

GREAT ZIMBABWE UNIVERSITY



MUNHUMUTAPA SCHOOL OF COMMERCE

DEPARTMENT OF ACCOUNTING AND INFORMATION SYSTEMS

**STEWARDSHIP EFFECTIVENESS ON THE SUCCESSFUL FINANCIAL PERFORMANCE OF
ZIMBABWEAN LOCAL AUTHORITIES: A CASE STUDY OF KWEKWE CITY COUNCIL FROM 2018
TO 2022**

RESEARCH PROJECT

BY

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DECLARATION

I, Norah Rumbidzai Matangira do hereby declaring that this work is my own original work that it has not been plagiarized nor submitted for any similar degree in any university or any other higher tertiary education institution.

Signed..... 

Date..... 03/05/2024

DEDICATION

To my beloved husband, children, parents and siblings my family as a whole has made completion of this project and my accounting course feasible. I thank you for the support and encouragement. I would like to express my deep appreciation for spiritual, moral, financial and material support that you gave me throughout my schooling era. In conclusion, I would like to give infinite thanks to the Almighty God for the gift of this precious life.

ABSTRACT

This study has much focused on stewardship effectiveness on the successful financial performance of Zimbabwean local authorities. The research objectives of this study are to examine the stewardship role in managing the finances, assets and human capital, to assess the success factors that drives stewardship implementation, to determine the causes of bad stewardship that could negatively impact on the financial performance of Kwekwe City Council as well as the solutions to bad stewardship that can improve the financial performance of Kwekwe City Council. The reviewing of literature related to stewardship management has unfolded much evidence that good corporate stewardship management is a key to the success of local authorities and all other organizations. The research study is underpinned by the stewardship theory which elaborated that steward's main aim is to achieve the objectives of the organization. The empirical review literature of the study highlighted what other researchers have done in the context of answering the research objectives. The study adopted a descriptive survey research design that was mutually blended with both qualitative and quantitative research methods. Pragmatism was considered the most appropriate research philosophy for this study as its stance combines both qualitative and quantitative paradigms' points of view. The target population for this research was Kwekwe City Council stakeholders. A simple stratified sampling was used to draw the sample randomly in a similar proportion from each stratum of the population according to its proportion. Interviews and questionnaires were used as research instruments for this research study. Validity and reliability of the research instruments was ensured by the researcher in various ways such as administering both the interviews and questionnaires in person in order to ascertain that they were given to the right people. In this study both qualitative and quantitative data analysis techniques were used. The information was then presented through the use of bar charts, pie charts, composite bar charts as well as simple frequency tables. Data collected was analysed using statistical package for social scientists (SPSS). The package also has graphs, tables and charts which help to bring about the results of the study. The study findings reveal stewardship influence the effective management of resources i.e. finance, assets and human capital. Accountability, transparency, professionalism, trust and responsibility were found to be the success factors of effective stewardship such that if local authorities inherent these as part of their organisational culture then the employees and management would become good stewards of the organisation. It was concluded that stewardship management is a key to the successful financial performance of local authorities and all other organizations. The stewardship concept remains important and relevant to public sector institutions as it associates with responsible management of resources. Public officials are required to be aware of the important role they should fulfil as stewards. The study recommends the local authorities must improve on cooperation with all stakeholders so as to boost trust and confidence and that the government proffer enough support to local authorities through offering enough financial support to secure required resources to fulfil their mandate and as a regulator by putting statutory regulations which are followed by local authorities in their operations.

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ABBREVIATIONS AND ACRONYMS

CBD: Central Business District

CEO: Chief Executive Officer

CRISA: Code for Responsible Investing in South Africa

FDI: Foreign Direct Investment

FDDI: Financial Derivative Disclosure Index

FRC: Financial Reporting Council

MAS: Monetary Authority of Singapore

OPC: Office of the President

SGX: Singapore Exchange

SPSS: Statistical Package for Social Scientists

SSP: Singapore Stewardship Principles

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CHAPTER I

INTRODUCTION

1.0 Introduction

Local authorities are entities that operate in the public sector of nations as quasi-governmental arms. They operate on spelt out structures which fulfill constitutional mandates. In Zimbabwe, elected councilors have an oversight role with management being headed by a Town clerk assuming a management role. These structures play a stewardship role in ensuring that aspirations of the society within their jurisdictions are met.

The future of any organization and, thus, stewardship management are protected by traditional ideas like fiduciary loyalty, openness in corporate governance regulations and solid procedures for shareholder voting rights. Stewardship theory, according to Dewiyanti (2021), highlights the existence of a significant link between satisfaction and organizational performance and holds that managers would serve as excellent stewards of corporate resources even in the absence of oversight.

Donaldson and Davis (1989) established the concept of stewardship. According to this view, excellent stewards are not instrumentally driven, unlike agents who follow agency theory, and they operate in groups rather than alone. In addition, it entails directing policy for the entire system, coordinating amongst participants, regulating various levels, functions, and players within the system, allocating resources as efficiently as possible, and being accountable to all stakeholders (Hussey et al 2018). This stewardship role makes sure that the personnel, administrative structures, processes, and procedures required to properly monitor public sector performance are put into place to carry out organizational goals (Sharma et al., 2016).

The basis of the introduction as the initial phase of the research project is to scrutinize the background of the study, which is the dramatic domain where the study was taken on, the problem statement that

shows the problems that aroused the researcher's curiosity to carry out the investigation. The introduction phase also includes other essential elements such as research objectives, research questions, delimitations of the study, limitations, and definition of key terms.

1.1 Background of the study

Stewardship is the role played by councillors and management in fulfilling the society expectations within the local authority jurisdiction, safeguarding of assets and representation at national policy making level as directed by the Urban Councils Act (Chapter 29:15). The proper discharge of roles and/or duties by elected councillors and management has to be done ethically, transparently and above board. These are dictates of sound and effective corporate governance that drives success.

Fink (2019) emphasizes that stewardship fosters unity among management, staff, and communities by promoting moral behavior and establishing a crucial check on behaviors that are counterproductive to stakeholders' best interests. The researcher goes on to explain that stewardship eventually contributes to the sustainability of long term financial returns by guiding organisational culture and offering a framework for consistent decision-making within the firm.

Corporate failure is avoided when management and elected council members practice good corporate governance. (Harding, 2019) discusses well-known instances of bankruptcy and collapse crises in the UK brought on by unethical business practices. Financial professionals and the businesses they work for are concerned about strong corporate governance and effective stewardship since these practices have a detrimental influence on credibility and confidence. He went on to say that the financial crisis emphasizes the value of having excellent governance, leadership, and an efficient corporate culture.

The Stewardship Code was created and released in 2010 by the Financial Reporting Council (FRC) and top UK businesses in an effort to lessen these difficulties and enhance institutional investors' and corporations' interactions. The "Singapore Stewardship Principles (SSP) for Responsible Investors" is an industry-led effort that was introduced in Singapore. The Monetary Authority of Singapore (MAS) and the Singapore Exchange (SGX) collaborated with the Singapore Stewardship Principles Working

Group to create and introduce the SSP. It included guidelines meant to promote ethical investing and good stewardship practices. The implementation of these guidelines was well received by the Singaporean investment community, and as a consequence, the country has led the way significant Asian advances, especially in the fields of derivative actions and corporate governance. (Kessler Topaz Meltzer & Check, 2016)

The link between transparency and accountability in local government administration in Nigeria was studied by (Salako, 2019). The study found that the local government has several obstacles when it comes to demonstrating a high degree of accountability and openness. Among these difficulties, the report named God-fatherism, corruption and political indifference. These issues stem from poor stewardship, and in light of the research, it was suggested that local government chairmen carry out their duties in an effective and efficient manner with a high degree of transparency and accountability. Doing so will raise the living standards of common people and provide a new sense of direction to Nigerian government.

Kirshni Totaram talk about how stewardship may help solve the special problems facing South Africa. He stated that in order for stewardship practices to provide the desired long-term results, they need to take into account the realities of the South Africans that these policies affect. A voluntary code that promotes the inclusion of sustainability problems in investment decisions called the Code for Responsible Investing in South Africa (CRISA) was established. The 2011 publication of CRISA was revised to conform to the UK Stewardship Code's guiding principles. He continued to say that organisations with poor governance are more likely to experience mismanagement and mismatch between management goals and stakeholders' long-term interests (Totaram, 2023).

Krzeminska and Zeyen (2017) investigated the efficient management of delegation relationships by non-profit organizations by defining stewardship costs that is costs in delegation relationships based on stewardship behavior. The two academics expanded the scope of stewardship theory in the course

of their research. Theorized as self-actualizing, other regarding and intrinsically driven, stewards are primarily focused on improving performance, according to the study.

The shortcomings of Zimbabwe's local authority procurement mechanisms have been made clear via financial leaks. Instances of reckless spending by local authorities demonstrating a lack of due diligence in the procurement process of goods and services were disclosed in the 2019 Auditors General report on local authorities. The Bindura municipal council was cited in a situation where a front-end loader was purchased in December 2018 for US\$90,850.00, but it had not been delivered by the time of the audit in October 2020. The same report also mentioned Mutare City Council, stating that in 2012, a supplier received payment of US\$330,000.00 for water pipes, which had not been delivered at the time of audit.

Mabvure et al (2020) carried out a study which sought to establish the connection of stewardship management and service delivery in Zimbabwean municipal councils. The study's definition of stewardship management includes aspects like audited books of accounts, a sizable board, the presence of female board members, the CEO's dual role, the board members' educational backgrounds, their professional experiences, their pay, the board's obligation to enforce the law, and their transparency, integrity, objectivity, and selflessness. The findings of the research concluded that stewardship management and service delivery have a strong relationship. Observing corporate governance practices improves service delivery and not adhering to corporate governance systems will result in increased rate of corruption, nepotism, poor allocation of resources thus resulting in poor service delivery by the local authorities. It was observed that ratepayers are more likely not to pay their dues if the local authorities do not have a proper corporate governance system in place thus the flow of revenue to the councils will become less as a matter of course.

Shumba et al (2019) investigated the effects of separating ownership and control on municipal councils in the Southern Zimbabwe. The researcher tested three corporate governance theories namely agency, stewardship and stakeholder and established that poorly managed councils have higher costs but less

sales than the professionally managed sectors. (Nzwatu, 2018) investigated the decline of service delivery on Kwekwe City Council and other urban local authorities and concluded that the pattern of decline is the same regarding service delivery across Zimbabwean cities and towns; the local government system is riddled with corruption and is characterised by maladministration and these come as a result of bad stewardship which is within the Zimbabwe local authorities.

It is on this geographical background that the researcher carried out the study to ascertain stewardship management in improving performance of Zimbabwean municipal councils.

1.2 Statement of the problem

Prevalence and consequences from mismanagement, misappropriation of funds, fraud and corruption by managers and executive are highly affecting the shareholders, creditors and public's confidence in the integrity and accountability of the public sector's financial system. Although the local authorities have committed themselves to large capital expenditures on key financial controls, extensive reports and perceptions of leakages through unethical activities still exist. Mabika (2015), attests that there is a degradation in terms of service provision by city councils due to the high rate of corruption, mismanagement of property, increased redundancy and turnover of staff. According to (Chirasha , et al., 2018) much of the operating expenditure at Kwekwe City Council covered the workers' salaries, with managers receiving a significantly greater part of the city council's revenue. The capital expenditure for the council was dominated by top management motor vehicle purchases. According to an article (Siamilandu, 2022), the Kwekwe City Council is purportedly losing a significant amount of money due to leaks as some of the money they received from suppliers was allegedly misappropriated. According to the story, during the 2023 budget consultative meeting, a few locals accused certain council members of allegedly taking levies from merchants and using them for their own personal gain. On the other hand, the local authority experience wastages of resources as it keeps on losing a lot of treated water through tap water leakages and burst pipes. According to Mugari (2023), the dual currency system implemented by the Minister of Finance and Economic

Development has resulted in a three-year surge in electronic payment usage by Zimbabwean local administrators despite a continuous shortage of cash. Card fraud occurrences thus began to appear in the public sector, leaving municipalities with no where to turn for real currency. The prevalence of such fraudulent activities within public institutions advocates itself for bad stewardship within the Zimbabwean public sector which is the key area that the researcher sought to address on this study.

1.3 Justification of the study

The majority of the literature and research on this subject matter are foreign and from eastern countries where the stewardship management of local authorities are not the same as from developing countries like Zimbabwe. This triggered the need for an in-depth study of stewardship for improvement of financial performance of Zimbabwean local authorities. This research therefore sought to study on stewardship effectiveness in improving financial performance on Zimbabwean local authorities with the specific objectives being;

1.4 Research Objectives

- 1.** To examine the stewardship role in managing resources:
 - a)** Finances
 - b)** Assets
 - c)** Human capital
- 2.** To assess the success factors that drive stewardship implementation.
- 3.** To find out causes of bad stewardship that may negatively impact on the financial performance of Kwekwe City Council;
- 4.** To determine the solutions to bad stewardship that could improve financial performance of Kwekwe City Council.

1.5 Research questions

1. What are the stewardship roles in managing finances, assets and human capital?
2. How does the success factors of the management of Kwekwe City Council drive stewardship implementation?
3. What are the causes of bad stewardship that may negatively impact on the performance of Kwekwe City Council?
4. What are the solutions to bad stewardship could improve performance of Kwekwe City Council?

1.6 Significance of the study

To the researcher

The research assisted the researcher to acquire practical skills when undertaking more researches in the foreseeable future. During the process of carrying out the study, new inspiring problems in the area were identified by the researcher.

To Zimbabwean local authorities

The findings from the study helped to bring out the causes of bad stewardship management as well as recommendable solutions to improve financial performance of Zimbabwean local authorities.

To the Great Zimbabwe University

The study is of much importance to Great Zimbabwe University since the institution will display the book in its libraries thereby motivating future researchers to research on the same study. The results of the study will held the future researchers at the institution especially those who will research in the area of stewardship theory as they will use it in reviewing literature.

1.7 Assumptions of the study

The research was established on the assumption that the sample chosen represent the population of the study. The chosen sample provided the researcher with the required information the questionnaires answered.

1.8 Definitions of terms

- **Stewardship management** is the management system through which stewards are given authority over resources and represent people for whom there isn't a formal contract (Schillemans and Bjurstrøm 2020).
- **Stewardship theory** as a framework attests to the fact that workers are inherently driven to work and complete the duties and obligations they would have been given Menyah.K (2013).
- **Agency theory** is an economic theory that sees the corporation as a collection of agreements between self-interested parties. When one individual (the principal) gives permission to another individual (the agent) to act on behalf, an agency relationship is established (Nicolai J. Foss and Stefan Linder, 2015).
According to agency theory, people are driven to labor by external factors. Agency theory predicts that people are extrinsically motivated to work.
- Semma et al (2017) defines **performance** as a procedure of installing and managing well the components of the causal model which leads stated objectives being timely achieved within constraints specific to the firm and to the current state of affairs.
- **Stewards are dependable** people who work diligently to meet the objectives and maximize shareholder profits. (Matherne 2015).

1.9 Delimitations of the study

The research was undertaken at Kwekwe City Council headquarters located in the Central Business District (CBD) of Kwekwe. The study relied on the responses by the respondents at Kwekwe City Council. The information from 2018 to 2022 relating to this study was used. It covered the stewardship role in managing the finances, assets and human capital, the success factors that drives stewardship implementation, causes of bad stewardship that could negatively affect the financial performance of Kwekwe City Council as well as solutions to bad stewardship to improve the financial performance of Kwekwe City Council.

1.10 Limitations of the study

- A key obstacle to the research endeavor was a lack of funding and time. The insufficiency of these resources limited the research's accuracy and breadth. Time management was mastered by ensuring that both interviews and questionnaires were done simultaneously at some point in time.
- The research study dependent on the ability of interviewees to remember the past and it is subject to accidental misrepresentation and memory drift. Ideas and views were cross examined and considered only in the event that they concur from contrasting elevations.
- Distributed to the targeted respondents, the questionnaires sometimes took longer to complete than the researcher had anticipated. To avoid that, the researcher put a due date for collection of questionnaires to avoid inconvenience.
- Executives and representatives and were not willing to divulge useful information claiming that the information on stewardship management is crucial, private and confidential. However, the researcher communicated and educated them that information would be used strictly and purely used for academic purposes and shall remain concealed and undisclosed to unauthorized people.

1.11 Organisation of the study

We were given the introduction, the study's background, the issue statement, the research aims, the research questions, and the study's importance in this chapter. The examination of the conceptual, theoretical, and empirical literature in regard to the ongoing investigation is the subject of Chapter 2. The research data collection approach in the subject region is presented in Chapter 3. In Chapter 4, the information received in Chapter 3 from the administered questionnaires and conducted interviews is analysed, and a descriptive summary of the study is provided, along with a discussion of how the material pertains to our everyday lives. Not to mention, Chapter 5 covers the study summaries, findings, conclusion, suggestions and suggestions for more research.

1.12 Summary

The background of the study and the statement of the problem clarified the problem that pushed and convinced the researcher to carry out this study. This paper wrapped the research project's proposed objectives of the study, research questions, significance of the study and limitations of the study. The literature review, research methodology and data presentation and analysis procedures used in the study was also briefly outlined.

-

CHAPTER II

LITERATURE REVIEW

2.0 Introduction

This chapter's focus is on review of literature and secondary sources that already exists in relation to stewardship effectiveness and set forth key elements that have greater influence on the financial performance of local authorities in Zimbabwe. Defective corporate governance has enfeebled the local authorities and paved way for financial difficulties thus negatively affecting the financial performance of local authorities due to fraud, corruption, negligence and misappropriation of funds. Literature to be reviewed in this chapter include conceptual framework, theoretical framework as well as empirical literature review. The research gap is also highlighted and expatiated in this chapter.

2.1 Conceptual Framework

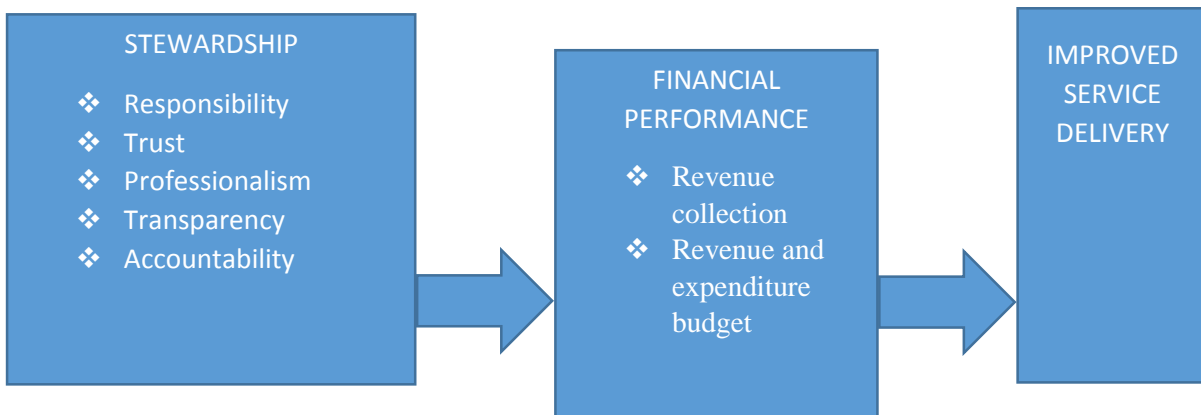


Fig 2.1 The Stewardship in local authorities' Conceptual framework

2.1.1 Stewardship management

2.1.1.1 Responsibility and Stewardship

The idea of responsibility is accepting the results of your actions, whether they are good or bad, and carrying out your obligations (What does responsibility mean to you? 2020). One definition of

responsibility is making deliberate decisions and acting in a way that aims to better oneself or others (Responsibility – what is it? Corporate, financial, business and moral definitions, 2019). (Rupanjana, 2023) views stewardship as an ethical approach to responsible planning and management of resources. She describes it as acceptance of the responsibility of taking care of the organization or property by those who are entrusted with the duty implying that those who are entrusted with the wealth or valuables of any kind by others have an obligation to hand those assets down in a shape better than they themselves inherited them thus being responsible beyond one's own interest. According to (Rupanjana, 2023) in today's corporate scenario, stewardship refers to taking responsibility for the business of the organisation and the effects it has on the whole nation and on the generations to come. Managing the human factor, and other stakeholders is vital for long term sustainability. This includes employees, customers, suppliers, partners and the local community, and managing the interactions with them and in between them is an important part of business stewardship.

2.1.1.2 Trust and Stewardship

According to Rossouw (2005), trust may be described as a party's desire to be open to the activities of another party in the hope that the other will carry out a specific task that is significant to the trustor, regardless of the other party's capacity for oversight or control. People's willingness to take the chance of leaving oneself open to attack by depending on other to advance or safeguard their interests is a good indicator of their level of trust. (Thomas Schillemans, 2019)

The delegatee is seen by stewardship management as a trustee who is more intent on pursuing group objectives than personal ones. If the superior (the government) and the executive (local authority management and council members) have the same objectives and are not behaving opportunistically, then the superior has no reason to be skeptical of the executive's ability to complete a task that has

been delegated to it without excessive bureaucratic drift. The goal of stewardship management is to comprehend the attributes and circumstances of effective stewardship. Additionally, it modifies the perspective of the principal-executive relationship. The goal of stewardship management is to provide the groundwork and promote steward behavior in circumstances which will allow stewardship to thrive in task management.

2.1.1.3 Professionalism and Stewardship

Professionalism is regarded as the conduct, behaviour and attitude of someone in a work or business environment. Good professionalism leads to organisational success, good professional reputation and top level work ethics and excellence.(Career and professional development, 2023). (Bentzen, 2020) observes that stewardship management assists in overcoming the conflicting interests of equally self-servicing principals and agents in the public sector. It also helps to dispel the concern that agents bound by contracts, such as public employees, public agencies, or private service providers, may take advantage of the principals' scarce information, time, resources, and expertise to avoid or perform less than is necessary to provide public solutions and services.

By applying stewardship theory and assuming that subordinate agents in the public sector are "collectivistic, proorganizational, and trustworthy" rather than "individualistic, opportunistic, and self-serving," we can prevent public funds from being wasted on pricey control based performance management systems and prevent public employees from becoming demotivated and alienated from frequent, close observation that contains the stigma of punishment.

2.1.1.4 Transparency and stewardship

Being easily observable is a quality of transparency. In a commercial setting, transparency is synonymous with being forthright and honest, necessitating the release of all pertinent data to enable

consumers to make well-informed decisions (Hanna, 2022). Transparency and a modern understanding of traditional fiduciary obligations that more fairly balances the interests of all stakeholders are made possible by stewardship. Increased responsibility within an organization is the goal of transparency, which is related to the management components of stewardship. Enhancing organizational transparency is facilitated by the application of stewardship codes. These stewardship guidelines are crucial in appropriating and expanding transparency and fiduciary responsibilities. (Dionysia Katelouzou, 2020)

2.1.1.5 Accountability and stewardship

Holding a person or organization accountable is making them answer for the actions required of them (Barbara S. Romzek, 2018). According to (Kenton, 2023) accountability is the acknowledgment of one's own acts as responsibility and is seen as a willingness to be open and honest. He goes on to say that there are other approaches to accountability in the workplace, such as establishing ownership, assigning responsibilities, creating deadlines, and praising achievement (Massimo Contrafatto, 2013).

In stewardship, accountability takes on a unique shape where the object of care, the duration of the care, and the variety of stakeholders involved in the stewardship relationship are all directed toward achieving organizational objectives. The idea of accountability, which is the guarantee that a person or organization is assessed based on their actions or performance in relation to something for which they are accountable, is the foundation of the moral imperative of stewardship that serves as a guide for organizations (Andrew, 2022).

2.1.2 Financial performance

An organization's whole status with regard to its assets, liabilities, equity, expenses, income, and

profitability is evaluated in terms of its financial performance.

It is assessed using a range of business-related ratios that enable users to compute precise information about the prospective efficacy of an organization (TEAM, 2021). According to (Luther, 2023) financial performance is the overall health and strength of an organization's finances. Financial performance looks at data from financial statements and other reports to assist managers whose goal is to strengthen the business, or to inform stakeholders. A typical financial performance analysis compares financial data from an organisation's current fiscal period to previous periods and/or to competitors' data.

(Irna Triannur Lubis, 2022) The revenues and expenditure budget is one tool that can demonstrate the financial success of local governments. Hence, in order to create revenue and spending plans that may represent community requirements while maximizing the potential of each location, local governments must put in genuine, systematic effort. The regional budgets serve as a standard measure for performance evaluation, a tool for decisionmaking and development planning, a tool for future expenditure authority, a tool for calculating income, expenses, and financing, and a tool for coordinating all activities across multiple work units. The degree to which outcomes are achieved with respect to the income and spending budget through the use of financial indicators is known as financial performance.

Public enterprises that are financially stable and well-governed are crucial to the prosperity of a country. The combined effects of financial mismanagement and corruption have severely deteriorated the financial status of many public bodies, making them unable to fulfill their responsibilities, according to (Financial position of public-sector institutions, 2021). In order to survive, some of them have needed government guarantees or bailouts, which has put pressure on national budgets, taking money away from other uses for social and economic necessities, and slowed down the pace of

economic recovery.

2.1.3 Local Authorities

Zimbabwe's local government bodies are governed by the Urban Councils Act (Chapter 29:15) and are led by the Minister of Public Works and Local Government. The term "local authority" under the Act refers to a town council, municipal council, rural district council, or local board. These local governments fall into one of two categories: urban councils or rural district councils. There are now 32 urban councils and 60 rural district councils in Zimbabwe.

Since they oversee the provision of municipal services, local governments are crucial to the growth of every nation. Local authorities depict government in action since they serve as the local level interaction between the government and its residents. As a result, the same are required to provide sustainable services in the appropriate quantity and timing.

(Chakaipa, 2010) Zimbabwe local authorities are defined as the formation of structures where people participate and democratically elected which can then recognize people's needs at bottom level. Those elected translate the needs of the electorate into reality and provide the vital services and infrastructure on a sustainable basis. Chakaipa views local authorities as the foundation of a lower sphere of governance for the intention of implementing functions that central government may find difficult to attain. The local authorities are the closest level to the people, therefore are in a better position to eloquently respond to people's needs. They are also in a better position to control both local knowledge and effort in putting into action their mandates.

(Alouis, 2013) denotes local authorities as administrators that oversee public services in different geographical areas. They ensure that they provide essential public services to residents using the revenue collected from city councils and the grants and loans received from the other sources e.g. the central government. (Chakaipa, 2010) asserts that local authorities have decentralized level of

government and are established democratically and have a mandate of service delivery. Local authorities to a greater extent fund themselves and comprise of legal entities which has defined powers and has jurisdiction over a particular area within boundaries put in place by the national legislation.

2.1.4 Performance of city councils in Zimbabwe

(T Mutandwa, 2022) Zimbabwe local authorities are faced with critical service delivery challenges such as inadequate potable water, healthcare, education, roads, and sanitation. Although these local authorities develop strategic plans annually, there is no indication that this exerts influence on the improvement of service delivery. Failing to implement formulated strategic plans effectively is the main reason for failing to financially perform as expected and as a result failing to meet the expectations of residents in terms of service delivery. According to an article on Hanyani News Online, (9 October 2023) under the title “ChiTown grapples with governance challenges”, the 2012-2025 Office of the President and Cabinet (OPC) facilitated a strategic plan review workshop in Chinhoyi where participants cited lack of funds, debts, lack of source of water, political interference and intolerance as the vital factors affecting operations of the local authority.

2.2 Theoretical Framework

2.2.1 Stewardship Theory

According to (Didier Cossin, 2020) stewardship theory has theoretical roots in a wide range of fields of study. One school of thinking is based on the idea that people have obligations to the environment and to one another as well as to themselves. He goes on to say that managers may act as stewards whose goals already coincide with their principles, according to stewardship philosophy. In a study conducted by (Heijden, 2021) stewardship theory was developed to conceptualize and explain organizational behavior in both public and commercial organization.

It asserts that, in contrast to many other organizational theories, leaders of organizations are driven by the necessity and the desire to perform exceptionally and with honor, and that they are prepared to act in the best interests of their organizations. The notion suggests that in order to foster stewardship behavior, these leaders should be rewarded with opportunities for growth and self-actualization or other experiences that provide them genuine happiness, as opposed to monetary advantages.

In addition to criticizing agency theory's critical diagnosis of advanced shirking and performance management's control-based cure, stewardship theory lays the groundwork for a new, trust-based management paradigm that supports public employees and pro-social motivations (Bentzen, 2020). According to stewardship theory, a subordinate acts as a trustee, placing a greater emphasis on group objectives than personal ones. The idea looks for characteristics and circumstances that lead to excellent stewardship (Thomas Schillemans, 2019).

2.2.2 Stakeholder Theory

Edward Freeman made the stakeholder idea prominent in the 1980s. "Any group or individual who is affected by the achievement of the organization's objective" is how he described a stakeholder.

According to a capitalist perspective, a company's suppliers, customers, workers, investors, communities, and other stakeholders are all mutually linked under the Stakeholder Theory.

According to the principle, a company should strive to produce value for shareholders in addition to value for all stakeholders. (Freeman, 2018) Stakeholder theory according to (Keur, 2022) emphasizes morality, ethics and business ethics while managing stakeholders within an organization.

Enhancing stakeholder interactions aims to maximize efficiency across the project or organization.

Important domains including project management, corporate social responsibility, strategic

management, and business ethics all make use of stakeholder theory. The stakeholder theory offers a

different perspective from the agency and stewardship theories, which center on the interactions between boards of directors and shareholders in the development of corporate governance. It is primarily concerned with the interactions between business, the person, and the state since its focus is on accountability, corporate responsibility, and influence over society (Chigudu, 2020)

Emphasizing the development and maintenance of sustainable stakeholder relationships as the key to firm performance, stakeholder theory offered a unique twist on strategy for managing organizations.

This marked a sudden break from the conventional understanding of business as a vehicle to maximize returns for capital owners (McMillan, 2022).

2.2.3 Shareholder theory

According to Ward and Connell (2020) the primary goal of management, in relation to shareholder theory, is to maximize shareholder value. The interests of other business stakeholders, including workers, suppliers, consumers, and society, are subordinated to this goal. According to shareholder theory, managers and boards should prioritize protecting and growing company's assets for the benefit of its shareholders as they are the ultimate owners of those assets. According to shareholder theory, an organization's sole responsibility is to maximize profits. According to this view, management exclusively acts on behalf of shareholders in order to maximize shareholder profits.

As a result, managers have a moral obligation to provide substantial value for the owners.

(Samuel F. Mansell, 2020) challenges the shareholder theory, which holds that non shareholding stakeholders can still be members of a contemporary organization, but implies that ownership and power are granted to the Board members. The Board of Directors is crucial in ensuring that the interests of both parties are aligned and that management are performing as expected.

2.2.4 Agency Theory

According to agency theory, companies represent their shareholders' interests. In other words, when shareholders purchase corporate ownership, they are entrusting the organization's directors and officers with management of their resources. (Gordon, 2023). The principal-agent model can be used to comprehend how public administration operates. The government in charge of enacting laws and making policies in well-run societies is referred to in this context as the principal, while all groups and individuals involved in carrying out policies are included in the set of agents, which includes executive management, boards, traditional departments, bureaus, and executive agencies (Lane, 2020). (Younas, 2022) while managers work for shareholders, their main goal is to increase their income rather than the wealth of the shareholders. In contrast, shareholders are focused in growing their wealth. Consequently, a conflict of interest develops, which leads to an agency issue in the relationship between the principal and the agent. Younas goes on to say that the agency thesis concentrates on managers' opportunistic attempts to prioritize their own interests over those of the shareholders. Because of the corporate governance mechanism, the board of directors must establish multiple committees and monitor performance of managers, among other things which drives up the cost of resolving agency problems. The board of directors also plays a crucial role in balancing the interests of both parties.

According to (Thomas Schillemans, 2019) critics note that the application of consequentialist theories, like agency theory, may be compared to "fishing in muddy waters" since they are unable to adequately explain the variety of outcomes and behaviors that might occur in governance setups. Claiming that social identities, regulations, and perceived duties drive political behavior, the concept

of purposeful action directed towards predetermined desires is contested. People can act in a variety of ways and prioritize institutional goals above self-serving objectives. Institutional circumstances are vital in deciding which of these possible behaviors is carried out.

2.2.5 Resource Dependency Theory

1978 saw the development of the resource dependence hypothesis by Pfeffer and Salancik. It is the study of how an organization's behavior is impacted by its external environmental resources. According to (Younas, 2022) the theory's thesis revolves around establishing connections between the company and the external environment. It is the responsibility of directors to align the organization's strengths with the evolving trends in the environment. According to resource dependency theory, the board of directors' connection to the outside world helps them get and secure vital resources for the company. As a result, the board of directors provides a variety of resources, including knowledge, abilities, and expertise which they utilize to which they utilize to link business. According to this idea, the board is regarded as a crucial body that gives the company resources and serves as a link between the business and the outside world. Therefore, the effectiveness of municipal governments is heavily reliant on it. (Celtekligil, 2020)

The environment, the scarce and valuable resources that the organization needs, the uncertainty surrounding the organization's ability to obtain these resources, and the reality that few organizations are internally self-evident in an environment of environmental uncertainty are the underlying premises of resource dependence theory. Consequently, in order to manage their environmental uncertainties and to satisfy their internal resource demands, organizations come into touch with other businesses, which starts a partnership. Organizations often seek ways to manage reliance by lowering uncertainty, proactively managing

dependencies, and forming connections with other organizations. As a result, they prefer to enhance the level of coordination and control over processes.

2.3 Empirical review

2.3.1 The stewardship role in managing finances, assets and human capital Stewardship of resources in the South African Public Sector Institutions: A study by P

Hlongwane (2018)

(Hlongwane, 2018) investigated how closely public servants in South African public sector organizations use and manage public resources in accordance with the fundamental stewardship principles. According to his study, public officials have a big job to do as stewards or managers of the financial and nonfinancial resources that have been given to them. They also have a duty to protect public resources in an effective and responsible manner. Public officials abuse the resources given to them for personal benefit at the expense of the broader public, while holding this crucial position. The report made the case that public authorities should exercise caution while managing resources since they are the taxpayers' property. To do this, public servants must denounce corruption and avarice, practicing self-control and refraining from misusing limited resources. He came to the conclusion that public servants must give up their position as stewards serving the people and must act with the utmost professionalism in the performance of their jobs.

Determinants of Financial Derivative Disclosures in an Emerging Economy: A Stewardship Theory Perspective by Hima Bindu Kota¹ and B. Charumathi

(Hima Bindu Kota, 2018) conducted an empirical investigation on the variables influencing Indian non-financial enterprises' financial derivative disclosure. To gauge the derivative disclosure, he created an unweighted Financial Derivative Disclosure Index (FDDI) on his own for his research. This study analyzed the corporate

governance elements that affect derivative disclosure using a multiple regression model. The factors that were discovered were the use of derivatives, size, foreign revenue, the existence of a risk management committee, and institutional holdings. The findings showed that promoters function as stewards, helping their companies enhance their financial derivative disclosures. The stewardship hypothesis addresses the factors influencing financial derivative disclosure in the Indian setting.

Asset management stewardship: The effectiveness of public-private mix governance structures
by David E. Mills, Kerry Brown, Jennifer Waterhouse

The impact of public-private mix governance frameworks on asset management stewardship was studied by (David E. Mills, 2010). It was seen to be more difficult to maintain separate and distinct governance arrangements for each of these functions because major infrastructure assets are often governed by a combination of public and private organizations, each of which fulfills a specific and separate role, such as policy, ownership, operation, and maintenance. This is because these functions are essential to achieving social outcomes, such as the provision of power, water, and transportation, and they are interdependent in terms of risk management.

Long-term asset management success depends on alliances of institutions and entities providing services in a coordinated and cooperative manner. It is unclear, therefore, how to define these networks of links and what kinds of organizations and configurations are necessary for effective collaborative governance. The perspective that stewardship theory offered allowed asset management governance to be investigated. A revised conception of stewardship theory was suggested as a potential solution to the community's worries about the longterm sustainability of infrastructure assets from the standpoints of the environment, accountability, strategy, and business.

2.3.2 The success factors that drive stewardship implementation

Stewardship theory: Is board accountability necessary. A study by Andrew Keay (2017)

In addition to rejecting the core assumptions of agency theory's classic agency problems, the study by Andrew Keay (2017) aimed to show that board accountability is as relevant to stewardship theory as it is to agency theory. Stewardship theory embraces things like trust of directors, their professionalism, loyalty, and willingness to be concerned for the interests of others. The study integrated stewardship theory with the agency theory based idea of board responsibility in corporate governance, which is often utilized in corporate governance literature and practice. While the concept of a board's accountability is typically linked to an explanation and conceptualization of the function and conduct of directors as actors within.

Responsible management on the organizational frontline: A stewardship perspective by [Ko de Ruyter](#) and [Debbie Keeling](#) (2019)

According to (Ko de Ruyter, 2019), developing stewardship management requires responsible management. According to his theory, stewardship provides a framework for creating long term solutions that balance immediate vs long-term gains and harmonize stakeholder interests. It was determined that stewardship-based control mechanisms needed to be developed and integrated with responsible management. One major challenge is figuring out how to match the growing need for accountability with conventional performance metrics. Although there is an increasing interest in responsible management, there is little evidence to support this alignment. Due to the difficulty of having a top-down strategy, self-regulatory measures by firms to behave ethically in their relationships with customers only partially succeeded. The idea of stewardship was thus introduced due to the necessity of expanding our understanding of how to develop a long-lasting feeling of moral responsibility at the organizational frontline.

2.3.3 Causes of bad stewardship in public sector organisations

Trust and verification: balancing agency and stewardship theory in the governance of agencies

by Thomas Schillemans & Karl Hagen Bjurstrøm (2020)

(Thomas Schillemans, 2019) Selecting the most suitable delegate is the first stage in any delegation regime, according to research done by Thomas and Karl on the stewardship theory of management. Since overlapping interests are the foundation of stewardship theory, choosing delegates should be based on how best to find and interact with those who have the greatest amount of overlap in their interests. The principals then to identify the stewards whose interest and objectives align as much as possible. While incentives are necessary to motivate any agent, stewardship theory is based on a self-actualization concept rather than financial gains. Giving compliments out loud for a job well done is one type of informal motivation. In addition to encouraging job performance, this type of immaterial incentive is crucial in situations when agencies' concerns about accountability and reputation are intertwined. The analysis found that stewardship is doomed to fail if the interests of a chosen delegate do not coincide with those of the organization.

Stewardship Theory: Realism, Relevance, and Family Firm Governance by James J. Chrisman (2019)

(Chrisman, 2019) Stewardship theory's applicability and reality were examined by James J. Chrisman. He claims that the assumptions of stewardship theory restrict its applicability and reality. Additionally, he thinks that the stewardship theory is less realistic and applicable since it ignores problems with restricted rationality and pre-employment circumstances. He argued that the model of man presented by stewardship theory does not accurately capture human thought and behavior. Its disregard for incentives and monitoring undervalues these important channels for motivation and communication, and its assumptions about goals fail to adequately account for the many, varied, and competing

objectives of organizational stakeholders. According to James J. Chrisman, stewardship theory needs to have its presumptions updated in order to be more realistic and relevant.

2.3.4 Solutions to bad stewardship in public sector organisations

When Agents Become Stewards: Introducing Learning in the Stewardship Theory by David Pastoriza and Miguel A. Ariño,

Finding the circumstances in which the interests of the principal and the steward coincide is the primary goal of stewardship theory (Donaldson and Davis, 1991 & 1993). David and Miguel outlined how an individual may transcend to become a steward (David Pastoriza, 2008). According to the stewardship idea, people are more likely to become agents or stewards due to situational and psychological reasons. On the one hand, situational factors which have more to do with the surrounding cultural context than the work environment of an organization have an impact on an organization's members' decision to become stewards. Some of the situational factors that predispose an individual towards stewardship are working in an involvement-oriented management system as opposed to a control-oriented management system; a collectivists culture as opposed to an individualistic culture; and a low-power distance culture as opposed to when corporate governance structures give them authority and discretion.

Members of an organization may also be predisposed psychologically to take on the role of steward. Higher-order motivates a commitment to values, a stronger inclination to connect with the goals of the company, and a greater use of one's own power as a foundation for influencing others are some of these aspects. The investigations findings showed that becoming steward does not come from a rational process; rather, one must comprehend the inner power that motivates someone to put aside their own self-interest and find a solution to their internal inter-motivational conflict.

Can we better define stewardship for public sector executives? A research agenda by Leah Simpkins, Myriam Beaudry, Louise Lemyre (2021)

The goal of (Leah Simpkins, Can we better define stewardship for public sector executives?, 2021) was to chronicle the narratives of executives in the Canadian federal public service in order to determine important aspects of stewardship. According to this study, stewardship is defined as an administrator's willingness and capacity to gain the public's trust by efficacy and moral behavior. Organizational rigidity, problems with the promotion system, a lack of resources, a lack of support for taking risks, a preference for productivity over employee well-being, senior-level competitiveness, and territoriality over work or expertise were all identified as barriers to good stewardship. Stewardship facilitators that can help mitigate some challenges were noted. These included empowering employees by defining roles, responsibilities, and explicit objectives as well as transformational leadership and acknowledgment. It also involved encouraging cooperation and coherence across departments in order to create a common ground and be receptive to diverse viewpoints. The study came to the conclusion that understanding stewardship is especially crucial for encouraging efficient coordination and collaboration in public sector organizations.

2.4 Research gap

Most of the studies that were carried out on stewardship effectiveness centred mostly on listed companies and private sector businesses in general. Furthermore, most of the researches were carried out outside Zimbabwe. The studies carried out in Zimbabwe looked mostly at stewardship management on the general firm's performance and not specifically on the financial performance of public institutions. There are no studies that looked on stewardship management in successful financial performance in Zimbabwean local authorities. This study therefore endeavours to fill that gap in knowledge.

2.5 Summary

The purpose of this chapter as the second phase of the study was to review literature related to problem under study. The reviewing of literature related to stewardship management has unfolded much evidence that good corporate stewardship management is a key to the successful financial performance of local authorities and all other organizations. The chapter has begun by looking at the conceptual framework, in which scholarly definitions of key terms like stewardship management, financial performance and local authorities were provided. It also looked at the independent and dependent variables of stewardship and financial performance. It was followed by theoretical framework where the researcher was reviewing literature related to theories underpinning the study such as stewardship theory, stakeholder theory, shareholder theory, agency theory resource dependency theory and finally the empirical review highlighting what other researcher have done in the context of answering the research objectives. The ending of this chapter has paved way for the next chapter which will be looking at research methodology.

CHAPTER III

RESEARCH METHODOLOGY

3.0 Introduction

The main purpose of this chapter is to scrutinize the methodology used in the study. Research methodology is the specific procedures or techniques used to identify, select, process and analyse information about the study. The research methodology enables the study to be critically evaluated on its validity, accuracy and reliability. The chapter has also articulated the suitability of the instruments to be used in providing detailed information on stewardship effectiveness on the successful financial performance of Kwekwe City Council. Furthermore, the chapter outlined research philosophy, research design, research method, population of the study as well as the determination of the sample size, sampling techniques, research instruments and data collection techniques.

3.1 Research Philosophy

The researcher has adopted pragmatism research philosophy. According to the pragmatic philosophy, human thinking are inextricably tied to human action since human acts are never independent of prior experiences and the beliefs that resulted from them (Vibha Kaushik, 2019). According to (Morgan, 2014) pragmatism may function as a philosophical framework for social science research, irrespective of the research's methodological approach being qualitative, quantitative, or mixed. Pragmatism blends the perspectives of the quantitative and qualitative paradigms as two integrated, rather than opposing, philosophies in order to conceive its ontological, epistemological, and axiological viewpoints. In this research, pragmatism research philosophy was relevant since the study adopted both quantitative and qualitative research designs. This implies that meanings from the research subject's views, words and opinions were drawn and interpreted.

3.2 Research design

The research study has adopted a descriptive survey as its most appropriate research design. This implies that a research limited to particular cases that represent the whole population under study will be used. The researcher reduced the population from the case studies to a sample group. The advantage of a sample is that it saves time and resources since contacting every person in the population of the study takes time and also the number of people that the researcher contact is related to the cost of the study. The survey is relatively easier to administer since it is developed in less time as compared to other data collection methods. In this study, the descriptive research design chosen also involved the use of questionnaires where data collected is analysed and presented using numerical and statistical methods and interviews which are used to collect qualitative data about the respondents' feelings, experiences and opinions and the data will be presented with facts, theories and related literature.

3.3 Research Method

The researcher has used both quantitative and qualitative research methods on this study. Quantitative research method is appropriate for this study as it allowed researcher to reach higher sample size, as it is a numerical data research study involving a greater number of subjects and enhancing the generalization of the results. Quantitative methods were used to collect numerical data pertaining to examining the stewardship role in managing resources i.e. finances, assets, human capital; assessing the success factors that drive stewardship implementation; causes of bad stewardship that may negatively impact on the financial performance of Kwekwe City Council and the solutions to bad stewardship. The results achieved from quantitative research method were logical, statistical and unbiased. At the same time qualitative research approach produced detailed description of participants' feelings, opinions, and experiences and interpreted the meaning of their actions. The qualitative method sought to answer the four questions provided on the interview guide.

3.4 Population

In this study the population was one hundred and fifty participants who are directly linked with the daily operations of Kwekwe City Council namely 5 Executive managers, 18 Councillors, 6 committee members of the Kwekwe residents' association, 10 registered suppliers, 40 employees and 71 rate payers in and around the CBD. The criteria chosen by the researcher specifies the characteristics that people in the population must possess for them to be included in the study. The eligible criteria in this study was that the participants must be:

- a Zimbabwean citizen
- a Kwekwe resident
- a stakeholder of Kwekwe City Council

3.5 Sample size determination

(KK Gupta, 2016) states that sample sizes are evaluated according to the caliber of the generated estimations. More representative samples are greater in size and larger samples also have less sampling errors. The sample for this research was calculated using Slovin's formula whereby:

Sample size =)

Where:

$N = \text{study population} = 150$

$e = \text{margin of error} = 0.05$

Sample size = $150 \div (1 + 150 * 0.0025)$

$= 150 \div (1 + 0.375)$

$= 150 \div 1.375$

= 109.9

= 110

The recommended sample size for the study was 110.

The sample was obtained from across all levels namely executive management, councillors, employees, suppliers and rate payers including but not limited to those within the central business district. Time and resources were saved by selecting a sample rather than attempting to focus on the entire population of the stakeholders of Kwekwe City council.

3.6 Sampling technique

Because stratified random sampling is objective, that was the method of sampling that was chosen.

The process of stratified random sampling entails breaking the population up into smaller groupings, or strata. This was employed for the size of the stakeholder category, its nature and the influence. The strata levels used were executive management, councillors, employees, committee members, rate payers and suppliers.

The reason probability was chosen was because it is thought to be more likely to provide representativeness as it offers each member of the population an equal chance of being chosen for the sample. Additionally, it removes researcher bias from the participant selection process. A stratified random sample of 110 stakeholders of Kwekwe city council was selected. The researcher found it easy to obtain the subjects and there is no risk of biasness since every participant had the same chances of being selected as others. The results obtained could be generalized to the entire population.

A sample of one hundred and ten participants was drawn using the stratified random sampling technique. The stratified random sampling combines the characteristics of random sampling and purposive sampling. Thus the population was divided before drawing the sample. The population was stratified to make the sample representative and to increase the conciseness of the sample estimates.

Six categories namely executive management, councillors, suppliers, rate payers, employees and Kwekwe residents' association committee members were listed, each in their respective stratum. From each stratum, participants were randomly selected using the raffle method. The respective category names were placed in each group, noted on chits and put in six different sealed boxes, each box comprising five, eighteen, ten, sixty-one, fifty and six participants respectively. After ruffling, the chits were drawn from the box and a survey ensued.

The population was divided into categories by the researcher, who then randomly selected a sample from each stratum in an equivalent ratio based on that proportion. In this context, the population of stakeholders for Kwekwe City Council in summation was 150 of which 3% were executive management, 12% councillors, 7% suppliers, 47% rate payers 27% employees and 4% were members of the Kwekwe residents' committee. The sampling was $110 \times 3\% = 3$ for management, $110 \times 12\% = 13$ for councillors, $110 \times 7\% = 8$ for suppliers, $110 \times 47\% = 52$ for rate payers, $110 \times 27\% = 30$ for employees and $110 \times 4\% = 4$ for Residents committee members.

3.7 Research Instrument

The researcher used a combination of primary data gathering techniques, such as interviews and questionnaires, and secondary data collection techniques, such as explanations and other ongoing research projects, in this study. To guarantee the validity of the information gathered, the researcher had presented and exposed concepts and facts in writing.

3.7.1 Interviews

An interview can be positioned in between the structured and unstructured poles, according to Nyashanu (2016). According to Nyashanu (2016), the organised pole is more likely to surveys, whereas the unstructured pole is more akin to observation. Hence the researcher used semi structured interview. In this context, interviews were scheduled by the researcher with two participants from executive management, five from councillors, five from suppliers, fifteen from rate payers, ten from

employees, and three from residents, committee members. Interviews were used to answer questions listed on the interview guide which sought to understand how stewardship affect management of resources i.e. finances, assets and human capital, how effective Councillors are in playing their oversight role, how effective the Residence Association is in assisting Kwekwe City Council in decision making and financial management, if good financial performance results in improved service deliver and how the service delivery of Kwekwe City Council was from year 2018 to 2022 in the respondent's view. However, some interviews were not completed owing to the absence of the participants on the day when they were conducted.

3.7.2 Questionnaires

According to Mohammad (2016), a questionnaire consists of a set of open-ended or closed-ended questions that respondents must respond to. The participants were given closed-ended questionnaires by the researcher, which is considered a suitable data collection technique according to Gangrade (2015) because respondents may feel more confident because of their anonymity and feel free to express opinions that they are afraid will be rejected or could get them into trouble. Questionnaires were used to collect data underpinning the stewardship role in managing resource namely assets, finances and human capital at Kwekwe City Council, the success factors that derive stewardship implementation, causes of bad stewardship that may negatively affect financial performance of Kwekwe City Council and solutions to bad stewardship that could enhance service delivery a measure of financial performance of Kwekwe city council.

3.8 Validity and Reliability

The data collection techniques used in this study ensured validity and reliability thereof. The researcher prepared an open-ended short and unambiguity interview guide in order to ensure that reliability is kept. The researcher administered both the interviews and questionnaires in person in order to ascertain that they were given to the right people. The research instruments were both valid and reliable because the

researcher developed short questions, which were long enough to obtain relevant and important information. In light of the interviews, questions were adjusted accordingly so as to enhance clarity and seek for further subtle details.

3.9 Data collection techniques

The researcher is a Kwekwe resident and a rate payer while the study was conducted at Kwekwe City Council. This implied that the researcher made appointments with the various stakeholders of the city council to conduct the research study. In this study, the researcher has employed both primary data collection methods namely questionnaires and interviews and secondary data collection methods that is explanations and other existing research projects. The researcher laid and exposed ideas and facts by writing down research opinions to ensure credibility of the data collected. Frequent visits were made during the lunch time to familiarise with the council hierarchy, and culture as well as analysing, identifying and writing down the names of the participants relevant to the study as per simple random sampling. Administering research instruments and collection of data was done in the following ways:

The researcher placed appointments with the various stakeholders to visit their workplaces and administer questionnaires and conducting interviews simultaneously. The appointments were in person since the stakeholders are locally based and within the researcher's reach. As the potential participants had agreed to the date and time, the researcher visited the stakeholders and conducted the interviews on a face to face interval while at the same time administering questionnaires.

During the interview sessions, the researcher had a note-book in her hand, where she was writing down the responses from the interviewees. Follow ups on the completed questionnaires were made soon after the interview sessions. The researcher distributed 110 questionnaires to the participants. The researcher has made a daily follow until 100 questionnaires were completed and returned.

3.10 Pilot Testing

Five questionnaires were given out by the researcher to other pupils. The researcher was able to clarify several points raised by the pilot responders thanks to the assistance of the pilot testing. The pilot test also analyzed the interview instructions and made necessary modifications.

3.11 Data Cleaning/Sifting

Errors in a data collection are found and then corrected in two steps of a process called data cleaning. The researcher cleansed the data before making any findings in order to maintain objectivity. Other glaring mistakes and unrealistic responses were removed. These surveys were regarded as spoiled. When responders checked more than one box for an option, their replies were also rejected, and when practicable, phone calls were made to get clarity.

3.12 Data presentation and Analysis Procedures

3.12.1 Data Presentation

Following data collection, the researcher employed categorical data. Tables are used in categorical data analysis. To show the data gathered, the researcher created a variety of tables and graphs. These consist of basic frequency stories, composite bar charts, pie charts, and bar charts. The data was examined according to the study purpose, which guided the grouping of the questions. It was decided that the findings fairly represented the industry being studied.

3.12.2 Data Analysis

With the use of the statistical software for social scientists (SPSS), the acquired data was analyzed. This package was chosen since it offers several ways to show the findings. In addition, it processes the findings quickly and with reliability. Additionally, the package includes charts, tables, and graphs that support the study's findings. The researcher has used both qualitative and quantitative data analysis techniques. Content analysis where meanings and relationships of words, theories and concepts in

qualitative data were quantified and analysed. The researcher used inferential statistics and descriptive statistics to analyse quantitative data. The information was then presented through the use of tables, bar graphs, histograms and pie charts. Furthermore, the percentage system has been adopted to provide a standard measure for quantitative data analysis. To ascertain the primary features of the research variables, data was analyzed using descriptive statistics. The researcher chose these methods for presenting and analyzing data because they are simple to use and comprehend.

3.13 Ethical considerations

(Fleming & Zegwaard, 2018) have highlighted some ethical dilemmas commonly encountered when conducting a research which include informed consent, risk of harm, anonymity, confidentiality, and voluntary participation.

Informed consent

The cornerstone of ethical issues in research is informed consent. The researcher had disclosed the purpose and all the facts about the research study to ensure that the subject made informed decision about participating or not. The aspects that the researcher disclosed and clearly explained to the subject included the name(s) of the researcher(s), the purpose of the research study, the data that was collected from the participants, the method(s) used to collect data from the participants, the level of commitment required from the participants, how the data was used and reported, the potential risks of participating in the research study

Risk of harm, anonymity and confidentiality

Participants' identities were kept private or anonymous, and in addition to name protection, there was also a promise not to use any self-identifying words or facts. A crucial first step in shielding the participants from any damage is maintaining their anonymity and confidentiality.

Voluntary participation

In this light, the subject was not coerced in participating in this study in any way, thus they solemnly volunteered to participate in the research. The researcher had communicated and educated the subject that information from the research findings was to be used strictly and purely for academic purposes and would remain convinced and undisclosed to unauthorised persons.

3.14 Summary

The chapter outlined and explained research methodology used in this study. The main purpose of the research methodology was to allow the study to be critically evaluated on its accuracy, validity and reliability. Hence the researcher was mainly concerned with data collection instruments. Interviews and questionnaires were used to gather data in order to measure validity and accuracy of the data. Ethical issues on the research study were also outlined in this chapter. The researcher used both quantitative and qualitative research design. The chapter also described and discussed components of research methodologies used such as a sample of 110 stakeholders from a target population of 150 stakeholders. The end of this chapter paved way for chapter four that would focus on the presentation of data and analysis and interpretation.

CHAPTER 1V

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF RESULTS

4.0 Introduction

As mentioned in the study technique chapter that comes before it, this chapter included the presentation and analysis of data that was gathered from the participants utilizing a variety of devices.

In order to add value to the explanation of the study findings, the researcher additionally used various statistical presentations to support the data presentation that was previously described.

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4.1 Response rate

110 individuals were the determined sample size for this investigation.

Only 100 of the 110 people who were chosen by stratified random selection were able to reply to the questionnaires that were given to them, as shown in the table below.

Table 4.1: Questionnaire response rate

Number of questionnaires issued	110
Number of questionnaires completed and returned	100
Response rate	91%

According to the above data, one hundred (100) of the one hundred and ten (110) completed questionnaires that were sent were returned, providing a ninety-one percent (91%) response rate.

This was higher than the minimum of sixty percent (60%) that Baruch and Holtom (2008) suggested be acceptable for reliable results in organizational research. The study's conclusions may be trusted because of the sufficient response rate.

4.2 Normal distribution of data

Inferential statistical tests were performed in order to answer research problems. Non-parametric tests are employed for data that is unevenly distributed, while parametric tests were utilized for data that was regularly distributed. The following are the findings of the researcher's researcher's test for normalcy of the data:

Table 4.2: Test for normality

Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Do you agree that Kwekwe City Council is not performing to standard	.477	100	<.001	.520	100	<.001
Respondents, age in years	.231	100	<.001	.855	100	<.001
Highest level of Education	.478	100	<.001	.514	100	<.001
Relationship with Kwekwe City Council	.325	100	<.001	.836	100	<.001
Association with Kwekwe City Council	.217	100	<.001	.840	100	<.001
Stewardship influence the effective management of resources i.e. finances, assets, human capital	.340	100	<.001	.636	100	<.001
Are you familiar with stewardship as an organisational phenomenon	.516	100	<.001	.411	100	<.001
Of the three resources stated above, which is the most affected by bad stewardship	.448	100	<.001	.569	100	<.001
If these factors are a part of inherent culture of Kwekwe City Council, the organisation will successfully implement stewardship resulting in successful financial performance	.376	100	<.001	.629	100	<.001
In your own view, management of Kwekwe City Council is operating at the best interest of the public and other stake holders	.184	100	<.001	.907	100	<.001
Does the council receive any budgetary support from the government	.438	100	<.001	.582	100	<.001
Does council observe statutory regulations when formulating budgets and disbursement of funds	.402	100	<.001	.615	100	<.001
Do you think Kwekwe City Council have all the resources needed to fulfill their mandate	.535	100	<.001	.301	100	<.001

a. Lilliefors Significance Correction

Based on the sample size, the tests are essentially split into two categories. The Kolmogorov-Sminov test is employed for samples bigger than 2000. The Shapiro-Wilk test is used for smaller samples, specifically those with a value less than 2000. The data set is considered regularly distributed if the significance value (p-value) is larger than 0.05; otherwise, the data is unevenly distributed. The data in the preceding table is unevenly distributed and does not appear to follow a bell-shaped curve, as indicated by P-Values of $>.001$. The findings suggest that non-parametric testing ought to be done. Correlation was employed by the researcher to demonstrate the relationship's direction, strength, and importance. After determining the association, the researcher used regression analysis to determine the modified variables' cause and effect relationship.

4.3 Exploring the data

When doing research, the validity and reliability of the data gathering tools are crucial.

Reliability, according to Polit et al. (2013), is the degree of consistency between the property that an instrument is intended to measure and what it actually measures. The widely used measure of internal consistency is the Cronbach's Alpha coefficient, which assesses how closely the questions on the questionnaire—the data collecting tool in this case—measure the same concept. A data gathering tool's Cronbach's Alpha coefficient needs to be higher than 0.7 in order to be deemed trustworthy.

Malhota (2007).

The questionnaire's Cronbach's Alpha value was 0.949, which is higher than the 0.7 cutoff point and suggests that all of the items in the questionnaire consistently measured the same construct, indicating the reliability of the data instrument. The reliability test results are displayed in the table below.

Table 4.3: Reliability Statistics

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.949	.961	13

According to Burns and Grove (2009), the degree to which an instrument assesses the phenomenon being researched in the first place is known as its validity. Stated differently, it refers to the degree to which a tool captures the variables that the investigator wants to capture. The researcher took into account both internal and content validity in this study. In contrast to content validity, which gauges how well the instrument covers the issue under research, internal validity assesses how well the instrument measures exactly what it is intended to measure. By speaking with the relevant authorities, councilors, staff, ratepayers, and other stakeholders of the council that was the subject of the study, the researcher tested these two hypotheses.

4.4 Presentation of demographics

Of the one hundred (100) responses obtained from distributed questionnaires, fifty-four (54) were male respondents whilst forty-six (46) were female respondents. This suggested that there was gender balance in the respondents although male dominance is still identified in political positions like councilors as well as executive management. These results are shown in the diagram below:

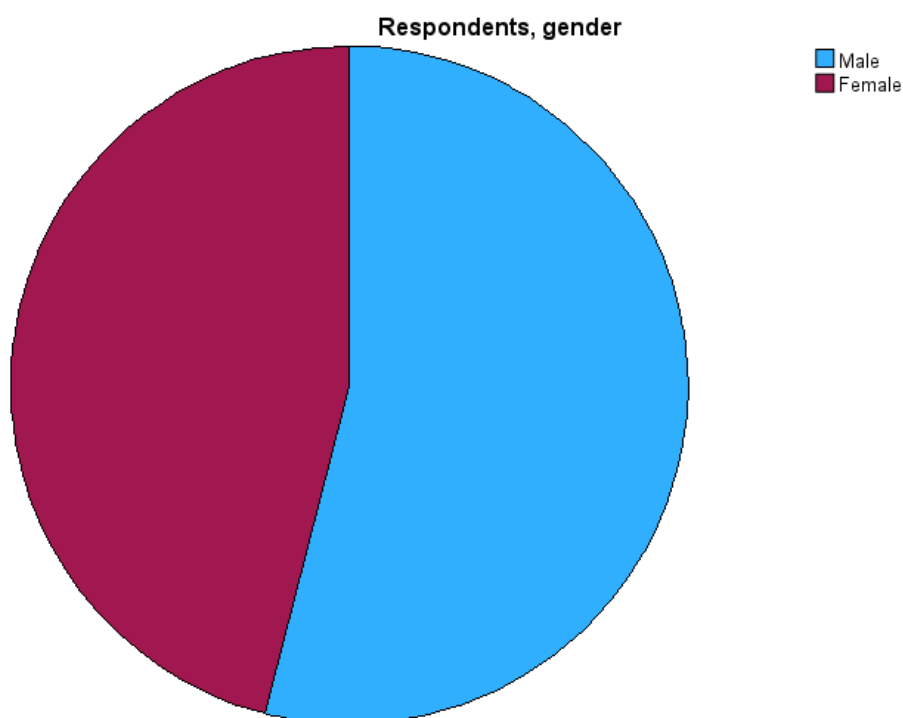


Figure 4.1: Respondents' gender

Respondents' age distribution indicated that 7% were aged between 18-30 years whilst another 40% were in the age group 31-40 years old. The age group 41-50 years was represented by 33% of the respondents whilst 7% were aged between 51 and 60 years. Those above 60 years old were 13% of the population. The results indicated that the majority of the respondents were middle aged with ages between 31 and 50 years, a class often referred to as the middle age which are economically active, adding to the relevance of the study. The following table shows the age statistics:

Table 4.4: Respondents' age

Respondents, age in years					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	7	7.0	7.0	7.0
	31-40	40	40.0	40.0	47.0
	41-50	33	33.0	33.0	80.0
	51-60	7	7.0	7.0	87.0
	Over 60	13	13.0	13.0	100.0
	Total	100	100.0	100.0	

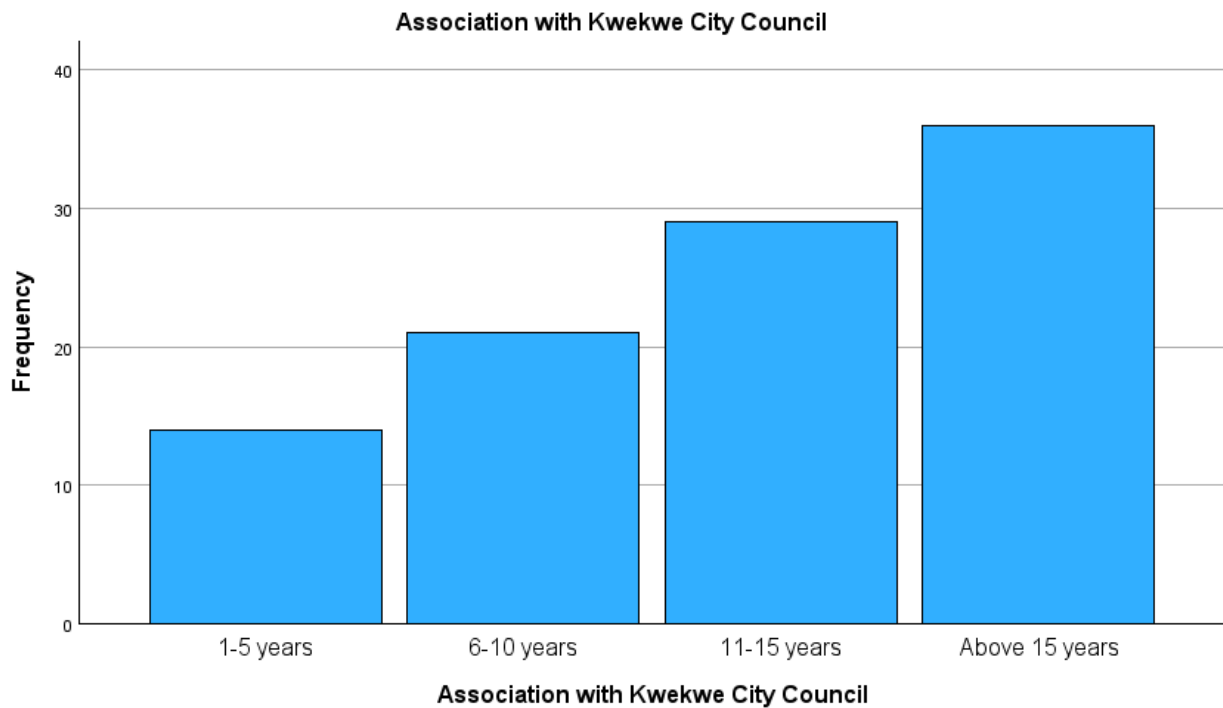


Figure 4.2: Respondents’ association with the city council

The above diagram indicated that the majority of the respondents were seasoned Kwekwe residents and employees with over 15 years in Kwekwe as represented by 36% of the respondents. Another 29% of the respondents had 11-15 years of association with the city council whilst 21% boasted 6-10 years in Kwekwe. A paltry 14% of the respondents were in the city of Kwekwe for a period between 1-5 years. The results indicated that the sample was well balanced with seasoned stakeholders of the city council as well as the minors.

4.5 Analysis of Results

4.5.1 Examining the stewardship role in managing resources i.e. finances, assets, human capital

Table 4.5: Familiarity with stewardship as a phenomenon

Are you familiar with stewardship as an organisational phenomenon?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Maybe	14	14.0	14.0	14.0
	Yes	86	86.0	86.0	100.0
	Total	100	100.0	100.0	

14% of the respondents indicated that they may be familiar with stewardship as an organizational phenomenon whilst the majority 86% showed that they were familiar with stewardship hence suggesting that the sample was not misdirected and relevant for the study.

Table 4.6: Stewardship influence on effective resource management

Stewardship influence the effective management of resources i.e. finances, assets, human capital					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	50	50.0	50.0	50.0
	Agree	50	50.0	50.0	100.0
	Total	100	100.0	100.0	

Effectively all respondents indicated that stewardship influence the effective management of resources with particular focus on finances, assets and human capital. This was shown by the table above for which 50% strongly agreed whilst another 50% agreed to the same notion. The results therefore showed that stewardship indeed had an influence in the effective management of resources as orchestrated by (Hlongwane, 2018) that adhering to stewardship principles affect the use and management of public resources.

Table 4.7: Resources most affected by bad stewardship

Of the three resources stated above, which is the most affected by bad stewardship					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Finances	71	71.0	71.0	71.0
	Human capital	29	29.0	29.0	100.0
	Total	100	100.0	100.0	

Financial resources were indeed the most affected by bad stewardship as indicated by the majority 71% of the respondents. The other 29% revealed that bad stewardship mostly affect human capital with non pointing on other assets of the organization. It was therefore clearly indicated that bad stewardship affected the finances of the organization to a large extent and human capital to a lesser extent.

4.5.2 Assessing the success factors that drive stewardship implementation

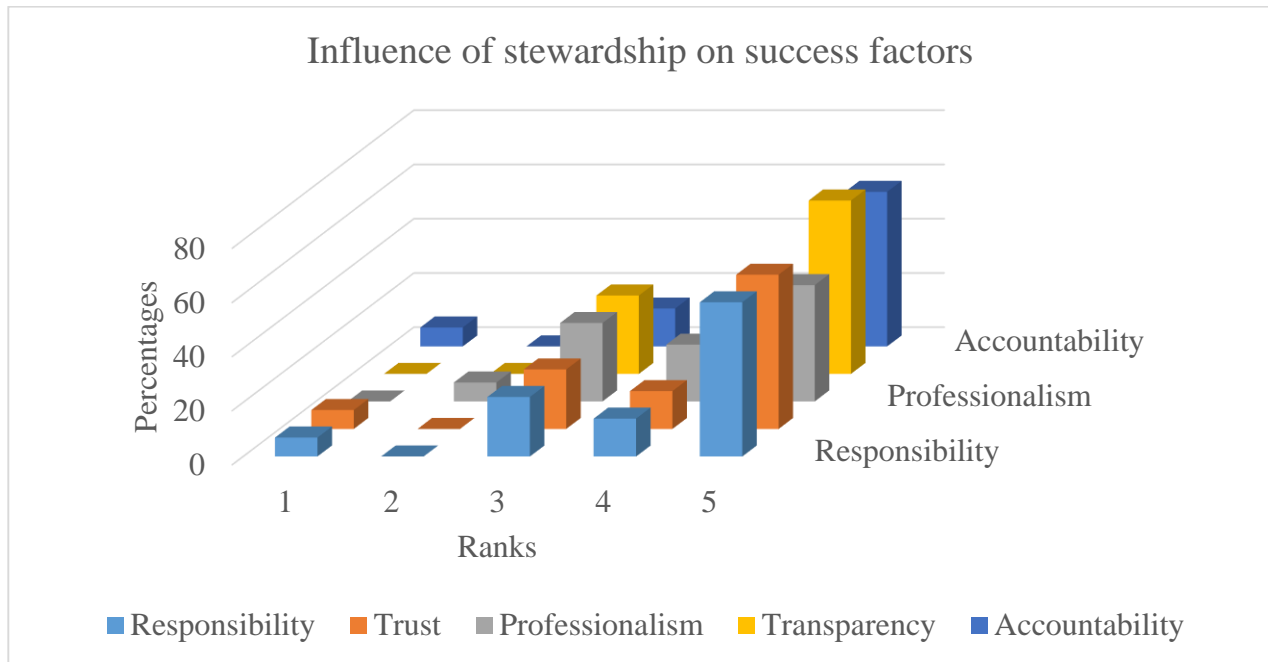


Figure 4.3: Success factors influence on stewardship

On the rating of the influence of stewardship on success factors, the majority of the respondents indicated that stewardship had a 100% influence on the suggested success factors as 56% of the respondents revealed the same. Overall, 94% of the respondents shown that the influence of stewardship on success factors was to a large extent as they indicated a rating of 3/5 and above and this

proved to be in line with Andrew Keay (2017) when he demonstrated the fact that stewardship theory embraces things like trust of directors, their professionalism, loyalty and willingness. This revelation strongly highlighted the importance and/or influence of stewardship on the success of an organization which is measured in terms of productivity and in this case service delivery.

Table 4.8: Inherent culture at Kwekwe City council

If these factors are a part of inherent culture of Kwekwe City Council, the organisation will successfully implement stewardship resulting in successful financial performance					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	57	57.0	57.0	57.0
	Agree	43	43.0	43.0	100.0
	Total	100	100.0	100.0	

Results indicated in the above table showed that successful implementation of stewardship is achievable at Kwekwe City council resulting in successful financial performance. All the respondents in the sample agreed to the same with 57% strongly agreeing whilst 43% agreed. None of the respondents were neutral. Disagreed or strongly disagreed.

Table 4.9: Kwekwe City Council management operations in relation to stakeholder interest

In your own view, management of Kwekwe City Council is operating at the best interest of the public and other stake holders					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	7	7.0	7.0	7.0
	Agree	29	29.0	29.0	36.0
	Neutral	28	28.0	28.0	64.0
	Disagree	29	29.0	29.0	93.0
	Strongly disagree	7	7.0	7.0	100.0
	Total	100	100.0	100.0	

On whether management of Kwekwe city council was operating at the best interest of the public and other stakeholders, Matherne (2015) suggested that stewards are trustworthy individuals and work meticulously to achieve the goals of the company and 7% strongly agreed whilst 29% agreed to the same. However, 28% were neutral to the view whilst another 29% disagreed and a further 7% strongly disagreed as argued by Chidziva (2016) that corporate managers may have personal goals that conflict with the long-term objectives of the organization. The above results indicated mixed views from respondents about the council's commitment to public and stakeholder interest. This suggested that the city council management was trying their best albeit with some constraints beyond their control.

4.5.3 Causes of bad stewardship that may negatively impact on the financial performance of Kwekwe city council

Table 4.10: Stewardship aims

	1	2	3	4	5
Safeguarding assets	0	0	28	43	29
Creating management accountable for corporate functioning	0	7	29	7	57
Protecting and promoting the interests of the public and other stakeholders	7	14	7	29	43
Creating a transparent working system for the organisation which helps and enables the achievement of economic goals	14	7	7	22	50
Developing an efficient organisational culture	0	21	21	22	36

Respondents revealed the main aims of stewardship in an organization in the table above. 100% of the respondents indicated that stewardship was aimed at safeguarding assets with a rating of 3 and above.

93% revealed that it was also aimed at creating management accountable for corporate functioning with a rating of 3 and above. On protecting and promoting the interest of the public and other stakeholders, 79% indicated a +3 rating which was in line with Schillemans and Bjurström (2020) aim of stewardship as they believed that stewards are entrusted with resources and act on behalf of individuals with whom there is no direct contractual relationship. 79% indicated the same range of +3 on creating a transparent working system for the organization which helps and enables the achievement of economic goals as argued by Gatawa (2022). On developing an efficient organizational culture, 79% of the respondents rated a score of 3/5 and above. This indicated that stewardship was aimed at all the suggested functions of safeguarding assets, creating management accountable for corporate functioning, protecting and promoting the interests of the public and other stakeholders, creating a transparent working system for the organization which helps and enables the achievement of economic goals and developing an efficient organizational culture.

Table 4.11: The extent of the consequences of bad stewardship on financial performance

	1	2	3	4	5
Increased criminal activity i.e. fraud	7	7	22	7	57
Mismanagement of resources by managerial employees	14	0	7	29	50
Overriding of internal control systems	7	0	7	57	29
Increase in the level of untrustworthy	7	0	0	57	36
Compromised decision making	7	0	21	29	43

Respondents revealed that bad stewardship had negative consequences on the financial performance of Kwekwe city council to a large extent. This is revealed by the above table where 86% rated increased criminal activity such as fraud at 3/5 and above. Another 86% rated mismanagement of resources by managerial employees at +3 whilst 93% rated overriding of internal control systems the same. Another 93% rated increase in the level of untrustworthy at 4/5 and above. Compromised decision making was

ranked at +3 and above by 93% of the respondents. This indicated that bad stewardship had a negative impact on the financial performance of Kwekwe city council.

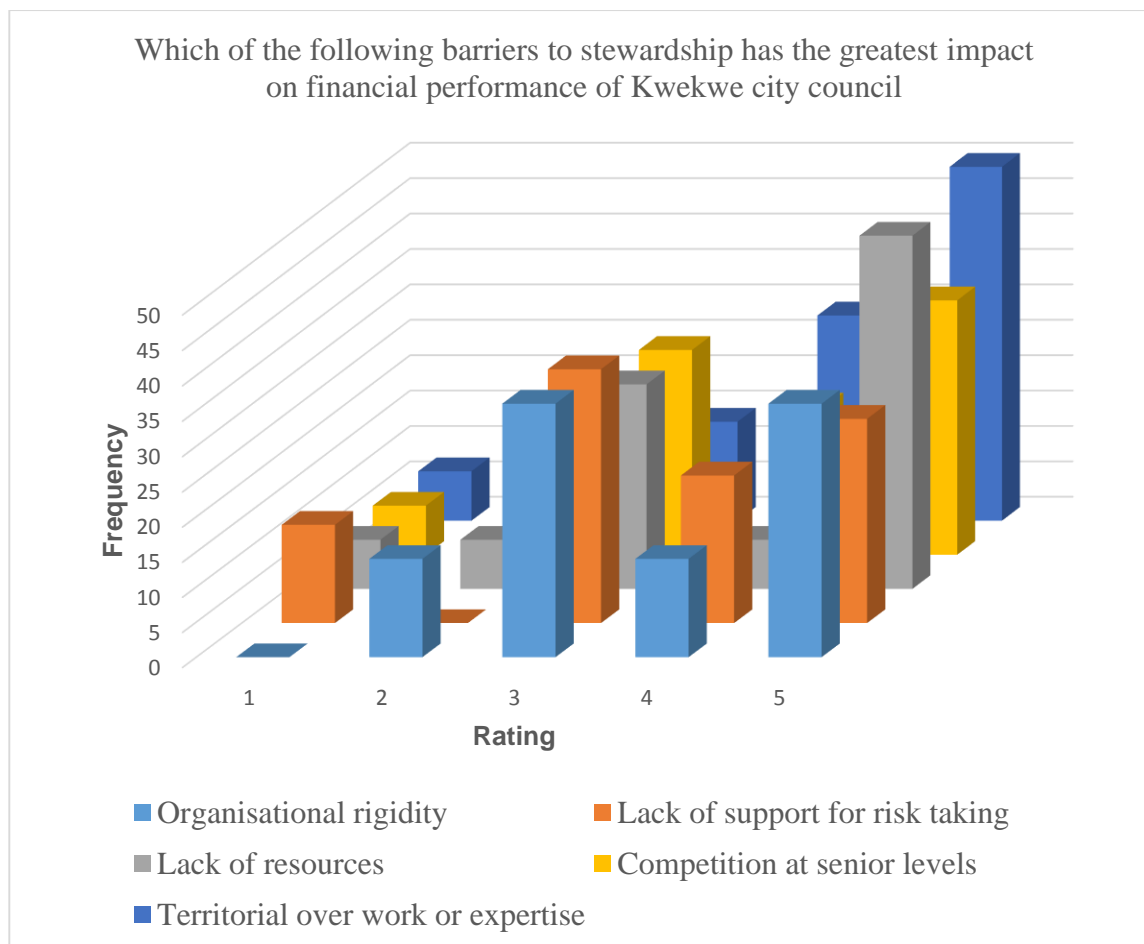


Figure 4.4: Barriers to stewardship with greatest impact on financial performance of Kwekwe City Council

The above figure pointed out that two barriers to stewardship, namely lack of resources and territorial over work or expertise had the greatest impact on financial performance of Kwekwe City Council with 50% of the respondents giving them a rating of 5 out of 5. These were followed by organizational rigidity and competition at senior levels with 36% each giving them a 5/5 rating. Lastly lack of support for risk taking had the least impact as only 29% gave it a 5/5 rating. (Leah Simpkins et al 2021) noted the barriers of stewardship as organisational rigidity, promotion system issues, lack of support for risk taking, lack of resources, focus on output over the well-being of an employee, competition at senior

levels, territorial over work or expertise. The results above indicated that financial performance at Kwekwe City Council was largely affected by lack of resources and territorial over work or expertise as these were largely blocking the effective implementation of stewardship at the city council.

4.5.4 Solutions to bad stewardship

Table 4.12: How effective could the following ways, if adopted, improve on stewardship management at Kwekwe City Council

	1	2	3	4	5
Cooperation among stakeholders	7	0	7	43	43
Having clear roles and responsibilities for all employees	14	0	0	14	72
Fostering interdepartmental coherence and collaboration	0	7	14	22	57
Fostering interpersonal connections and network	7	0	0	50	43
Developing an efficient organisational culture	0	14	0	43	43

72% of the respondents pointed out that having clear roles and responsibilities for all employees can improve on stewardship management at Kwekwe City Council if adopted with a rating of 5/5. This was followed by fostering interdepartmental coherence and collaboration with 57% rating it at 5/5.

Cooperation among stakeholders received a 5/5 rating at 43% and this was just in support of Madison et al (2016) that stewardship governance encourages cooperation and empowers and motivates employees, thereby enabling pro-organizational behaviours and ultimately enhanced firm performance. The other ways, namely fostering interpersonal connections and network and developing an efficient organizational culture received a 5/5 rating at 43% also. According to Shodhsamhita (2022) stewardship can also be developed as a culture in a business because stewardship values can develop sustainable relationship with shareholders, employees, the community, suppliers and customers. However, all the suggested ways had a significant impact on stewardship management as the majority of the respondents

rated them at 3 and above. (Leah Simpkins et al,2021) observed the facilitators of stewardship that could possibly offset difficulties as inclusive of setting clear objectives, roles, significances, transformational leadership and recognition. It also included fostering interdepartmental coherence and collaboration.

Table 4.13: Does the city council receive any budgetary support

Does the council receive any budgetary support from the government?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	31	31.0	31.0	31.0
	Yes	69	69.0	69.0	100.0
	Total	100	100.0	100.0	

69% of the respondents indicated that Kwekwe city council in deed received budgetary support from the government whilst a minority 31% opposed the same. This showed that the city council somehow received government support towards budgetary shortfalls.

Table 4.14: Does the council observe statutory regulations when formulating budgets and disbursements of funds

Does council observe statutory regulations when formulating budgets and disbursement of funds					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	38	38.0	38.0	38.0
	Yes	62	62.0	62.0	100.0
	Total	100	100.0	100.0	

The above table showed that Kwekwe city council does observe statutory regulations when formulating budgets and disbursement of funds as 62% of the respondents revealed so. However, a minority 38% indicated that the city council does not take into consideration statutory regulations when formulating budgets and disbursement of funds.

Table 4.15: Do you think Kwekwe City Council have all the resources needed to fulfil their mandate

Do you think Kwekwe City Council have all the resources needed to fulfil their mandate					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	92	92.0	92.0	92.0
	Yes	8	8.0	8.0	100.0
	Total	100	100.0	100.0	

The above table indicated that 92% of the respondents were of the view that the city council does not have all the resources needed to fulfil their mandate whilst a paltry 8% indicated otherwise. By the majority rule it had been shown that the city council lacked resources to fulfil their mandate though some are available.

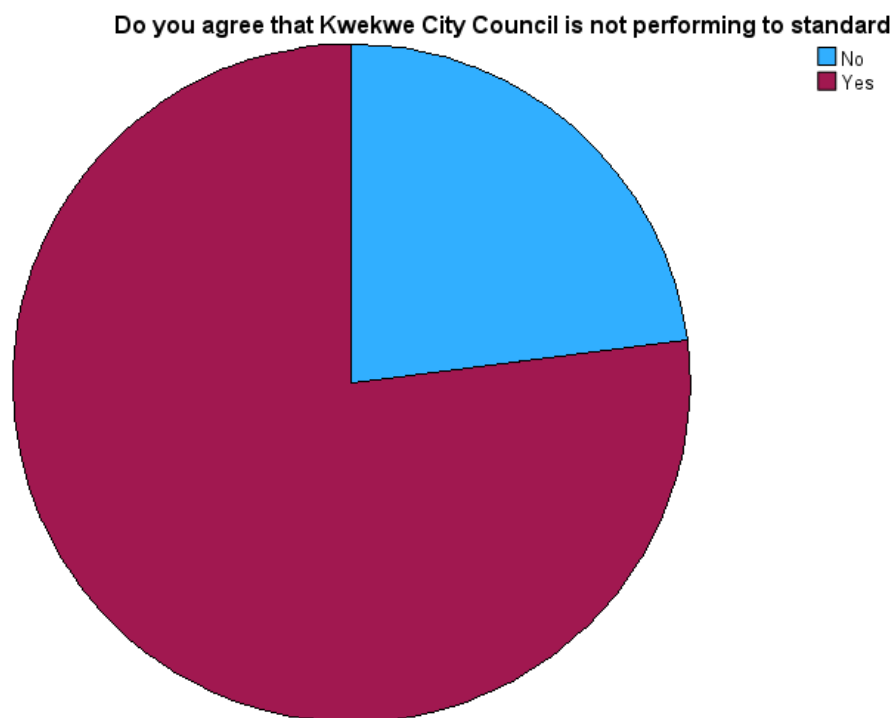


Figure 4.5 Do you agree that Kwekwe city council is not performing to standard

The majority 77% of the respondents indicated that Kwekwe city council was not performing to standard as they agreed to the notion whilst a minority 23% felt otherwise. These results indicated that the city council was not performing to standard in terms of service delivery as the respondents heightened on some major indicators of poor service delivery such as lack of council running water, poor refuse collection, poor roads as well as general cleanliness of the city and poor lighting of the streets at night.

4.6 Relationship between stewardship management and financial performance at Kwekwe City Council

The relationship between stewardship management and financial performance at Kwekwe City Council was measured using correlation analysis and results were as shown on the table below:

Table 4.16: Correlations

Correlations

		Are you familiar with stewardship as an organisational phenomenon	Stewardship influence the effective management of resources i.e. finances, assets, human capital	Of the three resources stated above, which is the most affected by bad stewardship	If these factors are a part of inherent culture of Kwekwe City Council, the organisation will successfully implement stewardship resulting in successful financial performance	In your own view, management of Kwekwe City Council is operating at the best interest of the public and other stake holders	Does the council receive any budgetary support from the government	Does council observe statutory regulations when formulating budgets and disbursement of funds	Do you think Kwekwe City Council have all the resources needed to fulfill their mandate	Do you agree that Kwekwe city council is not performing to standard
Are you familiar with stewardship as an organisational phenomenon	Pearson Correlation	1	.403**	.631**	.465**	.567**	.602**	.515**	.119	.738**
	Sig. (2-tailed)		<.001	<.001	<.001	<.001	<.001	<.001	.238	<.001
	N	100	100	100	100	100	100	100	100	100
Stewardship influence the effective management of resources i.e. finances, assets, human capital	Pearson Correlation	.403**	1	.639**	.869**	.805**	.670**	.783**	.295**	.547**
	Sig. (2-tailed)	<.001		<.001	<.001	<.001	<.001	<.001	.003	<.001
	N	100	100	100	100	100	100	100	100	100
Of the three resources stated above, which is the most affected by bad stewardship	Pearson Correlation	.631**	.639**	1	.736**	.743**	.953**	.816**	.188	.855**
	Sig. (2-tailed)	<.001	<.001		<.001	<.001	<.001	<.001	.060	<.001
	N	100	100	100	100	100	100	100	100	100
If these factors are a part of inherent culture of Kwekwe City Council, the organisation will successfully implement stewardship resulting in successful financial performance	Pearson Correlation	.465**	.869**	.736**	1	.813**	.772**	.901**	.256*	.629**
	Sig. (2-tailed)	<.001	<.001	<.001		<.001	<.001	<.001	.010	<.001
	N	100	100	100	100	100	100	100	100	100
In your own view, management of Kwekwe City Council is operating at the best interest of the public and other stake holders	Pearson Correlation	.567**	.805**	.743**	.813**	1	.770**	.830**	.518**	.668**
	Sig. (2-tailed)	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001
	N	100	100	100	100	100	100	100	100	100
Does the council receive any budgetary support from the government	Pearson Correlation	.602**	.670**	.953**	.772**	.770**	1	.856**	.198*	.815**
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001		<.001	.049	<.001
	N	100	100	100	100	100	100	100	100	100
Does council observe statutory regulations when formulating budgets and disbursement of funds	Pearson Correlation	.515**	.783**	.816**	.901**	.830**	.856**	1	.231*	.698**
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001		.021	<.001
	N	100	100	100	100	100	100	100	100	100
Do you think Kwekwe City Council have all the resources needed to fulfill their mandate	Pearson Correlation	.119	.295**	.188	.256*	.518**	.198*	.231*	1	.161
	Sig. (2-tailed)	.238	.003	.060	.010	<.001	.049	.021		.109
	N	100	100	100	100	100	100	100	100	100
Do you agree that Kwekwe city council is not performing to standard	Pearson Correlation	.738**	.547**	.855**	.629**	.668**	.815**	.698**	.161	1
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	.109	
	N	100	100	100	100	100	100	100	100	100

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

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

The research findings revealed that all independent variables are positively correlated to service delivery, as measured by standard performance, the dependent variable. The following were the positive correlation coefficients according to the results in table presented above, stewardship .738**; influence on resources .547**, resources affected .855**, organizational culture .629**, management operation .668**, budget support .815**, statutory regulations .698** and availability of resources .161. All the variables are positively correlated to standard performance. There is also a positive correlation among the independent variables as shown in the table.

All the independent variables are correlation significant to standard performance, statistically the relationship is significant. All the variables have two (**) as they relate to standard performance, which entails correlation is significant at the 0.01 level (2-tailed) since their p-values are all small.

Affected resources have got the strongest correlation significance of .855**as it relates to standard performance followed by budget support with .815**.

Saunders et al. (2014) propounded that, correlation coefficient which ranges between 0 - 2.99 is regarded as weak, yet, 0.3 - 0.499 range is considered to be moderate and anything above 0.5 is considered to be strong. Now following the results in the table, affected resources have the strongest positive relationship of .855** followed by budget support with another strong correlation of .815**. The relationship between stewardship management and service delivery is also strong with .738**. There is however a weak relationship between availability of resources and standard performance at .161**. The relationship between independent variables themselves is also strong.

4.7 The cause-effect relationship between financial performance and stewardship management

The causality relationship between the explained variable and the explanatory variable was measured through regression analysis and obtained results are shown on the table below:

Table 4.17: Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.858 ^a	.736	.719	.224
a. Predictors: (Constant), Does council observe statutory regulations when formulating budgets and disbursement of funds, Stewardship influence the effective management of resources i.e. finances, assets, human capital, Of the three resources stated above, which is the most affected by bad stewardship, In your own view, management of Kwekwe City Council is operating at the best interest of the public and other stake holders, If these factors are a part of inherent culture of Kwekwe City Council, the organisation will successfully implement stewardship resulting in successful financial performance, Does the council receive any budgetary support from the government?				

The findings in the table above of the model summary give R Square value of .736 and Adjusted R Square is .719. The researcher used the Adjusted R. Square since it is regarded as more accurate by many scholars in sharing the predictive power on the dependent variable. As a percentage, 71,9% of financial performance at Kwekwe city council is explained by adherence to statutory regulations, stewardship management, resources affected by bad stewardship, management operations, organizational culture and budget support from government. This means that, these aforementioned variables constitutes 71.9% predictive power to service delivery. Anova test below shows the validity of regression analysis. However, the remaining 28.1% is explained by other variables which are probably outside the scope of this study.

Table 4.18: Anova

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	13.030	6	2.172	43.152	<.001 ^b
	Residual	4.680	93	.050		
	Total	17.710	99			

a. Dependent Variable: Do you agree that Kwekwe City Council is not performing to standard

b. Predictors: (Constant), Does council observe statutory regulations when formulating budgets and disbursement of funds, Stewardship influence the effective management of resources i.e. finances, assets, human capital, Of the three resources stated above, which is the most affected by bad stewardship, In your own view, management of Kwekwe City Council is operating at the best interest of the public and other stake holders, If these factors are a part of inherent culture of Kwekwe City Council, the organisation will successfully implement stewardship resulting in successful financial performance, Does the council receive any budgetary support from the government?

The F test summarized above is significant with a p value of <.001 which is well below 0.05 level of significance. That alone is an adequate measure which qualifies regression to explain a cause and effect relationship between service delivery and the independent variable (stewardship).

Table 4.19: Regression Coefficients

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.595	.104		5.724	<.001
	Stewardship influence the effective management of resources i.e. finances, assets, human capital	-.047	.098	-.055	-4.75	.636
	Of the three resources stated above, which is the most affected by bad stewardship	.390	.082	.841	4.747	<.001
	If these factors are a part of inherent culture of Kwekwe City Council, the organisation will successfully implement stewardship resulting in successful financial performance	8.172E-15	.131	.000	.000	1.000
	In your own view, management of Kwekwe City Council is operating at the best interest of the public and other stake holders	.054	.043	.137	1.248	.215
	Does the council receive any budgetary support from the government	-.015	.180	-.017	-.086	.932
	Does council observe statutory regulations when formulating budgets and disbursement of funds	-.039	.135	-.045	-.286	.775
	a. Dependent Variable: Do you agree that Kwekwe City Council is not performing to standard					

It can be concluded that, affected resources has the strongest significant impact on service delivery with a significant co-efficient or P – value of .001 and a positive beta co-efficient of .841, followed by management operations with significance co-efficient of .131. The standardized beta coefficient of 0.854 was used as it deals with transformed units of measurement for comparison purpose. The beta co-efficient of .841 on affected resources shows that it has a strong predictive power on service delivery followed by management operations which is then followed by organisational culture and lastly availability of resources.

4.8 Chapter summary

The chapter presented the necessary tests conducted by the researcher starting with the summary of respondents, where the researcher got back an above average number of questionnaires filled. The researcher also tested for reliability and validity. Correlations was also populated and explanations given following its three dimensions (direction, magnitude and significance). The results showed that there exists a relationship amongst the variables under study of which all of them have positive direction. The cause and effect relationships were clearly analyzed with more emphasis on cause and effect relationship. The recommendations and suggestions in the next chapter were based on these results.

CHAPTER V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter has summarized the whole research as the final phase of the study. The rationale of this research study was stewardship management in enhancing the financial performance of city councils in a Zimbabwean context. The conclusion from the research findings and recommendations shall be proffered.

5.2 Summary of the study

The major goal of this research study was stewardship management in enhancing the financial performance of city councils in Zimbabwe. The initial phase of the research project was to scrutinize the background of the study and the statement of the problem. In the background of the study, prominent scholar such as Fink (2019) highlighted that stewardship unifies management, employees, and communities as it drives ethical behavior and creates an essential check on actions that go against the best interests of stakeholders. The researcher further elaborates that stewardship management guide culture, provides a framework for consistent decision-making, and, ultimately, helps sustain long-term financial performance which enhances service delivery of Kwekwe city council. The statement of the problem, research objectives and research questions, purpose of the study, significance of the study, scope of the study, definition of terms and were highlighted. Other researchers' views who had researched on the same topic were considered and their literature was reviewed. The researcher compared and contrasted views and sentiments by other researchers obtained from journals, internet and books. The literature related to stewardship management provided much evidence that good corporate stewardship management is a key to the success of all

businesses and other organizations. The empirical literature and theoretical literature with the main theory being the stewardship theory was reviewed. The research methodology was discussed, focusing on the research philosophy, research design, study population, sample size, research instruments, data collection methods and data analysis. Pragmatism research philosophy was used because it is appropriate for both qualitative and quantitative research methods. Descriptive survey research design was adopted to limit the research to particular cases that represented the whole population under study. The research used primary data which was obtained through the use of questionnaires designed by the researcher. Closed ended statement questionnaires were designed and the reliability and validity of the questionnaire together with the research ethics were discussed.

5.3 Summary of research findings

The collected data was analysed using statistical packages, SPSS in particular and the responses being obtained from the sample population elements were related to the prior literature review done in chapter two. The study was not easy to carry out since there was a shortage of time and resources which constrained the accuracy and scope of the study. In addition, respondents were given questionnaires and they took longer than expected time to complete. In spite of the challenges faced, appropriate remedies were implemented and the study was successfully carried out and conclusions and recommendations were drawn from the research study. The chapter indicated the response rate, normality test, reliability and validity test, presentation of demographics data, analysis of results, regression analysis, correlation analysis, and the conclusion for the chapter.

5.3.1 Examining the stewardship role in managing finances, assets and human capital

The research findings revealed that all respondents were familiar with stewardship as a management phenomenon and stewardship influenced the effective management of resources namely, finances, assets and human capital. The study further pointed out that financial resources were the most affected

by bad stewardship followed by human capital. In essence, good stewardship results in proper management of resources, increasing staff moral and boosting financial performance of Kwekwe city council leading to improved service delivery.

5.3.2 Assessing the success factors that drive stewardship implementation

The study revealed that the success factors that drive stewardship implementation were accountability, transparency, professionalism, trust and responsibility. The study further pointed out that if these success factors were part of the inherent culture at Kwekwe city council, the organisation would successfully implement stewardship resulting in improved financial performance of the organisation. Additionally, the study highlighted that management at Kwekwe city council were not operating to the best interest of the public and stakeholders implying poor stewardship at the council.

5.3.3 Causes of bad stewardship that may negatively impact on financial performance of Kwekwe City Council

The study found out that stewardship management was aimed at the various functions including safeguarding assets, promoting and protecting the interests of the public and stakeholders, making management accountable, creating a transparent working system and developing an efficient organisational culture. The research also highlighted that bad stewardship practices such as fraud and untrustworthiness had severe consequences on the financial performance of the city council. The study further pointed out that the barriers to stewardship namely organisational rigidity and lack of resources had the greatest impact on the financial performance of Kwekwe city council hence impacting on service delivery.

5.3.4 Determining the solutions to bad stewardship that can improve financial performance at Kwekwe City Council

The study revealed that to improve on stewardship management at Kwekwe City Council they should ensure that there is cooperation among stakeholders, roles and responsibilities for all employees are clear, interdepartmental coherence and collaboration, interpersonal connections and networks and an efficient organizational culture. The study also pointed out that government support was necessary for the city council to effectively execute their mandate in the form of budgetary support and adherence to statutory regulations so as to secure enough resources necessary for efficient service delivery.

5.4 Conclusion

From the discussion, it can be concluded that stewardship management is a key to the successful financial performance of local authorities and all other organizations. The stewardship concept remains important and relevant to public sector institutions as it associates with responsible management of resources. Public officials are required to be aware of the important role they should fulfil as stewards. When an organisation has poor corporate stewardship management policies, management manipulate and override internal control systems of the organization. They are also driven by underhand activities such as fraud and personal desire at the detriment of organisational goals. Good stewards should possess a high degree of professionalism, accountability, trust, transparency, responsibility and management should give their employees the opportunity to use their creativity, experience and resources which will help them meet their organizational goals, thus improving financial performance leading to good service delivery. Therefore, effective stewardship management policies should be implemented for the future well-being of city councils and other organizations at large.

5.5 Recommendations

The study recommended the following;

- Management should have clear roles and responsibilities for all employees with a clear segregation of duties to motivate them and improve on accountability for better service delivery.
- The government proffer enough support to city councils in two fold; 1. As the principal of local authorities it should make sure that they have enough financial support to secure required resources to fulfil their mandate. 2. As a regulator, the government must make sure that statutory regulations are always followed by city councils in their operations.
- The city council must improve on cooperation with all stakeholders so as to boost trust and confidence with them for easy revenue collection.
- Management to work on developing an organisational culture based on the pillars of good stewardship of honest, transparency, accountability, professionalism and responsibility for the improvement of service delivery.

5.6 Recommendations for further study

The research work suggests some areas of enquiry for further research. Further research could determine if the findings of this research are consistent across different areas in Zimbabwe, therefore, the research should be duplicated to other sectors in Zimbabwe to confirm if the results of this research can be generalised in other business entities across the whole country. Also, this study can also be carried out in other parts of Africa for comparison purposes.

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Appendix 1: Respondent Questionnaire

My name is Norah Matangira. I am studying on the road towards the completion of a Masters of Commerce in Professional Accounting and Corporate Governance at Great Zimbabwe University

This questionnaire is designed to study the stewardship effectiveness on successful financial performance of local authorities in Zimbabwe, “A case study of Kwekwe City Council from years 2018 to 2022”. The information you provide will help us to understand better how successful financial performance is achieved through good stewardship management of local authorities in Zimbabwe. Because you are the one who give us the correct picture, I am requesting you to complete the questionnaire frankly and honestly. The information will be used purely for academic purposes. Your responses will be kept confidential and will not be disclosed to anyone else.

For multiple choice questions and licket scale type of questions and indicate your answers with a tick. For open ended questions, please fill in your answers in the space provided.

SECTION A: PERSONAL DETAILS

1. (a) What relationship do you have with the Kwekwe City Council?

- A – Member of executive management
- B - Councillor
- C - Employee
- D - Member of Residents Association
- E – Rate payer
- F - Other stakeholder(supplier)

(b) Gender

- Male
- Female

(c) Age

- 18-30 YEARS
- 31 – 40 YEARS
- 41 – 50 YEARS
- 51 - 60 YEARS
- ABOVE 60 YEARS

(d) For how long have you been associated with Kwekwe City Council?

- 1-5 YEARS
- 6-10 YEARS
- 11- 15 YEARS
- ABOVE 15 YEARS

(e) What is your highest level of education?

- Tertiary
- Advanced Level
- Ordinary Level
- Primary Level
- None

SECTION B: Examining the stewardship role in managing resources i.e. finances, assets, human capital

2. (a) Are you familiar with stewardship as an organizational phenomenon?

- Yes
- No
- Maybe

(b) Stewardship influence the effective management of resources i.e. finances, assets, human capital.

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

(c) Of the three resources stated above, which is most affected by bad stewardship?

- Finances
- Assets
- Human capital

SECTION C: Assessing the success factors that drive stewardship implementation.

1. (a) On the following success factors, how would you rate their influence on stewardship?

(please rank the following, that is 1 to least and 5 to most) tick where applicable.

	1	2	3	4	5
Responsibility					
Trust					
Professionalism					
Transparency					
Accountability					

(b) If these factors are a part of inherent culture of Kwekwe City Council, the organisation will successfully implement stewardship resulting in successful financial performance.

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

(c) In your own view, management of Kwekwe City Council is operating at the best interest of the public and other stakeholders.

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

SECTION D: Causes of bad stewardship that may negatively impact on the financial performance of Kwekwe City Council.

2. (a) Stewardship management is aimed at..... (please rank the following aims, that is 1 to least and 5 to most) tick where applicable

	1	2	3	4	5
Safeguarding assets					
Creating management accountable for corporate functioning					
Protecting and promoting the interests of the public and other stakeholders					
Creating a transparent working system for the organization which helps and enables the achievement of economic goals					
Developing an efficient organizational culture					

- (b) To what extent do the following consequences of bad stewardship affect financial performance of Kwekwe City Council? (please rank the following, that is 1 to least and 5 to most) tick where applicable.

	1	2	3	4	5
Increased criminal activity i.e fraud					
Mismanagement of resources by managerial employees					
Overriding of internal control systems					
Increase in the level of untrustworthy					
Compromised decision making process					

- (b) Which of the following barriers to stewardship has the greatest impact on financial performance of Kwekwe City Council? (please rank the following, that is 1 to least and 5 to most) tick where applicable.

	1	2	3	4	5
Organizational rigidity					
Lack of support for risk taking					
Lack of resources					
Competition at senior levels					
Territorial over work or expertise					

SECTION E: Solutions to bad stewardship

3. (a) How effective could the following ways, if adopted, improve on stewardship management at Kwekwe City Council. (? (please rank the following, that is 1 to least and 5 to most on their impact) tick where applicable.

	1	2	3	4	5
Cooperation among stakeholders					
Having clear roles and responsibilities for all employees					
Fostering interdepartmental coherence and collaboration					
Fostering interpersonal connections and network					
Developing an efficient organizational culture					

- (b) Government support towards budgetary shortfalls (Answer YES or NO)

- i. Does the council receive any budgetary support? YES /NO
- ii. Does council observe statutory regulations when formulating budgets and disbursements of funds? YES /NO
- iii. Do you think Kwekwe City Council have all the resources need to fulfil their mandates. YES /NO
- iv. Do you agree that Kwekwe City Council is not performing to standard? YES /NO

If your answer is YES/ NO justify:

.....

.....

.....

.....

.....

Appendix 11: Respondents Interview Guide

Interview Guide

My name is Norah Matangira. I am studying towards the completion of Masters in Professional Accounting and Corporate Governance. I am researching on “Stewardship effectiveness on successful financial performance of local authorities in Zimbabwe : A case of Kwekwe City Council from years 2018 to 2022. I am kindly asking you to answer all the questions included in this interview guide. Your responds shall be kept confidential and only used for academic purposes.

1. How does stewardship affect management of resources i.e finances, assets and human capital
2. How effective are Councillors in playing their oversight role.
3. How effective is the Residence Association in assisting Kwekwe City Council in decision making and financial management.
4. Good financial performance results in improved service delivery. In your own view, how was the service delivery of Kwekwe City Council from year 2018 to 2022?

Thank you for your responses