

ABSTRACT

County governments as second level Government should play a vital role in the development of the economy through efficient utilization of resources and better performance. Resources are key factors of production and utilization of resources to produce greatest value is a concern to every organization be it public or private. Resources can be unbundled to include; Physical, Intangible Human, and Organizational resources. Resource utilization provides an opportunity to improve efficiency at the organizational unit level. Homa Bay County as one of the devolved units is endowed with a wealth of resources and has the potential of significantly contributing to the economy. However, Auditor general's report for 2014/2015 fiscal year and Infotrak survey on the county track index reveals inefficient resource utilization and poor performance in service delivery and wealth creation as evidenced in tables 1.2 and 1.3 respectively. Past studies undertaken have only focused on the general importance of devolution, its successes and challenges, few studies have considered wholesomely utilization of resources like, Personnel, Funds, Land and Water and particularly their effect on performance of Homa Bay County. The purpose of this study was therefore to establish the effect of resource utilization on the performance of Homa Bay County-Kenya. The specific objectives of the study were; to examine the effects of Personnel utilization on performance of Homa Bay County, determine the effect of Fund utilization on performance of Homa Bay County, Examine the effect of land utilization on performance of Homa Bay County, and finally to determine the effect of water utilization on performance of Homa Bay County. This study was grounded on Resource Based Theory and Human Capital Theory. The study adopted correlational research design. The target population was 204 opinion leaders which includes; Ward administrators, Chiefs, Asst. Chiefs and Religious leader's. Primary data was obtained by use of structured questionnaire and interviews while secondary data was obtained from the records of published documents and reports. Reliability was tested by cronbach's alpha above 0.7 at 0.830 while validity was tested by use of a pilot study of 16 respondents at CVI of 0.875. Data was analyzed by descriptive and regression method. Presentations are made on tables. The five null hypotheses were rejected at (sig=0.00, $p < 0.05$) hence at $\alpha = 0.05$ it was concluded the four resources had a significance on Homabay county performance hence wealth creation. Personnel utilization ($\beta_1 = 0.170$, $p < 0.05$), fund utilization ($\beta_2 = 0.307$, $p < 0.05$), land utilization ($\beta_3 = 0.242$, $p < 0.05$) and water utilization ($\beta_4 = 0.012$, $p < 0.05$) respectively. This implies that personnel, fund, land and water utilization positively and significantly affect performance of Homabay County which in turn leads to wealth creation. The study recommends that County government of Homabay should establish clear policies, structures and guidelines in selecting and employing qualified employees and effectively utilizing them, come up with clear policies, structures and measures of controlling and managing funds, enhanced water distribution network and allocate land activities according to existing integrated development plan. The findings of this study may be applied in the formulation of policies on effective resource management in the county governments. The study also form a reference basis in academia for future research in strategic management.