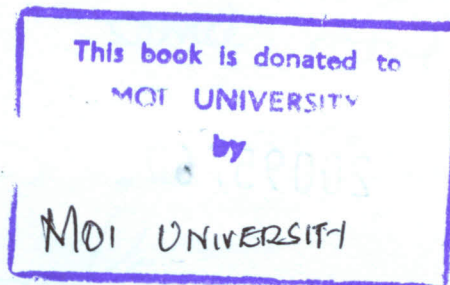


**EFFECTS OF PERFORMANCE TARGETS ON EMPLOYEE DELIVERY IN
PUBLIC INSTITUTIONS IN KENYA: A CASE OF NATIONAL SOCIAL
SECURITY FUND**

BY

EVANS K. TONU



**A THESIS PROJECT SUBMITTED TO THE SCHOOL OF HUMAN RESOURCE
DEVELOPMENT IN PARTIAL FULFILMENT FOR THE REQUIREMENT OF
THE AWARD OF MASTER OF PHILOSOPHY DEGREE IN HUMAN
RESOURCE DEVELOPMENT**

**SCHOOL OF HUMAN RESOURCE DEVELOPMENT
MOI UNIVERSITY**

NOVEMBER 2010



ABSTRACT

Public sector reforms have become a common phenomenon around the globe. Many governments in the world in responding to tax payers' desire for efficient, effective and productive civil servants have introduced performance targets as a way of improving efficiency and effectiveness in the management of state corporations and the government ministries. In responding to Public service delivery challenges, the Kenyan government in 2004 formulated and implemented Public Sector Reforms (PRS) which introduced performance targets aimed at ensuring that workers in public service performed their duties as per the contract of employment. However, there is no clear picture on the benefits of performance targets hence creating a knowledge gap that this study sought to fill using National Social Security Fund as a case study. The study examined how performance targets affect employees delivery at NSSF; established if setting of targets is based on the available resources at NSSF; determined if the workers are involved when the targets are being set; identified the challenges faced in performance targets' implementation and provided possible solutions to the challenges facing performance targeting in NSSF. The study was based on the Goal theory of motivation as proposed by Locke which states that people's goals or intentions play an important role in determining behavior. The study utilized survey design. Simple and stratified random sampling was used to select respondents from the target population of employees from the 8 branches of N.S.S.F in Rift valley province. Data collection involved the use of primary sources using questionnaires and interviews and secondary data from past reports. The collected data was analyzed quantitatively and qualitatively and presented in frequency tables generated using SPSS, charts and figures. The findings of the study revealed that performance target can lead to improved service delivery and hence the need to have them. It was also clear that the employees expected the organization to introduce rewards when the set targets were achieved. Apart from contributing to the existing knowledge on performance based management, the research findings will be of importance to the policy makers when formulating public sector reforms.