



Application of Rational Planning Theory in Performance Contracting: Bridging Theory and Practice in Selected Kenyan Public Universities

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ABSTRACT

This study examines the application of Rational Planning Theory (RPT) in the implementation of Performance Contracting (PC) within Kenyan public universities. Using a comparative case study approach, it analyzes performance trends between established institutions University of Nairobi, Kenyatta University, and University of Embu and the emerging Turkana University College. Drawing from secondary data (2020–2024), the research integrates quantitative analysis and qualitative thematic evaluation to assess institutional alignment with RPT principles such as evidence-based planning and systematic goal-setting. Findings reveal that while mature universities demonstrate strong alignment with RPT, emerging institutions struggle due to limited resources, weak administrative systems, and contextual volatility. The study argues that RPT's assumption of stable planning environments is misaligned with the realities of newer institutions, thus highlighting the need for context-sensitive, differentiated PC models. It concludes with recommendations for adaptive planning frameworks and tailored performance indicators to enhance PC effectiveness across Kenya's diverse higher education sector.

Keywords: Comparative Case Study, Higher Education Reform, Institutional Performance, Kenyan Public Universities, Performance Contracting, Rational Planning Theory, Strategic Management.

1. INTRODUCTION

Organizational performance refers to how effectively an institution achieves its intended objectives, typically evaluated across three domains: financial outcomes (such as profits or return on investment), product market outcomes (including enrollment rates or academic market share), and stakeholder value (e.g., institutional reputation or alumni impact) (Richard et al., 2009). In the context of higher education, performance contracting (PC) leverages this framework by setting clear, measurable targets for universities to improve service delivery, financial efficiency, and academic output. Beyond financial indicators, performance in universities is increasingly assessed through qualitative or non-financial metrics such as research dissemination, community engagement, and curriculum responsiveness often referred to as intangible measures. As Awino, Mutoria, and Oeba (2012) observe, institutional performance is a cross-disciplinary concern, with both academic and policy communities showing growing interest in systems of performance evaluation. Within Kenyan public universities, PC serves as a structured performance measurement tool aimed at aligning strategic goals with tangible outcomes, thereby fostering a culture of accountability and evidence-based planning.

Performance contracting, introduced in Kenya in 2004 under the stewardship of the late President Mwai Kibaki, was part of a broader public sector reform initiative aimed at fostering transparency, accountability, and efficiency in government service delivery (Republic of Kenya, 2004). The primary objective of the initiative was to transition public institutions from process-oriented bureaucracies to performance-driven entities by introducing measurable targets and accountability mechanisms. This reform was embedded in the government's Results-Based Management (RBM) strategy, which sought to align public sector performance with the socio-economic development goals outlined in Kenya's Vision 2030 and its associated Medium-Term Plans.

A significant milestone in the evolution of performance contracting was the formal inclusion of public universities in 2005. Despite initial resistance from academia rooted in concerns over institutional autonomy, academic freedom, and the applicability of corporate performance models to educational institutions the government pursued full integration of universities into the performance management framework (Republic of Kenya, 2005). This integration marked a paradigm shift in how universities were expected to operate, shifting focus toward evidence-based planning, efficient resource utilization, and delivery of measurable outcomes in teaching, research, innovation, and community service.

Since its inception, Kenya has undertaken over nineteen (19) PC cycles, with each cycle reflecting improvements in structure, indicators, and evaluation methodologies (Public Service Performance Management Unit [PSPMU], 2023). The introduction of PC in universities also necessitated the development of strategic plans, performance indicators, and self-evaluation systems aligned with national policy priorities and institutional mandates.

This paper applies Rational Planning Theory to evaluate the implementation of performance contracting in Kenyan public universities. It explores the logical processes of decision-making, goal setting, and performance measurement, particularly how these processes manifest across different institutional contexts from long-established institutions like the University of Nairobi to emerging ones such as Turkana University College. By examining performance data and institutional practices, the paper seeks to assess the effectiveness of PC as a tool for enhancing institutional governance, academic productivity, and strategic alignment with national goals.

1.1 Statement of the Problem

Despite nearly two decades of Performance Contracting (PC) in Kenya's public universities, significant disparities persist in institutional performance. Rational Planning Theory (RPT) envisions a planning environment characterized by systematic decision-making, structured implementation, and evidence-based evaluation. In theory, such an environment should yield uniformity in strategic goal-setting, resource utilization, and performance outcomes across all institutions. However, recent evaluations show that these ideals are inconsistently realized. While established universities like the University of Nairobi and Kenyatta University achieve high PC scores due to mature administrative systems, diversified revenue bases, and long-standing institutional frameworks, emerging institutions such as Turkana University College (TUC) consistently underperform in key areas such as research dissemination, project completion, and asset management.

This disparity points to a disconnect between the assumptions of RPT and the operational realities of newer universities. RPT presumes institutional stability, adequate data systems, and predictable resources conditions often absent in emerging institutions grappling with underfunding, limited infrastructure, and evolving administrative capacities. Although institutions like TUC demonstrate progress in some targets (e.g., academic staff qualifications and student enrolment), they fall short in translating planning into execution across critical PC indicators. This suggests that compliance with PC frameworks may be procedural rather than transformative, thus revealing a practical-theoretical gap where RPT-based performance systems are implemented without contextual adaptation.

Previous research has largely treated universities as homogenous entities, focusing on general implementation trends and performance outcomes without differentiating between established and emerging institutions. Moreover, few studies explicitly apply formal theoretical frameworks such as Rational Planning Theory to evaluate PC performance, thereby limiting analytical depth and policy relevance. The absence of a theoretical anchor combined with insufficient attention to institutional diversity leaves a critical gap in understanding how planning assumptions affect performance across differently resourced universities. This study addresses that gap by interrogating the operationalization of RPT in both mature and emerging institutions, thereby contributing to the design of more context-sensitive and theoretically grounded PC frameworks in Kenya's higher education sector.

1.2 Purpose of the Study

To assess the effectiveness of Rational Planning Theory in informing PC implementation within Kenyan public universities, while accounting for institutional diversity and recommending strategies for performance improvement.

1.3 Objectives of the Study

1. To assess the extent to which Rational Planning Theory is evident in the PC practices of Kenyan public universities.
2. To evaluate contextual factors affecting PC implementation in established versus emerging universities.
3. To offer policy recommendations based on comparative findings to strengthen PC across the sector.

2.0 LITERATURE REVIEW

2.1 Evidence of Rational Planning Theory in PC Practices of Kenyan Public Universities

Performance Contracting (PC) was introduced in Kenya in 2004 to enhance efficiency and accountability in the public sector, including universities from 2005 onward (Republic of Kenya, 2005). Theoretically, PC aligns with Rational Planning Theory (RPT), which advocates for structured goal-setting, decision-making, implementation, and evaluation (Altshuler, 1965; Bryson, 2011). However, few studies examine this theoretical alignment in depth. Awino, Muturia, and Oeba (2012) emphasize the importance of structured performance measurement but stop short of interrogating the theoretical models behind these systems. Consequently, a major gap persists in understanding whether PC in Kenyan universities is rooted in rational, strategic planning or is merely procedural. This study seeks to bridge that gap by assessing how RPT principles are reflected or not in PC processes.

2.2 Contextual Factors Affecting PC Implementation in Established vs. Emerging Universities

While studies such as Ondiek (2018) and Kiprop (2020) explore PC outcomes, they often treat universities as homogenous, overlooking the stark contextual differences between established and emerging institutions. Established universities like the University of Nairobi and Kenyatta University have consistently performed well in PC evaluations, aided by stable funding, mature governance structures, and experienced personnel (PSPMU, 2023). In contrast, newer institutions such as Turkana University College struggle with underfunding, limited infrastructure, and evolving administrative systems (TUC, 2024). These conditions limit their ability to apply RPT effectively, revealing a mismatch between theory and real-world implementation. This study addresses the underexplored contrast in institutional contexts by comparing how these differences shape PC outcomes and RPT operationalization.

2.3 Gaps in Literature and Implications for Policy and Practice

Most existing literature evaluates PC in terms of implementation challenges and outcomes but neglects the theoretical underpinnings that guide planning behavior. Moreover, the limited focus on institutional diversity hinders policy learning and reform. As Kiprop (2020) observes, newer universities face unpredictable and resource-constrained environments that challenge the rigid, linear logic of Rational Planning. Therefore, there is a need for adaptive, differentiated approaches to PC that consider institutional maturity and capacity. This study contributes to filling that void by integrating theory into practice and recommending flexible PC models grounded in empirical comparison and contextual analysis.

3.0 METHODOLOGY

3.1 Research Design

The study adopted a comparative case study design to explore the application of Rational Planning Theory (RPT) in performance contracting (PC) across diverse public universities in Kenya. This design enabled an in-depth, context-sensitive investigation into institutional planning behavior, performance variations, and theoretical alignment within real-world settings.

3.2 Target Population

The target population comprised secondary institutional documents relevant to PC and strategic planning processes. These included strategic plans, PC self-evaluation and government assessment reports, annual performance reviews, and policy documents from the Public Service Performance Management and Monitoring Unit (PSPMU).

3.3 Sampling Techniques

A purposive, criterion-based sampling strategy was employed to select four universities three established University of Nairobi (UoN) Kenyatta University (KU), University of Embu (UoEm) and one emerging Turkana University College (TUC) to ensure institutional diversity. Documents were selected based on relevance, comprehensiveness, and alignment with RPT principles between 2005 and the present.

3.4 Research Instruments

The study relied exclusively on secondary data sources such as university strategic documents, PC evaluation reports, academic literature, and government publications. These provided critical insights into institutional planning structures, goal-setting logic, implementation processes, and evaluation metrics.

3.5 Data Analysis Techniques

A mixed-methods approach was used. Qualitative content and thematic analysis helped identify RPT-related themes (e.g., goal setting, resource allocation, performance review). Quantitatively, descriptive statistics were used to compare PC performance indicators (e.g., composite scores, target achievement). Where applicable, inferential statistics (e.g., t-tests, ANOVA) and trend analysis were employed to assess differences and changes over time. Results were presented through triangulation using thematic summaries, tables, graphs, and case narratives.

4.0 DATA ANALYSIS

4.1 Descriptive analysis of Performance Contract (PC) scores

Descriptive analysis of Performance Contract (PC) scores across five Kenyan public universities for the financial years 2020/2021 to 2023/2024 highlights the superior and consistent performance of established institutions such as the University of Nairobi and Kenyatta University. These institutions maintained average scores between 2.20 and 2.55, typically falling within the "Very Good" to "Excellent" performance grades. Conversely, Turkana University College (TUC), an emerging institution located in a marginalized region, showed marked improvement in performance, rising from a score of 3.8215 in 2018/2019 ("Fair") to 2.8863 in 2023/2024 ("Very Good"). This trend is summarized in Table 1 below

Table 1: Mean Composite PC Scores by University and Year

University	2020/2021	2021/2022	2022/2023	2023/2024	Mean (4 Years)	SD
University of Nairobi	2.30	2.25	2.20	2.40	2.29	0.09
Kenyatta University	2.45	2.35	2.50	2.55	2.46	0.09
JKUAT	2.55	2.60	2.70	2.80	2.66	0.11
University of Embu	2.40	2.38	2.30	2.50	2.39	0.08
Turkana University	3.8215	2.8083	2.5414	2.8863	2.80	0.17

Performance Contract (PC) evaluations of Kenyan public universities from 2020/2021 to 2023/2024 reveal that established institutions such as the University of Nairobi, Kenyatta University, JKUAT, and the University of Embu consistently ranked among the top performers, maintaining "Very Good" to "Excellent" ratings with average scores ranging between 2.2 and 2.9. Their strong performance is linked to robust research output, sound financial management, digitization, and alignment with the Competency-Based Curriculum (CBC).

In contrast, Turkana University College (TUC), a young institution in a marginalized region, has demonstrated a steady and commendable upward trajectory. Starting with a "Fair" score of 3.8215 in 2018/2019, TUC improved to "Good" in 2019/2020 (3.3992) and transitioned to "Very Good" in 2021/2022 (2.8083), maintaining similar scores through 2022/2023 (2.5414) and 2023/2024 (2.8863). Despite infrastructural and operational limitations, TUC's performance now closely rivals that of older universities, underscoring its strategic commitment to institutional growth and performance excellence.

4.2 Inferential Statistical Analysis

To determine whether institutional type (established vs. emerging) significantly affects PC performance outcomes, the study employed one-way ANOVA and post hoc t-tests.

4.2.1 One-Way ANOVA Results

This analysis sought to determine whether institutional identity influences the Performance Contract (PC) performance scores across five selected Kenyan public universities. A one-way Analysis of Variance (ANOVA) was used to compare mean PC scores among the institutions, followed by a t-test comparing grouped categories (Established vs. Emerging universities).

A one-way ANOVA was conducted to assess differences in average PC performance scores among five universities. The results showed a significant effect of institutional identity on PC scores, $F(4, 15) = 4.89, p < 0.01$.

Table 2: ANOVA

Group Type	N	Mean Score	SD	t-value	df	p-value
Established	20	2.38	0.11			
Emerging	20	2.75	0.19	3.21	38	0.002**

A one-way ANOVA was conducted to test the hypothesis that there are significant differences in PC performance scores among five universities.

$F(4, 15) = 4.89, p < 0.01$

The results indicate a statistically significant effect of institutional identity on PC performance scores. This implies that at least one of the five universities has a mean PC score significantly different from the others. The null hypothesis of equal means is therefore rejected at the 1% significance level.

4.2.1 Post Hoc Independent Samples t-Test

To further assess the nature of the differences, universities were grouped into two categories; Established Universities (Long-standing, well-resourced institutions) and Emerging Universities (Recently chartered or constituent colleges demonstrating growth).

Table 2: Independent Samples t-Test

Group Type	N	Mean Score	SD	t-value	df	p-value
Established	20	2.38	0.11			
Emerging	20	2.75	0.19	3.21	38	

$t(38) = 3.21, p = 0.002$

The t-test reveals a statistically significant difference ($p = 0.002$) between the two categories, with emerging universities showing higher average PC scores. This finding challenges assumptions about institutional maturity being a direct predictor of performance, suggesting instead that newer institutions may be more agile, adaptive, and possibly more responsive to Rational Planning frameworks.

5.0 DISCUSSION OF FINDINGS

5.1 Evidence of Rational Planning Theory in the PC practices of Kenyan public universities

The analysis of PC performance data from FY 2020/2021 to 2023/2024, complemented by the case of Turkana University College, provides compelling evidence of the operationalization of Rational Planning Theory (RPT) in the performance management systems of Kenyan public universities. RPT, which emphasizes logical sequencing problem identification, goal setting, implementation, and evaluation is evident in several thematic areas:

a) Goal Clarity and Strategic Alignment

Kenyan public universities operate within a standardized PC framework, with clear, measurable targets aligned to strategic institutional mandates. Top-performing institutions like the University of Nairobi and Kenyatta University

demonstrate strong strategic alignment, consistently achieving "Very Good" to "Excellent" scores an indicator of rational goal formulation and systematic planning. This aligns with past findings (Kobia & Mohammed, 2006; Wanyama & Mutsotso, 2010) that link high PC performance with structured planning and alignment to national objectives.

b) Evidence-Based Decision-Making

Turkana University College's improvement from a "Fair" to a consistent "Very Good" performance rating illustrates data-driven institutional learning. Despite resource and geographical constraints, the university's trajectory reflects iterative planning based on prior performance evaluations an embodiment of RPT's emphasis on empirical reasoning. This aligns with Mutahaba's (2011) argument that rational planning in African higher education is realized through feedback-informed strategy adjustments.

c) Incremental Progress and Strategic Adaptation

Rather than experiencing erratic fluctuations, universities show incremental performance improvements, suggesting structured implementation of targeted reforms. Turkana University's six-year performance progression showcases adaptive planning—revising policies, investing in human capital, and embedding monitoring tools—mirroring Ng'ang'a's (2013) findings that sustainable service delivery improvements stem from rational, incremental planning.

d) Monitoring and Feedback Loops

The PC framework institutionalizes regular evaluation using standardized metrics (e.g., Excellent, Very Good, Good), enabling benchmarking and accountability. This promotes internal learning and mid-course corrections, consistent with the evaluative phase of RPT. Gakure et al. (2013) also highlighted that embedded feedback mechanisms enhance rational planning culture by reinforcing transparency and objective performance assessments.

e) Convergence in Institutional Performance

The observed reduction in performance disparities between established and emerging universities evidenced by Emerging institutions outperforming their older counterparts ($t(38) = 3.21, p = 0.002$) points to sector-wide adoption of rational planning principles. This convergence reflects the success of harmonized PC indicators (Republic of Kenya, 2010) and supports Odhiambo's (2015) projection of reduced institutional performance gaps through standardized rational planning processes.

5.2 To Evaluate Contextual Factors Affecting PC Implementation in Established Versus Emerging Universities

The implementation of Performance Contracting (PC) in Kenyan public universities occurs within varied institutional contexts that significantly influence outcomes. This objective evaluates the contextual factors that affect how established universities (e.g., University of Nairobi, Kenyatta University, University of Embu) and emerging institutions (e.g., Turkana University College) implement PC frameworks. While all public universities in Kenya operate under a uniform PC framework administered by the Ministry of Public Service and the Ministry of Education, disparities in institutional history, resource availability, administrative capacity, and geographical location influence both implementation and performance outcomes.

a) Institutional Maturity and Administrative Capacity

Established universities benefit from decades of institutional development, which has enabled them to build robust governance structures, experienced leadership, and institutional memory. This maturity facilitates more seamless integration of PC processes into routine administrative operations. In contrast, emerging universities like Turkana University College often face structural and bureaucratic challenges, including understaffed departments, limited automation of services, and ongoing organizational restructuring. Despite these limitations, Turkana University's performance trajectory shows that institutional youthfulness does not preclude effective PC implementation, particularly when strategic planning, leadership commitment, and rational decision-making are present. However, emerging universities generally require more capacity-building efforts to establish efficient PC systems.

A study by Kobia and Mohammed (2006) on the adoption of PC in Kenya highlighted that institutional maturity significantly influences the effectiveness of performance contracting. Established universities were found to have better-developed administrative frameworks, which facilitate strategic alignment and adherence to national performance standards. Similarly, Ngugi and Mugo (2012) found that mature universities like the University of Nairobi and Kenyatta University often integrated PC into their performance management systems more effectively due

to their long-standing planning and evaluation cultures. This study confirms those findings while demonstrating that emerging institutions, such as Turkana University College, can overcome institutional infancy through leadership commitment and adaptive learning mechanisms a dimension not deeply explored in previous work.

b) Resource Allocation and Infrastructure

Resource endowment is a critical contextual determinant. Established universities possess significant infrastructure lecture halls, ICT systems, research facilities, and financial reserves that support goal attainment and innovation. These universities also attract more funding through partnerships, consultancies, and alumni networks, enhancing their ability to meet PC targets related to research, financial prudence, and infrastructure development.

Conversely, emerging universities often struggle with inadequate facilities, slow ICT adoption, and limited research funding. For instance, Turkana University's geographic isolation makes access to industry partnerships, fast internet, and physical infrastructure development more difficult. These constraints can delay or limit PC implementation, especially in performance indicators tied to digitization, revenue generation, and research productivity.

Gekonde and Gituro (2016) observed that resource constraints in rural-based public universities negatively affected PC implementation, especially in relation to physical infrastructure, ICT integration, and research capabilities. This current study affirms this observation by highlighting how Turkana University, despite geographic and infrastructural limitations, has leveraged strategic prioritization and incremental planning to improve its PC performance from a "Fair" grade in FY 2018/2019 to a "Very Good" rating in 2023/2024. This suggests that resources are necessary but not sufficient conditions for successful PC implementation an insight that nuances earlier assumptions of linear causality between infrastructure and performance.

c) Human Resource Capacity and Skill Level

Established universities typically have access to highly qualified faculty and administrative personnel, many of whom are familiar with performance management tools, strategic planning, and quality assurance systems. Their internal PC evaluation teams often include experts trained in results-based management, giving them a comparative advantage in aligning departmental activities with national performance expectations.

In contrast, emerging universities may still be developing their human capital. Institutions like Turkana University face challenges in attracting and retaining top academic talent due to their remote location and lack of competitive amenities. The result is limited internal expertise in PC reporting, project monitoring, and evaluation a challenge that necessitates continuous capacity building and staff development to bridge performance gaps.

According to Mwangi and Mwaura (2017), one of the persistent gaps in PC implementation in newer institutions is the lack of skilled personnel familiar with results-based management, M&E systems, and reporting. The current study supports this finding, noting that Turkana University's initial performance limitations stemmed in part from limited technical capacity. However, the university's subsequent gains point to the transformative potential of staff development and knowledge transfer, especially when linked to institutional vision and leadership. This fills a gap in literature by showing how emerging universities can cultivate PC capabilities internally over time, thus decentralizing expertise development away from traditional urban hubs.

d) External Environmental and Political Context

The political and policy environment surrounding a university also shapes its ability to implement PC effectively. Established universities, especially those located in Nairobi and other urban centers, are often more politically visible and receive more frequent engagement from policymakers. This can translate to faster disbursement of capitation funds, more direct feedback, and prioritized infrastructure investment.

Emerging universities, particularly those in marginalized areas like Turkana County, contend with peripheralization. National budgetary allocations may be delayed, and limited access to national decision-making platforms can affect timely implementation of PC commitments. Despite these disadvantages, emerging institutions sometimes benefit from targeted government affirmative action and donor-funded capacity-building initiatives.

Findings by Wanyama (2013) on the political economy of performance management in Kenya reveal that institutions located in peripheral counties often suffer from delayed budget disbursements and limited visibility in national policy forums. This study corroborates those concerns in the case of Turkana University College but also illustrates that

external political marginalization can be partially mitigated through institutional agility, donor partnerships, and strategic goal realignment elements often underemphasized in policy critiques.

e) Culture of Performance and Organizational Learning

Organizational culture plays a key role in determining how performance is viewed and managed. In established universities, there is often an entrenched performance culture reinforced by prior exposure to strategic planning, ISO certification processes, and institutional self-assessments. This culture supports routine compliance with PC processes and reinforces accountability systems.

Emerging institutions, though lacking such deep-rooted cultures, have the potential for agility and adaptability. Turkana University College, for example, has shown that a culture of continuous improvement can develop rapidly when leadership is proactive and when feedback mechanisms are institutionalized. The success of its PC implementation is partly attributed to its willingness to learn from past evaluations and align its internal policies with national performance indicators.

Kipkebut (2010) emphasized that universities with a strong culture of quality assurance, ISO certification, and periodic self-assessment tend to outperform their counterparts in PC evaluations. The current study agrees with this assertion but adds a novel contribution: emerging institutions can rapidly develop a culture of performance through intentional feedback loops, staff engagement, and benchmarking. Turkana University's transformation exemplifies this bottom-up development of organizational learning culture in resource-constrained settings.

5.3 Contextual Divergence, Framework Uniformity

While the PC framework is uniformly applied, the institutional context dramatically affects implementation. Established universities enjoy resource and capacity advantages that enable them to internalize PC requirements quickly. In contrast, emerging universities often require tailored support, capacity building, and flexible timelines to adapt effectively. However, the case of Turkana University College demonstrates that, with rational planning, even constrained contexts can yield high PC performance, challenging assumptions that institutional success is exclusively dependent on age or resources.

5.4 Summary

This study advances the understanding of Performance Contracting (PC) implementation in Kenyan public universities by addressing critical gaps that have persisted in both theoretical and empirical literature. While previous research has acknowledged the existence of structural disparities between established and emerging institutions (Ngware & Kosimbei, 2012; Gudo, Olel & Oanda, 2011), few studies have systematically explored how younger universities adapt and perform within the standardized PC framework administered by the government. This research fills that void by offering empirical evidence to demonstrate that, despite contextual disadvantages such as limited infrastructure, staffing shortages, and geographic isolation, emerging institutions like Turkana University College can achieve commendable PC outcomes. The findings reveal that contextual adaptability, when guided by rational planning principles and strategic leadership, can significantly enhance institutional performance even in resource-constrained environments (Kobia & Mohammed, 2006; Salasia, 2018).

Moreover, unlike many earlier studies that rely on single-institution case studies or one-time assessments (Mutula, 2002; Mwaura & Ngugi, 2014), this study introduces a temporal lens by employing longitudinal performance data from the financial years 2018/2019 to 2023/2024. This comparative analysis of institutional performance over time allows for a more nuanced understanding of institutional growth trajectories and the sustainability of performance improvements. In doing so, the research highlights patterns of incremental development, strategic adaptation, and organizational learning that are often overlooked in cross-sectional analyses (Nabwire, 2015; Obong'o, 2009).

Importantly, this study goes beyond simply referencing Rational Planning Theory (RPT) as a conceptual tool; it demonstrates the theory's practical relevance in real-world institutional contexts. By linking the structured, goal-oriented, and evidence-based processes emphasized in RPT (Faludi, 1987; Alexander, 1985) to the operational realities of both established and emerging universities, the study shows how rational planning can serve as a blueprint for performance improvement. This is particularly significant given that most existing literature has applied RPT in the

context of public policy development (Healey, 1997; Hudson, 1979), with limited attention to its applicability in academic institutions and performance management systems. By bridging this gap, the study contributes new knowledge that not only validates the utility of RPT in diverse institutional settings but also underscores the importance of context-sensitive planning and leadership in driving institutional excellence (Wanjira & Mungai, 2016).

6. CONCLUSION

Based on the comparative analysis of Performance Contracting (PC) implementation in Kenyan public universities, this study identifies critical contextual disparities that influence institutional outcomes. Although all public universities operate under a standardized PC framework, the experiences of established institutions such as the University of Nairobi, Kenyatta University, and the University of Embu differ significantly from those of emerging institutions like Turkana University College. These differences are shaped by institutional maturity, administrative capacity, resource availability, and geographic location. The findings highlight that emerging institutions often contend with limited infrastructure, constrained human resource capacities, and minimal access to national policy platforms. Despite these constraints, the longitudinal performance of Turkana University College demonstrates that rational planning, strategic leadership, and organizational learning can effectively bridge contextual gaps.

Moreover, the study shows that administrative and technical capacity is a decisive success factor, particularly in resource-constrained environments. Universities with experienced leadership, well-established planning departments, and a culture of evidence-based decision-making tend to perform better in PC evaluations. However, emerging institutions often lack these foundations and require capacity-building interventions to match the performance levels of their more established peers. Furthermore, the rigidity of PC indicators, which do not always reflect local realities or institutional maturity levels, poses implementation challenges, especially in marginalized or frontier regions.

The study also reveals that institutional performance is dynamic and best understood through longitudinal analysis. Using performance data from FY 2018/2019 to 2023/2024, it becomes evident that universities improve incrementally, particularly when equipped with internal feedback loops and adaptive strategies. Turkana University College's rise from a "Fair" to "Very Good" performer illustrates how sustained commitment to rational planning can yield substantial gains, even in challenging environments. Additionally, the practical application of Rational Planning Theory in university performance management is evident, underscoring its relevance beyond traditional policy domains.

6.1 POLICY RECOMMENDATIONS

To strengthen the implementation of Performance Contracting (PC) across Kenyan public universities, a series of integrated policy recommendations are proposed based on comparative institutional findings and the contextual gaps identified in this study.

First, there is a need to institutionalize context-sensitive PC support mechanisms. While the PC framework is standardized nationally, emerging universities face unique challenges such as inadequate infrastructure, staffing limitations, and regional remoteness. To address these disparities, policy reforms should introduce tiered implementation benchmarks that allow newer universities to gradually integrate PC indicators without compromising accountability. Additionally, a differentiated support framework including mentorship from established institutions and dedicated funding streams should be designed to address the structural limitations of these institutions.

Second, strengthening capacity building in strategic planning and PC reporting is crucial. The study reveals that internal administrative and technical capacities play a significant role in successful PC implementation. It is therefore essential that the Ministry of Education and relevant oversight bodies organize regular training programs on results-based management, strategic planning, and data-driven reporting. Furthermore, peer-review mechanisms and inter-university learning exchanges should be institutionalized to facilitate cross-learning and replication of best practices across the sector.

Third, there is a pressing need to align PC indicators with institutional maturity and local realities. The rigidity of current templates often overlooks the socio-economic and infrastructural disparities that different universities face, especially in marginalized counties. Revised PC guidelines should allow for contextual customization, enabling universities to propose a limited number of performance indicators that align with their specific strategic objectives, such as community outreach, local partnerships, and region-specific research initiatives.

Additionally, to ensure resource allocation equity and infrastructure development, targeted investments must be prioritized for emerging institutions. Affirmative action policies should channel development funds towards building ICT capacity, research facilities, and administrative infrastructure in less-endowed universities. This should be complemented by performance-linked funding mechanisms that reward demonstrable improvement, particularly in institutions operating under constrained conditions.

The study also underscores the importance of institutionalizing longitudinal PC monitoring and evaluation. Cross-sectional evaluations miss the nuanced trajectories of institutional development. A centralized performance tracking system should be developed to capture and analyze multi-year performance data, informing national policy adjustments and resource planning. Such a system can support annual meta-evaluations to identify persistent bottlenecks and best practices across the sector.

In line with the positive correlation between strategic planning and PC success, there is a need to embed Rational Planning Theory (RPT) in university leadership development programs. RPT provides a structured, evidence-based framework that promotes foresight, alignment, and responsiveness. Incorporating these principles into leadership training and linking executive appraisals to PC outcomes will enhance institutional accountability and effectiveness.

Lastly, stakeholder engagement and decentralized feedback mechanisms should be strengthened. The devolution of PC monitoring to regional offices would facilitate timely feedback, tailored support, and increased responsiveness. Public universities should also be required to publish accessible annual performance summaries, thereby enhancing transparency, community trust, and stakeholder participation in institutional performance discussions.

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