

# Determinants of Good Governance: Evidence from Some Selected Public Institutions in Jimma City

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**Abstract:** The aim of the study was to assess the determinant of good governance evidence from some selected public institutions in Jimma city. Currently a challenge associated with good governance is unbearable due to several factors such as corruption, conflict, bureaucracy, and poor service delivery, educational level etc. For this reason, the study will be important to the public institutions to recognize about the determinant of good governance and help to correct their mistakes. Causal research design was employed using quantitative research approach. Both primary and secondary sources of data were applied. Percentage, frequency, Pearson correlation and multiple liner regression were employed to analyze the data through statistical package of SPSS version 20. The finding revealed that all predictors such as; educational level, corruption, bureaucracy, and conflict have found to be significant impact on good governance with p-value of 0.000 for former three predictors, and p-value 0.014 is for the later variable. Besides, the study concludes that educational level has positive, and corruption, bureaucracy, and conflict also have negative and significant impact on good governance. Finally, recommendation to public institutions and suggestions for other researchers forwarded.

**Keywords:** Bureaucracy, Conflict, Corruption, Educational Level, Good Governance, Public Institutions

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## 1. Introduction

Governance is as old as human civilization and its concept is not new. However, the practical aspect of governance is still new and the communities which needs a literature explanation continuously. However, serious actions and efforts have been taken by various parties like government, academician and professional to strengthen and realize the public sector governance particularly through the practice of good governance [1].

The term “good governance” still remains to some extent controversial for some African countries. However the importance of good governance in Africa has clearly pointed by the following point that is: UNDP and World Bank reports have clearly indicated that without good governance sustainable development is not possible [2].

Good governance is the key for development and prosperity. It is the critical factor in poverty reduction as well as in achieving development objective. However, the current challenges associated with good governance are unbearable due to factors such as corruption, conflict, level of education,

democracy, population size, peace years, unemployment, life expectancy, service delivery, and bureaucratic bottlenecks among others. Good governance could be advanced and realized when it is well designed and practiced. It also will be realized when multiparty politics is well enforced; the state is held accountable; free, fair and periodic election is conducted and human and political rights are respected. In addition, enforcement of rule of law, inclusion of civil societies, transparent policy making, efficient, and citizen participation on local rule and regulations are important attribute of good governance [3, 4].

Ethiopia like any other African country has faced a number of challenges in building good governance. The government of FDRE has taken vital measures to encourage good governance by ratifying a number of international human right instruments, and accepted most of the internationally recognized human rights conventions since 1991, the process of good governance building are facing serious and complex challenges. The challenges are mainly related with that of the infancy of building good governance in the country [5].

According to the survey of Economic Commission for

Africa (2004) which conducted on 28 countries, Ethiopia's performance in all indicators of good governance has founded below the sample average (as cited in [6]). Wan stated that conflict was one of the major challenge to in most of the Africa countries were facing from last three four decades and conflict is still unresolved [7]. According to Javaid conducted corruption has severely impacts the life of the citizens through less return on resource use, lack of salaries, power of influential people, and red tapism and also corruption is both the cause and the consequence of the abuse of human rights [8]. Dagnachew asserts that the problem of bureaucracy takes the law as a hide and civil servants tend to transfer their duties to others instead of working it by them [9].

Reviewing the condition of governance in the public institutions helps the country to further strengthening total activities of good governance. Since researches conducted related to the determinants of good governance at the country in general and Oromia regional state in particular are few, however the researcher couldn't able to get studies that have done on the independent variables such as corruption, conflict, bureaucracy and educational levels, and dependent variable is good governance such indicators are participation, transparency, accountability, equity and equality, effectiveness and efficiency. So this study has been conducted on the determinant of good governance evidence from some selected public institutions found in Jimma city in Oromia regional state such as; Municipality Office, Ethio-Telecom Office, Justice Office, Water & Sewerage Office, Revenues Office, Small-Micro Enterprise Office, and Agency of Urban Land Development and Management Office. Besides, the researcher motivated to fill the gap through considering the currently challenges associated with good governance because, these challenges are unbearable due to their consequences. Following this, the researcher has taken corruption, conflict, educational level, and bureaucracy as independent variables, and dependent variable is good governance and its indicators are participation, transparency, accountability, equity and equality, effectiveness and efficiency.

Thus, the general objective of this study was to assess the determinant of good governance on some selected public institutions in Jimma city. Specifically, this study aims to investigate to what extent bureaucracy, conflict, corruption, and educational level affects good governance.

Generally, the current study assessed previous studies related to good governance has been presented in the following manner. According to Javaid found that the cause of corruption is low salaries, red tapism, power of influential people, and monopoly of power. Corruption has impacts the life of the citizens through fewer returns on resource use and adds manifold to their cost of living. And reduces the efficiency on which an economy depends, and by escalating the cost of investment, lowers the potential return. It also decreases the government's resources and hence its capacity for investment [8].

According to Dayanandan found that lack of members'

involvement in business participation, lack of transparency and accountability, prevalence of corruption and lack of democracy, low commitment and unwillingness of committee members, shortage of training for both members and the boards were observed leads to low good governance [10].

According to Bekele studied the challenges of good governance in Africa with special emphasis on Kenya by taking only certain attributes of good governance such as transparency, accountability, rule of law, and human rights. His finding revealed that good governance in Kenya is rare in put into practice because both the public and private officials are not accountable and decision-making process is not transparent. And bad governance has, over the decades, been manifested, along with other things, abuse of human rights, inequitable distribution of national wealth, lack of constitutionalism, lack rule of law, lack of separation of power, centralization of power, lack of visionary leadership [11].

According to Wan in Africa continent as a whole that is facing so many nation building challenges such as; conflict, poverty, crime, bad governance, corruption, and lack of good infra-structure. He suggested that Africa is rich in natural resources, but cannot utilize them wisely and properly, in spite of recent achievements. The main reason behind this is due to governance problems such as absence of rule of law, weak institutions and widespread corruption [7].

According to Ahmed studied that corruption has been identified as one of the biggest problems in the way of globally established development objectives. In his study contextualize the concepts of good governance, and the obstacle in the way of sustainable economic development. And he identified corruption has been one of the biggest problem [12].

According to Bezabih the study disclosed low level of accountability and transparency in the town administration. The town people haven't say in service provision and prioritization of their shared problems. The study shows low level of attendance during meeting and participants reported they are disengaged in shared affairs. Moreover, corruption is perceived as key governance problem in the town; however, due to fear of reprisal citizens lack experience in exposing corruption. In sum, poor service delivery, gap between local government representative and the town people, high level of rent seeking, weak political leadership, lack of timely response for public interest, and public disengagement in shared affairs were found to be challenges of good governance in Bonga Town Administration [13].

According to Zeleke in his study conducted in revenue office and he found that lack of interest from the side of tax payers to pay the tax and lack of commitment, competent workforce, logistics and facilities (computer) on the side of revenue office as the challenges that hamper the practicability of good governance in the revenue generation office in relation to tax valuation, taxpayer education, tax payer information, tax compliant administration and taxpayer assistance. It can then be concluded that the practicability of good governance in the revenue office is facing challenges [14].

According Melese conducted on that land development and management processes the results showed that the employees are not transparent to the service users. Regarding participation there was weak citizen participation in the land development and management and imbalanced treatment of customers in the service provision were observed as key problems. The thesis also revealed that service users were dissatisfied on the performance of land development and management officials in their service delivery for different needs [15].

## 2. Research Methodology

Causal research design is used to measure what impact a specific change will have on existing norms and assumptions, so causal research design was employed using quantitative research approach for this study. In this study primary source of data was employed using questionnaire method, and secondary sources were also reviewed. 303 respondents were sample size. Civil servants were selected using simple random sampling, and services users were selected using convenience sampling techniques. The data collected from

the survey questionnaire was analyzed on statistical package of SPSS version 20. The data were analyzed by using percentage, frequency, Pearson correlation and multiple liner regression. The model specification of the dependent and independent variables were as follows;

$$\text{General Function: } Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

$$GG = \beta_0 + \beta_1 EdL + \beta_2 Corr + \beta_3 Bru + \beta_4 Con + \epsilon$$

Where,

I. y is the dependent variables

II.  $\beta_0$  is constant

III.  $X_1, X_2, X_3$  &  $X_4$  are the independent variables

IV.  $\epsilon$  is error term

V.  $\beta_1, \beta_2, \beta_3$  &  $\beta_4$  are determining the contribution of the independent variable.

VI. GG is good governance

VII. Edl is educational level

VIII. Corr is corruption

IX. Bru is bureaucracy

X. Con is conflict

## 3. Results and Discussion

### 3.1. Correlation Result of the Respondents

Table 1. Pearson correlation coefficient of respondents.

		Educational level	Good governance	corruption	bureaucracy	conflict
Educational level	Pearson Correlation	1	.729**	.030	-.072	-.074
	Sig. (2-tailed)		.000	.641	.254	.246
Good governance	Pearson Correlation	.729**	1	-.205**	-.229**	-.231**
	Sig. (2-tailed)	.000		.001	.000	.000
Corruption	Pearson Correlation	.030	-.205**	1	-.018	.284**
	Sig. (2-tailed)	.641	.001		.776	.000
Bureaucracy	Pearson Correlation	-.072	-.229**	-.018	1	.113
	Sig. (2-tailed)	.254	.000	.776		.075
Conflict	Pearson Correlation	-.074	-.231**	.284**	.113	1
	Sig. (2-tailed)	.246	.000	.000	.075	

\*\* . Correlation is significant at the 0.01 level (2-tailed).  
Listwise N=250, Source: own survey 2017.

In order to examine the size and magnitude of the relationship between the variables, Pearson correlation coefficient was performed.

Following that the above table 1 indicate that a significantly very strong positive correlation found between educational level and good governance ( $r = 0.729$ ). Then it interpret as any change in the educational level of employees in public institutions, the good governance of it's also have a constant change in the same direction.

Unlikely to that, there is negative relationships found between conflict and good governance ( $r = -0.231$ ), bureaucracy and good governance ( $r = -0.229$ ), and corruption and good governance ( $r = -0.205$ ).

In that case as any change in the bureaucracy, conflict, and corruption in public institutions, the good governance of it's

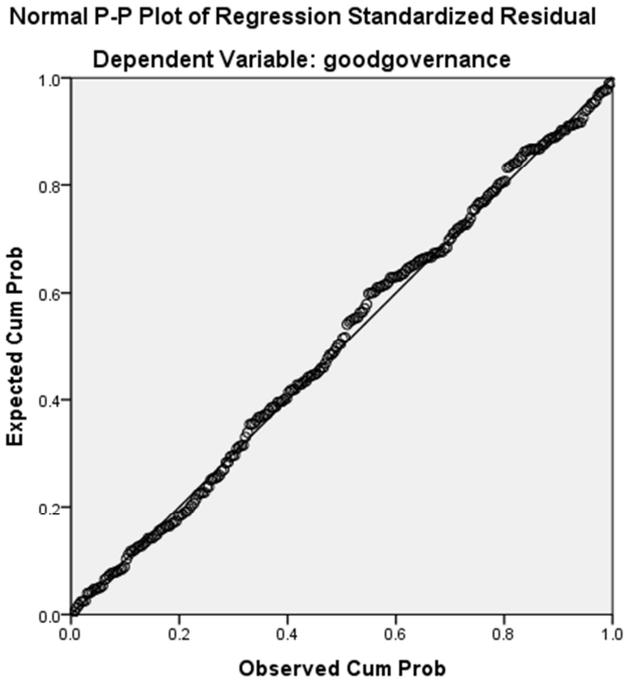
also having a weak change in the opposite direction. According Wan describes conflict has negative relationship with good governance [7]. Huda bureaucracy and good governance go together as they have very closely association [16].

### 3.2. Regression Assumption of Respondents Test

When calculating a regression equation the researcher needs to ensure the following assumptions are met:

#### 3.2.1. Test of Linearity

Below figure 1 the normal P-P Plot of regression standardized residual shows; linear regression fit the data on a straight line which complete reality of linearity.

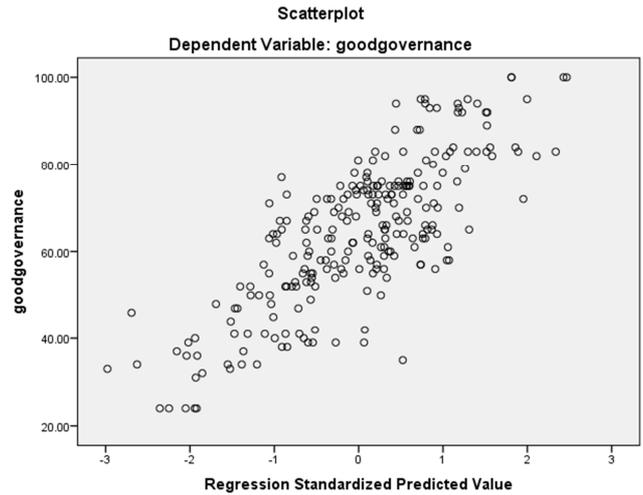


Source: own survey 2017.

Figure 1. Normal p-p plot of regression standardized residual.

**3.2.2. Homoscedasticity Test**

In this assumption the extent to which the data values for the dependent and independent variables have equal variances also known as homoscedasticity [17]. In this test to say model is well fitted, not be draw a pattern. So this below figure 2 model is well fitted, that is not draw pattern to the residuals plotted against the fitted values.



Source: own survey 2017

Figure 2. Scatter plot.

**3.2.3. Multi co Linearity Test**

It means if there is high correlation between the independent variables have multi co linearity problem. The rule of thumb is that the presence of high correlations (generally 0.90 and above) indicates substantial multi co linearity [18]. In addition Kothari describes if there is a high degree of correlation between independent variables, we have a problem of what is commonly described as the problem of multi co linearity [17]. In this study table 2 the highest correlation coefficient is 0.284 less than 0.90 for the independent variables, which is corruption and conflict in the table below explained. So in this study it can conclude that there is no multi co linearity problem.

Table 2. Multi co linearity test.

		Educational level	corruption	bureaucracy	conflict
Educational level	Pearson Correlation	1	.030	-.072	-.074
	Sig. (2-tailed)		.641	.254	.246
Corruption	Pearson Correlation	.030	1	-.018	.284**
	Sig. (2-tailed)	.641		.776	.000
Bureaucracy	Pearson Correlation	-.072	-.018	1	.113
	Sig. (2-tailed)	.254	.776		.075
Conflict	Pearson Correlation	-.074	.284**	.113	1
	Sig. (2-tailed)	.246	.000	.075	

Source: own survey 2017.

According to Hair another way of multi co linearity test is known as Co linearity. It is occurs when two or more independent variables contain strongly redundant information. The implication is that researchers should be careful about putting highly correlated variables into regression equations. To check for co linearity, start by measures include the tolerance value and its inverse – the variance inflation factor (VIF). He recommend that a very small tolerance value (0.10 or below) or a large VIF value (10 or above) indicates high co linearity [18]. But in this study below table 3 shows that VIF is less than 10 and tolerance also above 0.10, so it can conclude there is no co linearity problem.

Table 3. Co linearity statistics.

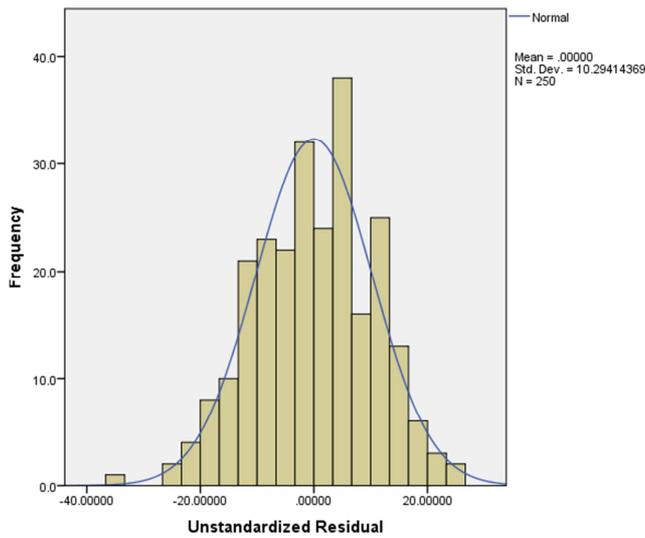
Model	Co linearity Statistics	
	Tolerance	VIF
(Constant)		
Educational level	.988	1.012
Corruption	.915	1.093
Bureaucracy	.981	1.020
Conflict	.900	1.111

Source: own survey 2017.

**3.2.4. Normality Test**

The residuals should follow a normal distribution, with a mean of 0. Recall that a normal distribution is shaped like a

bell—it is symmetric, so this shape implies that symmetric.



Source: own survey 2017.

Figure 3. Histogram of normally distributed residuals.

3.2.5. Model Summary and ANOVA Test

The R-square statistic measures the regression model’s usefulness in predicting outcomes indicating how much of the dependent variable’s variation is due to its relationship with the independent variable (s). The Model Summary table shows the R-square is 0.624, meaning corruption, conflict, bureaucracy and educational level explains 62.4% of the good governance variation.

Table 6. Result of multiple linear regression analysis of good governance.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	48.766	4.203		11.603	.000
Educational level	2.961	.163	.715	18.135	.000
Corruption	-.614	.126	-.200	-4.879	.000
Bureaucracy	-.503	.118	-.169	-4.271	.000
Conflict	-.361	.146	-.102	-2.476	.014

a. Dependent Variable: good governance, p<0.05 is significant level. Source: own survey 2017.

$$GG = \beta_0 + \beta_1Edl + \beta_2Corr + \beta_3Bru + \beta_4Con + \epsilon$$

$$GG = 48.766 + 2.961Edl - 0.614Corr - 0.503Bru - 0.361Con + \epsilon$$

Based on the above table 6, all predictors which are included in model have found to be significant impact on good governance. Those are discussed in the following paragraph.

Educational level which is included in model has found to be significant impact on good governance with p-value of 0.000 is less than 0.05, and the unstandardized coefficients  $\beta$  has positive value (2.961). Then it interprets as that a certain increment in the educational level of employees would result a positive variation in good governance in the public institutions, the other variables in the model are held

Table 4. Model Summary of R-square.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.790 <sup>a</sup>	.624	.618	10.37784

a. Predictors: (Constant), conflict, educational level, bureaucracy, corruption. b. Dependent Variable: good governance. Source: own survey 2017.

This below ANOVA tables indicate that the p-value for the Regression model F test is.000, this means the model is highly significant, and it shows good fitness of data.

Table 5. ANOVA test <sup>a</sup>.

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	43780.521	4	10945.130	101.627	.000 <sup>b</sup>
Residual	26386.379	245	107.700		
Total	70166.900	249			

a. Dependent Variable: good governance. b. Predictors: (Constant), conflict, educational level, bureaucracy, corruption. Source: own survey 2017.

3.3. Regression Result of the Respondents

In order to examine the relative impact of each independent variable, by controlling all the factors, multiple linear regressions is employed.

In this research, the dependent variable is good governance and the independent variables are corruption, conflict, bureaucracy and educational level.

constant. Dayanandan found educational level is one of the factors that challenge good governance [10]. Then it can be concluded educational level has positive and significant impact on good governance.

Corruption has also found to be significant impact on good governance with p-value of 0.000 is less than 0.05, and the unstandardized coefficients  $\beta$  has negative value (-0.614). In that case a certain increment in the corruption would result a negative variation in good governance in the public institutions, the other variables in the model are held constant. Related to that, Ahmed studied that corruption has been identified as one of the biggest problems for good governance [12]. Therefore, it can be concluded corruption has negative and significant impact on good governance.

Bureaucracy has negative and significant impact on good governance, since the P- value 0.000 is less than 0.05, and statistically significant. Its unstandardized coefficients  $\beta$  has negative value (-0.503). Then it implies a certain increment in the bureaucracy would result a negative variation in good governance in the public institutions, the other variables in the model are held constant. Related to this Enahoro found that good governance depends on bureaucracy, because it is the main part of the implementation of the decision of public institutions. In addition he explained in order to bring good governance; the bureaucracy system should be understood [19]. Therefore, it can be concluded bureaucracy has negative and significant impact on good governance.

Since the conflict p-value 0.014 is less than 0.05, then it has significant impact on good governance, and statistically significant. Also its unstandardized coefficients  $\beta$  has negative value (-0.361). So its interpretation as a certain increment in the conflict would result a negative variation in good governance in the public institutions, the other variables in the model are held constant. Wan stated that conflict is one of the major challenge to in most of the Africa countries are facing from last three four decades and conflict is still unresolved [7]. As a result, it can be concluded conflict has negative and significant impact on good governance.

#### 4. Conclusions and Recommendation

The results revealed that educational level has positive and significant impact on good governance in public institutions. Corruption has highest negative and significant impact on good governance in public institutions compared to other variables. Bureaucracy has also moderate negative and significant impact on good governance in public institutions compared to other variables. Finally, conflict has weak negative and significant impact on good governance in public institutions compared to other variables.

Based on results and conclusion, the following recommendations were forwarded:

- i. It's advisable to Public institutions to consider the educational level of employees to improve good governance within its. In addition it is recommended that employees needs improve its educational level.
- ii. It's recommended that public institutions need involvement to handling the conflict between public servants and services users.
- iii. It's advisable that the public institutions need review the existing situation, and make a reform if it is happen necessary.
- iv. In addition it's recommended that institutions need formulate a mechanism to fight corruption. Finally future studies can benefit by including other public institutions that are not included in this study.

Finally, future studies can be benefited by including other public institutions that are not included in this study. Plus longitudinal studies could be suggested to examining the progress of determinants of good governance in the public institutions. Because, longitudinal studies

researchers conduct several observations of the same subjects over a period of time sometimes lasting many years.

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