

Effectiveness of Interdepartmental Relations on Service Delivery In Parastatals In Kenya: A Case Study Of Kenya Revenue Authority

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ABSTRACT: *The aim of this paper was to establish the effectiveness of interdepartmental relations on service delivery at Kenya Revenue Authority. Inter-departmental relations involve the pattern of cooperation among various units or components of the administrative structures of an organization. It always includes the activities and attributes of persons occupying positions in all departments. The study is anchored on resource based view theory, theory of cooperation and competition and social identity theory with study variable being inter-department relations, department roles, organization structure and management support. This research study was guided by the positivist paradigm because it is anchored on theory from which hypotheses are derived. The research design was descriptive in nature. The study target population of 1750 composed of employees of KRA with a sample of 175 respondents. The study findings shows that there is significant relationship between management support ($p = 0.0000$) and the service delivery. The study findings also show a significant relation relationship of ($p = 0.298$) between organization structure and service delivery and also a significant relationship between department roles at ($p = 0.067$) and service delivery. The study established that there is no significant relationship ($p = 0.436$) between interdepartmental relations and overall service delivery.*

KEYWORDS: *Inter-department relations, KRA, Service delivery, Service delivery in Parastatal*

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I. INTRODUCTION

Inter-departmental relations (IDR), involves the pattern of cooperation among various units or components of the administrative structures of the organization. It always includes the activities and attributes of persons (Heads of departments) occupying positions in all departments' education, health, law and order, transport etc. These departments are likened to what obtains in the macro political systems, where inter department's relations plays a critical role in recommending. Cooperation through which, service delivery can be assured. Thus, in IDR, the place of interdependence is crucial; even though officer occupying various leadership officers have interests that are varied and attitudes that may be difficult (Tyagi, 2008).

Inter-departmental relations, involves the pattern of cooperation among various units or components of the administrative structures of the local government system. It always include the activities and attributes of persons (Heads of departments) occupying positions in all departments viz education, health, law and order, transport etc. These departments are likened to what obtains in the macro political systems, where inter-departmental relations plays a critical role in recommending cooperation through which, service delivery can be assured. Thus, in inter-departmental relations, the place of interdependence is crucial; even though officer occupying various leadership officers have interests that are varied and attitudes that may be difficult. It is in this inter-dependence notion that indicates that the relationship of departments are determined by contextual structures, duties, rewards, groupings, goals and social identity that affects the inter-departmental coordination as subsequent result (Agranoff & Mcguire, 2009).

It is this philosophy of systems goal that, inter-departmental relations presents to contemporary leaders. Thus, leaders must jettison their individual interest for the organization believing that their interest was achieved once the general interest is achieved. Interdepartmental relations in resource allocation require the cooperation of both the government and the people in the determination and prioritization reflecting the immediate needs of the people. Lack of this form of cooperation, where budgets are not economically made, services delivery, is always poor. This perennial, poor budgetary practices, is seen as a form of corruption. Because, it makes budgetary implementation monitoring very difficult, it allows for leakages and diversion of funds to projects without direct bearing with the people; making it possible for the handlers to misappropriate public funds (Okoli, 2012).

The concomitant effects of misapplying scarce resources is poor delivery of services to the people; thus, it is critical that the idea of cooperation, compromise and interdependence is key to determining what is captured and prioritized in the annual budget of the local councils. This will engender agreement in the pursuit

of the general goal which is equal to effective service delivery (Tonwe, 2008). The collaborative notion of interdepartmental relations enables management to know and compile who to send for training; arising from good job analysis and performance appraisal exercise. Experience and studies have shown that these exercises are not effectively administered at the local government level, hence the jostle for training. Employees are expected to be sent for training as fallout from the performance appraisal result. But, what we find is that, because, stipends are paid to participants, some heads of departments and units nominate their friends and relations for seminars and workshops. The result is that those who get these trainings are those who actually do not deserve them. (Sharma & Sadana, 2010).

This is a misplacement of privacy. The linkage of interdepartmental relations and ensuring effective training and development lies with the cooperative roles of heads of departments and other senior officers to conduct good performance appraisal exercise which will indicate those workers that genuinely deserve these trainings. If those that need the training are not given the opportunity to get them, the result is that performance was poor. There should be prioritization of training needs that must arise from the compromise among departmental heads, instead of competition and struggle to train employees with less interest to immediate need of the local government. Collaboration compromise rationality and priority must govern the selection of candidates for training (Klijin, 2009). This is the goal of inter-departmental relations for effective service delivery in the public institution.

II. KENYA REVENUE AUTHORITY

As an agency of the Government, KRA is mandated on behalf of the Republic of Kenya to collect, to account for and administer laws related to tax and revenue collection. In addition, KRA is expected to provide relevant data to the central government as indicated in Cap 469. The organization has evolved over the years and it's currently a modern integrated revenue management agency in the country. KRA plays an important role that is facilitation of investment and trade climate and also work with other government agencies in citizenry protection against prohibited goods. The organization is headed by Commissioner General and has 6 commissioners who are in charge of domestic revenue, large taxpayers, customs services, road transport, support services and investigation and enforcement. The organization has other 8 departments (Human Resources, Finance, Internal Audit & Risk Management, Corporate services & Administration, ICT, Legal, Marketing and Communication, KRA Training School and finally Research & Corporate Planning (Kenya Revenue Authority, 2015).

Over the years, KRA has embraced a vigorous reform and modernization program that has been guided by various Corporate Plans covering specific plan periods. The organization has four strategic plans that cover 2009 – 2019. For each of the specifically articulated strategic goals, KRA has identified the particular objectives it plans to meet and the means and strategies it will employ to achieve them. As the strategy process in a dynamic environment is fraught with challenges, it would serve KRA well to have these challenges identified, their impact on strategy formulation and implementation assessed and the degree of success in the implementation of the various strategies evaluated and quantified. Coupled with this would be suggestions for necessary adjustments to the strategy evaluation parameters and or instrumentation design for management consideration (KRA, 2011).

III. PROBLEM STATEMENT

Government organizations especially in Kenya are made up of large departments that are either headed by directors or even commissioners such as the case of Kenya Revenue Authority. The ability and capacity of organization to integrate and share resources has been a challenge for many organization especially government parastatals (Barney, 2012). According to Mohrman, Cohen and Mohrman (2010) in order for group based organization to function effectively they have to have cooperation among the workgroups. Studies on group relations have been conducted mostly in relation to sociology, psychology and anthropology and these studies have primarily focused on the societal group relationships that deals with ethnic groups rather than groups found in organization as a result there is scarce literature in intergroup studies and the little available studies focused on group performance enhanced Guzzo and Shea (2012). The head of department at KRA are never concerned with the fact that effectiveness of organization depends on good social relationship within departments and cooperation among the department heads. The study tends to address whether inter department structures at KRA has an effect on organizational performance. The study focused on the situation where departments at KRA have corporate goals and share firms identity which affects inter-departmental effectiveness.

Studies based on organization management have established that interdepartmental relation is mechanisms that facilitate corporate innovation performance and increases information exchange that boosts performance among staff. Differences between departments always facilitate poor performance that lead to poor service delivery. This study was determined to answer the following question; what is the effectiveness of inter-

departmental relations to service delivery in government parastatal in Kenya and offer remedies and solutions that will facilitate KRA to meet their objectives.

IV. THEORETICAL FOUNDATIONS

Resource Based View Theory

This theory emerged in 1980's and 1990's after the works of Wernerfelt, Hamel, Barney and Prahalad. According to the author's organization are required to establish sources of competitive advantage instead of looking at competitive environment to establish the advantage. This theory indicates that competitive advantage is achievable more easily when organization exploits internal factors rather than external factors especially for industrial firms. Firm's performance can be explained by organization resources. This shows that for quality service delivery both internal and external factors help organization to sustain and achieve competitive advantage (Thomas, Hunger, Hoffman, & Bamford, 2014).

In this study resource based view theory shows the relationship between the internal firm capabilities and assets that the organization uses to implement strategies. The constructs of this theory are competences, resources and capability and the combination of these resources that include information, assets, finances and personnel generates capabilities that contribute to organizational performance (Barney, 2012). According to RBV, for a firm to achieve competitive advantage it is crucial to understand and analyse the interrelationship among the assets and most importantly the human resources which have a ripple effect on the general performance of the organization. This will guarantee that the goals and objectives of the organization are.

Cooperation and Competition Theory

This theory was developed by Morton Deutsch in 1949. According to cooperation and competition theory individuals and groups pursue their own self-interest that are developed and strive to reach both organizational and personal goals that affects the dynamics of their relationships. However, the self-interest doesn't exclude the effective relationships and collaboration development. The theory states that the way personal and organizational goals are perceived to be structure determines how individuals and groups interact and the interaction patterns determines organization outcomes (Johnson, Stanne & Johnson, 2009). The structuring of organization goals is to promote success between departments. Studies on intergroup suggest that the types of goals interdependence affects relationships between departments. With regard to whether departments are aware of their own goals are related and critically affect the outcomes expectation and each department expect each other perform effectively and provides the outcome that is beneficial to the entire organization (Lewicki, McAllister & Bies, 2010).

In reference to competition departments compete against one other to achieve goal that can only be achieved. Some of the department might withhold vital information so as they pursue their own goals and at times they are tempted to obstruct other departments from achieving their goals (Deutsch, 1973). The theory indicates that in order to avoid conflict reinforces competitive approach where a more open way complements coordination with independent goals. Department's expectations are that other departments will carry out their duties in order achieving their own goals as well as assist each other with little regard of others. However, departments seek the outcome that is beneficial with little or no concern for performance in other departments (Herranz, 2010). The coordination structures between departments have been thought to glue organization departments together and would appear to be important precursors to cooperative goals.

Social Identity Theory

This theory was formulated by Henri Tajfel and John Turner in late 1970's and early 1980's. The theory shows that concept of social identity explains behaviour in groups and individual self-concept is derived from perceived membership of a social group. This theory predicts behaviour within intergroup on basis of perceived status of the group, legitimacy and stability of the status differences and the ability to interchange the groups (Haslam, Ellemers, Reiche, Schmit, & Reynolds, 2010). The theory suggests that organization can modify individual behaviour if the organisation can modify their self-identity and part of their self-concept that is driven from knowledge and emotional attachment of the group. This theory is adopted for the study because it provides well-articulated theoretical structure that studies and analyses inter group relationship in organization

V. EMPIRICAL LITERATURE REVIEW

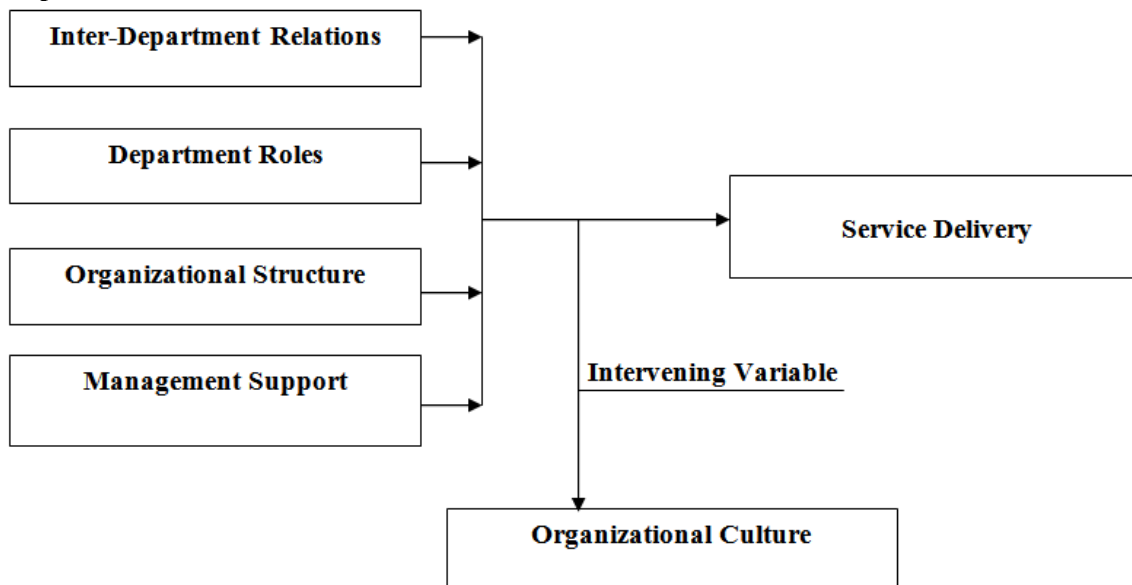
The building blocks of any organization are referred to as departments that are defined as a group or grouping of individuals that have significantly relationship that is interdependent with each other and whose roles are function of expectations from one another and non-group members (Alderfer, 2007). Department synergy is very important for organization especially when it comes to use of organizational resources, but developing synergy among departments is not an easy task especially for organization management. Each department in organization have their own goals yet the coordination of these objectives act as a precondition

for achieving overall performance of organization. The aim of coordination is to make departments interdependent, when the interdependence becomes particularly difficult when department goals are incompatible (Aitsahlia, Johnson& Will, 2012).

Organizations that understands the conditions that lead employees to believe that their interest are positively with firms settings adds value to goals of coordination that indicates whether organizational cohesion is developed by the departments. The arising issue is that intergroup relations theories to be understood they must able to show the dynamics of interdepartmental coordination, conjunction and cooperation's (Chang & Lee, 2008). The relations between departments are coordinated patterns among various units of the organizational structure. Research studies especially theory of social identity and theory of cooperation and competition assumes that departmental and interdepartmental effectiveness are connected by constructive cooperation's within organizational departments. In actual sense if each group produces its own product and service there is no need for significant intergroup coordination. Therefore organization that produces multiple services is well suited for the exploration of interdepartmental relationships (Eccles & Crane, 2008). A study by Gray, Jenkins and Mayne (2003) established that there are three factors that effectively promote interdepartmental coordination that results to positive organization performance. The factors were compatible and cooperative goals, rewarding overall performance and salient organization identities rather than department identities.

The culture of every organization has a direct effect on the product it produces or service it provides. In an organization where there is high power distance employees tend view management as being „up there“ and them being “down there”. This creates a communication barrier and employees develop dependency attitude. As such this gap should be bridged to allow members to share and encourage positive values and behavior. What organizational leaders should realize is that culture determines key interpersonal tasks such as risk tolerance, and a dedication to quality and innovation which must be managed effectively in an organization. For example a sense of dedication to service could have direct impact on customer service. In addition a collaborative culture enhances sharing of information and support unlike where hoarding of information is rampant (Ross, 2008). Sharing and access of information leads to participative and empowering culture which creates atmosphere of empowerment. However, in organizations where there is rigid and bureaucratic culture implementation of empowered is faced by myriad of challenges. Culture creates dominance and coherence in an organization for it permeates the very fabric of the organizational life. Culture influences employee behavior at work which in turn affects performance of the organization. A culture within an organization influences how it operates and the behavior of its members.

Conceptual framework



Research Hypothesis

- H₀1** Inter-department relations influence service delivery at KRA.
- H₀2** Department roles influences service delivery at KRA
- H₀3** Organization structure influencesservice deliveryat KRA
- H₀4** Management supportinflucencesservice delivery at KRA

VI. METHODOLOGY

This research study was guided by the positivist paradigm because it is anchored on theory from which hypotheses are derived, followed deductive reasoning and employed quantitative methods to ensure precision, logic and evidence testing. The research design was descriptive in nature. The study target population of 1750 composed of employees of KRA in all levels of employment that will include senior level managers, middle level managers and non-management staff. Borg and Grall (2009) described target population as common set of study units which the researcher wishes to generalize results. Analysis of data was done using descriptive statistics. The data analysis tools used in the study was SPSS version 24.0. Quantitative and qualitative methods were both used for data analysis; Data was first coded then arranged in line with study variables from which each individual concept analyzed and presentation made in order to meet study objectives, the study findings were tabulated and calculated and interpretation made.

Regression Analysis

The study adopted the regression model to examine how each of the identified measures of service delivery that is, inter-department relations, department roles, organization structure and management support contributed to the overall performance of the firm. The results were illustrated below.

Table Showing Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.879a	.773	.750	.34624

a. Predictors: (Constant), inter-department relations, department roles, organization structure , management support
The Analysis of Variance (ANOVA) in above table assesses the overall significance of the model. According to the table $p < 0.05$, (0.000), indicating that the regression model was useful in explaining the effectiveness of interdepartmental relations on service delivery in Kenya Revenue Authority.

Table Showing Regression Coefficients

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
B		Beta		
(Constant)	-1.116	.877	-1.272	
Management support	1.196	.113	.931	10.562
Organization structure	.115	.109	.084	1.055
Department roles	-.161	.086	-.172	-1.881
Inter-department relations	.114	.146	.061	.786

a. Dependent Variable: Service Delivery

The study findings shows that there is significant relationship between management support ($p = 0.0000$) and the service delivery. The study findings also show a significant relationship of ($p = 0.298$) between organization structure and service delivery and also a significant relationship between department roles at ($p = 0.067$) and service delivery. The study established that there is no significant relationship ($p = 0.436$) between interdepartmental relations and overall service delivery. The regression model for service delivery as per study indicators, the study evaluated standardized coefficients of the research and the multiple liner model was arrived at ***Service Delivery = 1.116 (Department Roles) + 1.196 (Management Support) + 0.161 (Organization Structure) + 0.114 (Inter-Department Relations)***

These results indicated that the service delivery is very important for it determines the overall performance at KRA. The interpretation of the findings is that despite the role of KRA tax collection the organization should invest in service delivery and the customers should have a positive perception about KRA.

VII. CONCLUSION AND RECOMMENDATIONS

The Kenya Revenue Authority system has been reformed and made unified. This is to enable it provide efficient services to the people; yet service delivery remain unsatisfactory. Many classical and contemporary scholars have adduced the poor service delivery at the government level to bureaucratic and political corruption, status symbols resistance to change nepotism rigid adherence to rules, jurisdictional problem, lack of autonomy among others, yet the evil of dwindling service delivery has not abated. It is the view of this study that leaders will do well in fulfilling their mandate of service delivery in the government parastatal if the head of departments work with the following recommendations.

That various units and departments of the government parastatal must see themselves as partners in progress, they must engender mutual understanding and respect for each other. They must realize the fact that they cannot operate in a watertight compartment; thus, they must imbibe the spirit of cooperation and tolerance. For the sustenance of interdepartmental relations in the government parastatal, units or departments and their heads must constantly be emphasizing their interdependence rather than independence. Indeed, they are indispensable to each other. While government parastatals are supposed to enhance monumental development at the grassroots, the departments are expected to coordinate the activities of the governments and ensure their conformity with the government parastatal goals and objectives. The essence of interdepartmental relations in the government systems is to enable unity and cooperation to prevail not only among heads of departments but also among all other staff working under them in their different departments and schedules.

That all categories of staff in the government parastatal system be availed with the opportunity of attending seminars and workshops, where the utilities of interdepartmental relations, that is, interdependence, cooperation and compromise, which are critical ingredients for achievement of set goals must be taught to them. Experiences have shown that some staff of government parastatal does not attend workshops and seminars that do not attract allowances. Thus, it must be made compulsory and stringent penalties meted to those who fail to take the training opportunities.

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