

## **Determinants of Leadership in Improving Sound Governance in South Regional State Education Sector, Ethiopia**

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**Article History:** Received: 10 January 2021; Revised: 12 February 2021; Accepted: 27 March 2021; Published online: 28 April 2021

### **Abstract**

This study aimed to identify the determinants of leadership in improve sound governance in education sector institutions of the South Nation Nationalities People Region (SNNPR). The study was used a quantitative method (QUAN). It used inferential approach for their appropriateness for defining the research problem. The survey questionnaire collected from 660 participants purposefully and randomly selected from the nine zones, nine Woredas, and nine town administrations sampled education institutions of the SNNPR. Multistage sampling techniques (purposive, random sampling techniques) were instrumental. The logit model and multicollinearity effect were employed were instrumental. It has been found that sampled education sector institutions were experiencing various leadership determinants that hindered the promotion of sound governance, on the logit model. It can be concluded that, despite some policy initiatives and directives introduced by the regional government, the study identifies various determinants of leadership that effecting the promotion of sound governance. The researcher, thus, specified some significant policy implications to promote sound governance in SNNPR education sector institutions: establish strong accountability mechanism, granting autonomy, strengthening anti-corruption agencies and law, promoting management development program, promoting equity and fairness institutionalizing transparency system, trans, revisit policy directives and initiatives, promoting integrity, the merit-based nomination of education officials and adopt empowerment and management programs are some of the policy implications

**Keywords:** Leadership, Sound governance, , Accountability, Transparency, Autonomy

### **Introduction**

Without effective leadership and sound governance at all levels in private, education, and civil organizations, it is arguably virtually impossible to achieve and sustain effective administration to achieve goals, sustain quality, and deliver first-rate services. The increasing challenges and its comprehensiveness arising from the constant change in society, coupled with the continuous push for higher efficiency levels, require effective and ethical leadership. Sound governance and effective-ethical leadership are the essential requirements for an organization to be considered successful in all stakeholders' eyes in the 21st century (Mulatu, 2017).

Right now, the fields of leadership and sound governance and its concepts have changed from initially having their focus on welfare and administration to an emphasis on employee motivation and customer satisfaction (Shen, 2011). Nowadays, a sound governance system has become more socially responsible, and it addresses both internal and external stakeholders' interest and satisfaction (Shen & Jihua Zhu, 2011). Equally, as Jabbour and Santos (2008) leadership and sound governance are playing a central role in organizational sustainability by contributing economic, social, and environmental performance of the organizations. In general, the prevalence of leadership and sound governance is also essential for organizational sustainability, service quality and customer satisfaction. The concepts related to leadership and

sound governance are broad, and little has been presented in terms of concepts and association between leadership and sound governance and service quality, and customer satisfaction in the existing literature. Nevertheless, exploring the contribution of leadership and sound governance to provide quality service and promote customer satisfaction in organizations is a significant area of organizational research that will help organizations become sustainable organizations.

Even though governance has varied definitions, it is relevant to this research to use the widely accepted definitions of governance, which are coined, by UNDP and the Commission on Global Governance. According to UNDP (1997), governance is a multi-dimensional concept that covers all aspects of the exercise of authority through formal and informal institutions in managing the resource endowments of a state. The mechanisms, processes, and institutions, through which citizens and groups communicate their interests, carry out their legal rights, meet their duties, and mediate their difference. It is the means of achieving the aims and objectives of any institution. Governance is about how government and other social organizations/institutions interact, communicate with citizens and how decisions are taken in an increasingly complex world.

Recently the terms "governance" and "sound governance" are being increasingly used in development literature. Governance means the process of decision-making and the process by which decisions are implemented (or not implemented). Governance can be used in several contexts, such as corporate governance, international governance, national governance, and local governance. It is also defined as "the manner in which power is exercised in the management of a country's social and economic resources for development". Therefore, governance can be seen as the exercise of economic, political, and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes, and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations, and mediate their differences. Since governance is the process of decision-making and the process by which decisions are implemented, an analysis of governance focuses on the formal and informal actors involved in decision-making and implementing the decisions made and the formal and informal structures that have been set in place to arrive at and implement the decision (Mulatu, 2017)

One can infer from the above definitions of the term, sound governance is, among other things, involves participation, transparency, accountability, and the rule of law. It also requires effectiveness and equity in governance activity. Sound governance ensures that political, social, and economic priorities are based on broad consensus in society. The voices of the poorest and the most vulnerable are heard in decision-making over resource allocation.

Similarly, the Commission on Global Governance describes governance as the totality of ways and means individuals and institutions, public and private education sectors handle their everyday affairs. It is an ongoing process by which various and conflicting ideas may be accommodated, and cooperative actions may be taken. It encompasses formal institutions and regimes and formal/informal arrangements that people and institutions either have reached on common consensus or perceive to be in their interest (UNESCAP, 2009).

The OECD (2009) describes governance that denotes the use of political authority and exercise of control in society concerning the management of its resources for social and economic development. This broad definition encompasses the role of education authorities in

establishing the environment in which economic operators function and determining the distribution of benefits and the relationship between the ruler and the ruled.

On the other hand, scholars came up with different perspectives of sound governance. Sound governance as a primary development plan has gained significant momentum globally, especially in the last decade. It has become an issue that attracts different economists, political scientists, lawyers, politician, international, regional, national organizations, and various donor agencies. The notion of sound governance is relatively new. It surfaced in 1989 in the World Bank's report on Sub-Saharan Africa, which characterized the crisis in the region as a "crisis of governance" (World Bank, 1989). It then represented a significant departure from previous policy, prompted mainly by the experience in Africa.

In addressing governance in education sector, the World Bank calls into question the ability, capacity, and willingness of political authorities to govern effectively in the common interest. There is heightened awareness that a country's governance system's quality is a vital determinant of the ability to pursue sustainable economic and social development and education quality (Santiso, 2001). Thus, following the failure of structural adjustment programs in developing countries where policies are effectively prepared but not implemented properly due to wrong or even mal-governance, the issue of sound governance has emerged as one of the critical conditions if development agendas are to hit their intended targets.

Conversely, there is no single and exhaustive definition of "sound governance," nor is there a delimitation of its scope, that commands universal acceptance. The term is used with great flexibility; this is an advantage, but also a source of some difficulty at the operational level. Depending on the context and the overriding objective sought, sound governance has been said at various times to encompass full respect of human rights, the rule of law, effective participation, multi-actor partnerships, political pluralism, transparent and accountable processes and institutions, an efficient and effective education sector, legitimacy, access to knowledge, information and education, political empowerment of people, equity, sustainability, and attitudes and values that foster responsibility, solidarity, and tolerance (Opatha, 2010).

Nevertheless, there is a significant degree of consensus that sound governance relates to political and institutional processes and outcomes deemed necessary to achieve the goals of education development. It has been said that sound governance is the process whereby education institutions conduct education affairs, manage degree to which it delivers on the promise of human rights; civil, cultural, economic, political and education resources and guarantee the realization of human rights in a manner virtually free of abuse and corruption, and with due regard for the rule of law (Stella Ladi, 2008).

Sound governance refers to the competent management of a country's resources and in a manner that is open, accountable, equitable and responsive to people's needs (Mulatu, 2015). It generally implies the ability to perform efficiently, effectively, and responsibly guided by principles that are feasible and desirable at all levels of the society, not just at the political one (Monica, 2007).

As Santiso (2001), the concept of sound governance extends beyond the capacity of Education sector management to the rules and institutions, which create a legitimate, inclusive, transparent and accountable framework for the formulation and conduct of Education policy. It shows that, managing Education affairs in a transparent, accountable, participatory and equitable manner showing due regard for democratic principles and the rule of law. It focuses on the political norms defining political action, the institutional framework in which the policy-making

process takes place and the mechanisms and processes by which power is exercised (Santiso, 2001).

After a long year's tradition of centralized government and governance structure from Ethiopia, a decentralized form of government and governance structure has been adopted since 1991 with four tiers of government structures, federal, regional & woreda (city administration/government) and Kebele. This marked a dramatic change in terms of the tradition of the country's governance in education sectors.

Besides, since 2000 national declaration policies have formed part of a large scale reform of government resulting in creating institutional and legal frameworks for urban local government authorities in education sector, which enabled the formerly marginalized region, zones and woreda to function as independent local authorities. The main objective has been to create and strengthen rural and urban local governments to ensure education ( equity) participation, democratization, and enhanced decentralized service delivery through institutional reforms, capacity building, systems development and training as Ministry of Work and Urban Development (MoFED, 2006).

On the other hand, customers worldwide believe in quality as an icon before purchasing any product or availing of education service delivery as (Education and Training Policy, 1994). The decision of purchasing services depends on the attributes of quality in that particular product or service. The benefits are intangible, so these are being judged through the quality attached. Customer satisfaction is a critical element for creating future purchase demand for a particular product or service. Education sectors implement quality management techniques to use them as a strategic tool to gain a competitive edge in the market. Customer satisfaction helps organizations get information about customers' preferences, needs, and wants by Cengiz (2010). The measurement of customer satisfaction at sampled education services sectors is considered the most requisite part of the research. It will open a window to a competitive and watch over service users' behaviour after receiving a particular service. Customer satisfaction and quality attributes have positive relation (Hsiu-Yuan *et al.*, 2011). This study's importance is derived from the impact of the customer's voice that makes the education organization create a welfare state through exchanging information and services with the citizens.

Various literature reveals that a team is recognized by the leadership qualities and skills associated with its leader in promoting sound governance in the organization. Hence, it can be considered that if a leader is not performing up to the required standard, the team will not give out their best as well (Mulatu, 2017). The main aspects that leaders should consider are the leadership qualities and skills to promote sound governance. In order for a process to be successful, it must be given under charge to an effective leader who has all the leadership qualities and skills. A team working under an effective leader with quality leadership will always perform the best and set an example for members from other organisations' practices. According to Mulatu (2017), practical leadership qualities may vary from person to person based on the context in which he was brought up and moulded. Thousands of articles and books have been published describing what it takes to be an effective leader and its respective qualities and skills. Some researchers and authors claim an effective leader possesses certain traits or abilities; others say it is all personality; still, others maintain it is the behaviour, not necessarily the intentions or thoughts, crucial. Moreover, the qualities of effective leadership vary based on the area of operation and expertise. Accordingly, various sectors' leadership qualities vary from one another based on the area of operation and the expertise required for each of them.

The Ethiopian government using its Plan for Accelerated and Sustainable Development to End Poverty (PASDEP) has emphasized to continue supporting the enhancement of democratization and improved governance. It recognizes that democracy and sound governance are necessary conditions for poverty reduction. To this end, PASDEP promotes a more conducive environment to facilitate enhanced degrees of popular participation and increasing mechanisms of accountability, responsiveness and effectiveness of education institutions (MoFED, 2006). Thus, this study tried to assess the major determinants of leadership in improving sound governance in education sectors of SNNP Regional State.

### **Statement of the problem**

One of the most critical issues recognized in September 2000 by world leaders in their Millennium Summit General Assembly of the United Nations conference for the Declaration of Millennium Development Goal was Democracy and Sound governance. That is why governance occupies a central stage in the development discourse and is considered a crucial element to be incorporated in the development strategy (Abdellatif, 2003). As one of the African countries trying to achieve the millennium development goals, Ethiopia accepted the importance of sound governance and striving to achieve it.

Nonetheless, like any other African country, Ethiopia has faced several challenges in democratization and sound governance building processes in education sector. To handle the challenges and fill the gaps identified, the government came up with different initiatives and a multi-sectoral national capacity building strategy that advocates decentralization, regional autonomy, and efficiency to enhance popular participation and promote sound governance, accountability and transparency.

Importantly, when the policy of decentralization was issued in 2000, that aimed to create and strengthen rural and urban local government that will ensure the traits of sound governance such as education participation, democratization, and enhance decentralized service delivery through institutional reforms, capacity building, systems development and training to Ministry of Work and Urban Development, 2007. Sound and decentralized governance was considered one of the building blocks in the struggle against poverty (Kumera, 2006) under Ethiopia's Sustainable Development and Poverty Reduction Program strategy (SDPRP).

Despite various challenges education sectors facing in implementing sound governance, as clearly stated in Ethiopia's guiding strategic framework for the five years 2005/06 2009/10 commonly known as a Plan for Accelerated and Sustained Development to End Poverty (PASDEP), programs aimed at strengthening the democratization processes are being taken step by step in the form of civil service reform, justice system reform, improved democratic governance, and decentralization which resulted in significant achievements in the last few years (MoFED, 2006).

To sum, though the government of FDRE has introduces many policy initiatives and strategies and taken essential measures to promote sound governance by ratifying several international human right instruments. The FDRE constitution adopted a multi-party government system and accepted most of the internationally recognized human rights conventions since 1991; the process of sound governance building is facing severe and complex challenges. The challenges are mainly related to that of building sound governance in the country (Rahmato, Bantirgu, Edenshaw, 2008). As the empirical study of the authors, significant challenges include lack of adequate awareness about human rights among the education sectors and other service providers, the limited democratic culture and experience in the country, limited participation of

citizens in governance, lack of adequate and appropriate policies and laws in some areas and capacity limitations of law enforcement and governance organs of the government, lack of accountability mechanism, equity and fairness problem and transparency in disclosure of information to genuine information to the academic community.

In the empirical study conducted by the Economic Commission for Africa in 28 countries (2004), Ethiopia's performance in all indices of measuring sound governance has fallen below the sample average which is 53% while the sample index of Ethiopia is 36% (Shimeles, 2005). Furthermore, the same trend persists in the country governance profile by subsequent ECA's governance survey of 2005 (ECA, 2005). This infers that Ethiopia is still not good in sound governance even as far as African standards are concerned. Moreover, based on the 2005 IDA Resource Allocation Index in Education sector management and institution, Ethiopia scores 3.1 averages in which 6 points is the highest and 1 is the lowest point. Especially in transparency, accountability and corruption in the Education sector, the country score below average, 2.5 points (Cammack, Fritz, and O'Neil, 2006).

Acquainted of these facts, PASDEP recognizes the need for more efforts to make local authorities more transparent, accountable and efficient in their response to the people's needs in education sector. Therefore, to know how far sound governance in the country progresses and/or face obstacles, making regular assessments and measurements of the country's governance condition are necessary (MoFED, 2006). However, this study aimed to look the major determinants of leadership in improving sound governance in education sector to further strengthening total endeavours of the country for sound governance establishment and maintain service quality delivered by sample-selected education institutions. Hence, the study was guided by the following fundamental research questions:

1. What are the significant determinants of leadership in education sector institutions of South Nation Nationalities facing in improving sound governance?

### **Method and Materials**

The study aimed to identify the challenges that hinder sound governance in improving sound governance in the selected education organization. In this case, the response (regress) variable is a binary or dichotomous variable taking on two values (0 and 1). Therefore, binary logistic regression was instrumental.

The socioeconomic, institutional and policy-related, resource endowment and its effect were examined by logistic regression analysis. Because logit has an advantage in studying a dichotomous outcome variable, it is incredibly flexible and easily used function (model) from a mathematical point of view and meaningful interpretation. The  $E(Y_i | X)$  in the linear probability models measures the event  $Y$ 's conditional probability occurring given  $X$ ; it must necessarily lie between 0 and 1. This holds in the probit and logit model. Simply, this is the actual problem with the OLS estimation of the LPM. (Gujarati, 2004). The data obtained from all respondents (660) from the nine zonal administration, woreda and town administration, were considered in the model.

### **Analytical modeling of challenges of leadership that hamper to promote sound governance**

It is indispensable to attend to multi-collinearity among the selected explanatory variable before the estimation of parameters. There are two steps, which are frequently recommended to examine the presence of multicollinearity. These are the Variance Inflation Factor (VIF) and Contingency Coefficients. Variance inflation factors or tolerance were computed and used to test for an association between continuous explanatory variable (Gujarati, 1995; Gujarati, 2004). To

avert multicollinearity, it is essential to omit the variable with VIF values that exceed 10. VIFs exceeding 10 are signs of serious multi-collinearity. Thus, it indicates that no explanatory variable has a VIF value more than 10, showing that all the continuous explanatory variables have no serious multi-collinearity problem as the data revealed.

Factually, in order to see the degree of association between the dummy variable, contingency coefficients were computed. As the contingency coefficient is the chi-square-based measure of association where a value of 0.75 or above indicates a strong relationship between explanatory variables. Similarly, the degree of association between each categorical variable was calculated using the contingency coefficient. Hence, it suggests no-multi-collinearity and problems associated with sets of dummy variables included in the model.

The value of the Pearson chi-square indicates the goodness of the fit for the fitted model. The likelihood test ratio statistics indicate by the chi-square statistics are extremely significant ( $P < 0.001$ ) suggesting the strong explanatory power of the model. Therefore, the log-likelihood value was highly significant, at 1% of the level of significance.

The model result shows that the logistic regression model correctly predicted 89.1 % of the total sample respondents (civil servant and customers), 93.3 % of the civil servants and 76.0 % of the customers (service users). Thus, the overall percentage of correct value is 89.1 %, suggesting that the model is likely to be reliable for prediction purposes (i.e., categorising individual civil servants in the service users or customers). The Cox and Snell  $R^2$  index and a Nagelkerke  $R^2$  index, suggest that between 56.7 % and 78.9 % of the variation in the dependent variable is explained by the set of the explanatory variable included in the model. Thus, the result indicators clearly show that the model fits well to the data.

On the other hand, the value of close to one of the Nagelkerke  $R^2$  and the high p-value (p-value = 0.823) of the Hosmer and Lemeshow Goodness of the fittest (4.39) showed the goodness of fit of the model. In another term, the Hosmer–Lemeshow statistic indicated a good fit of the data to the estimated model because the significance value was greater than 0.05. Besides, the value of the log-likelihood ratio of the model (79.195\*\*\*) was highly significant (p value= 0.001), indicating that the selected variables had a significant effect on the predictive ability of the model.

Table 17. The maximum likelihood estimates of the Logit model

<i>S.No.</i>	<b>Items for Challenges to Sound governance</b>	<b>B</b>	<b>St.Er</b>	<b>OR</b>	<b>Sig.</b>
1	Strong interference and control of SNNPR state	<b>3.234</b>	1.165	<b>8.234</b>	0.000***
2	Absence of autonomy	<b>2.785</b>	0.709	<b>1.102</b>	0.005***
3	Lack of well-designed accountability mechanism	<b>4.337</b>	.802	<b>1.009</b>	0.003***
4	Lack of management development program	<b>1.996</b>	0.357	<b>4.081</b>	0.000***
5	Lack of leadership competencies	<b>6.158</b>	2.782	<b>0.223</b>	0.002***
6	Less top official commitment	<b>1.967</b>	0.339	<b>1.000</b>	0.026***
7	Inappropriate nomination of top officials	<b>5.143</b>	1.282	<b>1.342</b>	0.000***
8	High extent of corruption	<b>4.118</b>	1.101	<b>12.31</b>	0.004***
9	Inefficient institutional system	<b>2.314</b>	.801	<b>16.23</b>	0.003***
10	Lack of well-designed institutional framework	<b>1.179</b>	.882	<b>5.671</b>	<b>0.152<sup>NS</sup></b>
11	Lack of incentives and reward system	<b>1.268</b>	.732	<b>5.023</b>	<b>0.686<sup>NS</sup></b>
12	Unfair ethnic, religious and political orientation	<b>5.213</b>	.713	<b>2.523</b>	0.000***
13	Lack of transparency to Education	<b>3.192</b>	1.123	<b>8.725</b>	0.005***
	Constant	<b>1.193</b>	7.234	<b>0.000</b>	0.001***

*Model Chi-Square = 144.543\*\*\**

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*Overall Correct Prediction*<sup>®</sup> =89.1%; *Sensitivity* =93.3%; *Specificity*=81.0%

*Cox and Snell R2* =0.56.7 *Nagelkerke R2* = 0.789

-2 *Log likelihood*=79.195\*\*\*

*Hosmer and Lemeshow Goodness-of-Fit Test* = 4.39 (*p* = 0.823)

*Note: \**, *\*\**, and *\*\*\** indicate statistical significance at 0.1, 0.05, and 0.001 levels, *NS*=not significance.

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*Source: Survey Data, 2019*

### **1. Strong interference and control of the Regional State**

The probability of promoting good overnance was positive and significantly influenced by regional state interference and control in zonal, woreda (district) and town administration affairs. This variable was significant at 0.001 level of significance. As indicated in the table above, a unit increases in regional state interference and control on zonal, woreda and town administration affairs, increases the odds ratio of promoting sound governance or not promoting sound governance by factors of 8.234. The regression model results depicted that substantial interference and control of the regional states in zonal, woreda and town administration affairs are positively and statistically significant factors in sound governance in the SNNPR education sector.

### **2. Absence of autonomy**

Being autonomous in the institutional decision-making process has paramount importance in promoting sound governance in education institutions. This section of analysis encompasses institutional autonomy and its impact on promoting sound governance. The regression result reveals that the absence of autonomy has a positive and statistically significant impact on promoting sound governance at a 0.005 level of significance. If all factors remain constant, the likelihood ratio of Education institutions being autonomous will increases the opportunity to promote sound governance and quality service to satisfy customers by factors of 1.102. Thus, it can infer that the absence of autonomy appears to be a severe challenge that determines the process of promoting sound governance and quality service to enhance quality education in education secor of SNNPR.

### **3. Lack of well-designed accountability mechanism**

One of the requirements of sound governance in education organizations is that education authorities and civil servants are accountable for their actions and decisions. As indicated in the binary logit regression in the above table, there is a positive and statistically significant effect of a well-designed accountability mechanism to promote sound governance in general and customer satisfaction in particular at  $p=0.003$  level of significance. The accessibility of a well-designed accountability mechanism will increase the opportunity to encourage sound governance by 4.337 units of beta value and 1.009 odd ratios in general and customer satisfaction. Thus, a lack of a well-designed accountability mechanism was considered the primary determinant to promote sound governance in general and customer satisfaction, particularly in the SNNPR education sector.

### **4. Lack of management development program**

Management development is essential because it allows an organization to create a steady flow of capable education sector leaders who are assigned in the education sector institutions. It is one of the philosophies specifically vital to improving organizational effectiveness, problem-solving skills, and decision-making abilities of education institutions' leaders. Accordingly, a continuous management development program has a positive and statistically significant effect on improving sound governance in general and providing quality service to customers with a beta value and odds ratio of 1.99 and 4.081 at  $P<0.001$  level of significance respectively. It can infer that having a planned management development program in Education institutions will



improve the enhancement of sound by 1.99 units in general and service quality in particular. Hence, the lack of management development was considered a severe challenge of Education institutions to promote sound governance.

#### **5. Lack of Leadership competencies**

Leadership competencies provide the structure for institutional leadership initiative as entirely new leadership development for promoting sound governance in Education sectors. Consequently, the binary logit model result shows that leadership competencies positively and statistically promote sound governance at  $p=0.002$  level of significance with the beta value and odds ratio of 6.158 and 0.223, respectively. A unit increase in leadership competencies in Education sector institutions will have a 6.158-unit improvement in Education institutions' sound governance. Thus, leadership competencies are the most crucial determinant to promote sound governance.

#### **6. Less commitment of top Education officials**

Commitment invokes a strong feeling of intent and focus and is always accompanied by a statement of purpose or determined by a plan of action. It entails dedication, the ability to work hard to achieve the desired goals, bear infinite determination. It is one of the fundamental principles to promote sound governance. Accordingly, the regression analysis result depicts a positive and statistically significant impact on leadership commitment to fostering sound governance at  $p=0.026$  level of significance. Assuming other variable constant, a unit increase in the responsibilities of top officials of the region will have a 1.967-unit improvement in the system of sound governance in general and customer satisfaction in particular. The odd ratio is 1.000. Therefore, top officials' lack of commitment was considered one of the severe challenges to promote sound governance, service quality, and customer satisfaction at  $P>0.001$  level of significance.

#### **7. The inappropriate nomination of top Education officials**

Nominating leaders with required competencies has paramount importance for organizational success and promotes sound governance in education institutions. Moreover, the quality of leaders matters to any success of the organization and an employee of the Education sectors. Thus, the binary logistic regression result reveals that leaders' inappropriate nomination has a positive and statistically significant effect on promoting sound governance at  $P<0.001$  level of significance with beta value and the odds ratio of 5.143 and 1.342 respectively. It infers that the appropriate nomination of leaders in education institutions will have a 5.143-unit improvement in promoting sound governance. Hence, top officials' inappropriate nomination was considered the significant challenge for improving sound governance in particular and education quality in general.

#### **8. Corruption**

Corruption is a critical element of economic underperformance and a major obstacle to poverty alleviation and development. The logit model analysis indicates a positive and statistically significant effect of corruption on promoting sound governance in Education sector institutions with beta value and odds ratios of 4.118 and 12.31 respectively at  $P<0.005$  level of significance. It can infer that corruption was considered a significant challenge for improving sound governance and providing quality services in the SNNPR education sector. A unit increase of corruption in the education institutions will positively affect the sound governance by beta value, and odds ratio indicated above.

#### **9. Inefficient Institution system**

An efficient and effective institutional system enables the customers (service users) to participate in the institutional service delivery process. It helps to provide crucial information on the quality of services. As indicated in the above table, the logistic regression analysis result shows a positive and statistically significant impact of an efficient and effective system of institutions on promoting sound governance at  $p=0.003$  level of significance with the beta value of 2.314 and the odds ratio of 16.23. It shows that a unit's increase in the institution's system effectiveness will improve the governance system by 2.314 unit in general and customer satisfaction in particular. Hence, an inefficient and effective institutional system was a serious challenge to promote sound governance in sampled Education sector institutions in the SNNPR.

#### **10. Equity (Unfair ethnic, religious, and political orientation)**

Equity consists of education institutions to deliver Education services according to social justice. It means that counting in objective rules and procedures aims to promote equal opportunities for citizens without discrimination and isolation. Accordingly, as indicated in the above table, there is a highly positive and statistically significant effect of equity issues and sound governance at  $p<0.001$  level of significance with the beta and odd ratio values of 5.213 and 2.523 respectively. It infers that a unit increase in the equity (fairness) in the institution will promote sound governance by 5.213 units in general and quality of education. Therefore, unfair ethnic, religious, and political orientation in the region was considered a significant challenge to enhance sound governance.

#### **11. Lack of transparency**

Sound governance requires that education regulation, rules, policies, activities, and decisions need to be transparent. It means that the customers' information should be disclosed timely and effectively, and it needs to be clear, complete, relevant, and understandable by stakeholders. Transparency is considered a significant determinant to promote sound governance in the region. The regression analysis result depicts a positive and statistically significant effect of transparency to promote sound governance in general and customer satisfaction in particular at a  $p=0.005$  level of significance with the beta and odd ratio values of 3.192 and 8.725 respectively. It shows that a unit increase in the system openness in the education sector will improve sound governance in general and quality education service in particular by 3.192 units in the sampled education sector institutions of the regional state.

Although qualitative findings and documentary review confirmed some of the significant challenges obtained from quantitative results, additional challenges hindered the promotion of sound governance in Education sector institutions such as lack of an inclusive strategic plan, merit base leadership nomination, and lack of decisiveness and responsiveness. Besides, findings indicated a lack of visionary leaders, poor linkage among zonal states, lack of trust among management, lack of sense of ownership and belongingness, and less commitment to obey and respect the rules of law are the challenges captured qualitatively from Education sector institutions focus group discussion and key interview participants.

Finally, qualitative data suggested various strategies to overcome the major challenges and improve the system of Governance. Accordingly, to promote effective governance, education sector institutions need to grant appropriate and clear autonomy with accountability to the major actors and stakeholders. The road map of governance reform also needs to be clear and understandable to implementers. Timely evaluation of education sector institution performance based on customer satisfaction and performance indicators needs to be in place. A healthy system of accountability mechanism, empowerment strategies, and management development

programs to empower institutional leaders and civil servants of the region based on their capacity gap assessment need to be realized regularly.

## Conclusion

The study has attempted to generate data on the determinants of leadership in improving sound governance in education sector institutions of SNNPR . The quality of the services delivered to the community by education officers working in the education institutions depends on the existence of sound governance within a given institution. The researcher investigated that the major challenges that hindered to improving sound governance in their education sector were strong control and interference from political authorities, lack of well-designed accountability mechanism, lack of well-designed school framework to promote sound governance, lack of leadership competencies, the lack of management development program to officials, the lack of commitment of education, high extent of corruption, inefficiency of education systems, and lack of transparency and openness to public considered as the major determinant of leadership. Thus, One can conclude that, the regional government need to work on the major detrminnat to improve sound governance system in the education sector.

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