

FACTORS INFLUENCING EFFECTIVE CORPORATE GOVERNANCE IN SOMALIA PUBLIC SERVICE

¹Osman Abdi Mohamed, ²Dr. Lucy Gichinga

¹Student - Jomo Kenyatta University of Agriculture and Technology

²Phd - Lecturer - Jomo Kenyatta University of Agriculture and Technology-Mombasa Campus

Abstract: Establishing good governance requires long periods and constant efforts. In addition, it also requires commitment and considerable optimism of the whole components of the nation involving three pillars of the nation namely the government apparatus, the private sectors, and the people in order to nurture solidarity to achieve good governance. However, achieving good governance poses daunting challenges. The government of Somalia has shown commitment to improve public service leadership by launching different initiatives under the scope of Peace and reconstruction. Public service leaders at different level advocate transformational agenda to achieve growth and transformation of the country. The focus of governance in the private sector is on the board of directors. In the public sector context, boards are sometimes difficult to identify and define, as they operate in different statutory and managerial frameworks. It is not possible to develop one framework and one set of recommendations of governance that would be applicable to all public sector entities, but similar principles nevertheless apply, whether the controlling body is elected or appointed. In particular, public sector entities have to satisfy a complex range of political, economic and social objectives, which subject them to a different set of external constraints. To effectively provide strategic governance, there is need to identify the factors influencing governance. This study was aimed at investigating the factors influencing governance in Somalia public service. The study was guided by four objectives including, finding out the influence of transparency on governance in Somalia public service, to investigate the effect of accountability on governance in Somalia public service, to determine the effect of rule of law on governance in Somalia public service, to examine the effect of equity principle on governance in Somalia Public service. The study selected a sample of 153 respondents from the government and civil service organizations. In order to conduct the study, the researcher used a questionnaire to collect data in this study. The researcher employed descriptive analysis, percentages and frequencies to analyze the results of questionnaire using Statistical Package for Social Science (SPSS version 22). Data was presented in tables and analyzed using mean scores, standard deviation, frequencies and percentages. From the study data analysis and interpretations, the following summary, conclusions and recommendations were drawn; transparency, accountability, rule of law and equity principle were found to play a big role in factors influencing governance in Somalia public service. Thus the Somalia public service should encourage the use of accountability practices, transparency practices, rule of law actions and the equity principle in governance of public service in the country so as to service delivery.

1. INTRODUCTION

Background of the Study

Over the last decade or so, “corporate governance” has brought about much debate and change in the private sector. “Broadly speaking corporate governance generally refers to the processes by which organizations are directed, controlled, and held to account”, and is underpinned by the principles of openness, integrity, and accountability. Governance is

concerned with structures and processes for decision-making, accountability, control and behavior at the top of organizations (Leny & Novie, 2014). Establishing good governance requires long periods and constant efforts. In addition, it also requires commitment and considerable optimism of the whole components of the nation involving three pillars of the nation namely the government apparatus, the private sectors, and the people in order to nurture solidarity to achieve good governance. However, achieving good governance poses daunting challenges. The challenges mainly lie in the issues of corruption, collusion, and nepotism in the governments' conducts reflected in their business ethics and public services during a long period of time (Leny & Novie, 2014).

The International Crisis Group (2011) stated that after the collapse of the central government, all the public institutions collapsed such as the central bank, judiciary, police and other entities of the country breeding corruption in return. Somalia faces many major corruption challenges that affect conflict-torn countries, with widespread corruption and a deeply deep-rooted patronage system damaging the legitimacy of the internationally recognized Federal Government (FG) (International Crisis Group, 2011). Somalia ranks among the world's most corrupt countries. Insecurity is also a major issue; the ongoing instability greatly restricts business. Corrupt government officials tolerate illegal activities in return for bribes. In Somalia, the Federal Government has a poor record of confronting corruption due to its weak administrative setup, lack of resources and capacity and wavering political will. President Hassan's early pledge to address corruption, clean politics and promote good governance in public administration failed to translate in an articulated strategy (Afyare, 2012).

Statement of the problem

Somalia is a standout amongst the most fizzled states on the planet, since 1991 Somalia was not having a working government and the nation was enduring the non-attendance of a useful focal government. After the breakdown of the focal government, every one of the foundations was given way, for example, the national bank and different elements of the nation. Somalia confronts numerous significant corruption challenges that influence conflict-torn areas with far reaching debasement and a deeply deep-rooted patronage support framework harming the authenticity of the internationally recognized Federal Government (Abruzzese, 2010).

According to the International Crisis Group 2011, both petty and grand forms of corruption are prevalent in Somalia, with widespread misuse of state resources and disregard for ethical conduct by public office holders. A nepotistic job culture, poor book and record keeping and unclear internal procedures and regulations exacerbate corruption challenges and create many opportunities for misusing public resources for private gain. Unethical conducts and misuse of resources can range from unnecessary and extravagant foreign travels to Western capitals to massive mismanagement and misappropriation of state resources (International Crisis Group, 2011). A Public Finance Management Unit's report released in May 2011 also revealed major discrepancies between TFG financial statements in 2009 and 2010 and the actual internal and external revenue received. The report estimated that more than \$72 million in donor assistance was stolen between 2009 and 2010, and a further \$250 million in revenues could not be accounted for (Freedom House, 2011).

In particular, the audit report uncovered gross public financial mismanagement, large scale misappropriation of public and donor funds, unethical and professional negligence, and concealment of actual resource flows among others. Combating corruption is instrumental to the broader goal of achieving more effective, fair, and efficient government. When there is inadequate transparency, accountability, and probity in the use of public resources, the state fails to generate credibility and authority (Freedom House, 2011). Democracy cannot be said to exist in a situation where the freedom of choice is constrained by whatever factors. It is for this reason that corruption has been called the enemy of democracy. Electoral fraud is one of the most devastating forms of corruption to the establishment of a democracy. Leaders who have been selected through electoral fraud are aware of the illegitimate nature of their rule and will seek to perpetuate it by use of coercive force. They will cling to power opposing any efforts to introduce open government leading to curbing personal freedom and abusing basic human rights. They will use whatever political or economic power they can muster to perpetuate their rule and to encourage practice that are dishonest, corrupt and unaccountable (Bertelsmann Foundation, 2012).

An essential attribute of democracy is good governance with goes hand in hand with accountability and transparency. Corruption is the most effective way of obliterating transparency because it thrives in non-transparency. Good governance

is the solution to corruption and will have the effect of reducing its existence. It is against this relevance put on good governance that the study aims at investigating the factors influencing governance in Somalia public service.

Research Objectives

This study will be guided by both general and specific objectives.

General Objective

The general objective of the study is to investigate the factors influencing effective corporate governance in Somalia public service

Specific Objectives

- 1) To find out the influence of transparency on corporate governance in Somalia public service.
- 2) To investigate the effect of accountability on corporate governance in Somalia public service.
- 3) To determine the effect of rule of law on corporate governance in Somalia public service.
- 4) To examine the effect of equity principle on corporate governance in Somalia Public service.

Research Hypothesis

- 1) HO₁: Transparency has no significant effect on corporate governance in Somalia public service.
- 2) HO₂: Accountability has no significant effect on corporate governance in Somalia public service.
- 3) HO₃: Rule of law has no significant effect on corporate governance in Somalia public service.
- 4) HO₄: Equity principle has no significant effect on corporate governance in Somalia public service.

2. LITERATURE REVIEW

Transparency

Transparency is the release of information about institutions which is relevant for evaluating those institutions is an issue of major concern for the contemporary social sciences. In the international relations field transparency has been acknowledged for its potential to contribute to regime effectiveness (Mitchel, 2008), to reduce the risks of conflicts and war and for constituting a potential substitute or compensation for the poor prospects of democratic accountability of international organizations (Keohane, 2010).

Transparency and accountability are critical for the efficient functioning of a modern economy and for fostering social well-being. In most societies, many powers are delegated to public authorities. Some assurance must then be provided to the delegators that is, society at large that this transfer of power is not only effective, but also not abused. Transparency ensures that information is available that can be used to measure the authorities' performance and to guard against any possible misuse of powers. In that sense, transparency serves to achieve accountability, which means that authorities can be held responsible for their actions. Without transparency and accountability, trust will be lacking between a government and those whom it governs. The result would be social instability and an environment that is less than conducive to economic growth (Alesina & Weder, 2009).

Transparency is also promoted as one of the most important medicines against corruption and the improper use of public office in exchange for private gain. In the recent decade there has been a massive wave of research and debate about the causes of corruption driven partly by the growing awareness that corruption is not just a moral problem but also a major impediment to development and growth in large parts of the world (Back & Hadenius, 2008). In the case of oil-producing countries, these concepts take on even greater importance. Oil wealth creates major opportunities, especially in developing countries. The government including parliamentarians plays an important role in managing these opportunities. At what pace should the oil be extracted? How should the proceeds be used? Which investments will best address the country's development needs? The decisions made on such issues can have a long-lasting impact, and can affect the well-being of today's as well as future generations in a society (Asilis, 2010).

Yet, at the same time, the experiences of some developing countries in the management of oil wealth offer dramatic illustration of the problems that could be posed by resource riches. Typically, the exploitation of oil generates very large and sudden revenue inflows. This change alone creates significant challenges for developing countries, not least because their administrative systems are often not well-equipped to handle such flows. Throw in the uncertainty associated with volatile oil prices, and you have an added layer of complexity that further strains an already over-burdened system. At best, these circumstances challenge the most able policymaker on how to handle the new-found wealth. At worst, they present prime opportunities for outright corruption (Asilis, 2010).

Adequate transparency and accountability are therefore critical for ensuring that resource wealth is managed for the benefit of the whole population. Transparency in oil sector operations allows democratic debate on how oil wealth should be handled. In that regard, while the economic implications of poor oil resource management are clear, we must never overlook the likely social consequences of such failure (Borsen, 2015). In brief, the concept of transparent economic policy-making is very broad and needs to be considered in its entirety if economic policies are to be seen as truly transparent. Nevertheless, our own treatment of the subject will have to be narrower. We shall only consider those aspects of transparency that relate to government policies and of activities carried out by government institutions.

In addition, for many reasons governments tend to be most implicated as the origin of corruption and in the lack of transparency. Economic policies and activities of government institutions can be perceived as transparent if the actual policies reflect their actual design in that they transmit the intended messages and signals. Similarly, economic institutions can be treated as transparent if their activities exactly conform to the stated objectives of these institutions and they carry out activities fully consistent with these objectives. Moreover, for economic policies and government institutions to be transparent it must be, of course, assumed that economic policies are clearly formulated, and that government institutions do have clear objectives and mandates. In brief, governments affect transparency through activities that they themselves control – regulatory activities, public sector policies and other (Mauro, 2009).

Transparent economic policies are vital for foreign investors, and the reasons are several. The first reason is that non-transparency imposes additional costs on businesses. These additional costs arise as firms have to tackle the lack of information that should have been provided by the appropriate government department in the implementation of its policies and in the activities of government institutions. For example, firms bidding for a state asset expect to receive full information from the government about the company to be privatized (Mauro, 2009). Additional costs are also incurred because of corruption - another element of non-transparency identified above. In many countries, bribery is illegal. Bribery raises, therefore, the risks and the costs of non-compliance, and the companies will only take the risk if the rewards are sufficiently high. Corruption can indeed be very costly to firms (Rapp, 2010). Transparent economic policies are important for FDI because they facilitate cross-border mergers and acquisitions. When firms decide to acquire companies abroad, they will often have to have their acquisitions approved by the Monopoly Commission or its equivalent in the host (i.e. foreign investment receiving) country. Transparent economic policies positively influence business attitudes (Rapp, 2010).

Accountability

Governments are accountable if their tenure in office depends on their actions. Accountability can be enforced through two distinct mechanisms. Governments are politically accountable when they are subject to sanctions by citizens, that is, if voters can remove incumbents from office when they extract rents in excess of the amount voters see as justified. Since people do not observe most actions of governments directly, they make inferences about actions by observing their outcomes (Arroyo & Sirker, 2009). Accountability ensures actions and decisions taken by public officials are subject to oversight so as to guarantee that government initiatives meet their stated objectives and respond to the needs of the community they are meant to be benefiting, thereby contributing to better governance and poverty reduction.

Evaluating the effectiveness of public officials or public bodies ensures that they are performing to their full potential, providing value for money in the provision of public services, instilling confidence in the government and being responsive to the community they are meant to be serving (Borsen, 2015). Institutions of accountability, such as parliament and the judiciary, provide what is commonly termed as horizontal accountability, or the capacity of a network of relatively autonomous powers (i.e., other institutions) that can call into question, and eventually punish, improper ways of discharging the responsibilities of a given official. In other words, horizontal accountability is the capacity of

state institutions to check abuses by other public agencies and branches of government, or the requirement for agencies to report sideways (World Bank., 2010). Alternatively, vertical accountability is the means through which citizens, mass media and civil society seek to enforce standards of good performance on officials (World Bank., 2010). Accountability is a mechanism designed to ensure that the affairs or the entities are conducted with due regard to the interests of those who are interested in the affairs of the entity. Accountability guarantees actions and decisions taken by public officials regarding government initiatives and respond to the needs of the community thereby contributing to better governance and poverty reduction (McNeil & Mumvuma, 2009).

The Good governance recognizes accountability in terms of improving the delivery of public services, measuring performance and providing incentives to achieve targets and sanctions in case of non-performance. Accountability is not to be viewed only in terms of democratic control and integrity of operations but also in terms of performance. Accountability is important in evaluating the on-going effectiveness of public officials or bodies ensures that they are performing to their full potential, providing value for money, instilling confidence in the government and being responsive to the community (Malena, Forster, & Singh, 2007). Bureaucracy is a social institution, and its members, do not shrink from exercising this power in their own favour, unconcerned about, or to the detriment of, the people whom they profess to serve. No government, of whatever complexion, can evade the need for accountability. In a democracy, accountability inevitably assumes a pre-eminent position as it derives its legitimacy from the people at large (World Bank., 2010).

Accountability is at the heart of every government, what the nature of that accountability, and how it is articulated, however, depends upon the kind of polity a country has. The greater the need for accountability, the greater is the difficulty of its enforcement. Bureaucracy tends to monopolize within itself awesome power, which is not necessarily used for the citizen's welfare. Accountability is important in good governance to keep the public servants tuned to the right perspective, including goals; society needs to have at its disposal definite ways of holding the servants accountable (Arroyo & Sirker, 2009).

Rule of Law

The rule of law, transparency and accountability in the public sector serve not only as means to counter corruption but also as fundamental conditions of good governance. Corruption is particularly pernicious in the judiciary, an institution that is supposed to uphold the rule of law. In some cases, judges extract bribes not only for delivering a verdict in a predetermined way but even for merely hearing a case (Rose-Ackerm, 2010).

Lower order court clerks can also solicit bribes for producing or hiding certain information that is crucial to cases. The independence of the judiciary itself can be undermined by the executive branch influencing the appointment and promotion of judges. In such situations, judges are pressured to reach verdicts not based on justice but on political expediencies (Rose-Ackerm, 2010). The rule of law refers especially to government under law and to an unending search for reasonableness as law's most basic norm" is the cornerstone of constitutional democracy. It ensures that the state, or "a set of institutions that possess the means of legitimate coercion, exercised over a defined territory and its population," exercises its power in a reasonable and not an arbitrary fashion (Seoul Institute for Transparency, 2011).

The Rule of Law is "a principle of governance in which all persons, institutions and entities, public and private, including the State itself, are accountable to laws that are publicly promulgated, equally enforced and independently adjudicated, and which are consistent with international human rights norms and standards. It requires, as well, measures to ensure adherence to the principles of supremacy of law, equality before the law, accountability to the law, fairness in the application of the law, separation of powers, participation in decision-making, legal certainty, avoidance of arbitrariness and procedural and legal transparency" (Guido, 2009)

Equity Principle

The principle of fairness encompasses the treatment of those groups that face discriminatory practices women, children, ethnic and religious minorities to name a few. It has also focused more attention on the benefits to be derived from devolving power from the center of government to local areas. Fairness is also about the rule of law, a principle enshrined in the Somali Constitution. Among other things, this principle encompasses an independent judiciary, equality of citizens

before the law, the requirement for governments to base their actions on legal authorities and citizens having the right to seek legal remedies against their governments (UNDP, 2014).

UNDP strives to ensure that women have a real voice in all governance institutions, from the judiciary to the civil service, as well as in the private sector and civil society, so they can participate equally with men in public dialogue and decision making. When women participate in decision-making there are benefits for women, men, children, communities and nations. UNDP works with its partners to promote women's political participation in all governance institutions, strengthen women's legal rights and access to justice, assist national partners to ensure that public services benefit women and men equitably, and enhance national capacities to reduce gender-based violence (UNDP, 2011).

Access to public services such as healthcare, water supply, sanitation and education are essential prerequisites for development. Women often have more difficulty accessing the services they need and are entitled to. Also, women are often under-represented in public administrations, particularly in senior positions. In response, UNDP supports governments to: Develop policies and design public services to ensure that women and men benefit equitably; meaningfully include women in planning, budgeting and Policy-making processes for the delivery of services at all levels (UNDP, 2011);

Equity and inclusiveness is one of the important principles in ensuring Good Governance. In the absence of a leadership that encourages openness, participation, transparency we may not envisage equity and inclusiveness. A society's well-being depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups, but particularly the most vulnerable, have opportunities to improve or maintain their well-being. This can be achieved only if the leader gives such opportunity; otherwise, the society, particularly, those vulnerable have no chance to reflect their interest (Acemoglu & Robinson, 2012).

Governance

Governance processes refer to the quality of participation necessary "to ensure that political, social and economic priorities are based on a broad consensus in society and that the voices of the excluded, poorest and most vulnerable are heard in decision-making. Participation is both a right, and a means to more sustainable development. When communities are actively engaged in their development processes, project outcomes will be better targeted to local needs and results will be more sustainable (UNDP, 2014).

Socio-economic well-being will be improved, and so too will the legitimacy of the development process itself. Participation in policy development and the design of development interventions by communities and the society at large, in any society or community, enhances trust between those who decide, those who implement the decisions, and the population at large. Furthermore, inclusive participation through consensus and dialogue facilitate and galvanize the development and implementation of policies and reforms, and are crucial for promoting equity and strengthening the cohesiveness of societies (Kaufmann, 2012).

Inclusive political processes which actively engage citizens and other stakeholders build trust in government and help create more responsive and equitable policies and public services that are better suited to diverse needs. Inclusive institutions level the playing field and provide all citizens with opportunities to participate in and shape public policy (Acemoglu & Robinson, 2012).

However, in practice, politics and policy making can empower some, while marginalizing others. For example, lobbying allows privileged access to decision-making processes for those with greater organizational and financial resources (OECD, 2013). When state institutions are unduly influenced by private interests using nontransparent means, the result is known as "state capture" a form of political corruption. Inequitable distribution of resources and property is more likely to occur when state capture is allowed, political power is allocated disproportionately, and accountability and transparency are limited.

3. RESEARCH METHODOLOGY

Research Design

This study adopted a descriptive survey method, in which both qualitative and quantitative approaches were used. Qualitative analysis was used in behavioral skills, personal attributes and quality data that cannot be quantified while quantitative approach was used in the numerical data that can be easily measured. Descriptive studies- cross-sectional are more formalized and typically structured with clearly stated investigative questions (Vyas & Bapat, 2011). This study design was used because it is the most commonly used research method in social research. It serves a variety of research objectives such as descriptions of phenomenon or characteristics associated with a subject population, estimates the proportion of a population that have this characteristics and discovery of associations among different variables. This was used to find out the factors influencing governance in Somalia public service.

Target Population

The target population contains members of a group that a researcher will study. This study was conducted in Somalia public service. This provided good sample for assessing the factors influencing governance in Somalia Public service because it is one of the model areas for federal governance. The target population of this study was members from the government, and civil society organizations.

A sampling frame is a list of all the items in your population. It's a complete list of everyone or everything you want to study. It contains the names of all items of a universe. The sampling frame involved study members from the government, and civil society organizations.

Sample Size

Sample size determination is the act of choosing the number of observations or replicates to include in a statistical sample. The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample (Bryman & Bell, 2015). The total sample size for this study was obtained using the formulae developed by Cooper and Schinder, (2013) together with (Kothari, 2014). The sample size was 153.

$$n = N / 1 + N (\alpha)^2$$

Where: n= the sample size,

N= the sample frame (population)

α = the margin of error (0.05%).

$$n = 250 / 1+250(0.05)^2 = 153$$

Sampling Technique

The study adopted a simple random sampling technique. In this technique, each member of the population has an equal chance of being selected as subject. The entire process of sampling is done in a single step with each subject selected independently of the other members of the population. There are many methods to proceed with simple random sampling (Cooper & Schinder, 2013).

Data Collection Instruments

This section outlined the methods that was used to collect primary data which was a questionnaire. It also indicated the method that was used to collect secondary data for the study.

Primary Data

The primary research data was collected using a semi-structured questionnaire. Items in the questionnaire was arranged in a logical sequence according to the themes being studied and items that would elicit similar responses being grouped together. The questionnaire had both closed and open-ended, predetermined and standardized set of questions. These closed-ended questions were adopted since they are easier to analyze as they are in an immediate usable form, are easier to administer and are economical to use in terms of time and money (Kothari, 2014). The open ended questions gave the

respondents complete freedom of response in one's own words. The researcher hopes to access greater depth of responses from these open-ended questions since the respondents' responses could give an insight into their feelings, background, hidden motivation, interests and decisions (Bryman and Bell, 2015).

Secondary Data

Secondary data was obtained from literature sources through review of published literature such as journals, articles, published theses and text books. The researcher made use of secondary data from the education sector. These sources were reviewed to give insight in the search for the primary information.

Data Collection Procedure

The data collection instrument in this study was a questionnaire. The research instrument were conveyed to the respondents through the drop and pick technique. The researcher approached each respondent, introduced himself to the respondents by explaining to them the nature and purpose of the study and then will leave the questionnaires with the respondents for completion and picked later within three days. Before the questionnaire is given out, the researcher will seek for authorization from Somalia public service to collect data. A covering letter explaining the objectives of the study and assuring the respondents' confidentiality and asking them to participate in the study accompanied the questionnaire. Respondents will be asked to willingly to participate in the survey and give the data. Respondents were required to fill the questionnaires that included responses on measurement of sustainable performance as well as the demographic information.

Pilot Testing

Cooper and Schindler (2013) indicates that a pilot test was conducted to detect weakness in design and instrumentation and to provide proxy data for selection of a probability sample. Pilot testing provides an opportunity to detect and remedy a wide range of potential problems with an instrument. By conducting a Pilot testing it ensures that appropriate questions are asked, the right data is collected, and the data collection methods works. A pilot study was undertaken on 10 respondents to test the reliability and validity of the questionnaire. The rule of the thumb is that 1% of the sample should constitute the pilot test (Cooper & Schindler, 2013; Creswell, 2013). The proposed pilot test was within the recommendation.

Reliability

Testing of the reliability of the scale is very important as it shows the extent to which a scale produces consistent results if measurements are made repeatedly. This was done by determining the association between scores obtained from different administrations of the scale. If the association was high, the scale yielded consistent results, thus it was reliable. Cronbach's alpha was used to determine the internal reliability of the questionnaire that was used in this study. Values ranged between 0 and 1.0; while 1.0 indicated perfect reliability, the value 0.70 was deemed to be the lower level of acceptability (Hair, Black, Barry, Anderson, & Tatham, 2006).

Validity

Validity is the degree to which results obtained for the analysis of the data actually represent the phenomena under study. It indicates how accurate the data obtained in the study represent the variables of the study (Mugenda & Mugenda, 2009). The researcher used the most common internal consistency measure known as KMO Bartlett's test. It may be mentioned that its value varies from 0 to 1 but, satisfactorily value is required to be more than 0.6 for the scale to be reliable (Bryman & Bell, 2015). The recommended value of 0.7 is the cut off of reliability.

Data Processing, Analysis and Presentation

Kothari and Gang, (2014) argue that data collected has to be processed, analyzed and presented in accordance with the outlines laid down for the purpose at the time of developing the research plan. Data analysis involves the transformation of data into meaningful information for decision making. It involved editing, error correction, rectification of omission and finally putting together or consolidating information gathered. The collected data was analyzed quantitatively and qualitatively. Descriptive and inferential statistics was done using SPSS version 22 and specifically multiple regression model was applied. Set of data was described using percentage, mean standard deviation and coefficient of variation and

International Journal of Novel Research in Marketing Management and Economics

Vol. 5, Issue 1, pp: (112-125), Month: January - April 2018, Available at: www.noveltyjournals.com

presented using tables, charts and graphs. Fraenkel and Wallen, (2014) argue that regression is the working out of a statistical relationship between one or more variables. The researcher used a multiple regression analysis to show the influence of the independent variables on the dependent variables.

The multiple regression equation was as follows;

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$$

Y = Represents the dependent variable, Corruption Reduction

β_0 = Intercept of regression line

$\beta_1 - \beta_4$ = Partial regression coefficient of the Independent Variables

X_1 = Government Transparency

X_2 = Government Accountability

X_3 = Rule of Law

X_4 = Equity Principle

ϵ = error term or stochastic term.

4. DATA ANALYSIS RESULTS AND DISCUSSIONS

Coefficient of Correlation

In trying to show the relationship between the study variables and their findings, the study used the Karl Pearson’s coefficient of correlation (r). This is as shown in Table 4.11 below. According to the findings, it was clear that there was a positive correlation between the independent variables, government transparency, government accountability, rule of law and equity principle and the dependent variable governance. The analysis indicates the coefficient of correlation, r equal to 0.029, 0.809, 0.250 and 0.325 for government transparency, government accountability, rule of law and equity principle respectively. This indicates positive relationship between the independent variable namely government transparency, government accountability, rule of law and equity principle and the dependent variable governance.

Table 4.11 Pearson Correlation

Correlations					
	Governance	Government transparency	Government accountability	Rule of law	Equity principle
Governance	1				
	108				
Government transparency	.029	1			
	.768				
Government accountability	.003	.212*	1		
	.809	.027			
Rule of law	.250**	.058	.021	1	
	.002	.551	.828		
Equity principle	.325**	.045	.142	.171	1
	.001	.642	.142	.076	
	108	108	108	108	108

** . Correlation is significant at the 0.01 level (2-tailed).
 * . Correlation is significant at the 0.05 level (2-tailed).

Coefficient of Determination (R²)

To assess the research model, a confirmatory factors analysis was conducted. The four factors were then subjected to linear regression analysis in order to measure the success of the model and predict causal relationship between independent variables (government transparency, government accountability, rule of law and equity principle), and the dependent variable (governance).

Table 4.12 Coefficient of Determination (R²)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.458 ^a	.210	.179	2.76365
a. Dependent variable: Governance				
b. Predictors: (Constant), Equity principle, Government transparency, Rule of law, Government accountability				

The model explains 21.0% of the variance (Adjusted R Square = 0.179) on Governance. Clearly, there are factors other than the three proposed in this model which can be used to predict governance. However, this is still a good model as Cooper and Schinder, (2013) pointed out that as much as lower value R square 0.10-0.20 is acceptable in social science research.

This means that 21.0% of the relationship is explained by the identified four factors namely government transparency, government accountability, rule of law and equity principle. The rest 79% is explained by other factors in the governance not studied in this research. In summary the four factors studied namely government transparency, government accountability, rule of law and equity principle determines 21.0% of the relationship while the rest 79% is explained or determined by other factors.

Regression Analysis

Analysis of Variance (ANOVA)

The study used ANOVA to establish the significance of the regression model. In testing the significance level, the statistical significance was considered significant if the p-value was less or equal to 0.05. The significance of the regression model is as per Table 4.13 below with P-value of 0.00 which is less than 0.05. This indicates that the regression model is statistically significant in predicting factors of Governance. Basing the confidence level at 95% the analysis indicates high reliability of the results obtained. The overall Anova results indicates that the model was significant at F = 6.833, p = 0.000.

Table 4.13 ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	208.744	4	52.186	6.833	.000 ^b
	Residual	786.691	103	7.638		
	Total	995.435	107			
a. Dependent Variable: Governance						
b. Predictors: (Constant), Equity principle, Government transparency, Rule of law, Government accountability						

Multiple Regression

Table 4.14 Multiple Regression

Model		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	19.224	3.332		5.769	.000
	Government transparency	.113	.102	.011	2.125	.000
	Government accountability	.150	.154	.088	2.976	.002
	Rule of law	.297	.083	.319	3.572	.001
	Equity principle	.622	.143	.392	4.360	.000

a. Dependent Variable: Governance

The regression equation was:

$$Y = 19.224 + 0.113X_1 + 0.150X_2 + 0.297X_3 + 0.622X_4$$

Where;

Y = the dependent variable (Governance)

X₁ = Government Transparency

X₂ = Government Accountability

X₃ = Rule of Law

X₄ = Equity Principle

The regression equation above has established that taking all factors into account (governance as a result of government transparency, government accountability, rule of law and equity principle) constant at zero governance was 19.224. The findings presented also shows that taking all other independent variables at zero, a unit increase in government transparency will lead to a 0.113 increase in the scores of governance; a unit increase in government accountability will lead to a 0.150 increase in governance; a unit increase in rule of law will lead to a 0.297 increase in the scores of governance; a unit increase in equity principle will lead to a 0.622 increase in the score of governance. This therefore implies that all the four variables have a positive relationship with equity principle contributing most to the dependent variable.

From the table we can see that the predictor variables of government transparency, government accountability, rule of law and equity principle got variable coefficients statistically significant since their p-values are less than the common alpha level of 0.05.

Table 4.15: Hypotheses Testing

Research Hypothesis	β	t	Sig.	Comments
HO ₁ : Government Transparency has no significant influence on governance in Somalia public service	.011	2.125	.000	Reject H ₀₁
HO ₂ Government Accountability has no significant influence on governance in Somalia public service	.088	2.976	.002	Reject H ₀₂
HO ₃ : Rule of Law has no significant influence on governance in Somalia public service	.319	3.572	.001	Reject H ₀₃
HO ₄ Equity Principle has no significant influence on governance in Somalia public service	.392	4.360	.000	Reject H ₀₄

5. SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMMENDATION

Summary

The study established that government transparency through integrity policies help administer governance in Somalia public service.

The study established that Somalia public service have invested heavily on matters accountability and various policies have been enacted to enhance accountability issues.

The study results established that the Somalia public service has invested heavily on integrity of the judiciary and just laws to enhance governance in the public sector. Influence of rule of law on governance in Somalia public service.

The study established that there is consultative meetings on development agendas on Somalia public service.

Conclusion

The study concluded that government transparency through integrity policies help administer governance in Somalia public service.

The study concluded that Somalia public service have invested heavily on matters accountability and various policies have been enacted to enhance accountability issues.

The study results concluded that the Somalia public service has invested heavily on integrity of the judiciary and just laws to enhance governance in the public sector.

The study concluded that there is consultative meetings on development agendas on Somalia public service.

Recommendation

The study recommended the following:

1. That the Somalia public service should implement adopt transparency policies such as integrity and business conduct ethics so as to enhance good governance in Somalia public service.
2. That the Somalia public service should encourage accountability in government institutions by investing heavily on accountability matters so as to create awareness of the budgetary allocations and how to spend within the budget limits.
3. That the Somalia public service should hold consultative meetings on development agendas and encourage participation of the poor in government decision making so as to create a sense of inclusivity on equitable governance in Somalia public service.
4. That the Somalia public service should adopt rule of law and administration of justice so as to combat fraud and bribery thus enhancing good governance in Somalia public service.

REFERENCES

- [1] Abdelhadi, A., & Hassan, M. A. (2008). *Participatory management: Would it be a turning point in the history of the Gezira Scheme*. Journal of Public Administration Research and Theory.
- [2] Abruzzese, L. (2010). *The Worst Country on Earth', The World in 2010*. The Economist.
- [3] Acemoglu, D., & Robinson. (2012). *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. New York: Random House.
- [4] Ades, A., & Tella, R. (2009). *Rents, competition, and Corruption*. . The American Economic Review, Vol. 89, issue 4, pp. 982 – 993.
- [5] Adsera, C., & Payne, M. (2010). *Are you being served? Political accountability and quality of government*. . Journal of Law Economics & Organization 19 (2):445-490.

International Journal of Novel Research in Marketing Management and Economics

 Vol. 5, Issue 1, pp: (112-125), Month: January - April 2018, Available at: www.noveltyjournals.com

- [6] Afyare, A. E. (2012). *The Somali Conflict: Root Causes, Obstacles, and Peace-building Strategies*, in *African Security Review*. Institute for Security Studies.
- [7] Aidt, T. (2009). *Corruption, Institutions and Economic Development*. . Oxford Review of Economic Policy, Volume 25, Number 2, 2009, pp.271–291.
- [8] Aidt, T. (2013). *Economic analysis of corruption: a survey*”,. The Economic Journal Volume 113, Issue 491, pp. 632–652.
- [9] Alesina, A., & Weder, B. (2009). *Do Corrupt Governments Recieve less Foreign Aid*. Cambridge: : National Bureau of Economic Research .
- [10] Arroyo, D., & Sirker, K. (2009). *Stocktaking of Social Accountability Initiatives in the Asia and Pacific Region*. Washington DC.: World Bank.
- [11] Asilis, C. (2010). *Corruption and Capital Accumulation*. Washington DC:: International Monetary Fund.
- [12] Back, H., & Hadenius, A. (2008). *Democracy and State Capacity: Exploring a J-Shaped Relationship*. Governance 21 (1): 1–24.
- [13] Beetham, D. (2013). *The Legitimation of Power, 2nd Edition*. Palgrave Macmillan.
- [14] Bertelsmann Foundation,. (2012). *Bertelsmann Transformation Index, 2012 Somalia country report*. Bertelsmann Foundation.
- [15] Booher, D., & Innes, J. (2012). *Network power in collaborative planning*. . Journal of Planning Education and Research.
- [16] Borsen, M. (2015). *Public Accountability*. . Oxford :: Oxford University Press.
- [17] Brunetti, A., & Weder, B. (2011). *A free press is bad news for corruption*. . Journal of Public Economics 87 (7-8):1801-1824.
- [18] Bryman, A., & Bell, E. (2015). *Business Research Methods*. London: Oxford University Press.
- [19] Davis, J., & Donaldson, L. (2008). *Toward a stewardship theory of management*. . Academy of Management.
- [20] Freedom House. (2011). *Freedom of the Press Somalia County Report*. Transparency International.
- [21] Guido, B. (2009). *“United Nations Involvement in Promoting Government Ethics*. Westport,: Praeger.
- [22] International Crisis Group. (2011). *Overview of corruption and anti-corruption in Somalia*. Transparency International.
- [23] International Crisis Group. (2012). *Can the Somali Crisis Be Contained?’, Africa Report*.
- [24] International Federation of Accountants. (2011). *Governance in the Public Sector:A Governing Body Perspective*. New York, New York 10017: International Federation of Accountants.
- [25] Karns, G. (2011). *Stewardship: A new vision for the purpose of business*. . Corporate Governance. 11(4). pp. 337-347.
- [26] Kaufmann, D. (2012). *Governance and the Economy in Africa: Tools for Analysis and Reform of Corruption*. University of Maryland at College Park.
- [27] Keohane, R. (2010). *Redefining Accountability for Global Governance*. In *Governance in a global economy : political authority in transition*,. Princeton, N.J.: . New Jersey: Princeton University Press.
- [28] Kothari, M. (2014). *Research Methods*.
- [29] Legacy Center for Peace and Transparency. (2016). *Overview of Corruption, Underlying Causes, and its Impacts in Somalia!* Legacy Center for Peace and Transparency.

International Journal of Novel Research in Marketing Management and Economics

 Vol. 5, Issue 1, pp: (112-125), Month: January - April 2018, Available at: www.noveltyjournals.com

- [30] Leny, N., & Novie, S. S. (2014). *Factors affecting implementation of good government governance (GGG) and their implications towards performance accountability*. Kuala Lumpur: Procedia - Social and Behavioral Sciences.
- [31] Malena, C., Forster, R., & Singh, J. (2007). *Social Accountability: An Introduction to the Concept and Emerging Practice : World Bank Social Development Papers: Participation and Civic Engagement No.76*. Washington DC: World Bank.
- [32] Marsden, P., & Friedkin, N. (2009). *Network Studies of Social Influence*. In S. Wasserman & J. Galaskiewicz (Eds.), *Advances in social network analysis: research in the social and behavioral sciences*. California: Sage Publications.
- [33] Mauro, P. (2009). *The Effects of Corruption on Growth, Investment and Government Expenditures*. : Washington DC: International Monetary Fund.
- [34] McNeil, M., & Mumvuma, T. (2009). *Demanding Good Governance: A Stocktaking of Social Accountability Initiatives by Civil Society in Anglophone Africa*. : Washington DC: WBI Working Paper No.37261.
- [35] Milward, B., & Provan, K. (2010). *Governing the horror state*. Journal of Public Administration Research and Theory.
- [36] Mitchel, R. (2008). *Sources of transparency: Information systems in international regimes*. International Studies Quarterly 42(1):109-130.
- [37] Mugenda, O. M., & Mugenda, A. G. (2009). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts Press.
- [38] OECD. (2013). *Trust in Government: Assessing the Evidence, Understanding the Policies*. Paris:: OECD.
- [39] Rapp, R. (2010). *Benefits and Costs of Intellectual Property Protection in Developing Economies*. National Economic Research Associates.
- [40] Rose-Ackerm, S. (2010). *Corruption and Government*. Cambridge : Cambridge University Press.
- [41] Seoul Institute for Transparency. (2011). *Anti-Corruption Symposium*. Seoul: University of Seoul.
- [42] Shamarke, O. (2012). *Barack Obama's Afghan Vision Can Work for Somalia*. The Times.
- [43] Stoker, G. (2008). *Governance as Theory: Five Propositions*. International Social Science Journal,.
- [44] UNDP. (2011). *FAST FACTS*. New York: Democratic Governance Group Bureau for Development Policy United Nations Development Programme.
- [45] UNDP. (2014). *Discussion Paper: Governance for Sustainable Development: Integrating Governance in the Post-2015 Development Framework*. . New York, NY 10017 USA: : United Nations Development Programme.
- [46] UNDP. (2014). *Discussion Paper: Governance for Sustainable Development: Integrating Governance in the Post-2015 Development Framework*. . New York, NY 10017 USA:: United Nations Development Programme.
- [47] UNDP. (2016). *Public Administration in Somalia*. CTG Global.
- [48] UNDP Somalia. (2015). *Improving Delivery of Public Services to Citizens through Decentralization Legislation*. Oxford University press.
- [49] Vyas, K. P., & Bapat, V. P. (2011). *Design Approach to Kundan Jewellery-Development*. In *ICORD 11: Proceedings of the 3rd International Conference on Research into Design Engineering*. Bangalore, India.
- [50] World Bank. (2010). *Social Accountability in the Public Sector*. . Washington DC:: World Bank.