

INFLUENCE OF SELECTED COUNTY GOVERNMENT FUNDED PROJECTS ON THE LIVING STANDARDS OF THE BENEFICIARIES. A SURVEY OF KERICHO COUNTY, KENYA

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Abstract

The purpose of this study was to examine the influence of selected county government funded projects on the living standards of the beneficiaries, a survey of Kericho County, Kenya. The study employed descriptive survey design. The target population constituted 209 community beneficiaries of those projects. The study employed Stratified random sampling method and a sample of 137 beneficiaries were used. A structured questionnaire was used to collect data which was then analyzed using Statistical Package for Social Sciences tool using descriptive and Pearson's correlation analysis. The output of the data analysis was presented in tables, charts and interpretation made based on the research objectives. The study findings indicated that the county government funded projects had majorly contributed to the influence on the living standards of the residents of Kericho county. Thus the research concludes that a further study be undertaken to examine the strategies used to effectively manage the county government funded projects to ensure they enhance the living standards.

Keywords: County government projects, living standards, beneficiaries, infrastructure, Healthcare provision, Water and Sanitation and Artificial Insemination

INTRODUCTION

Governments everywhere are decentralising substantial political, administrative and financial powers to Sub-National Governments with a view to improve access, efficiency and responsiveness of service delivery, promote participation and empower citizens to demand accountability and performance. To achieve these objectives, requires the devolution not only of functions but also power to make policy and operational decision regarding revenue raising and spending priorities. It also requires appropriate and adequate operating systems and procedures and effective mechanisms for citizen participation. Most importantly it requires sufficient and reliable resources for service provision. Sclar Barkan et al 2006, argues that unless African countries undertake major institutional reforms, they are unlikely to achieve stability and economic growth. Devolution of power to other existing political and economic institutions is thus heralded as the starting point for any meaningful and lasting reforms (Ndulo, 2006; Kimenyi 2002)

Statement of the Problem

Despite the initiative by the government to introduce devolved funds in Kenya the real effect of the initiatives is yet to be experienced in many communities in Kenya. Even though there are sound arguments for adopting a system of devolution, it is not without risk. If not properly designed and implemented, devolution leads to the translation of central government bureaucracies, inefficient utilization of resources and lack of accountability at the sub national level. Devolution thus precludes decentralization of power to actors who are only accountable to themselves or superior authorities. The imperative to empower local communities on their civic roles and responsibilities as a key ingredient in building an effective system of devolution can therefore not be gained.

Significance of the Study

It is expected that the study would contribute to existing literature in addressing future research problems. The study will add to the existing knowledge on county government funded projects and their influence on the beneficiaries. Policy makers in the government are expected to use this study as an an evaluation tools towards the influence of county government funds. This will help improve on existing research policies. The study also will provide an opportunity for beneficiaries of projects at Kericho County to present their opinion on the influence of county government funded projects. This will also be used by managers of county government in deciding what projects to undertake and which ones to leave out

Main Research Objective of the Study

The purpose of the study was to assess the influence of the selected county government funded projects on the living standard of the beneficiaries.

Specific Research Objectives of the Study

- i. To determine the influence of infrastructure development on the living standards of the communities
- ii. To investigate the effects of provision of health care services on the living standards of the beneficiaries.
- iii. To assess the effects of provision of clean water and sanitation on the living standards of Kericho county residence.
- iv. To investigate the influence of Artificial Insemination projects on the dairy farmers in Kericho County.

Limitation of the of the study

Kericho county, Kenya where the researcher undertook his study is a cosmopolitan area and therefore language was a challenge especially when gathering data from community residents. This necessitated the use of translators in order to effectively obtained information from the respondents. The study was also limited by financial resources required to accomplish the research objectives.

LITERATURE REVIEW

Theories of Devolved Funds

There are a number of theories that have been advanced. First is the Accountability theory which suggests that decentralization is also argued to promote accountability and reduce corruption in the government (Ostrom, Schroeder & Wynne 1993). Since sub-national Governments are closer to the people, citizens are considered to be more aware of sub-National Governments" actions than they are of actions of the Central Government. Also, the resulting competition between sub-national providers of public goods is seen to impose discipline on Sub-National Governments, as citizens averse to corruption may exit to alternative jurisdiction or providers. Corruption represents a breakdown of cooperative behaviour, in which the few collude to the detriment of all. Devolving functions to smaller units that are closer to the population should, in theory, increase consensus and legitimacy concerning the choice of public services. This, in turn, can be expected to foster cooperation, vigilance, as well as acceptance of and adherence to rules of public sector integrity. This would be especially true where the

financing of public services is devolved via the assignment of tax instruments or the collection of user fees. In plural or socially fractionalized nations, the question then arises whether jurisdictions can be so designed so as to maximize social (e.g. ethno-linguistic) homogeneity and social capital, and therefore the propensity to cooperate at the local level (Meagher 1999). This theory therefore requires that the county government officials to be accountable to in every aspect while executing the implementation of county government projects so that the real benefits are achieved by the residents.

Another theory for devolved funds is Agency theory. According to Rees (1985), the theory focuses on the relationship between principals and agents who exercise authority on behalf of organisations. This theory is of the view that principals must solve two basic tasks in choosing and controlling their agents: first, they have to select the best agents and create inducements for them to behave as desired. Second, they have to monitor the behaviour of their agents to ensure that they are performing as agreed (Ayee, 2005). A problem arises when the parties' goals conflict or when it is difficult or expensive for the principal to verify what the agent is actually doing. In this case Information asymmetry introduces an issue of adverse selection and a moral hazard problem.

In devolution of funds the principal-agency relationship exists, the national government being the principal and the devolved funds management committees and staffs being the agents. If the relationship between the two parties is not well checked, then the problems associated with the agency theory, like the information asymmetries are bound to occur thus limiting the impact of the fund. Critical to this is conflict of interest. While the government may want to create projects that will improve the lives of the target groups, the Fund management may initiate populist projects to show the public they are working. Ultimately these projects fail to address the purpose of their establishment for failing to align with the needs of the target community. Thus the need to continuously monitor the effects of the projects initiated on the welfare of the constituency community.

In this case therefore, the county government is an agent who implement the projects on behalf of the principals who are the residents of kericho county. Under the new constitution, the head of the county government is the Governor who is the agent of the residents to implement projects which are beneficial to them.

Cost Recovery Theory emphasizes that making service more demand responsive through decentralization has added benefit that increases households' willingness to pay for services (Briscoe & Garn 1995). Households are argued to be more willing to pay for and maintain services that match their demand. This is the flip side of the allocative efficiency coin. Moreover, a relatively close match between supply and local demand, if coupled with

transparency and with local cost-sharing or cost recovery, can provide the incentives and information base for effective local monitoring. The latter is a necessary ingredient in an overall anti-corruption strategy, and in particular helps to shrink the information asymmetries and leakages that can undercut both allocative efficiency and cost recovery (Litvack & Seddon 1999). On the other hand the allocative efficiency theory argues that the most common theoretical argument for decentralization is that it improves the efficiency of resource allocation. Decentralized levels of government have their reason in the provision of goods and services whose consumption is limited to their own jurisdictions. By tailoring outputs of such goods and services to the particular preferences and circumstances of their constituencies, decentralized provision increases economic welfare above that which results from the more uniform levels of such services that are likely under national provision. The basic point here is simply that the efficient level of output of a local public good (i.e. that for which the sum of residents' marginal benefits equals marginal cost) is likely to vary across jurisdictions as a result of both differences in preferences and cost differentials (Oates, 1999).

Since Sub-National Governments are closer to the people than the Central Government, they are considered to have better information about the preferences of local populations than the Central Government (Hayek 1945, Musgrave, 1998). Hence, such governments argued to be better informed to respond to the variations in demands for goods and services. Second, sub-national governments are also considered to be most responsive to the variations in demands for and cost of providing public goods. Decentralization is thought to increase the likelihood that Governments respond to the demand of the local population by promoting competition among Sub-National Governments (Tiebout, 1956). Competition among Sub-National Governments is said to allow for a variety of bundles of local public goods to be produced, and individuals are said to reveal their preferences for those goods by moving to those jurisdictions that satisfy their tastes that is, by "voting with their feet." This is seen to pressure Sub-National Governments to pay attention to the preferences of their constituents and tailor the service delivery accordingly, whilst risking the loss of tax revenues Breton (1996). This "voting with feet" is thus argued to enhance the efficiency of resource allocation by increasing the likelihood that Governments satisfy the wishes of citizens. Where geographic mobility is constrained, as in many developing and transition countries, alternative service providers such as private firms and NGOs are potentially important in providing exit options. (Qian & Weingast, 1997). It is therefore presumed that the Kericho county government funded projects like infrastructure, healthcare, water and Artificial insemination projects are best suited to the residents and are the priority projects that best meet their needs and hence transforming their lives

Infrastructural Projects

It is paradoxical that Africa's rural areas are characterised by hunger and poverty, when they offer a great potential for growth through increased agricultural production and processing. Improving rural transport infrastructure and services will help harness this potential, as it will reduce the costs at which farmers obtain inputs and advice. Better transport infrastructure and services will also enable farmers to sell their outputs at remunerative prices. Findings from several studies suggest that road improvement can significantly increase production – by up to two or three times within a short period of time. The spin-off of increased productivity is usually in the form of substantial creation of local jobs and reduction of poverty and hunger (AU et al., 2005).

Provision of Healthcare

The highly centralized government system also led to the weak, unresponsive, inefficient, and inequitable distribution of health services in the country (Ndavi et al., 2009). It is expected that a devolved health system will improve efficiency, stimulate innovation, improve access to and equity of services, and promote accountability and transparency in service delivery (Bossert, 1998).

Provision of Water Supply

According to Economic Commission for Africa (2012) Issue paper on infrastructure development and rural transformation, Water has a vital role to play in socio-economic development. Indeed, there is interdependence between water availability and development, which is exemplified by the link between water and poverty – mostly experienced in rural areas. Due to poverty, access to adequate water and sanitation is low in Africa. Yet due to inadequate access to safe water and sanitation, there is a high incidence of communicable diseases that reduce vitality and economic productivity on the continent. Inadequate access to water and sanitation is therefore both a cause and a consequence of poverty.

Artificial Insemination

Artificial insemination (AI) is the technique of transferring semen collected from a male animal and manually (artificially) placing the spermatozoa in the reproductive tract of a female animal (insemination) in order to get the female impregnated. Artificial insemination is widely used for livestock breeding around the world, and a necessary tool in sustainable farm animal breeding (Gamborg 2005). Sub-optimal fertility leads to aggravating productivity losses which can be

directly translated into economic loss of great magnitude, and it is also the major reason for involuntary culling of dairy cows.

Research Gap

It has been evidently revealed that devolved funds are intended to enhance community development through creating a needs responsive approach to development. Further the concept of devolved funds has been highly elaborated with an indication that it brings about a reduction in size and influence national governments. Though the intended purpose could otherwise be a good track towards improving the living standards of the community and hence sustainability of development projects, it is evident that devolved funds in Kenya remains an elusive mission and thus questioning the influence of county government projects on the living standards of the beneficiaries.

RESEARCH METHODOLOGY

A descriptive survey design was used to accomplish the research objectives. According to Kothari (2004) descriptive survey design is suitable where the researcher needs to draw conclusions from a larger population.

Both primary and secondary sources of data was used to collect data. Primary sources of data include questionnaires and interviews. Secondary sources include journal articles, government reports, thesis and dissertation, and books. Target population is defined as total individuals, elements or groups to be studied (Orodho, 2009).

Target population for this study was 209 representative of the beneficiaries of the projects in the county of Kericho. Therefore, the respondents was the local opinion leaders, sub chiefs, village elders and actual beneficiaries who are assumed to be the representatives of the whole community and are the direct beneficiaries of such projects including roads and infrastructure, health, agriculture, water and other sectors. The researcher used stratified simple random sampling technique to select a sample of 137 responds to participate in the study.

Data was cleaned, coded and analyzed with Statistical Package for Social Science (SPSS). Data was analysed using both descriptive and inferential statistics. The means and standard deviations was used to quantitatively describe the characteristics of the population and variables. Multiple linear regression analysis was also used to assess the relationship between the independent variables and the dependent variable. The general model of this regression analysis took the form:

$$\hat{Y} = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon_i$$

Where: \hat{Y} = Dependent variable: County government funded projects

α =Constant

$\beta_1 - \beta_4$ =coefficient of the independent variables

X_1-X_4 = The independent variables: Infrastructure, Health, water provision and A.I projects respectively

ϵ_i = Error term

RESEARCH FINDINGS AND DISCUSSION

The quantitative data obtained was analysed using both descriptive (means, standard deviations, frequencies and illustrations) and inferential statistics (ANOVA used for testing significant differences and multiple regression for determining relationships).

Descriptive statistics provides the means and standard deviations of the scores relating to each of the variables used. Means and standard deviations for all the variables were also calculated in order to get an idea about the direction of all the variables.

Descriptive Statistics

The research results indicates that majority of the residents with a mean of 3.5 agreed the roads in Kericho County are accesible. Many response mean=3.4 also expressed neutral opinion on the availability of telecommunication networks and thereby enhancing communication. The same neutral opinion was also indicated by the residents on the assertion that availability of infrastructural projects leading to increased trade in the county. Furthermore majority also gave neutral view when asked to comment on the availability of job opportunities as a result of infrastructural development and the involvement of locals in identification, selection and implementation of infrastructural projects.

Out of the 112 respondents who participated in the study, majority with a mean of 3.6 agreed that presents of healthcare services have led to reduction in mortality rate and dead caused by communicable diseases. Moreso, majority also gave neutral opinion on a number of questions namely; whether healthcare facilities are available and accesible, whether provision of healthcare services have led to increase in healthy population and workforce and also on the question as to whether health facilities are within reach to many locals and on whether health services are avodable by majority of the locals. However, many of the respondents also disagreed on the assertion that services offered in the healthcare facilities are satisfactory and on whether the healthcare facilities are well equipped.

On seeking to assess the influence water and sanitation projects on the living standards, majority of the respondents represented by a mean of 2 disagreed with all the questions asked which indicates the extend to which this projects influence their living standards.

Results of the findings as indicated above revealed that majority of the respondents showed a neutral opinion mean of 3.1 on a number of questions namely: Awareness of the AI services offered by the county government, use of AI services leading to better and improved breeds, AI technology being appreciated by the dairy farmers, Affordability of AI services and assertion that dairy farmers support and always advocate for the use of AI technology. On the other hand, majority of the residents disagreed with the assertion that adequate training on AI technology are offered to farmers.

Regression Results

Regression analysis was conducted to test the overall influence of the county government funded projects on the living standards of the beneficiaries. From the analysis, coefficient of determination $R^2 = 0.437$ indicates that 43.7% variations in the living standards are explained by infrastructure, healthcare, water and sanitation and AI while the remainder 56.3% are explained by other factors not captured in the model that is the error terms.

Table 1. ANOVA Result

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	416.688	4	104.172	20.792	.000 ^b
Residual	536.089	107	5.010		
Total	952.777	111			

a. Dependent Variable: Living standard

b. Predictors: (Constant), AI, infrastructure, Water, Healthcare

The significant value of 0.000 less than 0.05 implies that in overall, selected county government funded projects significantly influence the living standards of the beneficiaries of Kericho County.

Table 2. Results of Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.466	.998		1.469	.145
Infrastructure	.087	.049	.152	1.758	.082
Healthcare	.165	.051	.317	3.238	.002
Water	.087	.042	.170	2.077	.040
AI	.129	.046	.233	2.799	.006

From the above regression analysis, hypothesis testing was done on each the independent variable. The results reveals that infrastructure has a positive influence on the living standard (Beta=0.152) and p value of 0.082 greater than $\alpha=0.05$. Therefore the researcher fails to reject null hypothesis and conclude that infrastructural projects is not a good predictor of living standards of kericho county.

The results also showed that the standardized coefficient beta and p value of healthcare projects were positive and significant (beta = 0.317, $p=0.002 < 0.05$).

Thus the researcher rejects null hypothesis and conclude that for every unit of investment in healthcare, living standads will improve by 0.317.

Water and sanitation projects also had a p value of 0.04 less than 0.05 and beta value of 0.170. Null hypothesis was therefore rejected and concludes that for every unit investment in water and sanitation projects, living standards is enhanced by 0.170.

Finally, the regression results revealed that AI has a positive and significant effect on performance with a beta value of $\beta_4 = 0.233$ (p -value = 0.006 which is less than $\alpha = 0.05$). Therefore, the researcher rejects the null hypothesis and AI has significant influence in determining the living standards of the residents

The results of the regression analysis were interpreted using the following regression function: $\hat{Y} = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon_i$

Where: \hat{Y} =Dependent variable: County government funded projects

α =Constant

$\beta_1 - \beta_4$ =coefficient of the independent variables

X_1 - X_4 = The independent variables: Infrastructure, Health, water provision and A.I projects respectively

ϵ_i = Error term

Therefore, $Y = 1.466 + 0.87X_1 + 0.165X_2 + 0.087X_3 + 0.129X_4$

CONCLUSIONS

Infrastructural and healthcare projects are the major county government funded projects that have contributed in many developments in Kericho county. They are highly involved in influencing the living standards of the beneficiaries and meeting community needs through project constructions and employment opportunities to the residents. Water and Sanitation projects and AI projects are expected to contribute to access to clean water for both domestic and agricultural activities but in Kericho county, Water and Sanitation and AI projects participates lowly in community development. Therefore little effects have been felt by the residents of the county as far as these projects are concerned in influencing their living

standards. The county devolved funds therefore have the capacity to improve people's living standards, by actively supporting development projects and opening up employment and business opportunities. This helps the community to advance economically and socially.

RECOMMENDATIONS

The study recommended the citizens should be involved in the whole process of infrastructural development from initiation, selection, implementation and review. This will enable the residents to choose projects which are priority to them and enhance their participation. The study further recommends that the county government embrace and advocate for a multi disciplinary method to involve all the healthcare stakeholders to address supply chain management, health facility infrastructure management and issues relating to healthcare workers so as to enhance service delivery to the residents. Reinstallation of the water projects and sanitation programs in the county was also recommended and the establishment of a management team to oversee the implementation and administration of AI services in the county.

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