

Good governance and its impact in improving administrative and financial performance: a case study of Nablus Municipality

Fuad Kurdi

Abstract

The study aims to investigate good governance in Nablus Municipality and its role in improving the administrative and financial performance, in order to shed light on its financial and administrative transparency practices, accountability indicators, process of information disclosure and accessibility, and the procedures and mechanisms used to control financial and administrative corruption. To achieve this, a 49-items scale developed by the researcher which was administrated to three hundred and ten participants (two hundred and fifty employees and sixty clients) was randomly selected. Data were statistically analyzed using statistical package for social sciences (SPSS). Findings showed that good governance in Nablus Municipality as experienced by the sample of three hundred and ten participants was moderate. Out of the participants surveyed, 58.2% argued that Nablus Municipality had a moderate level of good governance. The study recommends the need to issue laws and regulations on the applications of governance in local institutions, to impose strict penalties against perpetrators of financial and administrative corruption, and to consider corruption as an offense against honor. Implications of the findings and directions for future empirical research are discussed.

Key words: Good governance, local government institutions, municipalities, financial and administrative disclosure.

Introduction

Local management is the base for expanding the community participation in the management of the affairs of the State and the society (good governance). It is aimed at bringing decision-making institutions closer to their citizens and increasing the efficiency of popular control and accountability. The State gives local development and the trend towards decentralization a special importance. This is because local development will definitely increase the possibilities of growth and equitable distribution of resources, expand human choices of leading a dignified life, engage local communities to promote sustainable development

opportunities, and enhance decentralization by taking into account the wide diversity of objectives for members of local communities. This will eventually help the country achieve progress and development, teach the values of affiliation, equality and a sense of social responsibility that maintains the security and stability of the society, and simultaneously empower its citizens. Good governance is considered to be one of the most effective strategies of success and development at the national level (Abdelhadi, 2016).

The changes and developments witnessed by the world at the end of 1980s and in the early of 1990s led to many changes in the structure and nature of international relations and to the globalization of the issues to which decision-makers and most researchers and thinkers attach great importance to. These changes and developments also led to a huge interest in the concept of governance as evident in many international reports, which is a common denominator between the various international circles regardless of the degree of their economic and political development. Hence, it is on the grounds that governance is a system for managing the affairs of the State and society.

Good governance represents one of the most important requirements to achieve development in all societies, especially in developing countries. These countries are now in a dire need of making some serious reforms in their political, economic, social, and administrative structures in order to be able to provide the necessary services for their citizens and help them fulfill their aspirations (Afalo, 2013). Hence, the study aims to investigate good governance and its impact in improving administrative and financial performance at Nablus municipality.

Literature Review

Good governance, or simply governance, plays a pivotal role throughout the world. Recently, there has been much debate about good governance and its role in development in terms of improving economic performance and financial investment. There is a growing need to implement and follow up the implementation of this concept at various departmental levels so as to guarantee the rights of investors and the community. Governance plays an important role in a nation's economic progress as it boosts the flow of capital (Eid, 2015).

Subsequently, good governance depends on several factors in the first place such as transparency with respect to the information system, the process of informing the regulatory authorities of the details of the transactions and the methods of decision-making, including

the reasons behind taking such decisions, and the benefits as well as the consequences expected from them. This also involves stating and informing the citizens of the financial position of their institutions in order to broaden their participation, control, and support the process of correcting errors, which would serve to improve the results of any future decisions or steps. It can be argued that good governance is an integrated system which includes modern scientific methods derived from other sciences such as economics, management, and law. Also, it consists of a set of objective strategies for the advancement of the State and economic institutions to achieve the welfare of the community. The principles of good governance can be regarded as an illustrative map to be followed by all regulatory authorities regarding the performance of governments and community institutions (Rizq, 2008).

A UN report (2015) states that information should be made public and easily accessible, which is the key factor to use the data effectively for the purposes of making developmental decisions. However, such data constitutes general benefits and hence should be made easily available to the public. Open data can help government transparency allow access to the collective mind and more intelligent decisions in the field of public policy. Open data can also double the participation of citizens and promote efficiency and effectiveness at the governmental level. In addition to data, information relating to definitions, data quality and methods of collection must be made available to the public on a wide range. There is a need to make great efforts to release the data through data-reading machine and to provide the tools to be read visually. In addition, people need certain skills to enable them to use and interpret such data properly (United Nations, 2015).

The applications of governance involve good understanding of the process of government and the management of the State and community affairs toward building an institutional community and active citizenship. This can be conducted through consolidating the prudent components into the path of government, management and disciplined practices. Additionally, it is conducted through initiating policies, programs, strategies, and administrative and organizational behavior at the level of governments, organizations, and various forms and kinds of community institutions. Good governance also involves adherence to modern mechanisms in order to effectively deal with the environmental and technological developments and fulfill the expectations of citizens (consumers, target groups, customers, beneficiaries) regarding the services provided. It also relates to the development of effective government policies through the manufacturing, implementation, and evaluation processes.

Good governance is concerned with boosting education, enhancing local leadership capabilities, and promoting social justice. It seeks to help members of the community to realize their aspirations. People can straightforwardly access the public services they need, and achieve a sense of security for themselves and the future generations and the like. Consequently, reciprocal confidence between citizens and government is likely to develop, and real institutional development will definitely take place—a process that involves an effective utilization of the available resources and leads to fulfilling the future needs and aspirations of the society.

Thus, "governance" or "good governance" represents a novel contract or a true choice to help governments and administrations change their governance processes from individualism and authoritarianism to participatory democracies and positive social values (Locke et al., 2011).

Attention to the concept of corporate governance has recently increased, and a number of international institutions have become more and more motivated to address this concept thoroughly. On top of these institutions are the IMF, the World Bank, and the Organization for Economic Co-operation and Development (OECD) which issued, in 1999, the principles of corporate governance. OECD is concerned with providing help for member and non-member states in order to develop legal and institutional frameworks for the application of corporate governance to both public and private companies by providing a number of guidelines to strengthen corporate governance.

The system of corporate governance extends to intersect with economic, legal, and social aspects, among others. Economically, the importance of corporate governance can be attributed to the role it plays in enhancing financial performance of the corporation, allocating its assets, and strengthening its competitive position through earning the confidence of the stakeholders in the market. It also helps to attract investments, whether local or foreign. From a legal point of view, governance is significant because it works to ensure the rights of the various parties of the corporation. Therefore, the statutes of such corporations are the backbone of the frameworks and the mechanisms of the corporate governance. They organize the by-laws and regulations governing the specific relationships between the parties involved in the corporation (laws of the corporations, competition, taxes, etc.). In other words, the legal significance of governance is manifest through overcoming the disadvantages of the implementation of contracts that can arise as a result of the negative practices that violate the concluded contracts. Socially, given the fact that corporations affect and are affected by

public life, and that their performance can affect jobs, incomes, savings, etc., the survival and good management of such corporations are considered to be an essential elements in the social performance equation. Therefore, the broader framework of governance is associated with all economic, social, and legal aspects. If the corporation, as a nucleus, is good, then the economy and the society will be good (Ghadban, 2012).

Although performance, as a term, is not a new one, there is no general agreement on its definition. There are several theoretical and practical studies and research that aim to define or investigate this concept. In addition, this concept has received different labels such as efficiency and effectiveness, among others. The reasons behind the diverse and different definitions can be attributed to the fact that the concept of performance is widely used, cognitive, sophisticated, and multiple. Consequently, it can be argued that the financial performance is the extent to which financial targets can be achieved (in terms of maximizing returns and minimizing costs) through optimal use and continuous improvement of financial resources. As a comprehensive, integrated and dynamic system, it has to go through certain processes. Also, it has multi-criteria such as cost, time, and quality. A corporation may resort to some techniques that would improve its financial performance, especially when the achievement is less than the expected outcome or in case they are equal (Yahyaoui & Bouhadid, 2014).

Good governance is a new economic term. It involves a number of non-specific definitions, as it intermingles with many administrative, economic, social, and legal aspects. The World Bank (1992) defines governance as "the manner in which power is exercised in the management of a country's economic and social resources for development." According to the Organization for Economic Co-operation and Development (OECD), good governance refers to the rules that govern the affairs and management methods of the economic, social, and political sectors. The structure of these rules is determined through the distribution of rights and responsibilities among the various parties (Rizq, 2008).

In other words, governance is the set of laws, regulations, and decisions aimed at achieving quality and excellence in management performance by selecting the appropriate and effective methods to achieve the plans and objectives of development in any organized work, both in the public or the private sector units. The term "governance" is the concise equivalent to the term "corporate government". The academic and conventional definition of this term is "the method of exercising the powers of good governance" (Eid, 2015).

The system of good governance has been developed to prevent major shareholders, owners of huge quotas, from exploiting and controlling the interests and rights of the majority of shareholders, owners of small quotas, who do not influence the company's administrative and strategic decisions. Therefore, the system of good governance has been defined as "the system which allows all shareholders to get back their rations from revenues of investment, or the system which protects the interests and rights of shareholders and prevent major shareholders from taking over or dominating these interests and rights (Lee, 2002).

The principles of good governance constitute its major components and explain its content and trends. These principles have been addressed from different angles, which all agree on the major role played by the supreme leadership in terms of guaranteeing the rights of the community members and the owners' interests by means of a transparent system that freely allows access to the information and statements (Standard & Poor's Governance, 2002).

According to Rizq (2008), the following points are requirements for good governance: proper planning and providing the data and information necessary for the completion and implementation of the development process; maintaining quality products and the provision of appropriate technology and specialized human resources; paying attention to the human element and raising its efficiency and effectiveness through training and relating education to the labor market; initiating the appropriate economic policies; and developing the systems of governance in developing countries so that they are institutionalized and are not dependent on persons.

Furthermore, good governance demonstrates a moral and a corrective attitude toward the exercise of political power to manage a nation's and community's affairs in a developmental and progressive direction according to well-known and socially agreed upon criteria of democratic good governance. Thus, such governance is based on the principles of accountability, equality, political stability, effectiveness, the rule of law, equitability, corruption prevention and combating, and transparency. In the light of this vision, a governance program can be adopted to achieve the desired results which contribute to the establishment of good governance, which necessarily means combating and controlling corruption and developing public policies that respond to the needs of people and the demands of the society (Governance Center, 2010).

Further Related Studies

Several studies tackled good governance as a multi-dimensional phenomenon addressed by both theoretical and applied researches. In a recent study, Nafe & Saeid (2016) indicated that there is no system or model to evaluate the financial performance of the departments of municipalities. Here, it is not possible for a person or institution to know their success in terms of the financial work of failure. In this case, it is now more than those who do not access the financial performance authorized to be and which is of necessity. FATF is the financial performance assessment. However, Othman and Matarneh (2016) found that there is positive affection for principle of effective governance, principle of equities protection, principle of welfare owner's role, principle of Board of Directors' Responsibilities, and principle of disclosure and transparency on corporate performance which includes financial viability, growth and effectiveness, efficiency, and risk reduction in the Jordanian industrial companies.

Moreover, the study of Shah (2014) concluded that ad hoc ad-on self-standing monitoring and evaluation systems are more costly and less useful than built-in tools and mechanisms for government transparency, self-evaluation, and citizen based accountability such as local government output budgeting and output based fiscal transfers to finance local services. Furthermore, Daur and Abid (2013) indicated that Palestinian Monetary Authority (PMA) moved seriously toward governance through periodic issues and they conducted meetings with lecturers about governance concept and how they can be practiced in Palestinian environment. Also, the banks working in Palestine were obligated by advanced governance that is required through the adequate awareness of ownerships and members of the management board for governance concept.

Furthermore, García-Sánchez et al. (2013) demonstrate that Spanish municipalities show high information transparency in economic, environmental and social matters, allowing the undertaking of administrative proceedings online and actively promoting the participation of interest groups in strategic, sustainable, and managerial issues. However, the Spanish legislation needs to regulate the development of local government e-administration in order to improve the current one-way e-participatory status towards a two-way relationship of mutual feedback and finally to a partner relationship between government and society. Also, the diversity in e-government development suggests that it is not theoretically adequate to consider it as an aggregate concept, requiring research to focus on particular applications in

order to obtain useful insights. However, the study of Ahmed and Hassan (2012) indicated that E-governance facilitates provision of relevant government information in an electronic form to the citizens in a timely manner; better service delivery to citizens; empowerment of the people through access to information without the bureaucracy; improved productivity and cost savings in doing business with suppliers and customers of government; and participation in public policy decision making.

Additionally, Yahyaoui and Buslimah (2012) concluded that companies that apply governance business becomes more attractive to investors, leading to increased market access capital, credit availability, low cost of financing, raising the market value of the company, reducing risks, and increasing the competitiveness of the company to corruption and capital flight. Furthermore, Shibley and Manhal (2012) revealed that there is possibility for building Transparency system for the top management of General State of Iraqi Ports.

Aims and Scope

Decentralization is defined as a strategy that helps rapprochement between the State and its citizens. Municipalities, local government bodies, and democratic local institutions allow citizens to express their needs and aspirations, to develop effective strategies which address the problems facing or affecting them, and to manage the nation's resources. Local political decisions based on the principles of democracy and participation also contribute to increasing the citizens' confidence in the nation's institutions, which would help in building their legitimacy. This is considered critical in the transitional periods. However, decentralization is facing the risk of penetration "client list political networks," rampant corruption, and marginalization of minorities and the poor. This occurs in the absence of strong institutional and political systems at the local level. In addition, the lack of participation and accountability mechanisms through which citizens can watch municipalities and local government bodies can play a key role in determining their programs and activities.

The system of good governance, along with the principles of transparency and accountability, is considered as the best method to address the phenomena of corruption as well as various administrative and financial deviations in organizations of all types, sectors, and areas of work. The present study addresses an important topic, as a philosophy and approach, to achieve administrative successes that contribute to strengthening the role of Nablus Municipality as one of the important institutions in the West Bank city of Nablus. To have a

better understanding of the readiness of Nablus Municipality to provide various services to the public beneficiaries, it is necessary to identify the applications of good governance in the municipality. Therefore, the problem of the study lies in the following overall question: what is the reality of good governance in Nablus municipality and its impact in improving the administrative and financial performance?

The significance of the study came from the wide interest based on the system of good administration and governance and in the practices of transparency and accountability as a fundamental means to eliminate the cases of corruption and deviation in the financial and administrative areas; the great competition between the domestic and international institutions in the provision of quality and distinctive services to community members; and the fact that Nablus municipality is one of the major municipalities in Palestine. Therefore, this study is considered to be the first academic study that monitors the indicators of good governance in this institution.

Hypotheses

Based on the reviewed literature, the set objectives, and variables of the study, the following hypothesis was proposed:

There are no statistical significant differences at $\alpha \leq 0.05$ in good governance and its impact in improving administrative and financial performance in Nablus municipality from the view point of the employee and clients according to their age, gender, educational level, years of experience, major, and profession.

Delimiting variables to the scope of the study based on participants' demographic characteristic include age, gender, educational level, years of experience, major and profession, in addition to the good governance index.

Methodology

The study is a quantitative research study conducted using a questionnaire, which is appropriate to the exploratory nature of the research. The overall sample composed of three hundred and ten participants (250 employees and 60 clients) at Nablus municipality, Palestine, randomly selected.

Good governance was evaluated using an index of a 49-item scale, developed by the researcher. A 5-point Likert scale (strongly agree, agree, neither, disagree and strongly disagree) was used to measure the responses. Participants were asked to complete the questionnaire in Nablus municipality. The sampling survey instrument sought background information such as the participants' age, gender, educational level, years of experience, major, and profession.

Validation of the instrument proceeded in two distinct phases. The initial phase involved a group of referees and expert arbitrators, who provided some comments on the tool. The second phase involved the implementation of a pilot study (N=30) to validate the survey using exploratory factor analysis. Factor loading for all items exceeded 0.60 (0.64 to 0.83), which means that those items are suitable in measuring every item of good governance among the participants.

The reliability was tested using Cronbach's Alpha formula to ascertain the reliability and consistency of the survey. Cronbach's Alpha for the survey instrument was 0.96, indicating excellent reliability and consistency.

The demographic breakdown of the participants was as follows: age, gender, educational level, years of experience, major, and profession. In total, three hundred and ten participants were conducted. Respondents were between 24 and 67 years of age (M=35.89 SD 12.73), females represented 50.6% of the participants, while the remaining 49.4% were males. The mean years of experience was 11.38, with a range of 3 to 32 (SD 6.09). Half (53.5%) of the participants had a college or undergraduate degree from different academic majors and different municipality sectors.

Data Analysis and Findings

Data were analyzed using statistical package for social sciences (SPSS). The questionnaire items were rated on a 1–5 Likert scale (1=strongly disagree, 2=disagree, 3=neither, 4=agree and 5=strongly agree). Thus, the highest score indicated a high level of good governance in Nablus municipality. Descriptive statistics gauged good governance scores among the sampled population. The following statistical techniques were measured: Regression, T.test, One way analysis of variance, Tukey test, Cronbach's Alpha formula, and Factor Analysis.

Findings showed that good governance in Nablus municipality in the administrative area, financial disclosure, and accessibility of information was moderate.

The mean score of good governance in Nablus municipality as experienced by the sample of three hundred and ten participants was moderate (M 2.91 SD 0.67).

Furthermore, findings revealed that the indicators of good governance in Nablus municipality as perceived by the participants in the financial disclosure sub-scale were ranked in a descending order as follows: Nablus Municipality provides a sophisticated computerized system for financial management (M 3.29 SD 1.29); it seeks the services of a licensed external financial auditing firm (M 3.14 SD 1.21); the participants indicated that high quality is part of the financial disclosure process (M 3.13 SD 1.20); a special port let for the announcement of tenders is available to the public (M 3.09 SD 0.96); and participants emphasized that the financial budget includes a medium-term planning framework for three years at a minimum (M 3.04 SD 1.09).

Moreover, results revealed the indicators of good governance in Nablus municipality as perceived by the participants in the managerial sub-scale were ranked in a descending order as follows: Nablus municipality spreads the culture of rationalization among the municipal personnel (M 2.80 SD 1.34); staff and employees in various departments are engaged in the planning process (M 2.79 SD 1.26); the participants emphasized that the results of selection and recruitment of new employees are published within the municipality (M 2.64 SD 1.57); there is special commissions in the municipality to attract new employees (M 2.61 SD 1.50); and the municipality provides clear standards for career and job description (M 2.60 SD 1.50).

Additionally, findings revealed the indicators of good governance in Nablus municipality as perceived by the participants on the right to access information sub-scale were ranked in a descending order as follows: information in Nablus municipality is provided and accessible in a simple and direct manner (M 3.61 SD 1.36); Nablus municipality promotes a policy of openness to citizens and other institutions (M 3.30 SD 1.20); the participants emphasized that the financial information that is disclosed is true and inclusive (M 3.11 SD 1.15); Nablus municipality publishes and displays information audited by an independent and competent parties (M 2.91 SD 1.39); and it shares information with the community members and allows them be part of making decisions related to the municipality (M 2.90 SD 0.85).

Finally, the study investigated demographic breakdown of good governance among the participants with the aim of identifying differences. Findings show that age, gender, educational level, years of experience, major, and profession do not indicate any significant difference.

Discussion

The findings of the study indicated that good governance in Nablus Municipality as experienced by the sample of three hundred and ten participants was moderate. Undoubtedly, there is an obvious weakness on the part of the competent authorities on the subject of monitoring the performance of local and municipal councils.

The reality of good governance in Nablus Municipality in the domain of financial disclosure is medium, and the percentage of the total score is (58.2%) as indicated in the results of some paragraphs of this domain, includes the existence of honesty, accountability, and transparency standards in all financial transactions. The researcher believes that this paragraph constitutes the main index on the extent to which good governance and principles of transparency and honesty exist in financial transactions and financial disclosure practices in Nablus Municipality.

Therefore, these results confirm the weakness of the financial performance practices in Nablus Municipality. This finding is consistent with the results of a series of studies, which indicated a weakness and humility in the principle of financial disclosure applied in the public and private sector institutions. In this context, Ahmed et al. (2012) pointed out that local administrations lack the manifestations and principles of transparency and accountability required in financial areas, and most local governments rely on bureaucracy in making and taking public policies. In addition, Habbush (2007) found a medium commitment to the application rules of corporate governance on the part of the Palestinian public shareholding companies. Besides, Shah (2014) pointed out the absence of a formal information system which is necessary to monitor the compliance with the correct legal procedures in revealing information, especially the financial one, the lack of a sound and sustainable financial information, and the need for regular audited financial statements and information. Furthermore, Yahyaoui and Buslimah (2012) observed that companies that apply corporate governance become more attractive to investors, which would lead to an increasing access to capital markets, a better availability of credit, a decreasing cost of funding, a rise in

the market value of the company, a reduction of risks, an increasing competitiveness of the company, and a better position to face corruption. The results of the study are also in agreement with the findings of Daur and Abed (2013) who reported a lack of commitment by some banks to the mechanism of adding to their annual financial reports as a detailed addendum showing how to apply corporate governance in the financial field.

Moreover, the results of the study show that the reality of good governance in Nablus Municipality in the administrative domain is moderate as well, and poor in the majority of the paragraphs which measure good governance indicators in the administrative area. The researcher believes that these results are close to the living conditions in the majority of local institutions that suffer from many administrative problems, including the weakness of the principles of transparency, accountability, and good governance in terms of performance—a finding which is consistent with the results of a series of previous studies. A study by Nafe and Saeid (2016) pointed out that municipal departments do not have private and specific quantitative standards for performance measurement by which the reality of the financial and administrative performance of these municipalities can be identified. In addition, these municipal departments do not apply the cost accounting system, hence the difficulty of conducting an overall analysis of expenses. Similarly, a study by Daur and Abed (2013) pointed out that the levels of application of good governance standards in the West Bank municipalities are medium and poor, and that there are differences between municipalities and Palestinian institutions of the local government in the levels of application of good governance. However, Ahmed et al. (2012) proved the existence of a problem related to the administrative management in local administrations. Many of these administrations lack the administrative management which is capable of finding out the attitudes of the local residents and domestic public opinion. In addition, these local administrations lack the principles of the required transparency and accountability. Most local governments rely on bureaucracy in making public policies. They also lack social control and use poor and old technological systems. In addition, Shehu, et al. (2012) indicated that the level of participation and community mobilization in the study area is low and not satisfactory. The study also showed that there are several reasons for poor participation, such as lack of traditional practices in citizen engagement, lack of awareness of the importance and benefits of participation for citizens, and the lack of willingness of the State and the central government to engage citizens and various community institutions in the decision-making process.

In the domain of the right of access to information, the results of the study show that the reality of good governance in Nablus Municipality in the field of access to information by citizens is moderate also. The researcher believes that the results confirm the unsatisfactory reality of the situation and the circumstances under which Palestinian local institutions operate. Such current poor access to information does not prepare the ground for future sustainable local institutions, including local government institutions and municipalities. The results of the study indicate that citizens have poor access to the information required on both the administrative and financial levels— a finding which reflects the levels of performance practices in Nablus Municipality. This finding is consistent with the results of a series of studies. A study by Abdelhadi (2016) indicated the existence of a positive effect of the principles of ensuring the existence of effective governance framework, protecting the rights of shareholders, determining the role of stakeholders, identifying the responsibilities of the board of directors, and maintaining financial disclosure statements and transparency regarding institutional performance. By the same token, Isabel-María, et al. (2013) recommended municipalities and local bodies to provide information through different media, to provide audited statements for the citizens, to get all stakeholders in the community engaged, including the family, the school, the society and the media, and in raising public awareness of the importance of participation in the decision-making and policy-making process. Furthermore, Ahmed (2012) recommended entrenching the principle of transparency through the staff in charge of local authorities. Similarly, Shah (2014) strongly endorsed the importance of a free access system to gain access to data and benefit from feedback. Shehu (2012) highlighted the need to strengthen the participation of citizens in general policy-making in local bodies. However, Daur and Abed (2013) emphasized the need for a government body entrusted with practicing, following up and implementing standards of corporate governance, promoting the adoption of standards designed for Palestine, and fostering as well as spreading the culture of good governance among members of municipal councils.

The study results revealed that age, gender, educational level, years of experience, major, and profession do not indicate any significant difference in good governance in Nablus municipality as experienced by the participants. This indicates that good governance is not very much influenced by these variables. Therefore, they are more likely to be affected by other factors other than age, gender, educational level, years of experience, major, and profession.

The results also revealed the bitter and despicable reality of the local Palestinian institutions. Members of the community have an obvious lack of the knowledge and awareness of the importance and of the applications of the principles of good governance in the management of local institutions. Therefore, the results also show the absence of specialized bodies to follow governance applications and good governance in the various civil and governmental institutions as well as in the local and private sector institutions. The results also suggest that adherence of institutions to mechanisms and rules of corporate governance would lead to a reduction in financial and administrative corruption and would result to an increase in the efficiency of their performance. Based on the findings of the study, the following recommendations were made:

1. Issuance of regulations and laws on the applications of governance in local Palestinian institutions; the imposition of strict sanctions against the perpetrators of financial and administrative corruption and against the manipulators of public money; and regarding corruption as a crime against honor.
2. Raising the citizens ' awareness of the importance of the applications of corporate governance and good governance through various local media outlets and including these applications in the curricula of schools and universities.
3. Providing incentives and awards for successful applications in the field of good governance by local institutions.
4. Establishing frameworks and bodies specialized in governance and in combating corruption.
5. Compelling all institutions to publish annual and audited financial and management reports in a timely manner, and compelling them to abide by the principles of transparency and financial disclosure.

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HOW TO CITE THIS PAPER:

Kurdi, F. (2016). Good governance and its impact in improving administrative and financial performance: a case study of Nablus Municipality. *International Humanities Studies*, 3(4), 30-47.

ABOUT THE AUTHOR

Fuad Kurdi, MA. Sustainable Rural Development, Institute of Sustainable Development, Faculty of Arts, Al-Quds University, Main Campus, Jerusalem- Abu Dies, Palestine. Independent Researcher, Nablus, Palestine. fd_kurdi@yahoo.com