

**AN ANALYSIS OF THE CONTRIBUTION OF BENCHMARKING TO
THE PERFORMANCE OF COMMUNITY BASED ORGANIZATIONS
IN KISUMU CITY, KENYA**

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Abstract

There is concurrence in organizations' development conversation that benchmarking is important in community development. In the face of economic, climate, health and food crises, benchmarking an organization with other organizations to design and implement strategies that minimize the impact of events remain relevant for sustaining progress. The study was set to analyze the contribution of benchmarking to the performance of Community Based Organizations in Kisumu City, Kenya. The study made use of correlation design and targeted 1202 respondents from 16 active Community Based Organizations in Kisumu City. The sample size obtained through Fisher's model was 291 respondents. Stratified sampling method was used to reach out to the respondents. Structured questionnaire tested for validity and reliability was made use of in data collection. The results revealed a statistically significant strong positive correlation coefficient ($R = .657$; $p < .05$) between benchmarking and performance. Benchmarking had a statistically significant contribution to the performance of Community Based Organizations ($F_{(1,289)} = 219.343$; $p < .05$) attributing 43.1% variance. For every one standard deviation increase in benchmarking performance increased by .657 units. In conclusion, benchmarking made a statistically significant contribution to the performance of Community Based Organizations. The study recommends: intensified practice of benchmarking in organizations with a view to enhancing performance; and identifying other benchmarking operational strategies that can be used in organizations with a view to improving performance.

Key words: Benchmarking, community based organizations, performance

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1. Introduction

The section discusses the topic of the study. Specifically, the concepts of benchmarking and performance are discussed.

1.1 Benchmarking

Maire, Bronet and Pillet (2005) while studying a typology of best practices for a benchmarking process in France observed that benchmarking is a management process of comparing and contrasting organizational performances in certain key identified areas. In terms of comparison of performances, Maire et al (2005) stated that benchmarking can be aimed at measuring and comparing: costs; efficiency; effectiveness; strategic successes; employee performances; applications of technology; and service delivery processes. It concerns an organization capturing specific data related to its costs and performance in terms of set baseline, and then evaluates the cost and performance data against those from some other benchmarking partners. Maire et al (2005) observed that such processes of comparing and contrasting enables organizations to identify their areas of weaknesses and strengths and learn to take appropriate remedial actions to deal with such weaknesses. Also, such organizations emulate strategies which results in building identified strengths.

In benchmarking, an organization can use performance measurement systems. In a study on market competition, management accounting systems and business unit performance it was revealed that performance measurement system scans organization's environment and identify any change in the industry strategies and compare competitive products and services with those of its competitors. It may involve measuring performance of an organization against the performance of previous years or other organizations in the same sector. It evaluates and emulates the products, services, and processes of best practices in the industry, and involves implementation of industry's best operational practices and those of best performing organizations (Mia & Clarke, 1999).

Mwangi (2014) while studying the effects of benchmarking practices on financial performance of small and medium enterprises in Kenya described benchmarking as an activity adopted by organizations to improve their performance, and is a strategy for organizational learning and adjustment. Mwangi (2014) observed that benchmarking allows an organization to compare its operational and managerial practices with performance of its competitors or with those of other organizations considered world-class or the best in their industry in order to achieve continuous improvement. The current study viewed benchmarking as a capacity development strategy conducted through: accessing published materials; attending trade meetings; engagement in conversations; and use of internet technologies to access information on industry best practices that can be utilized to enhance performance of Community Based Organizations

1.2 Performance

Performance is described as the degree to which a development intervention or a development partner operates according to specific criteria/standards/ guidelines or achieves results in accordance with stated goals or plans (Jody & Ray, 2004). In Horton (2002) perspective, organization's performance is measured through effectiveness, efficiency, and sustainability. According to Chikati (2009), project performance takes the form of effectiveness, efficiency, relevance, impact and sustainability. The current study is confined to measuring performance in terms of effectiveness, efficiency and relevance for Community Based Organizations. This is deemed appropriate because community based organizations are modeled majorly on not for profit dimensions.

Effectiveness is described as the extent to which development intervention's objectives are achieved, or are expected to be achieved, taking into account their relative importance. It may also be viewed as an aggregate measure of the merit or worth of an activity, which explains the extent to which an intervention has attained, or is expected to attain, its major relevant objectives with a positive institutional development impact (Jody & Ray, 2004). Usually effectiveness determines the policy objectives of the organization or the degree to which an organization realizes its own goals (Zheng, Yang, & McLean, 2010). Heilman and Kennedy-Philips (2011) posit that organizational effectiveness helps to assess the progress towards mission fulfillment and goal achievement.

Scott (2003) posits that organizational effectiveness is a measure of performance against a set of standards. Measuring organizational effectiveness requires a set of standards, indicators, work sample size, and evaluation of the samples against a defined standard. Scott (2003) further observed that indicators to be used in evaluating organizational effectiveness have to be chosen from among several possible types. Although several representations for differentiating among these concepts have been proposed, Scott (2003) suggests three paradigms of organizational perspectives, namely; rational, natural, and open systems, which account for much of the variances in measures of effectiveness.

While Horton (2002) described effectiveness as a measure of the degree to which an organization achieves its goals, Richard (2009) described organizational effectiveness as a measure of how well an organization meets its goals and objectives. In Richard (2009) perspective, it encompasses maximizing production and output, minimizing cost and input and attaining technological excellence among others. It is a function of productivity emanating from employee satisfaction as manifested by myriad internal performance outcomes rather than external measures. Effectiveness is manifested in an organization's ability to excel at one or more output goals such as coordination, motivation, and employee satisfaction of multiple strategic constituencies both within and outside an organization.

According to Chikati (2009), effectiveness measures the degree to which formally stated project objectives have been achieved or can be achieved. Chikati (2009) further asserts that to make such measures and verification possible, project objectives should be defined clearly and realistically. Often it is mandatory for evaluators to simplify unclear and highly general objectives that are hard to measure and assess. In the current study, effectiveness as indicator of performance are measured through improved: communication; interaction; leadership; direction; adaptability; and environment in Community Based Organizations.

Organizational efficiency involves optimal transformation inputs through activities into outputs. It focuses on rational use of resources at tactical level, meeting timelines and emphasizes least costs and maximum results (UNDP, 2009). Organizational efficiency measures the relationship between inputs and outputs or how successfully the inputs have been transformed into outputs (Low, 2000). It is a ratio that reflects a comparison of outputs accomplished to the costs incurred for accomplishing these goals. Organizational efficiency reflects the improvement of internal processes of the organization, such as organizational structure, culture and community (Pinprayong & Siengthai, 2012). Two aspects of efficiency exist. The first is the units of production or services that relate to the organizational purpose, and the second is how much it costs to produce those goods and services (Barker, 1995). This implies that to attain efficiency, an organization must ensure that maximum outputs are obtained from the resources it devotes to a program, operation or department (Tavenas, 1992). Conversely, efficiency is achieved when the minimum level of resources is used to produce the target output or to achieve the objectives of a program, operation or department.

Organizational efficiency measures how economic resources/inputs (funds, expertise, time among others) are converted to results (Jody & Ray, 2004). In Horton's (2002) perspective, efficiency measures the degree to which organizations manage their resources and minimize costs. According to Chikati (2009), efficiency measures the economic relationship between allocated inputs and project outputs. It includes efficient use of financial, human and material resources. The current study measures efficiency of Community Based organization as being able to: use resources rationally; meet timelines; operate at least costs; be oriented towards maximum results; and improve internal processes.

According to Chikati (2009), relevance measures the degree to which the objectives of a program or project remain valid as was planned. It is the overall assessment to determine whether project interventions and objectives are still in harmony with the needs and priorities of the beneficiaries. Chikati (2009) further articulates that society's priorities might change over time as a result of social, political, demographic or environmental changes. As a result a given project might not be as important as it was when first initiated. In many cases continuation of project depends on the seriousness, quality of needs assessment and the rationale upon which the project was developed.

Lusthaus, Adrien, Anderson, Carden and Montalvan (2002) observed organizational relevance as its ability to meet needs and gain the support of priority stakeholders in the past, present and future. It is an organization's ability to innovate and create new and more effective situations as a result of insight and new knowledge. The current study measures relevance as the ability of Community Based Organizations to: meet needs of stakeholders; gain support of stakeholders; be innovative and creative; and generate own funds.

Most Community Based Organizations in Kisumu City face performance problems. They cannot: plan; design data collection tools; collect data; analyze data; and make decisions regarding such data. They also cannot make decisions regarding asset inventory, community mapping, daily activity schedules and seasonal calendar of events. They cannot discuss issues of eligibility for election and selection of members in organization management structure. Moreover, they lack skills in resource mobilization and financial management (Omolo, 2013). Community Based Organizations in Kisumu City are weak in developing participatory management plans. This is because of inadequate: skilled manpower; equipments; and funds for operations (Raburu, Okeyo-Owuor & Kwena, 2012).

2. Objective

To establish the contribution of benchmarking to the performance of Community Based Organizations in Kisumu City, Kenya

3. Hypothesis

H₀: There is no statistically significant contribution of benchmarking to the performance of Community Based Organizations in Kisumu City, Kenya

H₁: There is statistically significant contribution benchmarking to the performance of Community Based Organizations in Kisumu City, Kenya

4. Literature

Long (2005) conducted a study examining benchmarking management practices and performance of manufacturing companies in Penang. A total of 114 respondents participated in the study through structured questionnaires. The analyses were done through linear regression models. The results showed that benchmarking had a statistically significant effect on cost efficiency, delivery, and customer service performance.

Voss, Par and Blackmon (1997) conducted a study on benchmarking and organizational performance giving some empirical results from European manufacturing industries. The first hypothesis was that business performance was statistically positively correlated to benchmarking. The results showed business performance was statistically significantly positively correlated to benchmarking with approximately 5.2% of the variation in business performance attributed to benchmarking practices. The second hypothesis was that operational performance was statistically positively correlated to benchmarking. The result showed a statistically significant positive correlation between operational performance and benchmarking with approximately 11.2% of the variation in operational performance attributed to benchmarking.

Alosani, Al-Dhaafri and Bin Yusoff (2016) while reviewing the literature on mechanisms of benchmarking and its impact on organizational performance found that benchmarking had a statistically significant positive effect on organizational performance and also that it is an effective organizational performance improvement tool that enhances competitive advantage.

Mwangi (2014) conducted a study to establish the effect of benchmarking practices on the financial performance of SME's in Kenya using a causal research design. A sample size of 56 SME's was used. A simple random sampling technique was used with self-administered questionnaires. The study sought to find if there exists a relationship between benchmarking practices adopted by SME's and financial performance. The result showed a statistically significant positive relationship between benchmarking practices and financial performance. Benchmarking contributed approximately 19.4% of SME'S financial performance.

Daniel, Richard, Robert and Edinah (2014) conducted a study on performance improvement through benchmarking in Commercial Banks in Kenya, the managers' perception and experience. Respondents were selected through simple random sampling technique. The results showed benchmarking did have a statistically significant positive relationship ($r = .551$; $p = .001$) with organizational performance. The results also showed that 30.36% of the variation in organizational performance of commercial banks was attributed to benchmarking practices.

5. Methodology

The section addresses: research design; target population; sample procedures and techniques; research instrument; validity and reliability of research instrument; data collection procedure; data analysis techniques and procedures; and ethical considerations.

5.1 Research design

Research design is an arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to research purpose with economy in procedure (Kothari, 2011). According to Yogesh (2006), research design is a mapping strategy and essentially a statement of the object of inquiry and encompasses strategies for collecting evidences, analyzing evidences and reporting the findings. In the study, correlation research design was used. According to Denscombe (2007), correlation research design was deemed fit for the study because of its ability to measure the level of the association between benchmarking practices and organizational performance. It also brought out the contribution of benchmarking to the performance of Community Based Organizations.

5.2 Target population

Cooper and Shindler (2001), defined target population as the total collection of elements about which an inference is made. The target population in the study was 1202 members of 16 selected Community Based Organizations in Kisumu City, Kenya. According to the Kisumu Central Sub-County, Department of Social Services, the choice of 16 Community Based Organizations was deemed fit because they were the most active and were directly involved in development matters at the grass root levels. The distribution of the target population was revealed in table 1.

Table 1: Distribution of the target population

CBOs	Membership	Membership (%)
Kisumu Youth Olympic Centre	62	5.16
Positive Mindset for Youth CBO	54	4.49
Nyamasaria Upper Friends Youth Group	66	5.49
Ecofinder CBO	103	8.57
Shiners Centre	58	4.83
Umoja Disables Group	70	5.82
Agulu Environmental Network	99	8.24
Jubilee Market CBO	223	18.55
Nyaori Boda Boda Self Help Group	99	8.24
Jubilee Widows Women Group	41	3.41
Kisumu Central Community Care	95	7.90
Tonney Red Women Group	45	3.74
Ecofit Resource Mobilization CBO	34	2.83
Make Me Smile CBO	50	4.16
Kazi Ngumu Integrated CBO	62	5.16
Kaddnet	41	3.41
Total	1202	100.0

Source: Survey data (2017)

5.3 Sampling procedures and techniques

Sampling is a combined course of action used to identify the inhabitants of attention, estimate the sample size, deciding suitable sampling strategy and choosing a representative group from the inhabitants. The procedure should be made such that error of estimation is minimized as much as possible and the fractional part selected provides only an estimate of the population characteristics (Yogesh, 2006). Fisher's sample estimation model was used in sample size determination (Mugenda & Mugenda, 2003). According to Fisher, for target population exceeding 10,000 the sample size is estimated by

$$n = \frac{z^2 pq}{d^2} \quad (1)$$

p = Fraction of target population with characteristics being sought;

q = Fraction of target population without the characteristics being sought;

d = Statistical level of significance set; and

z = Standard statistical divergence

Fishers' model reports further that if the fraction of the target population with the characteristic being sought is not recognized then 50% is fit. When estimated at 95% level of confidence

$$n = \frac{1.96^2 \times 0.5 \times 0.5}{0.05^2}$$

$$\approx 384$$

In the study, the target population of 1202 was less than 10,000 and so modified Fisher's model $n_f = \frac{n}{1 + \frac{n}{N}}$

was used to estimate the sample size. In this case: n_f was the requisite sample size; n was the sample size for target population that exceeds 10,000; and N was the actual target inhabitants.

$$\therefore n_f = \frac{384}{1 + \frac{384}{1202}}$$

$$\approx 291$$

The distribution of the sample size was as revealed in table 2.

Table 2: Distribution of sample size

CBOs	Membership	Membership (%)
Kisumu Youth Olympic Centre	15	5.16
Positive Mindset for Youth CBO	13	4.49
Nyamasaria Upper Friends Youth Group	16	5.49
Ecofinder CBO	25	8.57
Shiners Centre	14	4.83
Umoja Disables Group	17	5.82
Agulu Environmental Network	24	8.24
Jubilee Market CBO	54	18.55
Nyaori Boda Boda Self Help Group	24	8.24
Jubilee Widows Women Group	10	3.41
Kisumu Central Community Care	23	7.90
Tonney Red Women Group	11	3.74
Ecofit Resource Mobilization CBO	8	2.83
Make Me Smile CBO	12	4.16
Kazi Ngumu Integrated CBO	15	5.16
Kaddnet	10	3.41
Total	291	100.0

Source: Survey data (2017)

Data was collected from the likely sample through stratified sampling technique. The units of strata were members of Community Based Organizations. The sample size in every Community Based Organization was allocated in proportion to the target members. Members were randomly drawn from each of the selected Community Based Organization. Stratified sampling was most appropriate for the study for the reason that it is straightforward in management. It was also favoured because of homogeneity of members in every Community Based Organization (Mugenda & Mugenda 2003). Members in each organization were considered homogeneous because they were bound by same core values and pursued identical mission. Denscombe (2007) observed that the method was correct for the reason that the investigator asserted some power in the choice of the sample to assure essential members or factors were investigated in fractions as they appeared in the larger member populace. This supported the generalization of the results of the investigation.

5.4 Research instrument

Questionnaire was used as the tool of investigation. It is an investigation tool developed to bring together primary statistics, which is subsequently intended for scrutiny. It is made up of printed set of questions. Every individual responding to a specific questionnaire reads the same laid down questions to allow for regularity and exactness (Denscombe, 2007).

Questionnaire was thought-out as fit for the investigation for the reason that it: supplied a considerable amount of research data at a fairly small expenditure; was simple to organize; had identical answers to the level that every respondents were posed with precisely identical laid down questions; and provided pre-numbered multiple choices which were more manageable during analysis (Denscombe, 2007).

The questionnaire was divided into four sections. General information included: name of the organization; estate of location; and activity of the organization. Demographic characteristics included: gender; age; education; position in the organization; and experience as a member of the Community Based Organization. Benchmarking strategies included: use of published materials; attending trade meetings; conversation with industrial experts; conversation with consultants; conversation with beneficiaries; conversation with public relations representatives; and use of internet technologies. Organizational performance included: effectiveness; efficiency; and relevance.

5.5 Validity and reliability of research instrument

The questionnaire was tested for validity to authenticate its usefulness in quality control. Quality control was necessary to ensure acceptability level of research findings (Amin, 2005; Cohen, 1988; Oso & Onen 2009). Validity is the degree in the direction of which outcome of the investigation can be precisely interpreted and globalized (Cohen, 1988). The questionnaire was experimented for content, face and concurrent validity. Content validity measured the degree in the direction of which data collected depicted all facets of given social constructs, for example; clear definitions of constructs and their components (Mugenda & Mugenda, 2003). Face validity measured the probability that a question in the data collection tool could not be misinterpreted or misunderstood by the respondents and showed whether at face value, the questions appeared to be measuring the constructs (Creswell, 2009). Concurrent validity measured whether results of the questionnaire were consistent with results of established measures (Creswell, 2009). Validity was authenticated through investigative experts at Mount Kenya University. The questionnaire was issued to the investigative experts to appraise and grade every construct relative to the investigation objective on a scale from 1-4 as either irrelevant or relevant. Validity index of .84 was then computed from the appraisers' concurrence through the model $C_{3/4}/C$. The numerator $C_{3/4}$ was the numeral integral value of constructs mutually ticked 3 or 4 by the appraisers. The denominator C was the entire numeral integral value of the constructs appraised. The computed index of .84 was considered adequate as it was greater than .70 the recommended numerical minimum value required for a questionnaire to be valid (Oso & Onen, 2009).

Reliability is the degree in the direction of which investigation outcome are steady and can be reproduced in other situations (Amin, 2005; Kothari, 2011). Reliability is the stability of measures when the investigation tool is administered from a single collection of constructs to a different one, and as well as from a position in a moment to a new point (Frankel & Wallen, 2006). Cronbach Alpha (α) model was used to test reliability. Ten members were randomly chosen from the target members. The number 10 was preferred for the reason that it was the minimum numerical value that could yield significant outcome in data scrutiny of an investigative survey (Kathuri & Pals, 1993). Cronbach's Alpha (α) model

$$\alpha = \left(\frac{k}{k-1} \right) \left(1 - \frac{\sum_{i=1}^k \sigma_{y_i}^2}{\sigma_x^2} \right) \quad (2)$$

where k = number of scale items

$\sigma_{y_i}^2$ = variance associated with i

σ_x^2 = variance associated with the observed total scores

programmed in SPSS version 20.0 software was used to obtain the value .918. The value was adequate because it was greater than the minimum Cronbach Alpha (α) value of 0.7 considered appropriate for Likert scale questions (Mohsen & Reg, 2011).

5.6 Data collection procedures

Before running the questionnaire, approval was requested from persons in authority. The research was conducted within the Community Based Organizations in Kisumu City, Kenya, thus approval was requested from National Commission for Science, Technology & Innovation (NACOSTI) through the School of Graduate Studies, Mount Kenya University. Notification letters were thereafter sent to the selected Community Based Organizations. The investigator conducted the exercise with awareness that not following correct procedure could be dangerous and obtaining permission from appropriate authorities could take some time (Denscombe, 2007). Before administration of the research questionnaires support staffs were: meticulously taught on investigative morals; prepared on the way to comprehend directives and substance of the questionnaire; directed on the way to capture every dimension for the parts in a reliable way from every member; and write and assemble facts correctly. Data was collected using structured questionnaires administered by research assistants. Sending out and arrival of questionnaires was supervised through a confirmation roll. The questionnaires was administered through drop and pick approach. This was deemed useful because it gave the respondents ample time to respond to the questions.

5.7 Data analysis techniques and procedures

Finished questionnaires were condensed for reliability and coded in a way that facilitated categorization of data into suitable groups. Data was then entered into Statistical Package for Social Sciences version 20.0. Both descriptive statistics and inferential statistics were used to analyze quantitative data. While descriptive statistics

was used to describe the practice of benchmarking and the performance of Community Based Organizations in Kisumu City, inferential statistics was used to analyze data on how benchmarking contributed to performance of Community Based Organizations. In particular, while descriptive statistics involved the mean, standard deviation, skewness and kurtosis, inferential statistics involved simple linear regression model

$$Y = \beta_0 + \beta_1 X + \varepsilon \quad (3)$$

In model 3, the outcome variable Y represented performance of Community Based Organizations, the input variable X represented benchmarking, and ε was the residual. The residual ε stood for the divergence of practical measurement of performance away from the model estimate. The values β_0 and β_1 were constants to be determined. Model 3 was used to assess the strength of the relationship between performance of Community Based Organizational and benchmarking. It was also used in obtaining the contribution of benchmarking to the performance of the Community Based Organizations. Results of the analysis were presented through tables with written interpretations and discussions.

5.8 Ethical considerations

Ethical considerations are concerned with issues related to: data collection; rights of respondents; processing of data and dissemination of research results (Mugenda & Mugenda, 2003). Various ethical standards were observed during the study.

First, prior approval for data collection was sought from National Commission for Science, Technology & Innovation (NACOSTI) through the School of Post Graduate Studies Mount Kenya University. This was necessary because the proposed research involved collecting data directly from people with varied interests. National Commission for Science, Technology & Innovation (NACOSTI) scrutinized the research process to ensure the design included appropriate measures that protected the interests of the respondents and groups covered by the research.

Second, respondents were guaranteed anonymity, confidentiality and the right to comment about the progress of the research. In order to guarantee anonymity, names and addresses of the respondents were not included in the final report. Information was not stored or categorized using names and addresses of respondents. This was done to ensure that what was discussed during the investigation could not be traced back to the respondents by any third party. To guarantee confidentiality any information provided by the respondents was not disclosed to third parties without permission of the respondents. This was necessary because some comments made by the respondents were personal or private in nature. Comments on the emerging results or final report by the respondents were also assured if they wished to do so at any stage.

Last, the respondents were assured that a copy of the final report was to be sent to their organizations on request. Also, a copy was to be availed at university library or to anyone who took part in the research upon request.

6. Results and discussions

Analysis of the contribution of benchmarking to the performance of Community Based Organizations in Kisumu City was presented and interpreted. Descriptive information for benchmarking and performance variables was revealed in table 3.

Table 3: Descriptive information for benchmarking and performance

	N	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Performance	291	4.19	.35	.63	.14	-.32	.29
Benchmarking	291	4.02	.36	.70	.14	.28	.29

Key: 1.0 - 1.4- strongly disagree; 1.5 - 2.4- disagree; 2.5 - 3.4- not sure; 3.5 - 4.4-agree; 4.5 - 5.0-strongly agree

Source: Survey data (2017)

Table 3 revealed the mean and standard deviation for benchmarking (M=4.02; SD= .36). There was widespread concurrence that benchmarking programs were practiced in the organizations. Benchmarking was achieved through: use of published materials from other organizations; attending trade meetings; engaging in conversations with industrial experts; engaging in conversations with consultants; engaging in conversations with stakeholders; and using internet technologies.

Table 3 also revealed the mean and standard deviation of performance (M=4.19; SD=.35). There was widespread concurrence that the organizations had superior performance. First, the organizations: frequently achieved their goals; accurately assessed their progress; had effective communication strategies; had supportive leadership; adapted easily to new situations; and created conducive work environment. The organizations were therefore generally effective in their operations. Second, the organizations: utilized resources rationally; met set timelines; emphasized least cost operations; engaged effectively with stakeholders; reflected improvement in culture and structure; and had improved internal processes. The organizations were therefore generally efficient in operations. Last, the organizations: met stakeholders' needs; received support of stakeholders; had the ability to generate funds; and had the ability to meet operational expenses. The organizations therefore generally remained relevant in operations.

Though there was widespread concurrence that benchmarking was exercised in the organizations and that there was superior performance, descriptive information did not provide evidence of how benchmarking contributed to performance. Besides, benchmarking mean was less than performance mean by some units causing uncertainty about the relationship between them. Simple linear regression analysis was consequently used. The linear regression model (3) was therefore used. Preliminary tests conducted on model 3 were satisfied. At 5% significance level, the null hypothesis, "there is no statistically significant contribution of benchmarking to the performance of Community Based Organizations in Kisumu City" was tested. The findings were revealed in table 4.

Table 4: Linear regression analysis of the contribution of benchmarking to performance

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.609	.175		9.193	.000
Benchmarking	.642	.043	.657	14.810	.000
Goodness of fit:					
$R = .657$					
$R^2 = .431$					
Adjusted $R^2 = .430$					
$F(1,289) = 219.343$					
$p < .05$					
Durbin-Watson:.448					

a. Outcome Variable: Performance

b. Input Variable: Benchmarking

Source: Survey data (2017)

Table 4 revealed a statistically significant strong degree of positive correlation coefficient ($R=.657$; $p<.05$) between benchmarking and performance. R-square of .431 revealed fraction of performance, that was attributed to benchmarking. It revealed that roughly 43.1% of the changes in performance were caused by benchmarking practices. The adjusted R-square provided suggestion of the way the model could have been globalized. It ought to have been near R-square as may be appropriate if not identical. In the study, the divergence from the ultimate model was very little; i.e. .001 or else .1%. If the model was obtained from the study population as an alternative to a sample, it may well have explained roughly .1% reduced amount of difference in results. The linear regression model was statistically significant ($F_{(1,289)} = 219.343$; $p < .05$). The null hypothesis was rejected. Standardized beta coefficients, revealed that for one standard deviation rise in benchmarking, performance improved by .657 units.

Table 4 and model 3 also revealed an optimal regression equation

$$Y = 1.609 + .642X \quad (4)$$

The linear regression model 4 showed a statistically significant strong correlation coefficient ($R = .657$; $p < .05$) between benchmarking and performance. The model was 43.1% explained by the variation in benchmarking. The regression model 4 also showed that when benchmarking was ignored performance was increased by 1.609 units and when benchmarking was increased by one extra unit performance was increased .642 units.

Voss, Par and Blackmon (1997) conducted a study on benchmarking and organizational performance giving some empirical results from European manufacturing industries. The results showed business performance was statistically significantly positively correlated to benchmarking. The study also showed a statistically significant positive correlation between operational performance and benchmarking. The two results are in concurrence with the current study in which benchmarking was found to have a statistically positive correlation with the performance. The results of Voss, Par and Blackmon (1997) revealed that roughly 5.2% of the changes in business performance were caused by benchmarking. Also, the results of Voss, Par and Blackmon (1997) revealed that roughly 11.2% of the changes in operational performance were caused by benchmarking. While Voss, Par and Blackmon (1997) results showed proportion of performance attributed benchmarking was low, the current study revealed a relatively high - 43.1% performance of Community Based Organizations was attributed to benchmarking. The current study showed relative effectiveness, efficiency and relevance in operations.

Long (2005) conducted a study examining benchmarking management practices and performance of manufacturing companies in Penang. The results showed that benchmarking had a statistically significant effect on cost efficiency, delivery, and customer service performance. Long (2005) results concurred with the current study in which linear regression model between benchmarking and performance was also statistically significant. Long (2005) study considered benchmarking management practices and performance of manufacturing companies which are created for profits. However, the current study was confined to Community Based Organizations, which are non-profit in orientation.

Alosani, Al-Dhaafri and Bin Yusoff (2016) while reviewing literature on mechanisms of benchmarking found out that benchmarking had a statistically positive effect on organizational performance and that it was an effective organizational performance improvement tool that enhanced competitive advantage. Alosani, Al-Dhaafri and Bin Yusoff (2016) results concurred with results of the current study in which benchmarking was found to have a statistically significant positive correlation with performance and improved organizational effectiveness, efficiency and relevance.

Mwangi (2014) studied the effect of benchmarking practices on financial performance of SME's in Kenya. The results had a statistically significant positive correlation between benchmarking practices and financial performance. This concurred with the current study in which benchmarking had a statistically positive correlation with the performance of Community Based Organizations. A disconnect in results was, while the current study revealed that 43.1% of performance in Community Based Organizations was attributed to benchmarking, Mwangi (2014) study revealed a relatively low value of 19.4% as the variance in financial performance attributed to benchmarking.

Daniel, Richard, Robert and Edinah (2014) conducted a study on performance improvement through benchmarking in Commercial Banks in Kenya, the managers' perception and experience. While Daniel, Richard, Robert and Edinah (2014) found a moderate statistically significant positive correlation ($R = 0.551$) between benchmarking and organizational performance, the current study showed a strong statistically significant positive correlation ($R = .657$). Daniel, Richard, Robert and Edinah (2014) observed that commercial banks that implemented more on benchmarking best practices were more likely to achieve improved organizational performance. Moreover, while Daniel, Richard, Robert and Edinah (2014) revealed 30.36% variance in organizational performance of commercial banks attributed to benchmarking practices, the current study revealed 43.1% variance in performance of Community Based Organizations attributed to benchmarking.

7. Conclusion

Benchmarking practices and performance of Community Based Organizations had a strong positive statistically significant relationship. The contribution of benchmarking to the performance of Community Based Organizations in Kisumu City was statistically significant.

8. Recommendations

Benchmarking contributed to the performance of Community Based Organizations. The organizations should therefore intensify its practice with a view to enhancing their performance. Also, benchmarking is a wide field with numerous operational strategies. Community Based Organizations should therefore invest in research to identify other benchmarking operational strategies which should be used for rapid improvement in performance of organizations.

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