



**CONTRACT MANAGEMENT DRIVERS ON THE PERFORMANCE OF CLEANING COMPANIES IN NAIROBI CITY COUNTY, KENYA**

**<sup>1</sup>Nyaliita Japheth, <sup>2</sup>Dr. Thogori Mirriam,**

<sup>1</sup>Masters Student, Jomo Kenyatta University of Agriculture and Technology

<sup>2</sup>Lecturer, Jomo Kenyatta University of Agriculture and Technology

**ABSTRACT**

Cleaning companies are increasingly facing new entrants into the market, although with mixed success, but still there is significant competition among firms in the sector, and customer loyalty is highly unstable. The main objective of the study was to establish the influence of contract management drivers on performance of cleaning service companies in Nairobi City County, Kenya. The study was guided by the following specific objectives; to examine the influence of contract planning and monitoring and evaluation, on performance of cleaning service companies in Nairobi City County, Kenya. The study was guided by Stewardship Theory and Resource based view theory. The study made use of descriptive research design. The unit of analysis was the 78 cleaning companies with population of 2000 employees, forming representing a sample of 333, hence this form the unit of observations. Questionnaires were the main instruments of data collection used in this research proposal. Descriptive analysis was used to determine the proportions and frequency of the variables. The tabulated data was analyzed quantitatively by calculating various percentages, while descriptive data was analyzed qualitatively by organizing collected data into meaningful notes. The study concludes that contract planning has a positive and significant effect on performance of cleaning service companies in Nairobi City County, Kenya. The study found that change Management, payment Schedules and handover Policy influences performance of cleaning service companies in Nairobi City County, Kenya. In addition, the study concludes that monitoring and evaluation has a positive and significant effect on performance of cleaning service companies in Nairobi City County, Kenya. The study found that progress and Milestones Reports, incentives and Consequences Policy and contingency Plans influences performance of cleaning service companies in Nairobi City County, Kenya. This study therefore recommends that the management of cleaning service companies in Nairobi county should ensure effective change Management, payment Schedules and handover Policy. In addition, the management of cleaning service companies in Nairobi County should ensure effective progress and Milestones Reports, incentives and Consequences Policy and contingency Plans.

**Key Words: Contract Management Drivers, Contract Planning, Monitoring and Evaluation and Performance of Cleaning Service Companies**

## Background of study

Contract management improves an organization's operational performance as indicated by various measures, such as, quality, flexibility, speed, efficiency, and supplier relationship (Cho & Pucick, 2015). Contract management may be defined as the process that ensures both parties to a contract fully meet their respective obligations as efficiently and influence as possible, in order to deliver the business and operational objectives required from the contract and in particular to provide value for money (Nguyen, 2013).

As a result developing and managing contracts is a skill required by almost all public sector entities. Rendon (2010) affirm that the quintessence of contract management evolves proper planning, award, and administration of contracts and the monitoring of providers' performance. Once this is deficient, it increases the risk of endangering value for money. Recently corruption has turned out to be one of the most challenging phenomena of our time that can easily make the process of contract management unsuccessful (Cropper, 2016).

Contract management entails efforts by the immediate parties to a transaction to align incentives and craft governance structures that are better attuned to their exchange needs and due allowance being made for the mitigation of contractual hazards (Enquist, Johnson & Camén, 2013). Out of awareness that workers are not passive contractual agents, naïve efforts which focus entirely on intended influences will be supplanted by more sophisticated mechanisms where provision is made for consequences of both kinds (Rönnerberg-Sjödén, 2013). More generally, the awareness that organizations have a life of their own serves to uncover a variety of behavioral regularities for which stakeholders should be alerted and thereafter factored into the organizational design (Smith, 2014).

Different studies on contract management have been done the world over. In his study on design of a supplier performance measurement and evaluation system in Netherlands, Beijer (2012) found a positive correlation between design and supplier performance. A study done in England by Breedon (2013) insist on the need for proper key performance indicators and having a staffed and competent contract management team in relation to procurement contract management.

It is hardly possible to find a cleaning service firm that has clocked fifty plus years in operations, since most of the decision-making and business practices are not based on approaches that are empirical and theoretical in nature (Altinera & Bozkurtb, 2018). Cleaning service firms consist mainly of commercial janitorial type of services, residential cleaning, which is mostly informal type and the specialty laundry or dry-cleaning type of cleaning. The competitiveness of the business environment and uncertain growth prospects has made it hard for new entrants to join the market and gain a foothold (Langston, 2016).

Several studies focusing on the cleaning service industry, indicates that the industry suffers from a lack of established and viable strategies. These challenges arise majorly because firms in the sector lack substantive marketing programs, including appropriate technologies as well as professional labour force (Joensuu, Edelman & Saari, 2020). Cleaning services industry faces a number of challenges, among which include absence of formal structures and reliable operational procedures; low levels of human capital development; inability to recognize the importance of marketing strategies; and lack of innovation as well as unfair competition practices (Naidoo & Gasparatos, 2018).

In India, Kumar and Markeset (2007) on a study on development of performance based service strategies for the Indian oil and gas industry found that a direct relationship between strategies and contract performance. In Hong Kong, where corruption has been influence controlled, large-scale procurement processes have been managed influence. In a review of the procurement processes, a

mission of Transparency International found that the vast procurement processes had been implemented largely within budget and with minimal corruption (Cho & Pucick, 2015).

The contract cleaning industry plays an important role in job creation in South Africa and it is estimated that the sector contributed about 0.8% to GDP in Q3 2019. Due to the informal nature of cleaning businesses, the majority of workers in the sector are employed under fixed-term commercial contracts (Fasani & Mazza, 2020). Based on National Contract Cleaners Association membership, the sector is growing strongly as entry into the industry is easy and startups are flooding the market. The industry is susceptible to economic downturns as customers try to cut costs and negotiate lower rates. The biggest threat to the industry is insourcing. Some companies decide to insource to save money, but soon realise that equipment is expensive and they have to deal with human resource issues and source cleaning materials themselves. The construction industry recession puts a further constraint on future growth (Hunt & Samman, 2019).

The cleaning sector is an important segment of service industry that helps organizations to have a conducive environment for achieving their mission. As part of the facility maintenance activity, cleaning services promotes the idea of a conducive work environment, and not only that, it also creates ambience at office and abodes (Claeys, Tagliapietra & Zachmann, 2019). In Kenya, firms that operate in the sector, face quality conscious customers whose perception of quality is as varied as the performance of cleaning companies in the industry. Strategy institutionalization can help cleaning companies in Kenya to enhance their performance. Strategy plays an important role in realization of corporate objectives and goals. Many studies have been done on how strategies influence organizational performance that there is a strong association between structure and strategy formulation (Wanyoike, 2016).

In recent times, the cleaning services industry in Kenya has largely been dominated by a few firms, Parapet Cleaning Services standing out among them. Over the years, these dominant firms have engaged in cut throat competition swapping portfolios as determined by the dictates of service users (Sharma, Arora & Kharub, 2021). The bulk of the business that provide high returns to the cleaning services industry comes from the government or governmental institutions. Parapet Cleaning Services, which is the leading player in the industry has had tremendous growth in the last 15 years or so. The firm has under its portfolio customers such as financial institutions, shopping malls, commercial buildings, higher learning institutions, non-governmental organizations as well as healthcare institutions (Achola & Were, 2018).

The cleaning services industry in Kenya is cognizance of the need for adherence to local and international standards of operations if it has to be competitive in the international market and overcome the challenges of globalization. The International Association of Cleaners and Property Maintenance (IACPM) is an organization that was formed to provide development support and guidance to players in the cleaning services industry. Parapet Cleaning Services firm is one of the members of IACPM (Bamber & Fernandez-Stark, 2019).

### **Statement of the Problem**

For the last one decade there has been mushrooming of cleaning companies in Kenya either owned by individuals, partners and while others are ‘briefcases’ providing professional cleaning services to various clients (Chandrasekar, 2017). Within the Kenyan context some cleaning companies like Parapet, Metro and One Way have demonstrated sound management practices characterized by good governance practices, quality staff, having clear visions and missions, financial stability among other factors (Njeri, 2016).

Cleaning companies are increasingly facing new entrants into the market, although with mixed success, but still there is significant competition among firms in the sector, and customer loyalty is highly unstable. Customer will readily terminate engagement with a cleaning service provider

if the contract terms and conditions are unmet or fails to meet customer expectations (Muiruri, Omolo and Wachira, 2016). In the study of 112 managers, in the cleaning industry in Kenya, using census sampling method, Muiruru et al. (2016) argue that competitive advantage and growth are realizable if firms adopt the right strategies, which are subsequently institutionalized appropriately. Muema (2012) argues, in a study of 100 local NGOs in Kenya, through a cross section survey, that cleaning services industry has helped to create more than 5000 jobs and contributed to the economic development of the country. Despite its seriousness and potential, the cleaning services industry in Kenya has a lot of challenges that are strategic, structural and operational in nature, which makes it difficult to institutionalize strategy. According to Ainsworth, Smith and Millership (2018), improving the workplace environment increases productivity. Therefore, the performance of employees in cleaning companies improves their productivity and creates conducive work environment for other companies and as a result it affects country's development; cleaning service companies have chain effect. Less studies however have been done on contract management drivers and the performance of cleaning companies in Kenya. The current study therefore sought to fill the existing research gap by investigating the Contract Management Drivers on the Performance of Cleaning Companies in Nairobi City County, Kenya.

### **The General Objective of the Study**

The main objective of the study was to establish the influence of contract management drivers on performance of cleaning service companies in Nairobi City County, Kenya.

### **Specific Objectives**

- i. To examine the influence of contract planning on performance of cleaning service companies in Nairobi City County, Kenya.
- ii. To establish the influence of monitoring and evaluation on performance of cleaning service companies in Nairobi City County, Kenya.

## **THEORETICAL REVIEW**

### **Stewardship Theory**

This theory was developed by Donaldson and Davis (1991) and (1993) respectively. The ideal motive which directs managers to accomplish their job is the desire to perform excellently. This theory is based on the assumption that managers are stewards whose behaviors are aligned to the objectives of the principals. It implies that managers have an intrinsic satisfaction when firm performance improves and organization success is attained.

The stewardship theory is a part of corporate governance and is a normative alternative to agency theory. Simply, the stewardship theory is a theory that managers, left on their own, will act as responsible stewards of the assets they control, and describes the existence of a strong relationship between satisfaction and organizational success. This theory was introduced by Donaldson and Davis (1989). Good stewards work collectively rather than individually and are not instrumentally motivated, as are agents who subscribe to agency theory. Stewardship theory basically argues that a steward recognizes that individualistic, opportunistic, and self-serving goals will be met if work is done for the greater good of the organization

According to this theory, people are intrinsically motivated to work for others or for organizations to accomplish the tasks and responsibilities with which they have been entrusted. It argues that people are collective minded and pro-organizational rather than individualistic and therefore work toward the attainment of organizational, group, or societal goals because doing so gives them a higher level of satisfaction. Stewardship theory therefore provides one framework for characterizing the motivations of managerial behavior in various types of organizations.

### **Resource-Based View**

The resource-based view commonly reflects the work of Grant (1991). It argues that an organization is an assembly of physical, human and financial resources and competences, which determine the performance of the firm. If all organizations in the market have the same collection of resources and capabilities and if all organizations create the same value, there will be no competitive advantage. The resource-based view emanates from observations of firms, their resources, structure, and operations, and how such resources and capabilities enable the firms to get above normal return on investments as well as sustainable competitive advantage.

The key to competitive advantage is for a firm to develop a unique business model that differentiates it from the rank and file. When a firm is in possession of valuable resources, it means that the firm's resources are inimitable, rare and non-substitutable. In this study, the resource-based view suggests that the cleaning services companies will require certain key resources for them to effectively institutionalize, implement and operationalize strategies to achieve a sustainable business model. A firm needs to scan the competitive environment to understand the fit between its strategies and the demands of the market and the superiority such a strategy enjoys in the market as well. Lockett, Thompson, Morgenstern (2009) argue that the resource-based view does not provide an adequate conceptual basis for determining valuable resources, and that it is a major stumbling block for the resource-based view.

### **Empirical Review**

#### **Contract planning and performance of cleaning service companies**

Zou, Brax and Rajala (2019) did a study to investigate the influences of service complexity, contract structure and contracting process on the buyer-perceived supplier performance in business-to-business (B2B) services. A research model is developed based on transaction cost economics and the research on service contracting. The results indicate that three major contract dimensions and follow-up management practices positively influence buyer-perceived supplier performance. Furthermore, service complexity amplifies the effects of incentives designed in the contract and the buyer's follow-up contract management on perceived supplier performance. The study however focused on supply performance unlike the current study which is on performance of cleaning services companies.

Jeff and Gavin (2018) outline the costs, options and scope for a company in the South African Contract Cleaning Industry to implement effective HIV/AIDS workplace programmes. Case study methodology is used. A cost model which estimates the costs associated with replacing an AIDS affected employee over time is used. The costs are not significant to the company as they are able to transfer most of the cost of illness onto their employees. There are significant risks for the company however, to the existence and costs associated with insured employee benefits into the future. This company has minimized their risks to the negative impacts of HIV/AIDS by adopting several cost saving strategies. This is however, to the detriment of their employees. The study however focused on effective HIV/AIDS workplace programmes unlike the current study which is on performance of cleaning companies.

Shen, Zeng and Jorge (2020) did a study to identify those factors influencing contractors to adopt green construction practices by using data gathered from a survey. From the results, it has been found that managerial concern is the most important driver for the adoption of green practices. Significant relationships have also been found between government regulations and business size with the adoption of green construction practices. However, there is no significant evidence on the relationship among the adoption of green construction practices with perceived stakeholders' pressures. The findings from this study are significant in the understanding on the factors of green construction management.

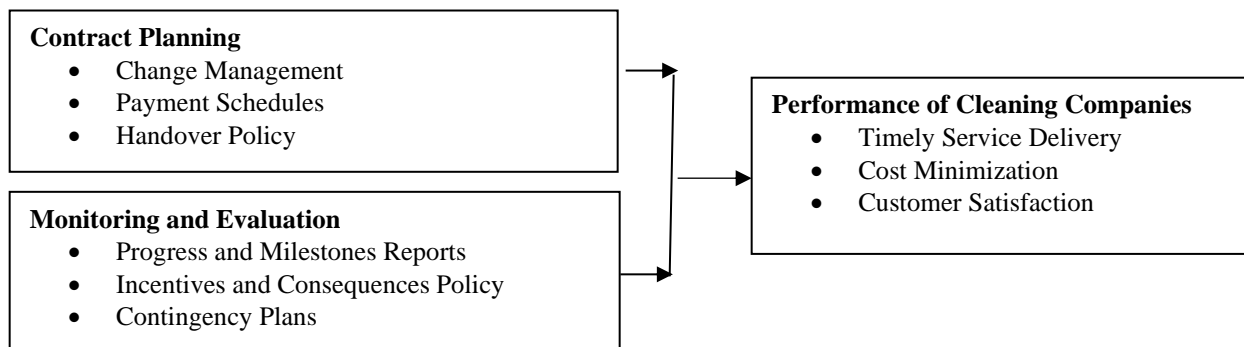
Domberger and Hall (2016) did a study on contracting for public services, a review of antipodean experience. The key findings, which are summarized in tabular form, indicate that the pace of implementation has varied widely across jurisdictions. This variability is largely a function of differences in political orientation of the governments in power, particularly in Australia. Despite these differences, the findings suggest that efficiency gains stemming from the application of ctc are substantial and widespread. Furthermore, quality of service has not, in general, been sacrificed to cost reductions. There is every indication that the current rate of progress of policy implementation is set to continue. In Australia, it may even accelerate with the onset of a national competition policy which will place competitive pressures on providers of public services. The study however was done in Australia unlike the current study which is done in Kenya.

**Monitoring and evaluation and performance of cleaning service companies**

Ngigin (2020) examined the effects of monitoring and evaluation practices on project implementation in ACTED Kenya organization. The study findings implied that M&E practices (Design and planning, capacity building and budgeting) affects project implementation in ACTED Kenya. 77% of the respondents agreed that ACTED Kenya organization always implements planning strategies on time and 44% of the respondents rated the effect as high. 74% of the respondents agreed that the organization’s employees are conversant with their core duties and 32% of the respondents rated capacity building on project implementation as effective. 82% of the respondents indicated that ACTED Kenya had a good budget for M&E activities and 57% of the respondents agreed that it affects to a large extent. The study however was not on cleaning companies as it is the case of the current study. The study however focused water projects unlike the current study which is on cleaning companies.

Pitt et al., (2016) did an examination of facility management, customer satisfaction and cleaning services in the Bangkok healthcare system. Cleaning management plays an important role in the management of private hospitals and affect the competitiveness of private hospitals, which is an important service perceived by customers and impact on hospitals’ image. This research studies service quality in private hospitals in Bangkok with a focus on cleaning service. Research methods include observation and data collection by interviewing those involved in cleaning services from 4 private hospitals in Bangkok. The findings show that cleaning performance assessment plays an important role in facility management.

**Conceptual Framework**



**Figure 2.1 Conceptual framework**

**Contract Planning**

Contracts are a vital tool businesses use to extend, negotiate, and accept business deals. As such, contract management and planning plays an essential role in the execution of deals and is more than just drafting and signing contracts it encompasses the entire process of contract creation,

analysis, negotiation, and implementation. By giving businesses a clear understanding of each stage of the contract lifecycle, contract planning helps reduce risk, boost productivity, and ensure that your contracts deliver optimal value and results (De Stefano, 2019).

### **Monitoring and Evaluation**

Monitoring and Evaluation (M&E) is a continuous management function to assess if progress is made in achieving expected results, to spot bottlenecks in implementation and to highlight whether there are any unintended effects (positive or negative) from an investment plan, programme or project and its activities. The processes of planning, monitoring and evaluation make up the Result-Based Management (RBM) approach, which is intended to aid decision-making towards explicit goals. Planning helps to focus on results that matter, while M&E facilitates learning from past successes and challenges and those encountered during implementation (Bhattarai, 2020).

## **RESEARCH METHODOLOGY**

### **Research Design**

According to Creswell and Creswell (2017) a research design is master plan or framework or blueprint specifying the methods and procedures for collecting and analyzing the needed information. Creswell and Poth (2017), define a descriptive research design as the plan and structure of investigation or a plan for investigating the sources and type of information to be used; hence the study will adopt the same. The study made use of descriptive research design.

### **Target Population**

According to registrar of companies (2020), there are 78 registered cleaning companies in Kenya, Nairobi County. According to Mugenda and Mugenda (2018), when the study population is less than 10,000, a sample size of between 10 and 30% is a good representation of the target population and hence 30% is adequate for analysis. The unit of analysis was the 78 cleaning companies with population of 2000 employees, forming representing a sample of 333, hence this form the unit of observations.

### **Sampling Frame**

The sampling frame consisted of twenty three (23) selected cleaning services companies based in Kenya Nairobi County. Unit of observation comprised of 333 employees from administration, stewards/supervisors and cleaners selected from the 23 cleaning services companies.

### **Sample and Sampling Technique**

The study utilized stratified sampling in the selection of the sample. Employees in the 24 cleaning services were clustered into three strata. The strata were based on three broad employee categories in the organizations administration, stewards and cleaners. Simple random sampling was applied to select individuals in the respective strata

The formula according to Yamane 1967 was employed to obtain the sample size. According to Krejcie and Morgan (1970) Simple random sampling technique was used to obtain a sample from target population.

$$= 333$$

### **Data Collection Instrument and Procedure**

Questionnaires were the main instruments of data collection used in this research proposal. The researcher chose to use this method because it is the most effective to gather information from workers since they are always busy and can answer the questionnaires at their own time. The questionnaires were having composed of a number of questions printed and typed in a specified

manner or form. The questions were close-ended. The close-ended questions provide a list of all possible alternatives from which respondents choose answers that best suits them.

**Data Analysis and Presentation**

Data analysis, according to Patten and Newhart (2017), is the procedure that includes the process of packaging the collected information, putting it in order and start writing it in main components in the way that the findings can easily and effectively be communicated. Editing, coding and tabulation was carried out. After all the data is collected, data cleaning was done in order to determine inaccurate, incomplete, or unreasonable data and then improve the quality through correction of detected errors and omissions. The data collected was analyzed mainly by use of quantitative and qualitative techniques and presented in tables and figures. Descriptive analysis was used to determine the proportions and frequency of the variables. The tabulated data was analyzed quantitatively by calculating various percentages, while descriptive data was analyzed qualitatively by organizing collected data into meaningful notes.

**DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSION**

**Descriptive Statistics Analysis**

**Contract Planning and Performance of Cleaning Service Companies**

The first specific objective of the study was to examine the influence of contract planning on performance of cleaning service companies in Nairobi City County, Kenya. The respondents were requested to indicate their level of agreement on various statements relating to contract planning and performance of cleaning service companies in Nairobi City County, Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 1.

From the findings, the respondents agreed that change management forms part of contract process in control management system. This is shown by a mean of 3.936 (std. dv = 0.880). In addition, the participants agreed that payment schedules works perfectly in ensuring good performance of cleaning companies. This statement is supported by a mean of 3.894 (std. dv = 0.958). As shown by a mean of 3.876 (std. dv = 0.872), the respondents agreed that the company has good handover policy favorable for good performance.

The respondents agreed that contract planning enhances service delivery. This is supported by a mean of 3.873 (std. dv = 0.867). In addition, the participants agreed that they are satisfied with the contract planning procedure in their organization. This statement is supported by a mean of 3.821 (std. dv = 0.897).

**Table 1: Contract Planning and Performance of Cleaning Service Companies**

	Mean	Std. Dev.
Change management forms part of contract process in control management system	3.936	0.880
Payment schedules works perfectly in ensuring good performance of cleaning companies	3.894	0.958
The company has good handover policy favorable for good performance	3.876	0.872
Contract planning enhances service delivery	3.873	0.867
Am satisfied with the contract planning procedure in our organization	3.821	0.897
<b>Aggregate</b>	<b>3.851</b>	<b>0.888</b>



### Monitoring and Evaluation and Performance of Cleaning Service Companies

The second specific objective of the study was to establish the influence of monitoring and evaluation on performance of cleaning service companies in Nairobi City County, Kenya. The respondents were requested to indicate their level of agreement on various statements relating to monitoring and evaluation and performance of cleaning service companies in Nairobi City County, Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 2.

From the results, the respondents agreed that the company has good progress and milestone reports. This is shown by a mean of 3.900 (std. dv = 0.985). In addition, the participants agreed that incentives and consequences policy are well stipulated and up to date. This statement is supported by a mean of 3.865 (std. dv = 0.961). As shown by a mean of 3.807 (std. dv = 0.773), the respondents agreed that good company contingency plans have assisted in realizing good results and performance. The respondents agreed that the company has good monitoring and evaluation framework. This is supported by a mean of 3.759 (std. dv = 0.796). The respondents agreed that they are satisfied with the effectiveness of monitoring and evaluation practices adopted. This is shown by a mean of 3.726 (std. dv = 0.786).

**Table 2: Monitoring and Evaluation and Performance of Cleaning Service Companies**

	Mean	Std. Deviation
The company has good progress and milestone reports	3.900	0.985
Incentives and consequences policy are well stipulated and up to date	3.865	0.961
Good company contingency plans have assisted in realizing good results and performance	3.807	0.773
The company has good monitoring and evaluation framework	3.759	0.796
Am satisfied with the effectiveness of monitoring and evaluation practices adopted	3.726	0.786
<b>Aggregate</b>	<b>3.666</b>	<b>0.785</b>

### Inferential Statistics

Inferential statistics focused on correlation and regression analysis. Correlation analysis was used to determine the strength of the relationship while regression analysis was used to determine the relationship between dependent variable (performance of cleaning service companies in Nairobi City County, Kenya) and independent variables (contract planning and monitoring and evaluation).

### Correlation Analysis

This research adopted Pearson correlation analysis determine how the dependent variable (performance of cleaning service companies in Nairobi City County, Kenya) relates with the independent variables (contract planning and monitoring and evaluation).

**Table 3: Correlation Coefficients**

		Organization Performance	Contract Planning	Monitoring And Evaluation
Organization Performance	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	311		
Contract Planning	Pearson Correlation	.879**	1	
	Sig. (2-tailed)	.001		
	N	311	311	
Monitoring And Evaluation	Pearson Correlation	.807**	.297	1
	Sig. (2-tailed)	.002	.060	
	N	311	311	311

From the results, there was a very strong relationship between contract planning and performance of cleaning service companies in Nairobi City County, Kenya ( $r = 0.879$ ,  $p$  value =0.001). The relationship was significant since the  $p$  value 0.001 was less than 0.05 (significant level). The findings are in line with the findings of Muute (2019) who revealed that there is a very strong relationship between contract planning and firm performance.

In addition, the results revealed that there was a very strong relationship between monitoring and evaluation and performance of cleaning service companies in Nairobi City County, Kenya ( $r = 0.807$ ,  $p$  value =0.002). The relationship was significant since the  $p$  value 0.002 was less than 0.05 (significant level). The findings are in line with the findings of Dahie, Osman and Omar (2017) who revealed that there is a very strong relationship between monitoring and evaluation and firm performance.

**Regression Analysis**

Multivariate regression analysis was used to assess the relationship between independent variables (contract planning and monitoring and evaluation) and the dependent variable (performance of cleaning service companies in Nairobi City County, Kenya)

**Table 4: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.911	.830	.833	.09756

a. Predictors: (Constant), contract planning and monitoring and evaluation

The model summary was used to explain the variation in the dependent variable that could be explained by the independent variables. The r-squared for the relationship between the independent variables and the dependent variable was 0.830. This implied that 83.0% of the variation in the dependent variable (performance of cleaning service companies in Nairobi City County, Kenya) could be explained by independent variables (contract planning and monitoring and evaluation).

**Table 5: Analysis of Variance**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	101.145	2	25.286	531.22	.000 <sup>b</sup>
	Residual	5.141	108	.0476		
	Total	133.283	110			

a. Dependent Variable: Firm performance

b. Predictors: (Constant), contract planning and monitoring and evaluation

The ANOVA was used to determine whether the model was a good fit for the data. F calculated was 531.22 while the F critical was 2.457. The p value was 0.000. Since the F-calculated was greater than the F-critical and the p value 0.000 was less than 0.05, the model was considered as a good fit for the data. Therefore, the model can be used to predict the influence of contract planning and monitoring and evaluation on performance of cleaning service companies in Nairobi City County, Kenya.

**Table 6: Regression Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	0.439	0.083		5.289	0.009
	Contract Planning	0.305	0.071	0.306	4.296	0.001
	Monitoring And Evaluation	0.294	0.081	0.295	3.630	0.002

**a. Dependent Variable: Firm performance**

The regression model was as follows:

$$Y = 0.439 + 0.305X_1 + 0.294X_2 + \epsilon$$

From the results, findings revealed that contract planning has a significant effect on performance of cleaning service companies in Nairobi City County, Kenya ( $\beta_1=0.364$ , p value= 0.000). The relationship was considered significant since the p value 0.000 was less than the significant level of 0.05. The findings are in line with the findings of Muute (2019) who revealed that there is a very strong relationship between contract planning and firm performance.

Findings revealed that monitoring and evaluation has a significant effect on performance of cleaning service companies in Nairobi City County, Kenya ( $\beta_1=0.305$ , p value= 0.001). The relationship was considered significant since the p value 0.003 was less than the significant level of 0.05. The findings are in line with the findings of Dahie, Osman and Omar (2017) who revealed that there is a very strong relationship between monitoring and evaluation and firm performance.

## Conclusions

The study concludes that contract planning has a positive and significant effect on performance of cleaning service companies in Nairobi City County, Kenya. The study found that change Management, payment Schedules and handover Policy influences performance of cleaning service companies in Nairobi City County, Kenya

In addition, the study concludes that monitoring and evaluation has a positive and significant effect on performance of cleaning service companies in Nairobi City County, Kenya. The study found that progress and Milestones Reports, incentives and Consequences Policy and contingency Plans influences performance of cleaning service companies in Nairobi City County, Kenya

### **Recommendations**

The study found that contract planning has a positive and significant effect on performance of cleaning service companies in Nairobi City County, Kenya. This study therefore recommends that the management of cleaning service companies in Nairobi county should ensure effective change Management, payment Schedules and handover Policy.

In addition, the study found that monitoring and evaluation has a positive and significant effect on performance of cleaning service companies in Nairobi City County, Kenya. This study therefore recommends that the management of cleaning service companies in Nairobi County should ensure effective progress and Milestones Reports, incentives and Consequences Policy and contingency Plans.

### **Suggestions for Further Studies**

This study focused on establishing the influence of contract management drivers on performance of cleaning service companies in Nairobi City County, Kenya. Having been limited to performance of cleaning service companies in Nairobi City County, Kenya, the study findings cannot be generalized to other firms in Kenya. The study therefore suggests further studies on the influence of contract management drivers on performance of other service companies in Kenya.

Further, the study found that the independent variables (contract planning and monitoring and evaluation) could only explain 83.0% of performance of cleaning service companies in Nairobi City County, Kenya. This study therefore suggests research on other factors affecting performance of cleaning service companies in Nairobi City County, Kenya.

### **REFERENCES**

- Abouzeedan, A., & Busler, M. (2012). *Information technology (IT) Impact on Performance of Small and Medium-size Enterprises (SMEs)* 16th Work Shop. Barcelona, Spain, 2(1), 22-28.
- Achola, G. O., & Were, S. (2018). Influence of Marketing Strategies on Performance of Fast-Moving Consumer Goods Companies in Nairobi County, Kenya. *Journal of Marketing and Communication*, 1(1).
- Agaba, E., & Shipman, N. (2010). *Public Procurement Reform in Developing Countries: The Ugandan Experience*. Boca Raton, FL: Pr Academics Press.
- Aitken, J., Childerhouse, P., & Towill, D. (2008). The impact of product life cycle on supply chain strategy. *International Journal of Production Economics*, 85(2), 127–140.
- Akech, J.M. (2008). *Development partners and governance of public procurement in Kenya: enhancing democracy in the administration of aid*. *Int. law Politics*, 37(4), 829-868.
- Al Awad, M. (2010). *“The role of manufacturing in promoting sustainable economic growth in the GCC”*, Working paper, Institute for Social & Economic Research (ISER), Zayed University, Knowledge Village, Dubai.
- Alsaaty, F.M., & Sawyer, G. (2012). *“The competitive advantage of the United States versus China in the Gulf Cooperation Council (GCC) Countries”*, *Journal of International Business Research*, 11(1), 121-131.

- Altinera, A., & Bozkurtb, E. (2018). The validity of purchasing power parity hypothesis in E-7 countries: Panel data analysis. *Business and Economics Research Journal*, 9(4), 735-747.
- Alzahrani, J.I., & Emsley, M.W. (2013). The impact of contractors' attributes on construction procurement processes success: A post construction evaluation. *International Journal of Procurement processes Management*, 31(2), 313-322.
- Amayi, F.K. (2011). *Factors Affecting Procurement in the Public Service: a Case Study of the State Law Office*. Eldoret: Moi University.
- Ampomah, K. M., Opoku, O. A., Amankwah, G. O., & Wahab, B. A. (2020). The Influence of Awino, B., & Wainaina, G., (2009). "An empirical investigation of supply chain management practices in large private manufacturing firms in Kenya" unpublished PhD thesis. University of Nairobi.
- Baldry, D., & Amaratunga, D., (2012). *Performance Measurement in Facilities Management and its Relationships with Management Theory and Motivation, Facilities*, 20(10), 327-336.
- Balogun, M.J. (2008). *Performance Management and Agency Governance for Africa Development: The search for common cause on Excellence in the Public Service*. UNCEA, Addis Ababa.
- Bowen, A., Duffy, C., & Fankhauser, S. (2016). Green growth and the new industrial revolution. *Policy Brief. Grantham Research Institute on Climate Change and the Environment and Global Green Growth Institute*.
- Cachon, G. (2013). *Supply chain coordination with contracts*. Handbooks in Operations Research and Management Science: Supply Chain Management. North Holland, Amsterdam, 8(9), 229-339.
- Carayannis, E.G., & Popescu, D. (2008). *Profiling a Methodology for Economic Growth and Convergence: Learning from the EU e-Procurement Experience for Central and Eastern European Countries*, 25(1), 1-14.
- Carley, S., & Konisky, D. M. (2020). The justice and equity implications of the clean energy transition. *Nature Energy*, 5(8), 569-577.
- Cheung, C.F., Wang, W.M., & Lo, V., (2014). *An agent oriented and knowledge based system for strategic e-procurement*. *Expert Systems*, 21(1), 11-19.
- Dwaikat, L. N., & Ali, K. N. (2018). The economic benefits of a green building—Evidence from Malaysia. *Journal of Building engineering*, 18, 448-453.
- Elkomy, S., Cookson, G., & Jones, S. (2019). Cheap and dirty: the effect of contracting out cleaning on efficiency and effectiveness. *Public Administration Review*, 79(2), 193-202.
- Fasani, F., & Mazza, J. (2020). Being on the frontline? Immigrant workers in Europe and the COVID-19 pandemic.
- Gamariel, M. B. O. N. I. M. A. N. A., & Egide, R. U. K. I. N. I. R. W. A. (2021). Effects of Contract Negotiation, Contract Monitoring and Relationship Management on Construction Projects Performance. A Case of Water Treatment Plants for Wasac. *Social Science Learning Education Journal*, 6(12), 771-780.
- Goldberg, S. B., Sander, F. E. & Cole, S. R. (2020). *Dispute resolution: Negotiation, mediation, arbitration, and other processes*. Aspen Publishing.
- Hunt, A., & Samman, E. (2019). Gender and the gig economy. *Overseas Dev. Institutre*, 546.
- Jeff, G., & Gavin, G. (2018). Business management of HIV/AIDS: Case study of a South African contract cleaning company. *African Journal of Business Management*, 5(11), 4100-4106.
- Ngigi, R. M. (2020). Effects of monitoring and evaluation practices on project implementation in Acted Kenya.
- Noone, M. A., & Ojelabi, L. A. (2020). Alternative dispute resolution and access to justice in Australia. *International Journal of Law in Context*, 16(2), 108-127.

- Nurani, N., Silaen, A., & Apianti, P. (2020). Disputes Resolution of Work Termination on Industrial Relations through Mediation during the Covid-19. *Central Asia & the Caucasus (14046091)*, 23(1).
- Sharma, B., Arora, R., & Kharub, M. (2021). Critical Success Factors affecting the Restaurant Industry: Insights from Restaurant Managers. *FIIIB Business Review*, 23197145211042429.
- Shen, L. Y., Zeng, S. X., & Jorge, O. J. (2020). The drivers for contractors' green innovation: an industry perspective. *Journal of cleaner production*, 18(14), 1358-1365.
- Sjödin, D. R., Parida, V., & Wincent, J. (2016). Value co-creation process of integrated product-services: Effect of role ambiguities and relational coping strategies. *Industrial Marketing Management*, 56, 108-119.
- Tiba, S., van Rijnsoever, F. J., & Hekkert, M. P. (2020). The lighthouse effect: How successful entrepreneurs influence the sustainability-orientation of entrepreneurial ecosystems. *Journal of cleaner production*, 264, 121616.
- Titomet, P. K. (2017). *Influence of Monitoring and Evaluation on the Performance of Water Projects in Kenya: a Case of Mwala Water Project, Machakos County* (Doctoral dissertation, University of Nairobi).
- Wang, N., Ma, M., Wu, G., Liu, Y., Gong, Z., & Chen, X. (2019). Conflicts concerning construction projects under the challenge of cleaner production—case study on government funded projects. *Journal of Cleaner Production*, 225, 664-674.