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GOVERNANCE ISSUES, QUALITY AND SUSTAINABILITY: FACT OR FALLACY IN YOUTH EMPOWERMENT PROJECTS IN KENYA

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Abstract

Project quality may function as both an antecedent and outcome in a project governance-performance outcomes relationship, however, empirical justification is lacking in literature on how this relationship can be generated. Employing data from 196 respondents who were project managers and youth leaders of Youth Empowerment Projects, this study investigated the mediating effect of project quality on the relationship between project governance and sustainability of Youth Empowerment Projects in Kenyan context. The study adopted descriptive and explanatory research designs. Using hierarchical regression statistics, data collected were analysed and the results of the analysis showed that project quality partially mediated the relationship between project governance and sustainability of Youth Empowerment Projects in Kenya context. In addition, the results showed that project governance had a direct relationship with and significant effect on sustainability of Youth Empowerment Projects in Kenya context. The limitations and policy implications of the findings are thereafter discussed in this study.

Keywords: Governance Issues, Quality, Project Sustainability, Youth Empowerment Project, Kenya

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INTRODUCTION

Projects are carried out to provide a solution or an outcome, and when the results meet the stakeholders' specifications or needs, and then the solution is regarded to be of high quality. As remarked by IPMA (2013), project quality is satisfied when implementation has attained or met the constraint of time cost, and scope. Furthermore, project quality can be improved by leveraging on the tool of project governance (Too & Weaver, 2014). As posited by Haq, Liang, Gu, Du, and Zhao, 2018), project quality can be achieved through effective project governance and other related factors. It has been asserted in literature that if project governance is effective, project quality would be enhanced which in turn leads to performance related outcomes (Haq, *et al*., 2018). Empirical investigation of the role of project quality in the relationship between project governance-performance outcomes relationship has remained limited, in the context of low-income economies, especially in Kenya. In Kenyan context, a series of Youth Empowerment Projects have been executed basically to ease unemployment and poverty among youth towards achievement of Kenya's vision 2030 (Honorati, 2015). However, studies have reported that a large chunk of the Youth Empowerment Projects have suffered sustainability problem as a performance outcome (Lenjo & Moronge, 2018). In addition, studies examining project governance-sustainability outcomes relationship have attracted attention from scholars in several contexts,; however such studies remain limited and anecdotal in Kenyan context. This study therefore investigated the pathway via project governance generates project sustainability through the mechanism of project quality.

REVIEW OF LITERATURE

Theoretical Literature Review

Resource Based View (RBV) Theory

The Resource-Based View theory (RBV) is acknowledged as a modern-day approach that highlights the way competitive advantage (CA) can be generated through organizational resources. It sourced contributions from several scholars in the disciplines of economics and strategic management (Penrose, 1959; Porter, 1985; Wernerfelt, 1984; Barney, 1991). The contribution of Barney in 1991, therefore, formalized RBV as a present-day approach to understanding the significance of developing and maintaining organizational internal resources as a means of creating sustainable competitive advantage (Barney, 1991).

Barney's (1991) view of RBV is that resources are heterogeneous and immobile across firms; therefore, sustainable competitive advantage could be achieved by a firm that is able to develop internal resources that are considered rare, valuable, inimitable and also non-substitutable. For Barney (1991), the internal resources entail assets, capabilities, information,

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knowledge, firm's attributes and organizational processes, among others. These are controlled by a firm, allowing it to conceive of and implement strategies that would enhance its effectiveness and efficiency (Barney, 1991).

RBV has often been criticized because of its inability to specify the particular organizational resources that possess the attributes of valuableness, rarely, inimitability, and non-substitutability. However, RBV Theory has been an important theoretical lens for underpinning the relationships hypothesized in studies among scholars in different fields of discipline. Jugdev and Mathur (2013) posited that the RBV was a theoretical paradigm for developing unique capabilities, assets, information, tacit knowledge, tools and processes for managing project in an organization.

RBV, therefore, becomes relevant because of its significant contribution to creating sustainable projects, as resources in terms of finance, personnel and facilities are essential during project implementation. Therefore, leveraging on governance practices in various organizations would lead to development of capacities that would enhance project sustainability.

Empirical Literature Review

Project governance, as operationalised in literature, has no uniform conceptualisation. According to Project Management Institute (PMI) project governance entails aligning project objectives to the project with the larger organizational strategy (PMI, 2013). As posited by Garland (2009), project governance s viewed as project decisions making frameworks within an organization. Effective project governance is essential in sustainable and successful achievement of value for the involved stakeholders and the organization (Beleiu, & Nistor, 2015). A number of studies have conceptualised project governance by using several metrics. As remarked by M'aburi (2017), project was measured as stakeholders' participation and resource mobilisation. Project governance is operationalised as a composite construct of intertwined governance structures and management functions (Joslin & Müller, 2016). Project governance involves people networking from diverse experiences towards project delivery, and it is on this basis it is conceptualised as project team diversity (Obare, 2017).

A handful of studies in literature have documented evidence of project governance as an antecedent of some variable outcomes in literature. As investigated by Lechler & Dvir (2010), project governance was identified to be associated with project success. In a similar vein, Beleiu and Nistor (2015), project governance was found to associate with conflict reduction among diverse stakeholders and firm's performance. Project governance can also serve as a tool for achieving project quality which will in turn lead to project related outcomes (Hénard & Mitterle, 2010; Haq, *et al*., 2016). However, misalignment or underdevelopment of project governance

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mechanisms may impair performance [Haq, *et al*., 2018]. In addition, ineffective project governance structures in project organization may delay improvements in the project management context (Aubry, Richer, & Lavoie-Tremblay, 2014).

Project quality involves activities and processes that determine objectives, responsibilities and quality policies, in order to ensure that the project satisfies the requirements it was made to undertake (Project Management Body of Knowledge - PMBoK, (2013). Project quality focuses on improving customer satisfaction, and this is hinged on the continuous improvement on the services delivered. As indicated in literature, project are executed for the purpose of providing a solution or an outcome, and therefore meeting the expectations, needs, or specifications of stakeholders then project quality is said to be attained. Studies have shown that project quality can be achieved via governance practices (Haq, *et al*., 2016. As posited by Basu (2014), project management team, as a component of project governance, is considered instrumental to the attainment of project quality leading the satisfaction of the necessary stakeholders. Hang *et al* (2018) revealed that the effectiveness of the project quality significantly enables managers of the projects to identify and meet better quality standards. Moreover, project quality in terms product and design quality enhances the performance of projects since better standards of quality arguably establishes different project performance indicators (Hag *et al,* 2016; Kaumbulu & Sang, 2018).

In project management literature, empirical evidence has shown that project quality can function as both the antecedent and outcomes of performance related variables. Khan (2012) argued that project quality significantly affects project performance. Thus, the quality of the project design and product does not only measure the project performance but also viewed as significant determinant of project performance as meeting quality standards seems contributing towards increased project performance. Meredith and Mantel (2011) remarked that project performance can be increased through improving various quality related factors such as frequency of measuring customer satisfaction, team participation, team contribution and retrospective impact.

Project sustainability refers to the ability of the project to achieve its main objectives after the project initial sponsors have withdrawn their support (Marcelino-Sádaba, González-Jaen, & Pérez-Ezcurdia, 2015).). As posited by Morfaw (2014), project sustainability is organizational ability to continue its program and mission far into the future as all projects eventually have to end, retaining the positive impact of the project. Sustainability is seen comprehensively as an essential understanding tool towards the economic, environmental and social concerns concomitant in the manner in which the projects and their support systems are constructed, designed, maintained, operated and eventually eliminated (Thompson, *et al*., 2011)

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Sustainability is seen as an abstract construct, however, Silvius and Schipper (2015) argued that the three metrics of the Triple Bottom Line – TBL (economic, social and environment) should be placed into a framework of factors, variables or constructs that an organization wishing to improve their sustainability can use as a decision model.

The Resource-Based View theory (RBV), as popularised by Barney (1991) provides a theoretical lens for how a firm can attain competitive advantage. The postulation of RBV that sustainable competitive advantage can be obtained if a firm leverages on building and developing internal resources and capacities that valuable, rare, inimitable, and non-substitutable (Barney, 1991), has become a basis for scholars to explain how a firm can outwit rivals in a competitive market. In project management literature, scholars employed RBV and explained that the development of unique capacities, assets, information, tacit knowledge, tools and processes for managing projects may lead to project success related outcomes (Jugdev & Mathur, 2013). Employing RBV to anchor this study, governance related outcomes can be enhanced as capacities that lead to project quality which will in turn generate sustainability of projects. Furthermore, remarks have been made in literature that if project governance is effective, project quality would be enhanced which in turn leads to performance related outcomes (Haq, *et al*., 2016). Drawing from the foregoing explanation, this study hypothesised as:

H01: Governance Issues has no significant effect on sustainability of Youth Empowerment projects in Kenya context

H02: Project quality has no significant mediating effect on the relationship between governance issues and sustainability of Youth Empowerment projects in Kenya context

METHODOLOGY

The design employed in this study composed of both descriptive and explanatory research designs. Descriptive research design explains the attribute of the survey data and test hypotheses (Cooper & Schindler 2011). Thus, it was used to describe an exact characteristics of the study constructs. The explanatory research design measures the causal relationship between variables through testing the hypotheses (Saunders, Lewis & Thornhill 2009). Therefore, it was used to determine the causal effect between the governance issues and sustainability besides intervening relationships of project quality.

Cluster and simple random sampling design were used in data sampling from five sectors: agriculture, health, entrepreneurship, education and sports. Using Krejcie and Morgan's (1970) formula, a sample size of 196 was determined from a population of 400

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comprising project managers, leaders, and members of Youth Empowerment Projects in Makueni County, Kenya.

The study used self-design questionnaire as a method of data collection and data collected from 132 respondents were analysed through descriptive statistics to examine the study variable characteristics and inferential statistics to test hypothesis. The study was guided by the following empirical model:

$PS= \beta_0 + \beta_1 GI + \beta_2 PQ + \varepsilon_i$…….model 1

Where:

PS = Project Sustainability

GI = Governance issues

B_1 = Regression coefficient for governance issues

B_2= Regression coefficient for project quality

ε_i= Error Term

FINDINGS AND DISCUSSIONS

Response Rate

The data collected from the study respondents were analysed and the results are shown in Table 1.

Table 1 Response Rate

Response	Frequency	Percentage
Returned questionnaires	132	67.35
unreturned questionnaires	64	32.65
Total	196	100

As indicated in Table 1, the total number of questionnaires sent to the respondents was 196 out of which 132 questionnaires were adequately filled and returned. The proportion of questionnaires filled and returned was 67.35% while the proportion of unreturned questionnaire constituted 32.65%. Based on the recommendations by Saunders, Lewis and Thornhill (2007), the 67.35% was appropriate to conduct statistical analysis and draw conclusions on the study objectives. Cross tabulation of gender and other demographic characteristics of the respondents were examined whereby results are presented in Table 2.

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Table 2 Demographic Profile of the Respondents

		Gender*		
		Male	*Female*	*Total*
Age	*20-29yrs*	*57*	*38*	*95*
	30- 39yrs	*25*	*9*	*34*
	40- 49yrs	*3*	*0*	*3*
	Total	*85*	*47*	*132*
Education	*Secondary*	*11*	*6*	*17*
	Diploma	*4*	*8*	*12*
	Degree	*44*	*28*	*72*
	Masters	*23*	*5*	*28*
	PhD	*3*	*0*	*3*
	Total	*85*	*47*	*132*
Duration	*1-5years*	*63*	*45*	*108*
	6-10years	*22*	*2*	*24*
	Total	*85*	*47*	*132*
Position	*Project leader*	*19*	*4*	*23*
	Project official	*15*	*0*	*15*
	Member	*51*	*43*	*94*
	Total	*85*	*47*	*132*

The results show that majority of the female respondents were aged 20 and 29 years while male were either between 20 and 29 years or between 30 and 39 years. The results further show that the male had higher education compared to female. Similarly, the results show that in terms of experience, male were better than female. Finally, only 4 female respondents indicated they were project leaders as compared to 19 males. These findings imply that the youth empowerment projects in Makueni County were dominated by male.

Descriptive Statistics

The descriptive statistics of variables shows how the respondents have addressed the items of this study and the results of the analysis were interpreted using descriptive parameters such as the mean and standard deviation, as shown in Table 3.

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Table 3. Descriptive Analysis of Variables

Variable	Aggregate Score	
	Mean	Standard Deviation
Governance issues	4.31	0.63
Project Quality	4.29	0.63
Project Sustainability	4.26	0.62

As presented in Table 3, the aggregate mean and standard deviation scores for the composite construct of governance issues stood at 4.31 and 0,63 respectively. The mean score, based on the scale adopted in this study, show that the majority of the respondents were in agreement in respect of the items measuring governance issues and also the standard deviation score reveals low variability of responses among the respondents. The aggregate mean score for project quality stood at 4.29 and it standard deviation score was 0.63 respectively. These scores, based on the scale adopted in this study, reveal that the respondent agreed to the items measuring project quality, and at the same time the variability of responses among the respondents was at minimum. The construct of project sustainability has aggregate mean score of 4.26 and standard deviation score of 0.62 respectively. These scores indicate agreement based on the scale adopted in this study, and also low variability of responses. The overall interpretation the scores indicates the respondents were aware of the various governance issues relating to the sustainability of projects in their environment. The results of descriptive analysis were in conformity with the findings of previous studies that emphasised on governance issues as a measure of project sustainability (Franz, Leicht, Molenaar, & Messner, 2016; Silvius, & Schipper, 2014).

Test of Hypotheses

Governance Issues and Project Sustainability

The formulated the hypothesis of no significant effect of governance issue on sustainability of project and to determine this, governance issue was regressed on sustainability of projects. The results of the regression analysis are indicated in Table 3.

Table 3. Regression Results for Governance Issues

Regression Parameter	**Test Statistic**	**p-value**
R^2	0.669	
Adjusted R^2	0.666	
F-value	262.532	.000

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Variable	Coefficient (β)	t-statistics	p-value
Constant	3.117	42.606	0.000
Governance Issues	0.014	16.203	0.000

Table 3…

As presented in Table 3, the results of the regression analysis showed that the coefficient of determination (R2) indicates that 66.7 per cent variation in project sustainability was explained by the construct of governance issues. The F-value (263,532) was also significant at $p < 0.005$, and this therefore indicates that there was a fit between the model and study data. The test statistics (t = 16,203) was also significant at 95% confidence level ($p = < 0.05$), and this therefore indicates non- acceptance of the null hypothesis of direct relationship in this study. The study, therefore, concluded that governance issues had a direct relationship with sustainability of Youth Empowerment Projects in Makueni County, Kenya. The findings were in consonance with previous studies that found evidence of positive relationship and significant prediction of sustainability via project governance (Nangoli, *et al.*, 2016; Oganga, Olala, & Odima, 2017).

Mediating effect of Project Quality on the relationship between Governance Issues and Project Sustainability

The second hypothesis sought by this study was to establish the mediating effect of project quality on the relationship between governance issues and sustainability of Youth Empowerment Projects in Makueni County, Kenya. The analysis was done using hierarchical regression method and the results were interpreted following the four-step approach for testing mediation as proposed by Baron and Kenny (1989), as shown in Table 4.

Table 4. Summary of regression Results for Mediation

Model	Step	Result	Conclusion
$PS = 3.117 + 0.014\ GI + \varepsilon_i$	1	P=0.000	Significant
$PQ = 3.124 + 0.14\ GI + \varepsilon_i$	2	P=0.000	Significant
$PS = 1.106 + 0.736\ PQ + \varepsilon_i$	3	P=0.000	Significant
$PS = 1.818 + 0.008\ GI + 0.416\ PQ + \varepsilon_i$	4	P=0.000	Significant

As presented in Table 4, in the first step of the analysis F-statistic was 262.532 and the p-value was 0.000, showing that the model was statistically significant. Regression coefficient results also show that governance issues had a coefficient of β=0.014, p-value =0.000, meaning that project governance significantly predicted project sustainability, thus, satisfying the first

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condition for mediation. The second step was to test whether project governance is a significant predictor of project quality. The p-value was 0.000, showing that the model was statistically significant. Regression coefficient results also show that governance issue had a coefficient of β= 0.014, p-value =0.000, meaning that the governance issues significantly predicted project quality.

In the third step was to test if project quality was a significant predictor of project sustainability. From Table 4.24, F statistic was 256.725; p-value was 0.000, showing the statistical significance of the model. The form regression coefficient was β= 0.736, p-value =0.000; project quality significantly predicted project sustainability. In the last, both the independent (governance issues) and the mediating constructs (project quality) were regressed against the dependent construct (Project sustainability), and the results of the analysis were significant. Based on the criteria set by Baron and Kenny (1989), a full moderation occurs if the coefficient of mediating variable is significant provided the coefficient of the independent variable in both last step are significant, and a partial moderation effect occurs provided the coefficients of both the independent and mediating variables are significant in the last step and also the conditions for moderation are met in the previous steps. From the results presented in Table4, the coefficients of both independent variable (β = 0.008, p = 0.000) and mediating variable (β = 0.416, p = 0.000) are significant, and therefore there is partial mediation effect. The study concluded that project quality mediated the relationship between project governance and sustainability of Youth Empowerment Projects in Makueni County, Kenya. The hypothesis of mediation effect was found to be significant and therefore indicates that project quality indirectly and partially explained the relationship between governance issues and sustainability of projects in Kenyan context. The findings of significant mediating effect were in agreement with findings in previous studies that effective project governance enhanced project quality which in turn generated performance related outcomes (Mallawarachchi & Senaratne, 2015; Samuel & Mulyungi, 2016).

Conclusive remarks

Conclusions

The study sought to establish the mediating effect of project quality on the relationship between governance issues and project sustainability on youth empowerment projects in Kenya. From the results project quality partially mediated the relationship between governance issues and sustainability of youth empowerment. In this regard, project sustainability is contingent on its quality in terms of end user satisfaction, effective decision making, completion within budget and schedule, client requirements satisfaction and proper use of mobilized resources.

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Policy Implications

The findings of this study will be useful for project managers and other stakeholders in the management of projects or portfolios across organisational levels. The stakeholders involved in the management of projects will be able to utilize properly the mobilized resources in order to achieve sustainability of projects. The management team in youth projects should establish appropriate quality standards to ensure that the project comes in within its original schedule, time and that the stakeholders are satisfied with the process by which this project was completed. Moreover, the government and financing institutions should implement proper budgeting mechanisms and safety standards of the projects prior to the implementation of project for steady flow of the project lifecycle. This will reduce the number of stalling and collapsing youth empowerment projects which can also be achieved through the implementation of proper quality management plan; improvement of project design quality standards and drawing and creating steering committee to ensure transparency on utilization of project resources through conducting monitoring and evaluation process.

Limitations and Future Research

This study is cross-sectional and therefore unable to predict the future phenomenon and data was collected in one point at a time. Future research studies could carry out longitudinal study so as to find causal effect between project governance, quality, and sustainability of projects across context. The study was limited to determining mediating effect of project quality on the relationship between governance issues and project sustainability specifically on youth empowerment projects in Makueni County. Future research could be done on other infrastructural sector projects such housing, road construction and other community based projects. Furthermore, there is need for future studies to focus on other counties to widen the geographical scope and allow comparisons to be made.

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