

**PERFORMANCE CONTRACT SCENARIO IN SOCIO-ECONOMIC
DEVELOPMENT OF RWANDA: A CASE STUDY OF
GATSIBO DISTRICT**

A Thesis

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Postgraduate Studies and Research

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In Partial Fulfillment of the Requirements for the Degree of Masters of Arts in Development
Administration and Management

BY

MUYOBOKE A. CHRISTOPHER

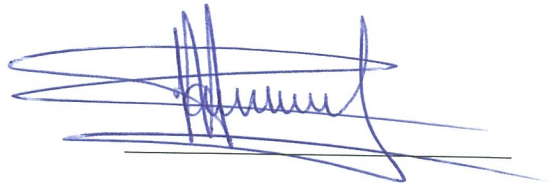
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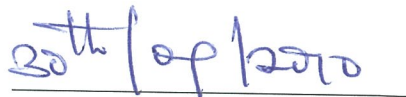


DECLARATION A

This dissertation is my original work and has not been presented for a Degree or any other academic award in any university or institution of learning”



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DECLARATION B

"I/We confirm that the work reported in this dissertation was carried out by the candidate under my/our supervision

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DEDICATION

I dedicate this Thesis to my entire Family

my children Marvin and Bella

my wife and Shirley

God bless you all.

ACKNOWLEDGEMENT

I glory God Almighty for his provisions towards the accomplishment of this plan in my living time.

I wish to acknowledge my indebtedness to the following people whose assistance, courtesy, advice and support made this research a success.

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Lastly, my thanks goes to all my classmates and special friends, Eric, Innocent and the entire course mates with whom we interacted academically while in school and shared constructive ideas regarding academics.

LIST OF ACRONYMS

BNR	:	Banque National du Rwanda (National Bank of Rwanda)
CPI	:	Consumer Price Index
CVI	:	Content Validity Index
GDP	:	Gross Domestic Product
GNP	:	Gross National Product
GOK	:	Government of Kenya
GOR	:	Government of Rwanda
IMIHIGO	:	Performance Contract
KIU	:	Kampala International University
KM	:	Kilometer
MINALOC	:	Ministry of Local Government
OSSEREA	:	Organization for Social Science Research in Eastern and Southern Africa
RWF	:	Rwandan Francs
UN	:	United Nations organization
USA	:	United States of America
USD	:	United states Dollars

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ABSTRACT

The research was on performance contract scenario in socio-economic development of Rwanda.

The research was conducted in Gatsibo District which is one of the seven Districts found in the Eastern province of Rwanda. Research was guided by the research questions of the study which were; to find out if performance contract is a prerequisite to socio-economic development, to examine the effects of performance contracts on the socio-economic development and to find out measures being used to overcome performance contract limitations in decentralized levels of leadership.

It was found that resource utilization, quick accomplishment of the work, promotion efficiency/effectiveness, reduction of corruption, and promotion of hard work were the impact of performance contract to socio-economic development in Gatsibo District.

On the scenario of performance contracts as a prerequisite to socio-economic development of Rwanda, the findings revealed that; guaranteeing of accountability, avoidance of laziness, production of quality work, involvement of community members were the prerequisites of performance contract in Gatsibo District.

On the limitations of performance contracts in the decentralized levels of leadership, the research found out that; lack of technical knowledge, poor leadership and managerial skills, corruption and embezzlement, ethnicity, and gender discrimination were the major challenges of performance contract.

The solutions to the limitation of performance contracts in Gatsibo District included; increase in funding, training of more manpower, improvement of managerial skills need, curbing of corruption, reduction of population through family planning and reconciliation and unity among others were the major solutions.

CHAPTER ONE

INTRODUCTION

1.0 Overview

This section of the research thesis endeavors to give an insight on the research topic “Performance contract scenario in socio-economic development of Rwanda a case study of Gatsibo District. This part briefly discusses the background of the study, statement of the problem, hypothesis, objectives of the study and their realization, scope and profile of the case study, unit of analysis, justification and organization of the study in chapter one.

1.1 Background to the study

Rwanda is recovering from a national tragedy: the genocide of 1994, which devastated the country, amplified poverty and development has been taken at a slow rate. Many have concluded that the consolidated power structure that existed at that time played a role in enabling that atrocity. Since then, the government was characterized by concentration of powers in the hands of few individuals at the central government level. The Ministry of Local Government and Social Affairs (2000) argued that “ The current political, economic and social situations in Rwanda is a direct consequence of the recent political and administration history of the country the apex of which was the cataclysmic genocide of 1994, a genocide planned and effectively executed by the community and agents of the state.”

Relatedly, the inappropriate, highly centralized dictatorial governance of the colonial and post independence administration of the country excluded the population from participating in determination of their political, economic and social wellbeing (Ministry of Local Government and Social Affairs, 2000).

As a result, the Government that came to power in the aftermath of the genocide has seized on decentralization as a key strategy to help prevent such a tragedy from ever happening again.

The Government of Rwanda (GOR) also views decentralization as a way to promote national reconciliation, power-sharing and participatory development at all the local levels.

Owing to the second phase of decentralization and local government reform in Rwanda, in 2006, the government of Rwanda started development strategies based on performance management contracts. Performance contracts are agreements between an administrator (predominantly superintendents) and the subordinates to accomplish the agreed upon task in a specified time bound using specified resources given (Bushweller 1997).

For Murry et al.(1999:33). A performance contract is an agreement between a government and a public agency which establishes general goals for the agency, sets targets for measuring performance and provides incentives for achieving these targets. The use of performance contracts has been acclaimed as an effective and promising means of improving the performance of public enterprises as well as government departments. It is on this regard the all government institutions that is district and the city of Kigali, plus other government institutions signed

performance management contracts with the office of the president of the Republic of Rwanda indicating their short term programs and goals.

According to (Shirley, 1997:23) Performance contract in public sector is viewed as a device to reveal information and motivate workers to exert efforts towards socio-economic development. In this regard, the government of Rwanda has reforms to its different preoccupations; strategic orientation of the government has been developed in vision 2020, in this strategy, the poverty reduction elaborated with the participation partners and actors of the government. It is in this vision that our search will elaborate the impact of performance contracts as an instrument for socio-economic development of Rwanda taking Gatsibo District as a case study.

Performance contracts represent a state-of-the- art tool for improving public sector performance. They are now considered as an essential tool for enhancing good governance and accountability for results in the public sector which is a prerequisite to development (Elizabeth H. 2007). Therefore, to achieve its development strategies Rwanda has embarked on the system of performance contract so as to achieve durable development. At the District level performance contracts are engineered by decentralization process whereby the District is responsible for the following;

As a legal decentralized entity, the District is responsible for overall coordination of economic development and for ensuring the coordination of planning, financing, and implementation of service delivery at sector levels, as well as promoting cooperation with other local governments. An elected council, a mayor, and an executive committee will run the Districts.

Each district will have 45 regular staff for general administration and the coordination and management of service delivery. The specific roles of the Districts are to:

Coordinate economic development and projects.

Consolidate sector development plans and ensure that the planned activities are matched with available resources and reflect the development needs and priorities of the communities. Each sector will be represented through a technical unit at the District level.

Promote planning, development, and employment; health, family, and child protection; education, youth, sports, and culture; and administration and good governance.

Promote development (urban and land use planning, housing and infrastructure). Build capacities of sectors to enhance better service delivery; data collection and population mobilization.

The use of Performance Contracts has been acclaimed as an effective and promising means of improving the performance of public enterprises as well as government departments. Essentially, a Performance Contract is an agreement between a government and a public agency which establishes general goals for the agency, sets targets for measuring performance and provides incentives for achieving these targets. They include a variety of incentive-based mechanisms for controlling public agencies controlling the outcome rather than the process (Gok, (2001).

The success of Performance Contracts in such diverse countries as France, Pakistan, South Korea, Malaysia, India, and Kenya has sparked a great deal of interest in this policy around the world. A large number of governments and international organizations are currently policies using this method to improve the performance of public enterprises in their countries.

Performance Contracts represent a state-of-the-art tool for improving public sector performance. They are now considered an essential tool for enhancing good governance and accountability for results in the public sector (Elizabeth, H. (2007). international experience with privatization suggests that the process of implementing a well thought-out privatization program is a lengthy one. Therefore, in the interim, it is imperative that immediate steps be taken to increase the efficiency of the public enterprises and reduce further drain on the country's treasury resulting from their losses. A rigorous performance contract exercise reveals the "true" costs and benefits associated with a particular public enterprise. This, in turn, provides a valuable basis for Privatization. Similarly, the Performance Contracts with government departments are being used extensively in developing countries to improve the delivery of public services and effectiveness of government machinery. Many countries have had success in improving the performance of their own public sector by designing Performance Contracts after carefully examining and adapting to their particular needs the lessons of the vast international experience with regards to Performance Contracts (Elizabeth, II. (2007).

1.2 Statement of the problem

Importing ideas, concepts, and solutions from the best policy reforms in the world is certainly a good start for designing a policy note. However, when it comes to the time of addressing issues of implementation and change management in a complex environment, it is best not to import Concept but rather to use notions that everyone can easily understand and even identify with.

This is just what the notion of IMIHIGO has come about in Rwanda for the implementation of local government reform aimed for social and economic development of the country and its

people in particular. Thus finding out the existing gap between the theories of implementation of IMIHIGO and the achievements is a paramount issue behind this study.

IMIHIGO synonymously termed as (performance contracts) is used in Rwanda to design performance management contracts signed between the president of the Republic and the District mayors on behalf of their constituencies and local population. It is in this regard that the performance contract in decentralized levels of administration seeks to ensure effective and sustainable use of public resources, to guarantee transparent, accountability and participatory decision making to enhance delivery of basic services.

Therefore, it is on this regard that the study seeks to find out the relationship between performance contracts and socio-economic development of Rwanda and identify if in this vision there is an underlying coherence in society that offers a peaceful environment to people, along with the conditions for developing the collective and individual potential of all Rwandans to contribute to poverty reduction and economic development.

1.3 Research Questions

The research will seek to answer the following questions so as to address the research problem and the stated objectives....(OKURUT, 2007:8). Thus, the research questions to this study are as follows;

1. What is the effect of performance contract to socio-economic development of Rwanda?
2. Do you find IMIHIGO as a prerequisite to socio-economic development of Rwanda?
3. What are the limitations of implementing IMIHIGO in the decentralized levels of leadership in Rwanda and How do you over come them?

1.4 The purpose of the study

Performance contracts scenario is a phenomena which the academia has not much concern and hence would be an instrument to high performance in service delivery and as a result read to development. Thus, the purpose of this study is to examine the effects and relationship between performance contract and socio-economic development. This study also will pave way for other scholars interested in the same or related field of study and will be a tool for policy makers to adjust where there are loopholes in the scenario of performance contract.

1.5 The objectives of the study

1.5.1 The general objectives

The general objective of this study is to examine effects of performance contracts as an instrument for socio-economic development and if the later is a driving factor towards development.

1.5.2 Specific objectives

1. To find out if performance contract is a prerequisite to socio-economic development
2. To examine the effects of performance contracts on the socio-economic development of Rwanda
3. To find out measures being used to overcome performance contract limitations in decentralized levels of leadership.

1.6 The scope of the study

This demarcates the area to be covered by the study, the area could, for instance, be a specific period or a geographical territory (Wangusa 2007). Thus the research was limited to the research topic focus on the impact of performance contracts in socio-economic development.

The study was also limited to Gatsibo District as the case study which is one of the districts making up eastern province of Rwanda. The research was conducted in Gatsibo District which is one of the seven districts making up the Eastern province of Rwanda. It has a total surface area of 1585,3 Km² It has 14 sectors, 69 cells, 603 villages (Midugudu), 71067 families and a total population of 366,879.

The major issues covered in this study were; the quality of service delivery, accountability and commitment among other whereas, the major variables of this study were; IMIHIGO as an independent and development as dependent.

1.7 The significance of the study

This research will add potential to this field of academia and will be a scientific document which will help other researchers, policy makers and academicians interested in the same field. It will also pave way for other people to carry out different researches that are closely related to performance contracts and development. It will also help policy makers in Rwanda to draft suitable policies regarding performance contract and development.

1.8 Organization of the study

This study was organized into five chapters;

Chapter one included; introductory overview, background to the study, statement of the problem, purpose of the study, research questions, objectives, scope and significance of the study among others.

Chapter two focused on the literature review of the study with reference to different sources of data, especially textbooks, journals, related documents among others.

Chapter three dealt with the methodology employed to the study such as research design, sampling procedure, sample, instruments used, the procedure and data analysis.

Chapter four was the interpretation of the findings of the study including answers to research Questions and proving out the objectives of the study how they have been realized or not.

Chapter five was Discussions, Conclusions and Recommendations. This gave out the discussions on the researcher's ideas in comparison with the research findings, this part also included conclusions of major findings and recommendation to policy makers and to researchers so as to exhaust the field of the study.

1.9 Review

This chapter was embarking and tried to show how Gatsibo District is dealing with the issues of performance contracts towards the socio-econornic development of its community and

overcoming different problems of poverty and what has been the impact of imihigo on the population to enhance their socio-economic conditions of life.

This study was conducted in Gatsibo District, It is situated in the Eastern Province of Rwanda where the researcher aimed at identifying the scenario of performance contracts in socio-economic development of Rwanda focusing on Gatsibo District as the case study, and attempt to show the role and relationship between the performance contract and socio-economic development of the country. Among others the variables of the study included the government policies to foster development and performance contracts in particular.

1.10 Definitions of Key terms

1.10.1 Performance

It has been defined by Fouchet, R. (2000:401), as the degree of accomplishment of tasks that make up an employee's job. Whereas according to Gok (1999:11) performance is the organizational ability to attain its goals by using resources in an efficient and effective manner to accomplish institutional objectives and goals.

1.10.2 Contract

According to the Black Law Dictionary (1989) a contract is an agreement between two or more parties creating obligation that are enforceable or otherwise recognizable by law. A contract is a binding legal agreement that is enforceable in a court of law. That is to say, a contract is an exchange of promises for the breach of which the law will provide a remedy. As far as this study

is concerned contracts are agreements signed between the District Mayors on behalf of their constituencies or communities and his Excellency the president of the republic of Rwanda.

These contracts are more based on competitive performance rather than win-win situation.

1.10.3 Performance contract

It is a mutual agreement between two parties that clearly specifies their mutual performance obligations, intention and responsibilities MTNALOC (2006), performance contracts have been applied as a mechanism embarked on to achieve or reach stated goals. This can go hand in hand with managerial organizational performance and motivation. How successfully an organization achieves its objectives, satisfies social responsibilities to large extent depends on performer.

Performance contracts are agreements between an administrator (predominantly superintendents) and the school board that link the administrator's pay to indicators of job performance. Most commonly, performance contracts include bonuses for a job well done, and, less often, salary decreases for poor performance.

1.10.4 The concept of Development

The term development is so controversial it may vary in defining depending on who is defining it, however one can not hesitate to give an insight of major elements in elaborating the term which generally means the process of a general improvement in the level of living, together with decreasing inequality of income distribution, and the capacity to sustain continuous improvement over time. Inevitably there must be a certain arbitrariness in choosing the components to be included and then relative sets would consist of; income improvement, education, health and

nutrition, and consumption including food, housing and such services as water supply, transport, social protection and so on (JAMES,1973).

CHAPTER TWO

LITERATURE REVIEW

2.0 OVER VIEW

This study reviewed the related literature to the field of the study looking and analyzing what other scholars and researchers have done so far on the topic or related areas. This embarked much on the role of performance contracts in socio-economic development and the interrelationship between performance contracts and socio-economic development. Thus this chapter was organized beginning with definitions of the major concepts, among these are performance contracts, Development both social and economic development, the essence of performance contracts and the advantages of performance contracts to mention but a few.

2.1 Performance

It has been defined by Fouchet, R. (2000:401), as the degree of accomplishment of tasks that make up an employee's job. Whereas according to Gok (1999:11) performance is the organizational ability to attain its goals by using resources in an efficient and effective manner to accomplish institutional objectives and goals.

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Performance contracts are agreements between an administrator (predominantly superintendents) and the school board that link the administrator's pay to indicators of job performance. Most commonly, performance contracts include bonuses for a job well done, and, less often, salary decreases for poor performance. The American School Board Journal and George Mason University conducted a nationwide survey of superintendents and school board members on the issue of performance contracts. Survey results revealed that while the majority of respondents (67 percent of board members and 63 percent of superintendents) believed superintendents' salaries should increase with improved District performance, only 44 percent of board members and 34 percent of superintendents believed there should be a decrease in salary for poor performance (Bushwalker 1997).

2.3.1 Performance contracts in Rwanda

Rwandese tradition, IMIHIGO refers to a well known ancestral ritual in which a group of people engages publicly in specific accomplishments to test their bravery. They then by all means try to respect their engagement. A failure is an immense dishonor that brings shame not only on the individual but also on his or her community. If the challenger succeeds, all his or her community will gain respect and admiration from other communities. In a sense, individuals who are committed to an IMIHIGO ritual are bound to their own social group and their engagement can be seen as a pact between themselves and their community. The IMIHIGO also encourages a competitive spirit among the challengers. One of the key characteristics of an IMIHIGO is the fact that it is not based on coercive sanctions in case of failure. It is a system based on bravery, courage, and admirations

Performance contracts shares the same meaning of the word “IMIHIGO” in Kinyarwanda. In Rwanda traditional Imihigo referred to a well known ancestral ritual in which a person or a group of people engaged publically to accomplish their objectives so as to test their bravery. This inspired them to respect their engagements due to the fact that a failure is an immense dishonor that brings shame not only on the individual but also in his or her community. If a challenger succeeds all his or her community will gain respect and administration from other communities, this implies that in performance contracts there is a lot of competition which leads to high performance.

In this sense individuals who are committed to “Imihigo” ritual are bound to their own social group and their engagement can be seen as a part between themselves and their community. The “IMIHIGO” also encourages the competitive spirit among the stake holders and competitors.

One of the major characteristics of Imihigo is that the fact that it is not based on coercive sanctions in case of failure, rather it is a system based on bravery, courage and administration. If a person fails, he or she is going to be given another chance to succeed (OSSREA December 2006 pg 11).

In today’s context of “IMIHIGO” it is used in Rwanda to designate a performance management contracts signed between the President of the Republic and District Mayors on behalf of their constituents, the engagement is recorded publically in a written contract that presents a set of by Developments backed by specific performance indicators over a period of one year.

The first “IMIHIGO” signing ceremony was held on April 2006 at the National Assembly in the presence of the leading state dignitaries, the Donors, Media, which broadcasted the ceremony live through Radio and Television. The population knew that “IMIHIGO” engaged their communities as much as the person who signed them, so the engagement between the Districts and the president was mutual and intended to realize the series of development priorities over a period of a year. Since then the president has argued the central governments to support the Districts and their community through Human, Technical and Financial resources. This is how “IMIHIGO” concept was adopted to focus on results at the local level.

2.3.2 The Essence of performance contracts

The performance contracts approach shares many characteristics with modern best management tools. First, they identify a set of clear priorities and show specific targets backed by measure of performance indicators. Performance contracts have a well defined performance monitoring and evaluation process, and constitutes an efficient accountability mechanism of national development targets (MINALOC, 2006:50)

Performance contracts are based on visible intention of mobilizing resources for economic growth. Under conditions of scarce resources, planned and well managed interventions involving the people themselves rationalize the use of new model. Performance contracts through improved service delivery especially in the social sectors such as education, health and sanitation should be an in road to improve the well being of the people (MINALLOC, 2006).

2.3.3 The advantages of performance contracts

According to (MINALOC, 2006) the advantages of performance contracts have been identified as follows;

- Since performance contracts (IMIHIGO) operates under community participation, it encourages community as well as individual hard working.
- It encourages efficiency and effectiveness since it is characterized by close monitoring and evaluation and this increase service delivery mostly in areas that were prioritized by

local levels of administration such as Umudugudu, cell, Sectors and District contracts with the central government.

- IMIHIGO as it involves community participation, it helps in identifying the ground problems by using community members as they are experienced with their local problems and prioritizing in finding solutions.
- IMIHIGO helps in fighting corruption and acts as a break through by ensuring that important solutions of national and local stake holders are achieved during the course of calendar year due to efficient accountability and incentives mechanism.

2.3.4 Performance contracts monitoring and evaluation

The ministries provided a well defined monitoring and evaluation process to measure and compare district's performance. The IMIHIGO monitoring and evaluation system is structured into four predetermined steps.

A monthly report sent to the ministry of local government, community development and social affairs as a monitoring tool for activities. This report indicates the progress of work on the performance contracts, it also entails to describe how the budget is being allocated to the specific activities which it was planned for before.

A quarterly review looking at performance indicators of work done between the leaders of local government institutions and the corresponding districts where the performance work is being carried out. This is done by a team of experts from the provincial level to monitor and evaluate the performance level of each district and compare which of the district doing better than others.

A midterm review (every six months) on the overall IMIHIGO performance, at which time the local government leaders meet the president and central government ministries to check how far they have gone and look for the way forward. An annual assessment that is held during the existing annual national dialogue on the state of progress, as provided for under the constitution as a consultative forum between the president, members of parliament, central ministries, local government, civil society and other stakeholders (MINALOC, 2006). This function which is done yearly, it is a competitive one where by the mayors representing their districts or constituencies are rewarded according to the improvements they have made in that community. This is the real phase that creates a spirit of nationalism and hard working among local government civil servants and their communities at large.

2.3.5 IMIHIGO as a Results-Based Management Tool

According to the (Policy Note on IMIHIGO, 2006) Soon after the signing ceremony, the district mayors started communication campaigns to explain the key priorities and the targets that the districts committed to. Sectors and cells were solicited to develop their own action plan and targets and to mobilize their populations for local action. IMIHIGOs were also signed locally between the districts and the sectors to increase the binding of all the local governments to harmonized objectives. No other reform initiative could have generated such a quick ownership process as IMIHIGO because the nation could identify with it and knew the meaning of it immediately. It became for the local leaders a powerful tool to gather together the resources needed to produce results that matter for the population.

The IMIHIGO approach shares many characteristics with modern results-based management tools. First, each IMIHIGO identifies a set of clear (and limited) priorities. Second, each IMIHIGO presents a set of specific targets backed by measurable performance indicators. Third, each IMIHIGO undergoes a well defined performance monitoring and evaluation process. Fourth, each IMIHIGO constitutes an efficient accountability mechanism and an incentive for local government leaders and their population to implement the decentralization policies and to meet regional and national development targets.

2.4 IMIHIGO & Decentralization in Rwanda

As decentralization deepened, the Government of Rwanda introduced new strategies to ensure that good governance was benchmarked to targets and results in service delivery. One such strategy were the performance management contracts signed between Districts and the central government and between Districts and lower-level local governments. The performance contracts are popularly known as IMIHIGO. The IMIHIGO were first introduced after the April 2006 local elections. This is when new mayors on behalf of the people they led and the districts they represented, signed each a contract with the President of the Republic of Rwanda. Since then, contracts are signed each year. Every contract entails a number of targets to be achieved in a period of a year by the district administration. The contracts also commit the central government to support local governments technically and financially in realizing their targets. Nowhere else in the Great Lakes region of East Africa do elected local leaders sign contracts with the central government that oblige them to make pledges about what they aspire to do to deliver services to their electorates. The contracts are monitored through a three-tier system.

Every month districts submit reports on progress to the Ministry of Local Government (MINALOC).

In addition they submit quarterly reports to the Prime Minister. Further, they submit semiannual reports to the president of the Republic. The pledging and contracting have been replicated at lower levels of the local government system up to the village Umurenge (sector), Akagari (cell), & iri:vedu (village)]. The central objective of the Government of Rwanda in harnessing this old cultural practice and incorporating it into modern local government was to improve the quality of service delivery both at central and local levels. For local elected local leaders, imihigo has empowered them while at the same time opening them up to keen scrutiny, thereby focusing their minds on living up to the expectations of their constituents and the central government (Mutebi, 2005).

2.5 The concept of Development

The term development is so controversial it may vary in defining depending on who is defining it, however one can not hesitate to give an insight of major elements in elaborating the term which generally means the process of a general improvement in the level of living, together with decreasing inequality of income distribution, and the capacity to sustain continuous improvement over time. Inevitably there must be a certain arbitrariness in choosing the components to be included and then relative sets would consist of; income improvement, education, health and nutrition, and consumption including food, housing and such services as water supply, transport, social protection and so on (JAMES,1973).

UMALELE, (1996:4), contends that, development should be perceived as a multi-dimensional process involving the re-organization and re-orientation of entire economic and social spheres. In addition to improvements in incomes and output it typically involves radical changes in institutional social and administrative structures as well as in popular activities and even sometimes in customs and beliefs.

According to (MICHAEL, 1977), development is the process of improving the quality of all human lives. He gave the following aspects;

- Raising people's living levels ie their income, consumption levels education etc through relevant economic growth processes.
- Creating conditions conducive to the growth of people's self esteem through the establishment of social, political and economical systems and institutions which promote human dignity and respect.
- Increasing people's freedom to choose by enlarging the range of their choice variables- for example, increasing varieties of consumer goods and services.

According to Sapru (1994), development is a complex phenomenon comprising many dimensions- social, political, economic, administrative and cultural. It is a relative term based on values than description.

Development never will be and never can be defined to universal satisfaction. Michael Todaro cited in Sapru (1994) describes development as a multi-dimensional process involving changes in structures, attitudes and institutions as well as the acceleration of economic growth, the

reduction of inequality and the eradication of absolute poverty. Chi-Yuen Wu (2004) defines development as “a process of societal transformation from a traditional society to a modern society and such a transformation is also known as modernization”.

The Brandt commission report also indicates that development is now widely recognized as involving a profound transformation of the entire economy and social structure.

In brief development is a process of improving the well-being of people. It is about raising the standards of living of the people improving their education and health and also opening them out to new and equal opportunities for a richer and more varied life.

2.5.1 Economic development

Economic development is an important component of development of the general process of development, it address the issues of raising national income, reducing poverty, more equitable distribution of wealth and income, these are political concerns to the economic dimension of development (HOGENDORN,J. 1996). On the other hand , (CLEVER, 1997) argues that economic development is the process by which an economy is transferred from whose rate of growth of per capita income is small or negative, to one in which a significant self sustained rate of increase of per capita income is a permanent long-run feature.

To Mairer (1986:6) believes that economic development is the process whereby the real per capita income of a country increases over for a long period of time, subject to the stipulations that the number below the “poverty line” does not increase and that the distribution of income does not become an equal.

Mairer further cited that;

‘If an interest in the development of a poor country arises from a desire to remove mass poverty, then we should also emphasize as the primary goal to rise per capita real income rather than simply an increase in the economy’s real national income and connected for population change. He also stresses along period of time because what is significant from the point of development is sustained increase in real income not simply a short period rise, such as occurs of to the upswing of business cycle’’

According to the above statement one can say that, economic development is the process by which real GNP per capita increases qualitatively and quantitatively over a long period of time in the country. It can be measured by increase in real per capita income and increase in things which improve the welfare and quality of life such as housing, medical care and food.

2.5.1.1. Major Challenges facing Rwanda’s Economy today

The economy of Rwanda is currently characterized by internal (Budget deficit) and external (Balance of payments) macroeconomics disequilibria, alongside low savings and investment rates and high unemployment (Table 1) in addition, Rwanda’s exports, composed mainly of tea and coffee whose prices are subject to fluctuations on the international market have not been able to cover imports needs (Rwanda’s Vision 2020: 2000)

Table 1: Rwanda's Macro-economics indicators from 1995 to 2000

indicators		1995	1996	1997	1998	1999	2000
inflation rate (%)	CPI	48.2	13.4	11.7	6.8	-2.4	3.9
	GDP Deflator	51.3	10.9	15.6	2.2	-3.5	3.3
current savings less investment	% GDP	-22.3	-20	-18.4	-17.4	-15.6	-16.3
	In billion			-	-	-	
	RwF	-77.5	-85.4	103.1	110.1	101.8	-115
governmental absorption (%GDP)		122.8	120.3	124.6	120.4	118.7	113.7
overall budget deficit (%GDP)	Without grants	-13.3	-13.1	-9.9	-8.3	-9.7	-8.9
	With grants	-2.3	-5.7	-2.5	-3	-3.8	0.1
current account balance transfers	Excl. official transfers	-20.5	-19.1	-17.6	-16.8	-17.1	-16.9
	Incl. Official	4.5	-0.3	-4.9	-9.4	-7.6	-5.1
real GDP per capita (USD)		185.6	204.3	216.8	202.6	252.5	227.7
tourism service (% Exports)			20	14	17	26	25

Source : Rwanda Development Indicators Reports, BNR Reports

This overall situation can be best explained by reviewing a number of individual challenges facing Rwanda's economy however, since 2000 as the table above shows there has been a remarkable progress on the national economy but one can not underestimate the following challenges;

(i) Diminishing agricultural productivity and Arable land distribution

Agriculture, accounts for more than 90% of the labor force, yet remains unproductive and largely on a subsistence level. Distribution of arable land now stands at one hectare for every 9 Rwandans and is diminishing due to high birth rates. The obvious consequence is that a substantial number of rural families who subsist on agriculture own less than 1 hectare, which is too small to earn a living. Available pastureland is 350,000 hectares most of which is of poor quality. This results in intense exploitation of the land, with no simultaneous application of corrective measures, most notably through fertilizer use. The net result has been a decline in land productivity and massive environmental degradation, contributing to rampant malnutrition amongst the Rwandan population. Rwandans can no longer subsist on land and ways and means need to be devised to move the economy into the secondary and tertiary sectors.

(ii) Natural Barriers to trade

Rwanda is land-locked, with long distances from ocean ports; a factor that raises transportation costs for both exports and imports. The country lacks a link to regional railway networks, which means most trade is conducted by road. Poor road quality creates high transportation costs leading to inflated prices of domestically manufactured products, as raw materials used for manufacturing need to be imported. These natural barriers to trade hinder industrial and other forms of development.

(iii) Narrow economic base

It is clear that increases in the productivity and exports of Coffee and Tea alone, will not be sufficient to build the Rwandan economy. Therefore efforts need to be made to expand the

economic base and especially exports. Although there are small pockets of various high value minerals in Rwanda, there is no single natural resource of sufficient quantity that will kick-start the economy. For several decades, the mining sector was largely based on the extraction and export of Cassiterite from several mines and numerous surface operations. Deposits of other minerals such as Wolfram, Colombo-tantalite and Gold do exist, but total reserves are not known. The country does have estimated reserves of 60 billion cubic meters of natural gas in Lake Kivu, but this sector has lacked investments both for effective exploration and profitable exploitation.

(iv) Weak institutional capacity

Governance, including the management of public resources remains insufficient due to lack of sound institutions and competent personnel. Rather than develop sound systems themselves, past governments continued to rely on foreign technical assistance that was both costly, largely indifferent to domestic long term needs and failed to build local capacities. Although great progress has been made on this front, it still represents a significant hindrance to effective governance.

(v) Low level of human resource development

The severe shortage of professional personnel constitutes an obstacle to the development of all sectors. Lack of adequately trained people in agriculture and animal husbandry hampers modernization of this sector, whilst a shortage technicians and competent managers severely constrains the expansion of the secondary and tertiary sectors. Illiteracy is rampant both amongst the urban and the rural population with 48% of Rwandans unable to read and write. Addressing

this situation is made more difficult by the prevalence of major diseases, such as malaria and HIV/AIDS, which together with malnutrition reduce the productivity of the population.

(vi) Public debt

Rwanda's public debt constitutes a major obstacle to its economic development. Public debt stands at about IJS\$ 1.5 billion and is larger than current national GDP of US \$ 1.3 billion (2000 data). About 75% of public debt is owed to the World Bank and other multilateral lenders. This has been accumulating at a rate higher than the country's capacity to generate wealth to service the debt. A return to sustainable level of debt, where existing debt can be serviced comfortably without jeopardizing the country's growth prospects, is envisaged for 2015. However, continued debt relief and grant financing by donors will still be needed, at least in the medium term and a significant rise in export earnings is vital to avoid returning to the current situation.

(vii) Social and Economic Consequences of the Genocide

The 1994 Genocide devastated the Rwandan economy as well as its population. GDP was halved in a single year, eighty percent of the population was plunged into poverty and vast tracts of land and livestock were destroyed. The genocide also exacerbated a number of development constraints, which existed before 1994. The already poorly developed productive infrastructure was completely destroyed and the nation was robbed of a generation of trained teachers, doctors, public servants and private entrepreneurs. Thus, the consequences of genocide have devastated Rwanda's social, political and economic fabric. Without successful reconciliation, political stability and security, private investors will not develop confidence in the country.

2.5.2 Social development

Social development is a broad concept that is quite close to economic development, according to HOGENDORN (1996), economic development is not a problem to be addressed economically that should be taken around the changes to the surrounding world. Social development has come to mean bringing about improvement in social well-being of people its components consists of provision of health, a change in the status of women, regulation of labor and improved system of works and reduction of poverty and social problems.

According to Garry Jacobs and Harlan Cleveland (1999) Social development consists of two interrelated aspects learning and application. Society discovers better ways to fulfill its aspirations and it develops organizational mechanisms to express that knowledge to achieve its social and economic goals. The process of discovery expands human consciousness. The process of application enhances social organization.

Society develops in response to the contact and interaction between human beings and their material, social and intellectual environment. The incursion of external threats, the pressure of physical and social conditions, the mysteries of physical nature and complexities of human behavior prompt humanity to experiment, create and innovate.

The experience resulting from these contacts leads to learning on three different levels of our existence. At the physical level, it enhances our control over material processes. At the social level, it enhances our capacity for effective interaction between people at greater and greater speeds and distances. At the mental level, it enhances our knowledge.

While the learning process takes place simultaneously on all these planes, there is a natural progression from physical experience to mental understanding. Historically, society has developed by a trial and error process of physical experimentation, not unlike the way children learn through a constant process of physical exploration, testing and even tasting. Physically, this process leads to the acquisition of new physical skills that enable individuals to utilize their energies more efficiently and effectively. Socially, it leads to the learning and mastery of organizational skills, vital attitudes, systems and institutions that enable people to manage their interactions with other people and other societies more effectively. Mentally, it leads to organization of facts as information and interpretation of information as thought.

The outcome of this learning process is the organization of physical skills, social systems, and information, which are then utilized to improve the efficiency and effectiveness of human activities. It is a cyclical process in which people are continuously learning from past experiences and then applying that learning in new activities.

This learning process culminates in a higher level of mental effort to extract the essence and common principles or ideas from society's organized physical experiences, social interactions and accumulated information and to synthesize them as conceptual knowledge. This abstract conceptual knowledge has the greatest capacity for generalization and application in other fields, times and places. The conceptual mind is the highest, most conscious human faculty. Conceptual knowledge is the organization of ideas by the power of mind. That conceptual knowledge

becomes most powerful when it is organized into a system. Theory is a systematic organization of knowledge.

A comprehensive theory of social development would provide a conceptual framework for discovering the underlying principles common to the development process in different fields of activity, countries and periods. It would also provide a framework for understanding the relationships between the accumulated knowledge generated by many different disciplines. If pursued to its logical conclusions, it would lead to not just a theory of social development, but a unifying theory of knowledge—which does not yet exist in any field of science or art.

2.5.3 Socio-Economic Development

According to Tayebwa (1992), Socio-Economic Development refers to the process by which real GNP per capita increases quantitatively and qualitatively over a long period of time in the country. It is measured by the increase in real per capita income and increase in things which improve the quality of the life of man for example Housing, medical care, food, education and infrastructure. In this case Rwanda is among the developing countries where the GDP increase per annum is relatively higher than others, this is for real since before the global economic crisis that heat the whole world in 2009 Rwanda's rate of economic growth was growing at 11% which was among the highest figure not only in great lakes region or Africa but the world at large.

The World Bank report (1997:3) defines socio-economic development as a strategy to improve the economic and social life of a specific designed group of people especially the rural poor. It

involves extending the benefits of development to the poorest amongst those who seek a livelihood in the rural areas. The group may include small scale farmers, tenants and the landless who are the most vulnerable in rural communities.

A strategy for socio-economic development must recognize three points (World Bank 1997:15) firstly, the rate of transfer of people out of low productivity agriculture and related activities into rewarding pursuits has been; and given the relative size of the modern sector in most developing countries where Rwanda is also one of them, will remain a calamity if nothing is being done. Secondly, the mass of the people in rural areas of developing countries face varying degrees of poverty, their position is likely to get worse if population expands at unprecedented rates while limitations continue to be imposed by the available resources, technology, institutions and organizations.

Thirdly, rural areas have labor, land and at least some capital which if mobilized could reduce poverty and improve the quality of life of people in rural areas. This implies fuller development of available resources, including construction of infrastructure such as roads, irrigation works, the introduction of new production technology and the reaction of the new types of institutions and organizations.

2.6 Rwanda's Pillars of development vis-a-vis the IMIHIGO

There are four main pillars of Rwanda's development that imihigo embarks on in the development process; these include Good governance, Justice, Economic base, and Social welfare.

a) Good Governance

Since 1994 Rwanda has gone through stabilization, recovery & reconstruction, institutional development to lay foundation for sustainable development.

Basis of success has been dialogue consensus building and genuine partnership

Can we now have open dialogue to build consensus on GOVERNANCE in RWANDA in this development PARTNERSHIP? These were the closing remarks of a mayor during a session of presentation of performance contract.

Defining Good governance;

Governance is as old as Society, It has many varying definitions. Its main mission is the well being of society. Underlying principles of governance are universal, Institutional frameworks and processes for governance differ across societies-respond to different historical realities Governance must be legitimate through National ownership. This is the real practice in Rwanda (MINALOC, 2006).

Governance as a pillar of vision 2020

United and prosperous nation founded on the positive values of its culture. Openness to the world and Diaspora.

Committed to being a capable state, characterized by the rule of law that supports and protects all its citizens without discrimination.

Social and economic transformation towards rapid development.

Ensure good governance, which can be understood as accountability, transparency and efficiency in deploying scarce resources.

People's participation at the grassroots level promoted through the decentralization process.

b) Justice.

Restoration of relative peace and security of person and property, National reconciliation, resettlement and re-integration of the population, Participative constitutional making process Constitutionalising and guaranteeing political and civic liberties (articles 33 —39) National and local democratic elections, Strengthening legislative authority and parliamentary control, Promoting and encouraging respect for Human Rights, Administering justice, law, and order. This is what is engineering the performance contracts in Rwanda and hence spearheading the socio-economic development.

c) The Economic base

Like any other Developing African countries Rwanda's economy depends much on agriculture which contributes more than 80% of the country's economy. This therefore, indicates that much emphasis should be put on transformation of the sector. Thus in Rwanda policies to promote agriculture have been structured and put forward such as the following;

- Green revolution to promote agriculture which is a combination of various ways to promote agriculture production.

- One cow one family policy introduced by his excellence the president of the republic of Rwanda. Cows provide cow dung for organic manure that increases the production of crop yields.
- Agriculture mechanization
- Land consolidation coupled with communal settlement (imidugudu) where people have to settle on a specific place and let the other for cultivation.
- Swamp reclamation where rice growing has been introduced on large scale
- Subsidization of organic and chemical fertilizers to improve crop production and many other policies to mention but a few.

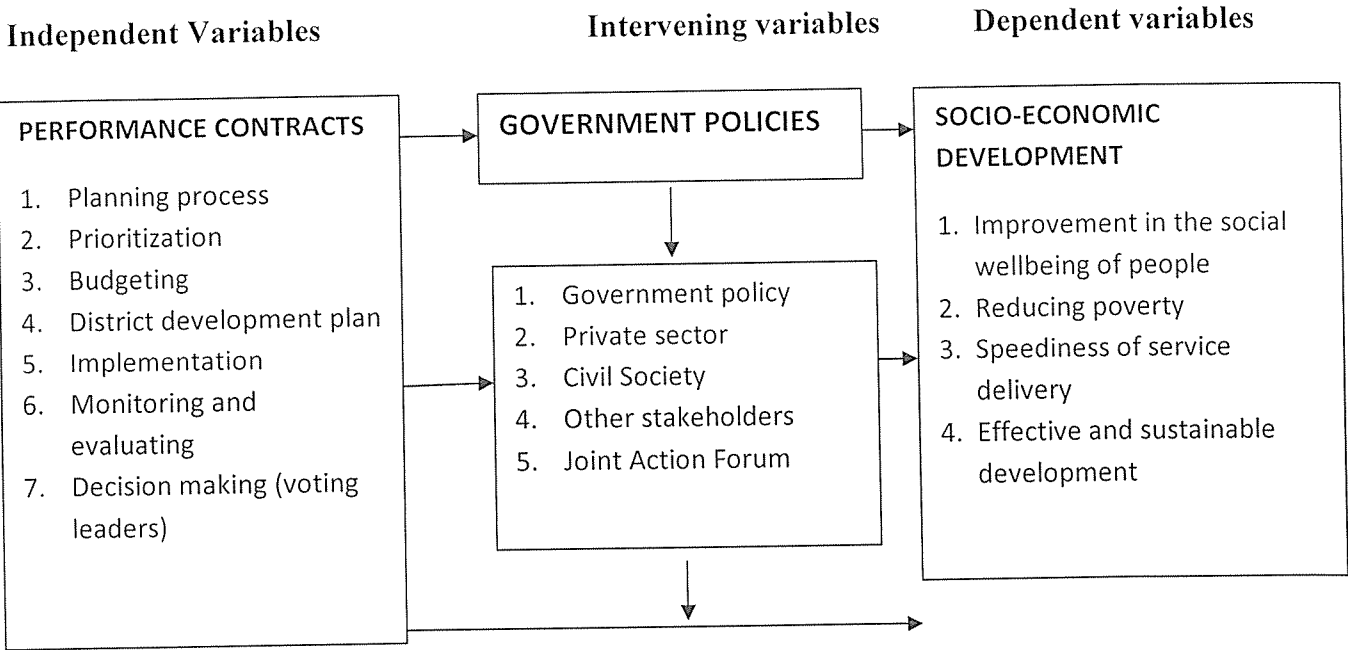
d) Social welfare

According to Gatsibo District evaluation report (2009), in social welfare much emphasis is put on education and health sector services; whereby in education much has been done in increasing school enrolment by universal primary education (IJPE) and the newly introduced nine years basic education in Rwanda which is a free education up to the ordinary level.

On the other hand in health sector there has been introduction of health insurance termed as “Mutuelle de Sante” whereby every person pulls one thousand francs a year and will be treated on free of charge, this came as a supplement to the already existing health insurance such as RAMA which covers government workers and Military Medical Insurance (MMI) which covers the army and police.

2.7 Conceptual Framework.

Figure 1: Conceptual Framework



Source: Researcher generated diagram

—————> Positive relationship

CHAPTER THREE:

RESEARCH METHODOLOGY

3.0 Overview

It is vital to forecast a research methodology that was used to conduct the research in this research study. Thus, in this chapter we tried to look at Research design, sampling procedure, sample, instruments, procedure, and data analysis.

3.1 Research Design

The research design specifies a suitable approach that the study followed such as a survey design, experimental design, case studies, correlation research and so on (Okurut, 2007). On the other hand YIN, (1989:29) confirmed that a research design is intended to ensure that the evidence obtained enables us to answer the initial question as an ambiguously as possible, thus a research design deals with a logical problem and not a logistical problem. Thus, this research followed two research paradigms that is to say; Qualitative and Quantitative paradigms. Thus, as an approach of the study the researcher employed survey and case study designs because we took a sample of one District to represent the country at large.

3.2 Research population

The general research population of interest in this study was the staff (workers) of Gatsibo District from the District level to the cell level and the entire population of inhabitants in Gatsibo District, thus, this is where the sample was extracted as will be shown below.

3.3 Sampling Procedure

The researcher formulates a procedure of selecting subjects or cases from the target population to be included in the sample (Mugenda, 1999). While Okurut (2007) asserts that sampling procedure explains how the sample was arrived at from the population such as through random sampling, purposive sampling and so on for each category of the sample. In this study the researcher used simple random sampling, purposive sampling and stratified random sampling respectively.

Table 2: Sampling frame

Categories of respondents	Population	Sample	Percentage	Method of selection	Number of interviewees	Method of selection
atsibo District staff	42	40	95.2	Random sampling	10	purposive
Executive Secretaries of the Sectors and other workers	98	90	93.75	Random sampling	14	purposive
Cells Representatives	69	60	86.95	Random sampling	15	Purposive
Total	209	190	91.96		39	

Source: Researcher's innovation

As it is indicated in the table above, a hundred and ninety (190) questionnaires were distributed randomly in general to the 190 targeted people as sample of this study and 39 individual were interviewed purposively according to the roles they play in performance contracts, In addition to this, as shown In the Information In the table 1, the number of district's staff and those one from the sector and cell's staff were very large and this means that a researcher preferred to use them in responses of data collection because of their implications and role in performance contracts leading to socio-economic development.

Apart from this kind of sampling the researcher used group discussions during the meetings of community members to observe and learn from the general knowledge of local communities on the issues concerning performance contracts as an engine of Rwanda's socio-economic development. In this case therefore, the researcher attended and participated in five meetings in five different sectors to scrutinize knowledge from local community.

3.3. Sample size

In most research projects it may not be practical or possible to involve the entire subjects of inv6ation, and hen the necessity of basing one's research on a sample (Wangusa, 2007). Thus, here the target population was all the workers of Gatsibo District and the general population of the District. However, specific attention was given to some strata such as administrators, Directors, Executive Secretaries of the District and Sectors respectively and general workers. The target population was 209 District employees and the sample size was 190 workers, and community members through community meetings from the District. The sample was selected in accordance to Morgan's Formula in (Amin: 2005).

3.4 Research instruments

An instrument is a specific mechanism or strategy the researcher uses to collect, manipulate or interpret data (Wangusa, 2007). In this research the following instruments were used;

3.4.3 Documentary analysis

Documentary analysis is also an instrument of data collection to be used by the researcher, whereby books, Imihigo reports, monitoring and evaluation reports. This provided the primary data: and was vital to this study.

Documentary analysis covers a wide variety of sources, including official statistics, photographs, texts and visual data (May, 2003). He further argued that ‘when engaged in socio-historical analysis [as is my research question] documentary analysis can be a useful research tool’ (2004, p.1 58). Documents such as newspapers, books, magazines and government minutes can be read and preserved so that they are available for analysis by the social researcher (Bryman, 2004). The extent of their relevance depends, however, on the adequacy of the document chosen for the phenomena being investigated.

3.4.1 Interviews

An interview is an oral administration of questionnaire or an interview schedule. Interviews are therefore, face-to-face encounter. To obtain accurate information through interviews, a researcher needs to obtain maximum cooperation from respondents (Mugenda, 1999). Therefore, the researcher established a friendly relationship with the respondents prior to conducting the interview, this developed interpersonal relationship and hence created a conducive environment for conducting interviews.

3.4.2 Questionnaires

According to Wangusa (2007), a questionnaire is a set of related questions designed to obtain written information about a specific subject from respondents. These used to collect the information from the sample, questionnaires were formulated according to the research objective, both structured, closed-ended questions and open-ended questions were used in the study.

3.5 Data Analysis

Data analysis suggests techniques that were appropriated to answer the research questions posed for the study (Okurut, 2007). This study used correlation coefficients for statistical analysis and thematic analysis for qualitative data that provided answers to the research questions and objectives.

For the qualitative Data the researcher compared and analyzed critical information from respondents that were obtained during meetings and observations in the field with community members whereas, for the quantitative data after obtaining questionnaires back from respondents each questionnaire was assigned a number and each question was critically analyzed comparing relationships between responses from different respondents, this was done using both manual and a computer program called SPSS.

3.6 Validity and Reliability

According to Amin, (2005), for the instrument to be accepted as valid, the average index should be 0.76 or above. To ensure validity of questionnaires and interviews guides, the researcher presented them to 10 academic experts including the supervisor. If for example nine of these approve, the validity of instrument is approved at such a way content validity index (CVI) = Number of judges declared item valid/total number of items. $9/10 = 0.9$. If the result is equal or greater than 0.76, according to Amin, (2005), the instrument is considered as valid. In this case, 0.9 is superior to 0.76, i.e. thus the validity of instrument is observed.

With reference to the above technique, a pre-test was conducted followed by a post-test after an elapse of two weeks, to ensure the clarity of questions, their effectiveness and consistency and the time was required to complete the questionnaire, and to make sure that the questionnaire to measures what it intends to measure, the researcher assessed its content validity and reliability.

3.7 Ethical consideration

To gain access to information from respondents, the transmittal letter was received from the Director School of Post Graduate Studies and Research of Kampala International University, which was placed on the top of the questionnaire; and a clear account of requirements was granted to respondents to allow them to be aware of what was required from them. It was clearly indicated that the research was academically based and the findings would serve for academic purposes only and on top of that, there was no need of indicating the respondents names which is

a fundamental issue of confidentiality in the ethics of research. In addition to that the researcher was familiar to carrying out studies since it is not the first time of carrying out such studies.

3.8 Limitations

The research was done in Gatsibo District which is located in Eastern province in Rwanda. The study was conducted between (January 2010- March 2010). It is mainly focused on examining the role of performance contracts in socio-economic Development of Rwanda, particularly in Gatsibo District. This case study is selected purposively because of easy accessibility of information. Thus the limitation being the sample size of one District to represent the entire country which may lead to generalization of findings, however, we tried to overcome this limitation by use of appropriate sampling techniques.

Another limitation was the issue of budget constraint to carry out the research especially carrying out the literature data in various offices in Kigali and collection of data from the field and the interpretation of data using sophisticated computer programs like SPSS which needed an expert in that program. This limitation was overcome by gathering some cash from relatives and coupled with the issue that the researcher himself has been working meaning that he was able to raise more than half of the budget.

Justification of the case study

Though the case study used in this research was concentrating on one District out of 30 Districts making up the country the researcher feels that the conclusions and recommendations from the findings can generally be applied to the whole country due to the following factors;

a) Methodology used favors the justification of the study in such way that various methods were used like documentation and triangulation to compare and contrast the national level and local Districts.

b) The performance contract scenario is presented on one occasion before his Excellence the president of the republic, the cabinet Ministers and deputies, this means that the activity is done in a competitive manner that favors the researcher to compare one District with others and thereafter come up with concrete and profound results which can be generally give a representation of the entire nation.

c) The background of performance contracts and the general principles are the same, this means that, the central government sets up a format of the major four pillars (economic development, social welfare, good governance and social justice) that the Districts will depend upon when presenting and evaluating the progress on the performance contracts. Therefore, this justify that it is not a single entity of one District but rather a general understanding of the whole nation.

d) The historical background of performance contracts originates from the traditional culture of all Rwandans without depending on regional or ethnic factors since it is from a common belief and understanding of the general population a sample of one District is enough to represent the entire nation.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF THE FINDINGS

4.0 Introduction

The data was collected using both quantitative and qualitative methods, which was then analyzed and processed to make it useful and understandable. Data was collected, tabulated and then analyzed.

4.1 Social Demographic Characteristics

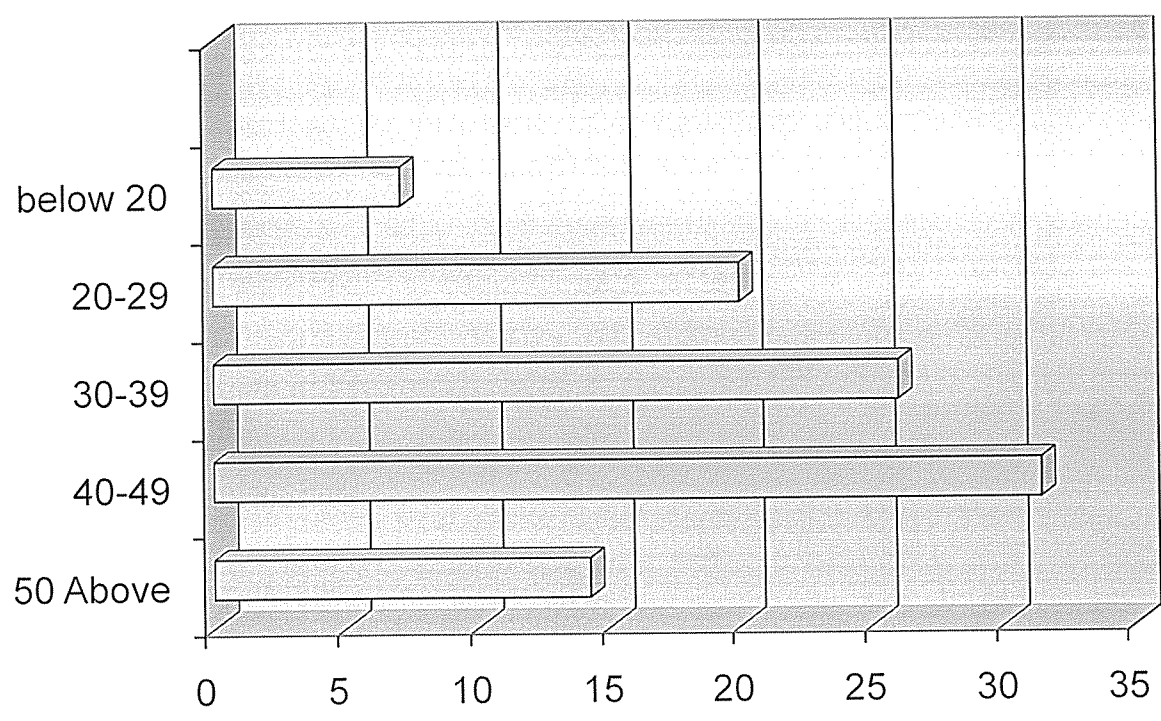
Respondents were asked questions related to their age and the results are shown in the table below

Table 3: Age distribution of respondents

Age group	Frequency	Percentage
Below 20	13.49	7.1
20- 29	38	20
30-39	49.4	26
40-49	60	31.4
50-above	27	14.2
total	190	100

Source: Primary data

Figure 2: Age distribution



The table 3 and figure 2 above show that 7.1% of the respondents were below 19 years, 20% were between 25-29 years of age, 26% were between 30-39 years of age, 31.4% were between 40-49 years and 14.2% were above 50 years of age. This therefore means that majority of the respondents were in the middle age between 40-50 (31.4%) years of age and the least number of the respondents were below 20 (7.1%) years of age. This is an indication that most of the people interviewed are strong and are capable of transforming their community.

4.1.2 Marital Status of the respondents

Another variable which was important in respect to the situation of the people in the area was marital status. Information regarding marital status of the respondents was obtained by asking them whether they were married, single, widowed or widowers.

Table 4: Marital status of the respondents

Marital status	Frequency	Percentage
Married	78.85	43.5
Single	32.87	17.3
Widow	47.5	25
Widower	26.98	14.2
total	190	100

Source: Primary data

Figure 3: Age Distribution of Respondents

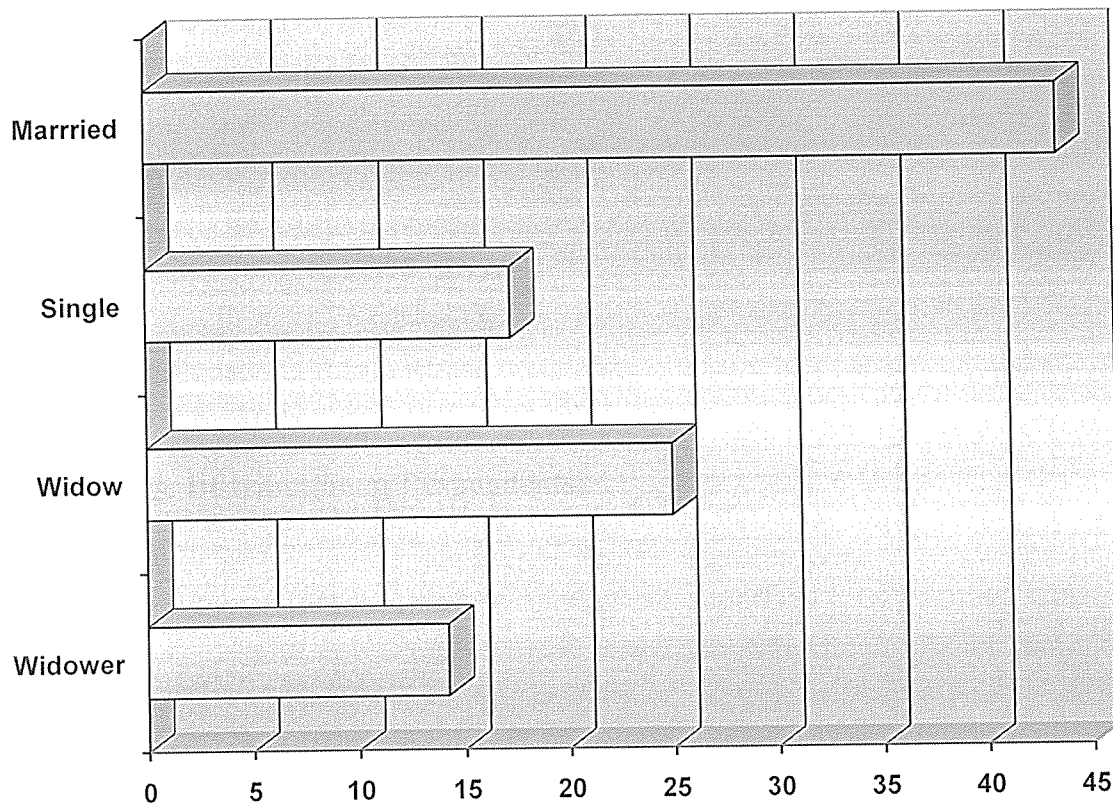


Table 4 and figure 3 above show that 43.5% of the respondents were married, 17.1% were single, 25% were widows and 14.2% were widower. The analysis here is that many of the respondents were married (43.5%) as compared to widowers who were 14.2% of the total percentage of the respondents.

4.1.3 Sex of the respondents

Sex was also another factor which was considered during the study. This is because the researcher was interested in finding out the number of females and males in the whole of the population, and compares the percentage composition of tile two.

Table 5: Sex of the respondents

Sex	Frequency	Percentage
Male	108.3	57
Female	81	43
Total	190	100

Source: Primary data

Figure 4: Showing Sex of the respondents

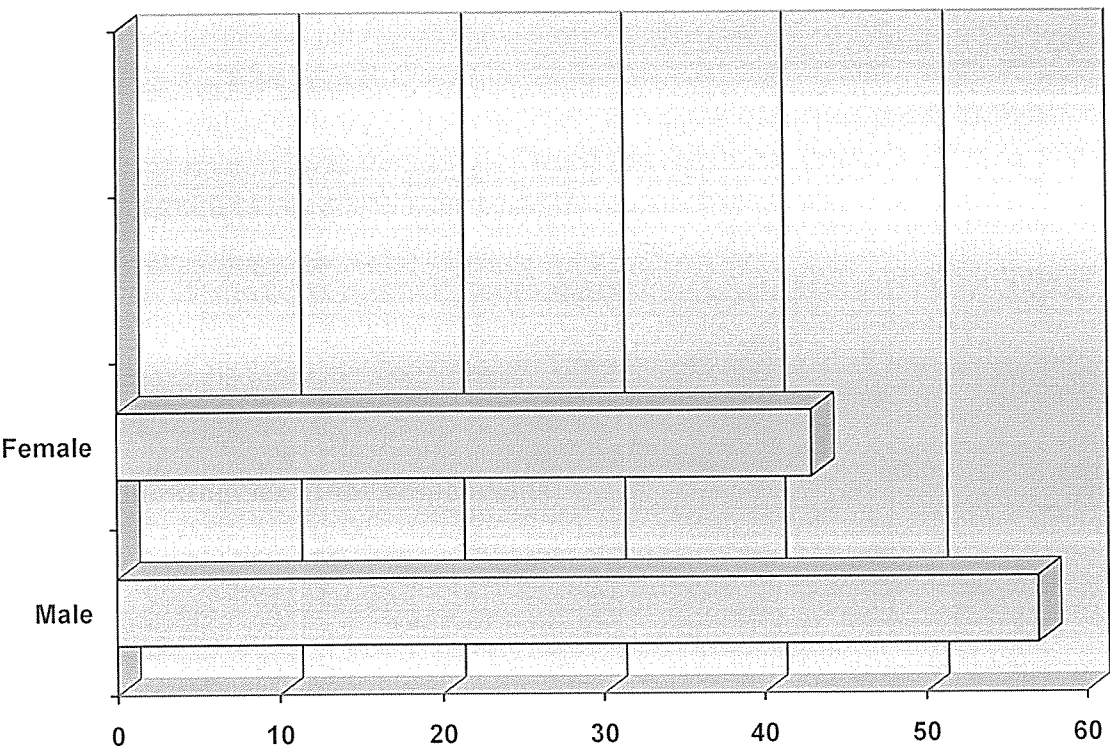


Table 5 and figure 4 above shows the sex of the respondents and it was found that 57% of the respondents were males and 43% were females. Majority of the respondents were therefore male as compared to females who only constituted 43% of the respondents.

4.1.4 Educational status of the respondents

Respondents were asked questions related to their educational status and their responses are shown in the table below;

Table 6: Educational level of the respondents

Education levels	Frequency	Percentage
Uneducated	13.49	7.1
Primary	32.49	17.1
Secondary	55.1	29
University	26.98	14.2
Tertiary	25.46	13.4
Total	190	100

Source: Primary data

Figure 5: Educational Level of the respondents

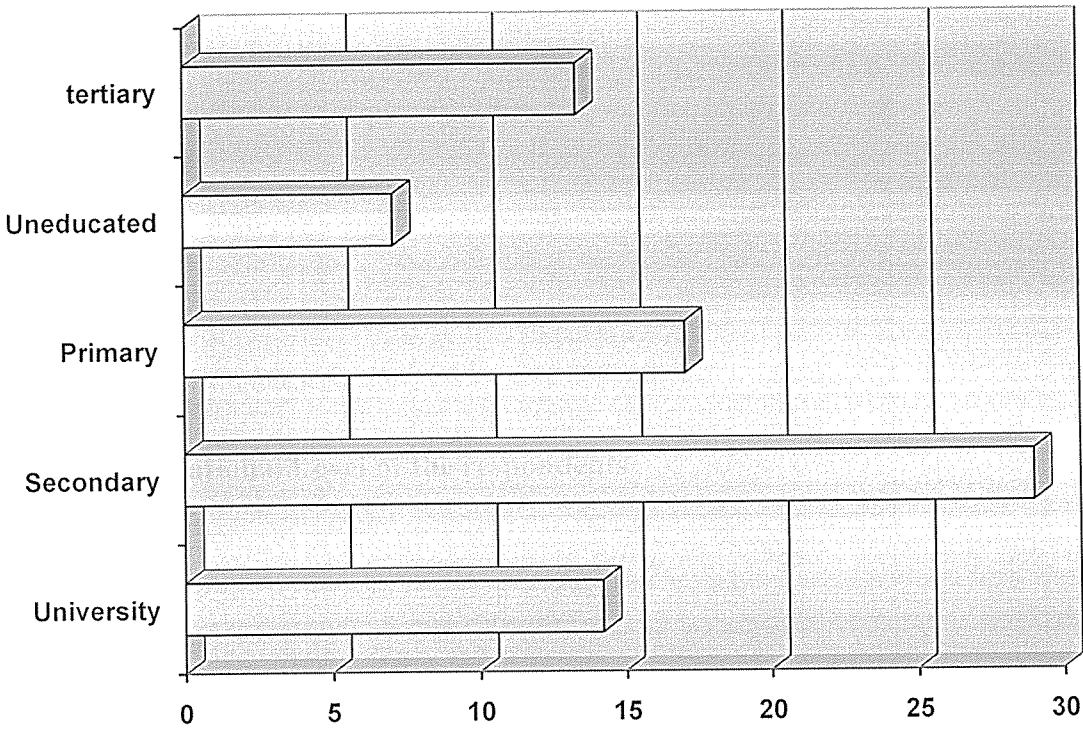


Table 6 above and figure 5 show educational levels of the respondents and it revealed that 7.1% of the respondents were uneducated, 17.1% were of primary level, 29% had secondary education, 14.2% received university education, and 13.4% had tertiary education. According to the findings therefore, majority of the respondents had secondary education with (29%) of the respondents and only (7.1%) of the respondents had not gone to school.

4.2 The effects of performance contract to socio-economic development

Table 7: The effects of performance contract to socio-economic development

Answer	Frequency	Percentage
Promotes hard work	40	21
Reduces corruption	36	19
Promotes efficiency/effectiveness	38	20
Quick accomplishment of work	36	19
Maximum utilization of resources	40	21
Total	190	100

Source: Primary data

Figure 6: The impact of performance contracts to socio-economic development

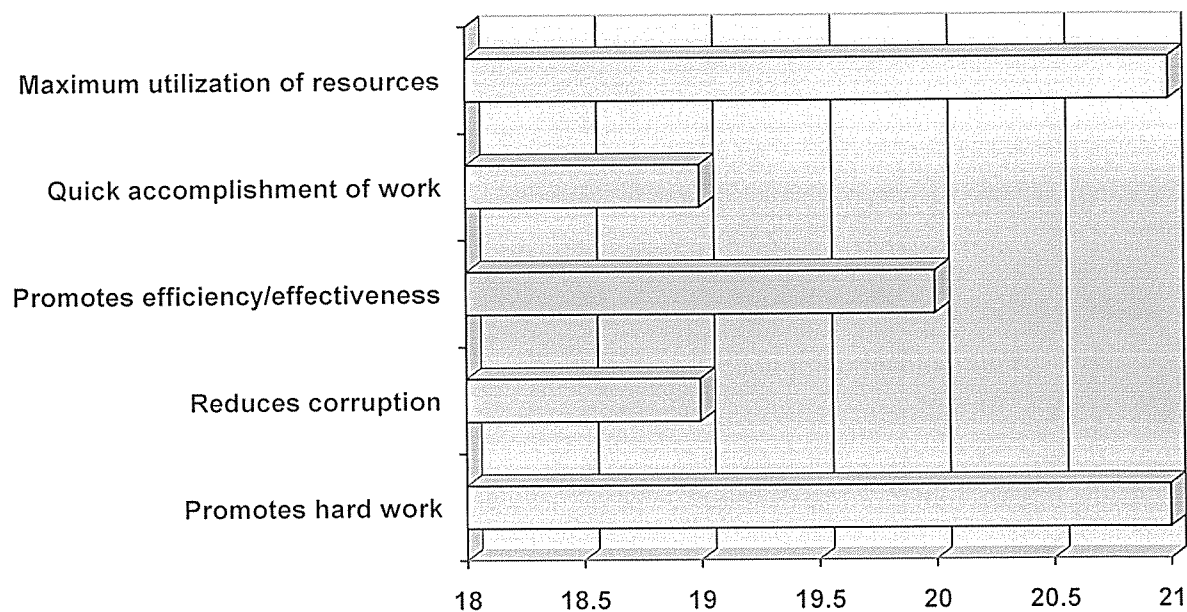


Table seven and figure six above show the impact of performance contract to socio-economic development in Gatsibo District and the findings reveal that; maximum utilization of resources is one of the impacts of performance contract. Over 21% of the respondents noted this and they stated that resources are fully utilized since the only needed resources are given to the subcontractor who intends to carry out the project to its accomplishment since an agreement will have been signed stipulating the amount of money and the amount of time needed for the work to be done fully, hence resources are maximized and wastage is limited.

It was also noted by 19% of the respondents that quick accomplishment of work is yet another impact of performance contract in Gatsibo District. The respondents said that work is always done on time since the subcontractor always adheres to the terms and conditions of the work and work is done on time and not beyond the agreed period of time, or otherwise the contract can be terminated between the contractor and the subcontractor. This puts the subcontractor on pressure to finish the work on time, hence minimizing time.

Another 20% of the respondents said that performance contract promotes efficiency/effectiveness. The respondents here reported that effective and efficient work is done. A well organized, professional and valuable work is done since the subcontractor strives for professional work and only the best is done so that he/she can be honoured for the best of the work done under IMIHIGO in Rwanda. For quality work done, the subcontractor receives honour and praises, hence efficient and effective work is done.

Corruption is said to be reduced by over 19% of the respondents. The respondents stressed that corruption is minimal when the government uses performance contracts (IMIHIGO) to have its projects done well and on time. The subcontractor keeps corruption off his/her work because he/she would receive disgrace and shame if found guilty of corruption and this would totally keep such a subcontractor of winning any other government contract in the District, hence IMIHIGO controls corruption.

Finally, 21% of the respondents noted that performance contract promotes hard work in the district as many of the subcontractors do Endeavour to work hard in order to win approval from both -the government and the community as he/she will be seen as someone promoting the interest of the whole community by so working hard. Hard work here means that one has to do every thing with all his/her effort to see that fast and quality work is produced.

4.3 Performance contracts as a prerequisite to socio-economic development of Rwanda

Table 8: Performance contracts as a prerequisite to socio-economic development of Rwanda

Answer	Frequency	Percentages
Accountability is guaranteed	67	35
Laziness is avoided	48	25
Quality work is produced	38	20
Community members are involved	48	25
Total	190	100

Source: Primary data

Figure 7: Performance contracts as a prerequisite to socio-economic development of Rwanda

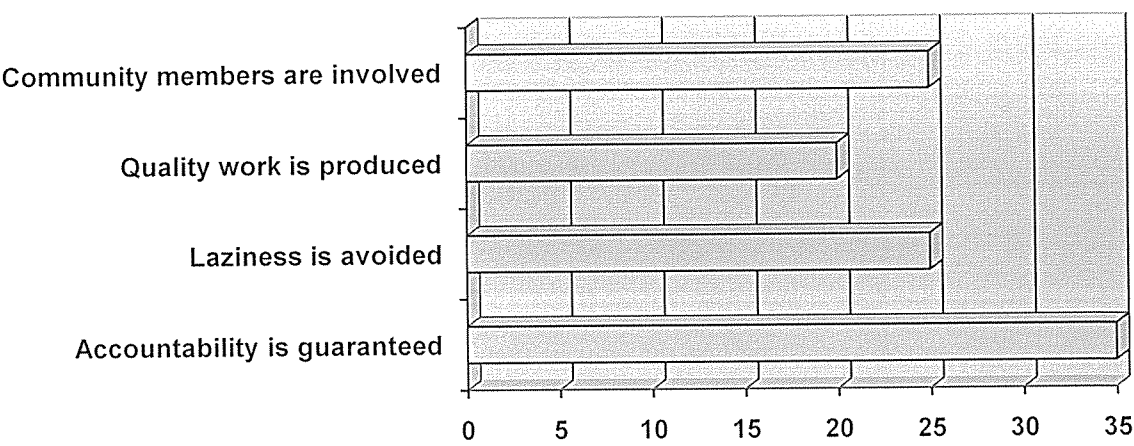


Table 8 and figure 7 above show performance contracts as a prerequisite to socio-economic development of Rwanda and the researcher found out the following responses. Over 35% of the respondents said that one major prerequisite of performance contracts in Gatsibo District is that accountability is guaranteed to the contractor. The body issuing the contract is always assured of accountability at the end of the contract in which the body which has signed the contract is supposed to present all purchase order form, invoices and all the payment vouchers to the contractor so that the contractor can be satisfied with the use of the money in the accomplishment of various projects.

Another reason given by over 25% of the respondents is that laziness is avoided once the government uses performance contracts in the accomplishment of its various projects in the district. Whoever signs the contract under the performance contract deal has to ensure that the work is done in a specified period of time and laziness is done away with in the long run.

The respondents also noted that quality work is produced and that this another prerequisite of performance contract in Gatsibo District Rwanda. Over 20% of the respondents said that quality of the work produced is good with the use of performance contract in the district as compared to other work done without performance contract. The respondents emphasized that quality work is produced because the sub contractor tries to do his/her best to win the approval of the contractor so that he/she can win the similar work next time.

Another 25% of the respondents noted that involvement of community is one of the prerequisites of performance contracts in Gatsibo District. The respondents here said that the community is usually involved in the many of the projects in the district. This is very important because it limits community resentments in many of the projects that would be avoided in the district.

4.4 The limitations of performance contracts in the decentralized levels of leadership and measures to overcome them

Table 9: The limitations of performance contracts in the decentralized levels of leadership and measures to overcome them

Answer	Frequency	Percentage
Lack of funding	46	24.2
Lack of technical knowledge	38	20
Poor leadership and managerial skills	40	21
Corruption and embezzlement	51	29
Over population	38	20
Rush programs	21	11.4
Overestimation of targets to be achieved	30	16
Total	190	100

Source: Primary Data

Figure 8: The limitations of performance contracts in the decentralized levels of leadership and measures to overcome them

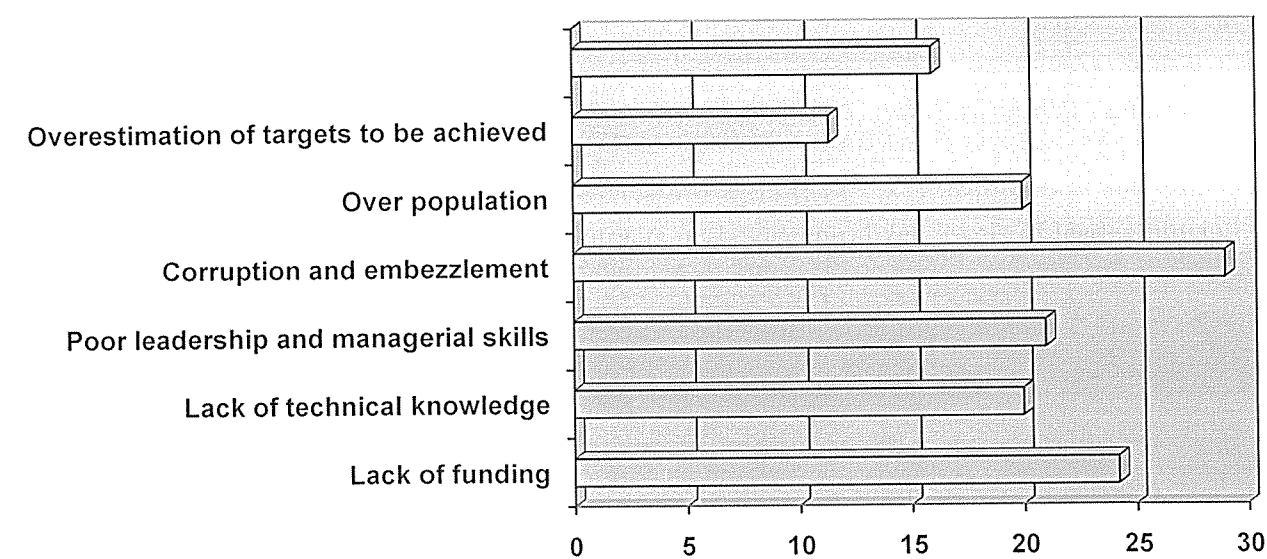


Table nine and figure eight above sought to identify the limitations of performance contracts in the decentralized levels of leadership in Gatsibo District and the findings reveal that; lack of funding was one of the identified problems affecting performance contracts in Gatsibo district with over 21% of the total percentage of the respondents.

The respondents said that the government underfunds the projects in the district and that this problem has really affected performance contracts so much because many of the project heads run short of money in the long run and they cannot be added money since the contract was signed before (they have agreed under the IMIHIGO). Any more complaint brought after the IMIHIGO renders the contractor dishonest as tensions begin to rise why the contract was not accomplished.

Another limitation of performance contract in Gatsibo District is lack of technical knowledge. Over 20% of the respondents noted that many of the people have no technical knowledge and skills on relevant areas and this renders the IMIHIGO shortage of targets achievements because the overall quality of work produced will be shoddy and blame will be levied on the contractor. This problem is worsened by the low levels of education in the District because the researcher found that the majority of the respondents in the research had secondary education.

Over 21% of the respondents noted that poor leadership and managerial skills has also affected performance contracts in Gatsibo District as many of the contractors do not have sufficient leadership and managerial skills to run various projects. Many projects end up collapsing simply because of poor management of the projects and this affects IMIHIGO so much as many of the projects are not accomplished yet according to IMIHIGO, all the agreements have to be reached on and no excuse should be given whatsoever by the contractor upon failing the honor the agreement.

Corruption and embezzlement were also one of the fore points mentioned by the respondents as the limitations of performance contracts in Gatsibo District. Over 29% of the respondents noted that corruption and embezzlement were one of the limitations of performance contracts. It was reported that much of the funds have been diverted for private use by various contractors and this has hindered social service delivery in the district yet this used not to be there. IMIHIGO is no longer respected as it used to be since people are getting more corrupt and un-trust worthy as before when people honored IMIHIGO so much.

This can be evidenced in such way that among 30 District Mayors in 30 Districts making up the Rwanda more than 20 of them have been charged with corruption and embezzlement related charges or misuse of government funds. The fact remains that not more than 5 among the 30 are still in office since the elections of 2006.

However, on the other hand the researcher identified that in Rwanda there is zero-tolerance in as far as corruption and embezzlement are concerned unlike in neighboring countries making up the East African Community and or the whole Great lakes Region in general.

Over population of District was not spared by over 20% of the respondents who noted that over population in the District is now alarming as compared to the past. They said that the number of people in the District is increasing and this brings competition for the scarce resources, hence escalating the problem of corruption in the District.

Over 14% of the respondents noted that rush programs (BIRIHUTIRWA) was one of the limitations of performance contracts in Gatsibo District. The respondents stated that rush programs which was the major cause of the use of funds in things that were not budgeted for in the beginning. This problem still lingers especially in allocation of contracts. Though minimal, it needs to be dealt with because it may creep to another bigger problem after some time.

Contractors now give no much emphasis in the value of IMIHIGO which used to control the what system and it leaves the contract providers to with a desire to look for other options of delivering services in the District beside performance contracts.

Last but not least, gender inequality in contract allocation also poses a threat to performance contracts in Gatsibo District. It was reported by over 16% of the respondents that contract allocations in the District is not balanced between men and women and many of the women end up not getting the District contracts because of their sex. This limits performance contracts as offices are abused by the major contractors yet there should have been a gage of measurement of the contracts done by men and women in the district so as to deliver services in the district

During discussions with local government civil servants and the local community the researcher observed that, lack of reliable and accurate data base was yet another limitation to the performance contracts realization, this was because it is not easy to evaluate the rate of progress of work done in a specified period.

This has lead to improper estimation hence failure to success, to affirm there is a terminology that has been created in Kinyarwanda to describe the act of giving false data which is “GUTEKINIKA” literally meaning giving false data on the progress of activities,

4.5 Measures to overcome limitations of performance contract

Table 10: Measures to overcome limitations of performance contract

Answer	Frequency	Percentage
Increase funding	38	20
Train more manpower	36	19
Improve leadership and managerial skills	27	14
Curb corruption	44	23
Reduce population	15	8
Avoid rush programs	19	10
Proper estimation of targets to be realized	11	6
Total	190	100

Source: Primary data

Figure 9: Measures to overcome limitations of performance contract

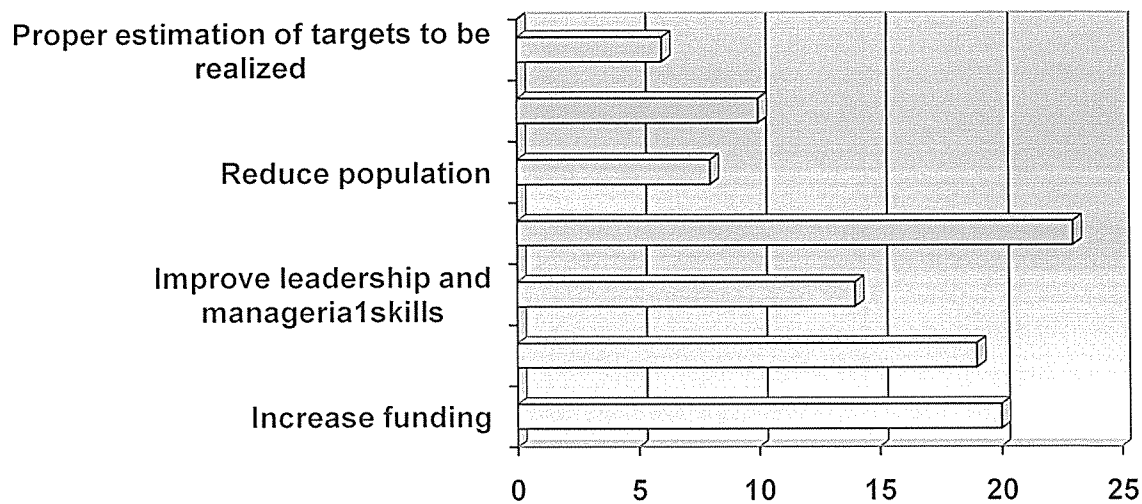


Table ten and figure nine above sought to find out the measures to overcome limitations of performance contract in Rwanda and the research revealed that; increase in funding is one of the ways of curbing the limitation of performance contracts in Gatsibo District can be solved. Over 20% of the respondents noted this. They however emphasized that under finding of the relevant projects in the district has halted performance contacts for long and this problem needs to be solved by increasing of the funding.

In addition to that, over 19% of the respondents noted that training of more manpower is one of the solutions of the limitations of performance contract in Gatsibo District since they indentified lack of technical knowledge as one of the major limitations of performance contracts in the

District. Another 14% of the respondents noted that improvement of leadership and managerial skill is the way to solve the limitations of performance contracts in Gatsibo District. They said that this problem exists because many of the people do not have the necessary knowledge to manage the various projects entrusted to them by the state and so they need more leadership and managerial skills so as to boost performance contracts in Gatsibo District.

It was also reported by over 23% of the respondents that corruption needs to be curbed in the District since it was found that one of the limitations of performance contracts in Gatsibo District is corruption where many of the project heads have ended up diverting heavy sums of money for their personal use, hence affecting delivery of social services in the district. Over 8% of the respondents noted that reduction of population is another way to avoid the limitations of performance contracts in Gatsibo District-Rwanda. The respondents here said that the available resources are not enough for the delivery of services to all the people given the high increase of population in the district. So population needs to be reduced so as to give way to performance contract in the District.

Another paramount issue commented by the respondents said that ethnicity needs to be avoided in the District because it was identified as a limitation to performance contract in Gatsibo District. During interviews Ethnicity was singled as one of the problems limiting performance contracts in the District because despite the policies of unity and reconciliation there is still an element of this issue, for instance people will need to balance the equation which undermines the issue Of quality and competence and promote the balance of power. Lastly in the helms of poverty alleviation the minority Ibatwa are so back ward that they need specific policies to be

developed. This has affected even service delivery as it has worsened the problem of performance. So this problem needs to be solved so as to have performance contracts work to the expectations well.

Finally, over 6% of the respondents noted that promotion of gender equality in contract allocation is also another way of solving the problems limiting performance contracts in Gatsibo district-Rwanda. It was found that contracts are not balanced between men and women in the district and this problem needs to be solved so as to have effective performance of contracts in the District.

4.6 The SWOT analysis of IMIHIGO as an Approach to the study.

According to Duncan Haughey (2004), SWOT is a strategic planning tool used to evaluate the strengths, weaknesses, opportunities, and threats to a project. It involves specifying the objective of the project and identifying the internal and external factors that are favorable and unfavorable to achieving that objective. The strengths and weaknesses usually arise from within an organization, and the opportunities and threats from external sources.

Therefore, as far as the District performance contracts are concerned this analysis is relatively used to evaluate and monitor the progress of strength and weaknesses of the performance however, it is not used fully due to lack of some technical skills as mentioned earlier.

The SWOT analysis is an important part of the project planning process and in this case the District and the country in general has a variety of projects which needs to employ this kind of analysis if socio-economic development is to be achieved as expected:

Strengths: attributes of the organization that help achieve the project objective. In this

Case we shall consider the organization as the District where we have the following elements as the strength of the District; Man power both skilled and unskilled can be strength, source of funding both internal funding as revenues and central government funding, the system of working and decentralized administration.

Weaknesses: attributes of the organization that stop achievement of the project objective. If the strength are undermined they can any time become weaknesses, thus among others the weaknesses that may hinder the realization of performance contracts could be lack of technical knowledge and expert personnel, timescale and meeting deadlines, process and systems of cash in-flows and out-flows that limit stakeholders and working on competition with other Districts among others, in the essence of performance contracts in Gatsibo District these weaknesses are not paramount because they can be transformed into opportunities.

Opportunities: external conditions that help achieve the project objective. There various conditions that can help achieve performance contracts' objectives, these among others we have; the increase in Technology and infrastructure development, Funding agencies, Non Governmental organizations (NGOs), funding from central government, Joint Action Development Forum (JADF), capacity building and trainings from line ministries. There are many opportunities available in Gatsibo District in relation to performance contracts but the ease remain how they are utilized to further the scenario of performance contracts.

Threats: external conditions that could damage the project. Some of the external conditions that may damage the fulfillment of performance contracts are the delays in funding, pressure of central government as political influence, sometimes lack of external funding or funding in areas that are not compatible with the local population or environmental factors. However, if these threats are identified earlier and something is done they can be turned into strength and opportunities and hence gear up monitoring, evaluation and progress of performance contracts towards socio-economic development.

4.7 SMART analysis of IMIIIIGO in Rwanda as the Researcher's analysis

According to George, T. Doran (1981), SMART is a mnemonic used in project management at the project objective setting stage. It is a way of evaluating the objectives or goals for an individual project. The term is also in common usage in performance management, whereby goals and targets set for employees must fulfill the criteria.

Therefore, if performance contracts are work as engines of development in Rwanda fostering efficient and effective monitoring and evaluation of projects activities, they must employ SMART analysis from the planning up to the implementation of all activities as elaborated below;

a) Specific; the performance contracts objectives and activities should be specific, simple, significant and stretching so that they can be guided and focused and hence achieve what they ought to achieve.

b) Measurable; all the activities of performance contracts must be measurable for example they should be standardized statistical measures that will prove out if there are some progress being made or any other measurements indicating progress or decline of activities.

c) Achievable; The performance contract activities should be set in such way that they should be achievable otherwise if they tend to be vague the progress and development in general will never be a success.

d) Realistic; The objectives and activities of performance contracts should be relevant and result oriented, resourced and rewarding. This among other will foster there implementation and hence the end results will be expected to be a reality.

e) Time bound; all the activities should be time-oriented so as to meet the planned deadlines and save resources because if they go beyond the planned period it is also very possible that the planned budget will also be altered. This is what is common in performance contracts activities and budgeting not only in Gatsibo District but in the country in general.

CHAPTER FIVE

DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS OF THE

FINDINGS OF THE STUDY

5.0 Introduction

This chapter discusses the main findings the study according to researcher's objectives and questions, draws conclusion to the study from the findings and proposes the possible recommendations that will improve the achievements and the implementations of performance contracts scenario In socio-economic development of Rwanda focusing at Gatsibo District as the case study not withholding the whole country in general and hence propose areas for further research. Thus, this chapter is concerned with the discussions, conclusions and recommendations of the findings.

5.1 Discussion of the findings

The research involved different people of different age groups in which 7.1% of the respondents were below 19 years, 20% were between 25-29 years of age, 26% were between 30-39 years of age, 31.4% were between 40-49 years and 14.2% were above 50 years of age. This therefore means that majority of the respondents were in the middle age between 40-50 (31.4%) years of age and the least number of the respondents were below 20(7.1%) years of age. The various marital statuses of the respondents were noted. It was found that 43.5% of the respondents were married, 17.1% were single, 25% were widows and 14.2% were widower. The analysis here is

that many of the respondents were married (43.5%) as compared to widowers who were 14.2% of the total percentage of the respondents.

The different sexes of the respondents were also recorded and it was found that 57% of the respondents were males and 43% were females. Majority of the respondents were therefore male as compared to females who only constituted 43% of the respondents. The education of the respondents and it was revealed that 7.1% of the respondents were uneducated, 17.1% were of primary level, 29% had secondary education, 14.2% received university education, and 13.4% had tertiary education. According to the findings therefore, majority of the respondents had secondary education with 200 (29%) of the respondents and only 50 (7.1%) of the respondents had not gone to school.

The first issue to this research was about the effects of performance contract on socio-economic development in Gatsibo District whereby according to the findings; Over 21% of the respondents noted this and they stated that resource utilization is one of the impacts of performance contracts in Gatsibo District and this was ranked high above the other answers meaning that it was one of the major factors had the highest ranking from the respondents. Quick accomplishment of the work was ranked third with 19% as the impact of performance contract in Gatsibo District.

Promotion of efficiency/effectiveness was then ranked second after promotion of hard work and resource utilization. Reduction of corruption was one of the responses given by the respondents and it was ranked third in the impact of performance contract. Finally, promotion of hard work was another answer ranked number one with 21% of the answers.

The second research concern was finding out whether the scenario of performance contracts was a prerequisite to socio-economic development of Rwanda in this case responses to the prerequisites of performance contract to socio-economic development of Rwanda, it was noted that; is guaranteeing of accountability was ranked above all the answers with 35% of the answers. Avoidance of laziness was ranked second with 25% on the prerequisite of performance contract to socio-economic development of Rwanda. Production of quality work was ranked third with 20%, and involvement of community members was also ranked 25%.

The third research question was “What are the limitations of performance contracts in the decentralized levels of leadership and what measures do you have to overcome them?” The research revealed that; lack of funding third with 21%, lack of technical knowledge was ranked second with 20%, poor leadership and managerial skills was ranked second again with 21%, corruption and embezzlement had 29% and it had the highest ranking, over population and 20%, ethnicity, and gender discrimination had 16%.

The solutions to the limitation of performance contracts in Gatsibo District included; increase in funding is one of the solutions to the limitations of performance contract with 20%, training of more manpower had 19%, 14% stated that leadership and managerial skills need to be improved. Curbing of corruption had 23%, reduction of population had 8%, and avoidance of ethnicity had 10% and finally 6% of the total ranking in the question.

5.2 Conclusion

The researcher made the conclusions after interpreting and analyzing data. The researcher made the conclusions from the findings. The researcher concludes that many of the people in Gatsibo district (over 70%) knew what performance contract meant since the country had used the practice for quite a long period of time.

The respondents also had a positive view on the use of performance contracts in the district as they said that it was the only way of performing well in contracts and having the contracts done on time and effectively.

On the satisfaction derived by performance contract in the District, the respondents reported being satisfied by the role of performance contract in Gatsibo District with over 62%. Performance contract does contribute to socio-economic development in Rwanda and Gatsibo District in particular.

The researcher further concludes that performance contract in Gatsibo District is vital and it does attract the support of the people as many of the community members are involved in the accomplishments of various contracts in the District. Performance contract is therefore encouraged as most appropriate way of having the local government work done on time and effectively in the Gatsibo District.

The challenges of performance contract in Gatsibo District continue to pose worry among the local community and the local government in general. These problems are diverse and they are deeply rooted on the public especially contract winners in the District. Large sums of money have been misused and poor work done in the district due to problems ranging from lack of

technical knowledge, managerial power, lack of funds to corruption which have retarded development in the District and the country at large. It is estimated that over 43.6% of the projects end up not being accomplished in the district because of the challenges posed to performance contact by both external and internal factors in the District.

Lastly, however much there are challenges to the implementation, monitoring and evaluation of IMIHIGO, the research reveals the paramount importance of this policy to socio-economic development of Gatsibo District in particular and the entire country of Rwanda as a whole.

5.3 Recommendations

1) Provide enough resources

The researcher recommends that the central government should provide enough resources to the various persons who undertake contracts in the district. This recommendation is so because the researcher found that there are many people who have been Named for incompetence, yet they are working in tight budgets over time and this undermines their efforts to produce quality work. So the researcher states that the government should have enough resources especially financial and material to provide to the relevant subcontractors if good work is to be done in the District.

2) Motivate subcontractors

The government is also recommended to motivate the various subcontractors in the district because many of the workers are not motivated even after doing quality work and accomplishing the agreed project on time. The project heads are only paid what is agreed upon between them

and the contractors and no other incentive is offered to the subcontractors as a token for the work done.

3) Prosecute corrupt officials

The researcher recommends that all corrupt officials have to be seriously prosecuted and not spared irrespective of their political affiliations in the district. It has been said that some of the corrupt officials escape the long arm of the government and they go unpunished because of compromises from the contractors. The researcher therefore states that all these corrupt officials be dealt with without any compromise since they are causing financial losses to the government and even to the public. The money received for the completion of the various projects are for the people and they are supposed to do what is recommended to do and not to be diverted to some other things by the various people undertaking various contracts.

4) Give time allowance to subcontractors

The researcher further recommends that enough time allowance be given to the different subcontractors undertaking various projects in the district. This recommendation is so because the researcher found out that there are many projects that are not fully accomplished because of poor time allocation yet this does not work well with performance contract since the agreements are adhered to while doing particular projects. Many of the subcontractors in the District are in many times not given time allowances to do their work like being added one month ahead of the agreed time. This is so because many subcontractors have not accomplished their work on time because of different interferences like weather changes, tragedies and so on yet these are not calculated on the time agreed upon.

5) Avoid rush programs (commonly termed as “birihutirwa” in Kinyarwanda)

Ethnicity should be totally banned in Gatsibo District and Rwanda as a whole because it is one of the challenges of development as it poses a threat on performance contract. Ethnicity was one of Rwanda's biggest problems of the time because it cost Rwanda a prize that might never be forgotten in her history. The issue of ethnicity still exists in the country though is not fully manifested to be understood by all the people in the country. The constitution stated that there is no tribalism in the country but to some point ethnicity still creeps in the country and unless the government totally deals with it, the problem will continue to linger and might cost the country again and this time of delivery of social services in the various districts like it is recommended under decentralization of the local government in Rwanda.

6) Train more manpower in the country

Furthermore, the researcher states that more man power needs to be trained in Gatsibo district and Rwanda as a whole and this would be very important for the country's performance contract to effectively work. The researcher found that manpower problem is one of the country's problems as many of the population still have elementary level of education in the country. Many of the contract wieners are ill trained and the lack technical knowledge and managerial skills to runs the projects and effectively manage the projects in the district and the country at large. So the researcher emphasizes that the government should take all the ill trained personals for more training so as to meet the standard of work requirement in the country and so that the country can fully cherish in role of performance contract in the delivery of social services in the district.

7) Avoid the Number of administrative meetings

It is like a habit that in Gatsibo District and the general country in general most of the Budget covers the meetings for planning, monitoring, evaluation and follow up activities and the implementation phases shares a problem of lack of enough funds to mention a few. This among others has been a limitation for achieving the objectives of performance contracts in Rwanda, this should be curbed down immediately if performance contract is to be realized and work to its expectations.

8) Emphasize IMIHIGO policy in Gatsibo District

In addition to the above, the researcher recommends that the government of Rwanda should get back to the traditional IMIHIGO which was so honored and respected throughout the history of Rwanda. The traditional belief of IMIHIGO was a powerful tool and many people respected it to the extent that you could hardly find a person violating it at any point.

The government should therefore get back and sensitize, promote and emphasize the IMIHIGO ancestral belief because it was such a powerful tool for the performance of the country by then. So when the same belief is emphasized by the government, there will be a reasonable effect and performance of contracts in the country since the people would have the same belief as our ancestors had about the traditional belief

5.4 Further areas of interest as far as this study is concerned

This research focused more on Gatsibo District of Eastern Province, therefore the researcher recommends interested scholars to carry out the same study in a different Province such that the findings found can be compared so as to prove the validity and consistency of both studies on the performance contract.

Furthermore, this research focused on the performance contract scenario in socio-economic Development henceforth, interested researcher could pick the interest and focus on different sectors such public health, education and community participation.

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APPENDICES

APPENDIX A: Research Instruments

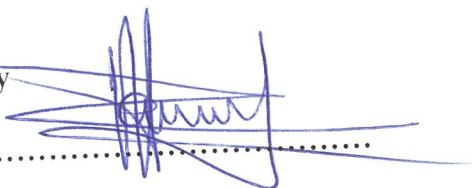
I: QUESTIONNAIRE

Dear Respondent,

I am MUYOBOKE A. Christopher, a student at Kampala International University (KIU), a Master of Arts Degree in Development Administration and Management. This questionnaire is a tool which is designed to help me gather data on the topic "Performance contract scenario in socio-economic development of Rwanda a case study of Gatsibo

You have been selected to participate in this study, and therefore, kindly answer the questions below. The information you will give will be solely for academic purposes and will be your important contribution to my research. Please, read the instructions carefully, and answer all questions in the space provided.

Sincerely



MUYOBOKE A. CHRISTOPHER

INSTRUCTIONS:

- Kindly tick the correct answer applicable to you; or
- Fill in the space provided with relevant information as required; and
- Return to me in good order.

SECTION A: DEMOGRAPHIC INFORMATION

1. Sex of respondent.

Male ☐

Female ☐

2. Age

25 to 33 years old ☐

34 to 43 years old ☐

44to 50 years old ☐

Above 50 years old ☐

3. Marital status

Single ☐

Married ☐

Divorced ☐

Widower ☐

4. Educational level Secondary

Secondary

Bachelor degree

Masters degree

PhD

Others, please specify.....

5. Position held in institution

SECTION B: QUESTIONNAIRE FOR GATSIBO DISTRICT.

Personnel of the District.

1. How many are the personnel of Gatsibo District?

.....

.....

2. Are they enough or not?

Enough

Not enough

3. Level of qualification Sufficient

Sufficient

Insufficient

4. Training in relation to their duties received by the personnel is

Enough

Not enough

Not enough

5. The personnel of the District are they motivated in terms of wages and salary?

Yes

Not

b) How does this affect their performance?

.....
.....
.....

II. Budget and contribution for performance contracts.

6. What is the source of budget used by Gatsibo District in performance contracts?

Government fund LZ

Line ministries

Other stakeholders

Different actors of development (specify)

7. What kind of support or assistance do you usually expect from

Central government

.....
.....
.....

Others stakeholders (specify).....

.....
.....
.....

8. a) What are the areas of intervention of performance contracts in developing the districts?

.....
.....
.....

8. b) Are the following the major pillars of socio-economic development in Rwanda?

1) Economy, ii) Social Welfare, iii) Rule of law, iv) Good Governance

Yes ☐

No ☐

9. Which area of intervention uses more funds and why?

.....
.....
.....
.....
.....

10. How do you rate the support to local government projects?

Excellent support	<input type="text"/>
Good support	<input type="text"/>
Little support	<input type="text"/>
Verb' little support	<input type="text"/>

Challenges and constraints

11. What are the most outstanding difficulties or challenges faced in performance contracts?

Lack of funding support	<input type="text"/>
Lack of technical knowledge/skills	<input type="text"/>
Lack of good leadership and managerial skills	<input type="text"/>
Corruption and embezzlement	<input type="text"/>
Over population	<input type="text"/>
Others (specify)	

b) How do you compare the issue of population growth rate and poverty reduction strategy in Gatsibo District?

.....

.....

.....

12. How do these difficulties inhibit the running of socio-economic development?

.....

.....

.....

13. Have the performance contracts increased the socio-economic development in the districts or not?

Good increase in projects	<input type="text"/>
Some increase in projects	<input type="text"/>
No increase in projects	<input type="text"/>
Decline in projects	<input type="text"/>

14. If there has been increase of decrease, give reasons

Strategies

15. What has the district done in order to overcome those difficulties?

.....

.....

.....

16. What is the effect of performance contracts to people’s welfare?

.....

.....

.....

17. Are people participating in performance contracts? If yes, how? If not, why?

.....

.....

.....

18. What performance contracts projects do you think people should be actively involved in their planning and implementation?

Community health projects

Community education initiatives

Environmental conservation

Community agriculture projects

Others (specify)

20. What is the relationship between performance contracts and socio-economic development of Gàtsibo District?

.....
.....
.....

21. The District council as the head of the District, is it involved in implementation, monitoring and evaluation of performance contracts District? If yes How?

.....
.....
.....

22 Which advice would you give for the performance contracts to match with socio-economic development of the district or country at large?

.....
.....
.....

Considering the statements in the tables below, say whether you **strongly agree** (5), **agree** (4), **not sure** (3), **disagree** (2), **strongly disagree** (1) by ticking appropriate box.

SECTION D: COMMUNITY PARTICIPATION IN PERFORMANCE CONTRACTS

I. GENERAL UNDERSTANDING

No	Statement	5	4	3	2	1
1	In Gatsibo district people performance contracts development.					
2	Local people know the role of performance contracts in socio-economic development.					
3	The following ways are used in implementation of performance contracts towards socio-economic development:					
a)	Use of extension staff					
b)	Community development campaigns					
c)	Decentralized planning					
4	External assistance in socio-economic development projects is seen as necessary.					
5	In the following socio-economic development projects people participate more willingly					
a)	Ones originated from Village strategic plan					
b)	Ones initiated by district authorities					
c)	Ones initiated by NGOs					
6	In the lines below one is the type of resource that people would willingly contribute.					
a)	Materials					
b)	Labor					
c)	Finance					
d)	advice					

7	The following are common problems in implementation performance contracts.					
a)	Corruption					
b)	Lack of expertise					
c)	Lack of funds					
d)	Lack of strong community participation					
8	8 The following are the factors that hinder community participation in socio-economic development					
a)	Centralized planning					
b)	Inadequate delivery mechanisms					
c)	lack of local coordination					
d)	Inappropriate project technology					
e)	Irrelevant project content					
f)	Lack of local structures					
9	In Gatsibo district popular participation is voluntary.					
10	In Gatsibo district popular participation is boosted.					
11	There is a linkage between decentralized planning and performance contracts.					
12	People are associated in decision making related to the management of socio-economic development and performance contracts.					
13	People's participation is exercised directly.					
14	People's participation is exercised through their representatives.					
15	People manifest their enthusiasm to participate in performance contracts.					
16	Government officials and District leaders are willing cooperate with local population					

2. PEOPLE'S FELT NEEDS

No	Statement	5	4	3	2	1
1	Gatsibo's people appreciate the role of performance contracts in socio-economic development.					
2	Performance contracts contribute to real socio-economic development projects of local population.					
3	People like participating mostly in performance contracts projects where they are genuine targeted beneficiaries.					
4	The lines below show favorite areas of performance contracts in which people would like to participate actively.					
a)	Agricultural projects					
b)	Loans and credits projects					
c)	Water extension projects					
d)	Education projects					
e)	Health center construction projects					
f)	Roads construction projects					

3. QUALITY OF LEADERSHIP

No	Statement	5	4	3	2	1
1	The decentralized performance contracts and management and trust in project leadership boost popular participation in socio-economic development.					

2	District leaders' qualities determine popular participation in socio-economic development					
3	People actively participate in socio-economic development projects driven by the personalities below:					
a)	Village leader					
b)	Village committee					
c)	Administrative officials					
d)	Central government pressure					
e)	Other stakeholders					

4. IEVEL OF EDUCATION

No	Statement	5	4	3	2	1
1	Educated and local investors through the JAF actively participate in socio-economic development projects.					
2	In Gatsibo district, people are intellectually capable of playing a significant role in performance contracts hence socio-economic development.					
3	Educated people participate in performance contracts more than uneducated					

APPENDIX A II: INTERVIEW GUIDE

SECTION A: QUESTIONS FOR PEOPLE INVOLVED IN THE PERFORMANCE

CONTRACTS

1. What do you know about performance contracts?
2. How did you manage to know about the performance contracts?
3. Have you been participating in implementation of performance contracts?
4. If yes how many times have you participated in performance contracts?
5. Enumerate the reasons why you participate in performance contracts.
6. What are socio-economic development projects would you like to be established in your village and why?
7. What is your contribution in socio-economic development?
8. What are the typical socio-economic needs of the population in Gatsibo district?
9. Has any action been taken to satisfy the people's needs?
10. What do you think are the factors affecting people's participation in socio-economic development projects in Gatsibo district?
11. DO you think there is a linkage between performance contracts and socio-economic development?
12. DO you think that performance contracts contribute to socio-economic development and contribute to real development?
13. In previously accomplished performance contracts, did you get any external assistance?
14. Do local people in your village know the role they should play in planning and implementation of performance contracts for socio-economic development?

15. Do educated and rich members of the community actively participate in socio-economic development projects?

4. 16 With a view to poverty reduction in your village, give your opinion on how socio-economic development performance contracts can best be implemented?

Thank you very much?

APPENDIX B: RESEARCH INTRODUCTORY LETTER



**KAMPALA
INTERNATIONAL
UNIVERSITY**

Ggaba Road - Kansanga
P.O. Box 20000, Kampala, Uganda
Tel: +256- 41- 266813 / +256- 41-267634
Fax: +256- 41- 501974
E- mail: admin@kiu.ac.ug,
Website: www.kiu.ac.ug

OFFICE OF THE DEPUTY VICE CHANCELLOR SCHOOL OF POSTGRADUATE STUDIES AND RESEARCH

22nd July, 2010

Dear Sir/Madam,

**RE: REQUEST FOR MUYOBOKE A CHRISTOPHER REG.NO.
MAD/ 20006 / 82 /DF TO CONDUCT RESEARCH IN YOUR INSTITUTION.**

The above mentioned is a bonafide student of Kampala International University pursuing a Masters of Arts in Devit Admin & Mgt

He is currently conducting a field research the title of which is Performance Contract Season and in Socio-economic Devit. As part of his research work he has to collect relevant information through questionnaires, interviews and other relevant reading materials.

Your institution has been identified as a valuable source of information pertaining to his research project. The purpose of this letter is to request you to avail him with the pertinent information he may need.

Any information shared with him will be used for academic purposes only and we promise to share our findings with your institution. Rest assured the data you provide shall be kept with utmost confidentiality.

Any assistance rendered to him will be highly appreciated.

Yours truly,

Dr. Roseann Mwaniki
Associate Dean Postgraduate Studies
Faculty of Social Sciences.

Appendix C: CURRICULUM VITAE

1.0 BIO-DATA

NAME : MUYOBOKE A. CHRISTOPHER (MR.)
DATE OF BIRTH : 10th SEPTEMBER, 1978
MARITAL STATUS : MARRIED
NATIONALITY : RWANDESE
SEX : MALE
CONTACT : +250788569976

2.0 EDUCATION AND QUALIFICATION

Year	Institution	Award
200-2006	National University of Rwanda	Bachelor of social work
1998-1999	Kiziguro Secondary School	Advanced Certificate Of Education (RNEC)
1994-1997	St. Leos College	Uganda Certificate of Education (UCE)
1989-1995	Railway Primary School kasese	Primary Leaving Examination

3.0 CAREER OBJECTIVES

To achieve on the work, with probable returns to the concerned parties.

To enable Development and efficient utilization of my abilities and always to deliver in time.

To learn to know more and adopt appropriately.

0 **WORKING EXPERIENCE**

2006-2008 worked in Kayonza District as an in charge disaster management and social affairs (Rwanda)

2008-2009 worked as Labor Inspector in the Ministry of public service and labor
Affiliated to Gatsibo District (Rwanda)

2010 Executive secretary of Murambi sector of Gatsibo District (Rwanda).

5.0 COMMUNICATION SKILLS

- English - Fluent
- Kinyarwanda- Fluent
- Luganda - good
- French - good
- Swahili - Good

6.0 PERSONAL ABILITIES

- Computer Literate
- Excellent International Communication Skills
- Good team work spirit
- Willingness to learn and adopt to dynamic environment.
- Ability to work under minimum supervision and tight schedule.

7.0 HOBBIES

- Love watching and playing football and motor sport.
- Interacting with people and hence making friends.
- Doing voluntary work,
- Reading informative services like magazines and the Internet.

5.0 CERTIFICATION

I hereby certify to the best of my knowledge that the above data given, truly reflects and describes myself and my qualifications.

REFEREES

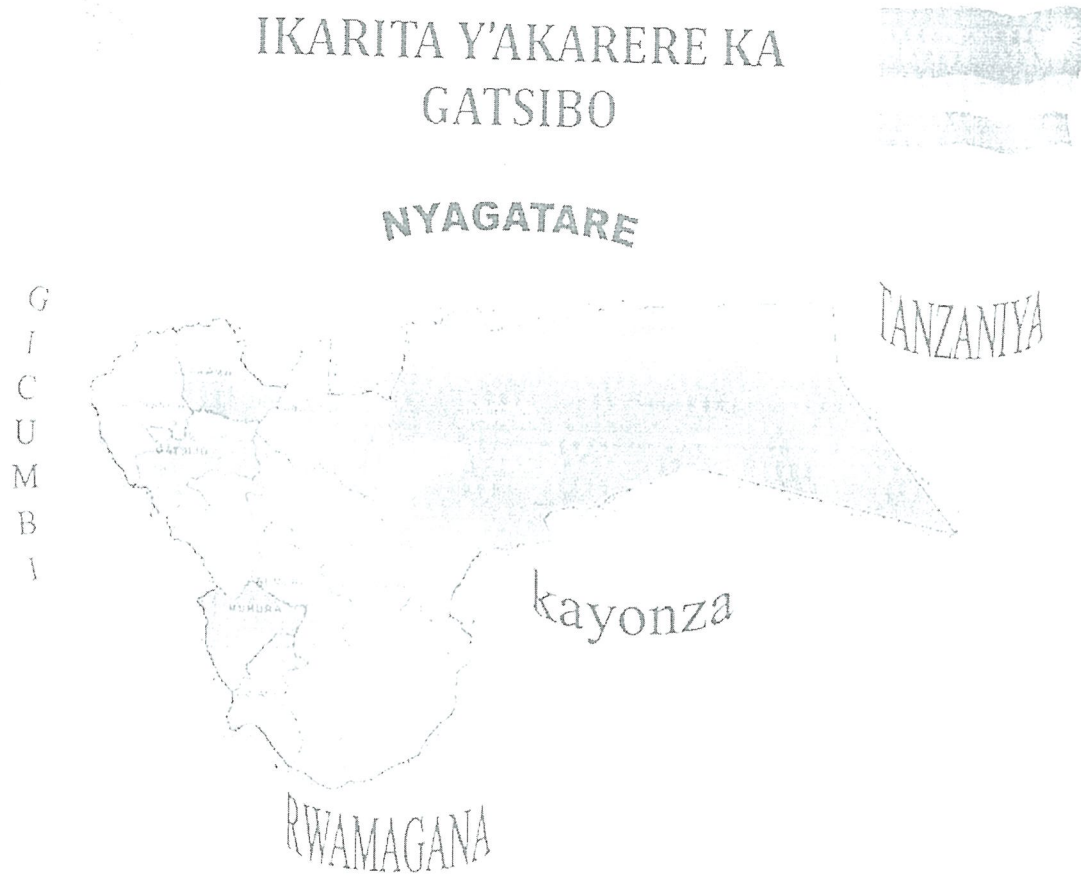
Mr. RURANGWA Anselme
Mayor Gatsibo District
P.O. Box 52 Nyagatare--Rwanda
Tel: +250788570046

Dr. GATETE Sylver
Executive Secretary Gatsibo District
P.O. Box 52 Gatsibo Rwanda
Tel: +250788503732

Mr. Mwaniki Rose Anne
Director ass. Director Faculty of social sciences
Tel: 0782-834131

APPENDIX D: MAP SOWING GATSIBO DISTRICT

(THE RESEARCH AREA)



APPENDIX E: GASTIBO DISTRICT- ORGANIZATIONAL CHART – OCTOBER 2009

