# ROLE OF STAKEHOLDERS PARTICIPATION ON THE PERFORMANCE OF CONSTITUENCY DEVELOPMENT FUND PROJECTS IN MATHIRA EAST CONSTITUENCY IN KENYA

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#### **ABSTRACT**

The Constituencies Development Fund in Kenya was created by the Constituencies Development Fund Act, 2003 with the primary objective of addressing poverty at grassroots level by dedicating a minimum of 2.5% of the Government ordinary revenue to grassroots development and the reduction of poverty. It targets all constituency level development projects especially those aiming to combat poverty at the grassroots. Most of the projects derail in completion; others are left uncompleted while others are just non existing projects. The study Role assessed of Stakeholders Participation the Performance on Constituency Fund Development Projects in Kenya, a case of Mathira East Constituency. The dependent variable were the measures of CDF project performance including timely completion, quality output and efficiency in budget utilization, while the independent variables of study comprised Stakeholders participation in CDF Project Initiation, Planning, Implementation and monitoring and control. The major purpose was to establish the Role Stakeholders participation played on the Performance of Constituency Fund Development Projects in Kenya. A descriptive research design was adopted, whereby both quantitative and qualitative data was collected using a questionnaire from Mathira East constituency. The study population was the

entire CDF project initiated in Mathira East Constituency in the year 2013/2014. The study sample for the respondents was obtained using stratified and simple random sampling techniques. To enhance reliability and validity to the data collection tool, a pilot test was carried out in 10 percent of the study sample. Data analysis involved the use of both descriptive and inferential statistics using statistical package The participation in initiation, SPSS. participation in planning, participation in implementation and participation had a positive and significant effect performance of CDF projects. The study concluded that most notably participation in initiation activities project identification screening and selection is the most critical as it is at this stage were stakeholder can have the highest influence on performance of CDF projects. The study recommends that CDF management board should strengthen stakeholder participation by removing the primary bottlenecks the studyidentified by information asymmetry/lack of transparency, lack of clarity on stakeholder input and weak legal framework support to stakeholder participation.

**Key Words:** stakeholders participation, performance, constituency development fund, projects, Mathira East constituency, Kenya

#### INTRODUCTION

According to Tshangan (2010) projects are a form of decentralization, whereby funds from the central government is allocated to constituencies for development based on the needs of the local people. The key drivers of CDF project are the elected representative of the people at constituency level (Member of Parliament). CDF projects has its root in Asia particularly India. However in Kenya the concept of CDF was initiated in the year 2003 by the Member of Parliament for Ol Kalau- Karue Muriuki. By the year 2010 the concept of constituency development fund had spread out to a number of countries in Africa as well as in Asia notably South Sudan, Philippines, Honduras, Pakistan, Nepal, Tanzania, Malawi among others (Tshangan, 2010).

It's argued that CDF project have gained prominence in the last few years due to the fact that it has reduced government bureaucracy, weakened inefficiencies and ineffectiveness associated with central government and above all aligned development projects to local people priority needs. However concerns have been raised with regard to the separation of powers, with MP doubling as legislators and implementers of the development projects. A case in point is where MP set the funds, chooses and approves projects and hence interfere with the process because of the power and influence the hold .The absence of adequate checks and balances due to lack of independent oversight authority have made CDF project more vulnerable to corruption and wastage of funds (Ongoya & Lumalla, 2005).

## Stakeholder Participation in CDF Project

Scholars have raised concern lack of coherent strategy of stakeholder involvement in CDF project and failure to link projects to long-term national goals (Ongoya & Lumalla, 2005). This has been blamed for the disjointed developments that at times are not in line with the national development strategy. The low stakeholder Participation has ensured for instance that only 5% of CDF project are identified from the extract of District Development plan. This is happening despite the fact that there is a District project Committee within CDF management structure. Countries like Jamaica have been able to overcome this challenge through a requirement that an MP prioritize a five year development plan for their constituencies aligned in the context of the national priorities (Odhiambo, 2006).

In Kenya low or non-participation of local communities and other stakeholder in project identification and selection is one of the challenges facing CDF. This is supported by data from (NACCSC, 2008). From the finding of the study nearly 60% of Kenyans are not involved in project selection or prioritization. Only a minimal 25% of the respondents in the study were involved in same CDF projects in some manner either in project identification, prioritization, project management, or in project monitoring.

According to NACCSC (2008) the method used in project identification, 25% of the projects were on community consensus, with those attributable to CDF committee and the Member of Parliament being 25% and 21% respectively and 12% being suggestion from the MP close associates. Further the study argues that the administration system in Kenya doesn't make provision for communities' representativeness in the constituency CDF board with the committee members being appointed by the MP. This scenario is replicated in Tanzania, Uganda and India where MP and their close associated have a hand in project selection.

As study on the on the perception by the constituents on CDF projects in Kenya showed majority 32% were of the opinion that more allocation goes to the MP home area and locations of close associates and cronies. Only 1% felt that allocation went to the deserving poor with 25% saying the distribution was fairs (NACCSC, 2008). Uneven distribution of CDF problem and a reflection that there is limited or involvement of all stakeholders. A total of 78% of the funded CDF projects are non-priority for the local and some have remained "white elephant" and hence unutilized.

# **Global Perspective of Constituency Development Fund**

Despite the lack of research supporting these funding mechanisms, countries embracing CDF are spreading rapidly. To date at least 23 countries have embraced or are considering embracing CDFs. Among the global representation are: Bhutan, Honduras, India, Jamaica, Mongolia, Nepal, Pakistan, Papua New Guinea, Philippines, Solomon Islands. (NACCSC, 2008)

According to Hick (2010) CDFs also have grown very rapidly in size once they are introduced. In the Philippines allocations to members of congress have increased almost six fold since its CDF was introduced in 1990. In Zambia the size of the CDF has grown from 60 million Kwacha when it was introduced in 2006 to 666 million Kwacha in 2010. In Kenya the CDF was introduced at 2.5 percent of the national government's ordinary revenue and has grown along with the overall size of the government budget. In some countries (India, Pakistan, Zambia, Malawi, Uganda, and Southern Sudan) equal amounts are allocated to each constituency through the CDF (Tsgangan, 2010).

In some cases (Pakistan, and India), CDF funds flow through existing administrative structures, and thus avoid the need to establish new structures. However, this arrangement could imposes significant additional monitoring and reviewing responsibilities on the already overextended subnational governments (Gikonyo, 2008). CDFs are viewed by Baskin (2010) as politically-initiated projects. Furthermore Baskin (2010 argues that it appears that CDF projects are politically driven development initiatives and that the African legislature's has produced research that demonstrates the rationale of constituency-based politics in Africa in both the supply and demand for constituency service. Constituency-based initiatives are noted that they can protect

communities from the impersonal administration of inflexible and centralized state organizations that often overlook individual communities in the name of administrative rationality.

# **Constituency Development Fund in Kenya**

Former Ol Kalau MP Karue Muriuki is credited with initiation of CDF in Kenya in 2003. The major aim was to set aside a fund for constituencies so as to spur growth, fight poverty and reduce the gap of existing imbalances Bagaka, 2008). The fund was entrenched in the statute by the enactment of the CDF Act of 2003 which was amended in 2007. The Act stipulated that at least 2.5% of the total government revenue were to be disbursed through constituencies. The Act then went further to put safeguard on the distribution and the use of the CDF fund. For instance the Act states that only 5% of the fund will be used for administrative purposes by the CDF board, with the remaining 95 % being distributed as follows (1) 75% allocated equally among the 290 constituencies (2) 25% allocated based on the national poverty index multiplied by the constituent poverty index (Rok, 2007).

In terms of how constituencies uses the fund the CDF Act has also spelled out and given a ceiling on function which are noncore to projects, like administration(rent salary, allowance) 3%, Equipment and vehicle 3%, sporting activities 2%, emergencies like flood and repairs 5%, bursary 15%. The aim was to ensure the bulk of CDF money was channeled to development project as opposed to recurrent expenditure (CDF Act, 2013).

The CDF 2013 Act also has stated the management and administration structure of CDF. At the constituency level the fund is managed by a committee comprising of not more than 15 members. The composition of the committee is follows; MP, 2 Members of the County assembly (MCA), District Officer, 2 religious groups representatives, 2 women representative, 1 youth group representative and a representative of Non-governmental organization. CDF Act (2003) stipulates that project management committee must be community driven to ensure project benefits cut across all section (Kerote, 2007). Other structure apart from Constituency Fund Committee established by the Act to govern CDF include; National Management Board (NMB) and District Project Committee (DPC) (CDF Act, 2007).

## **CDF** in Mathira East Constituency

Mathira East constituency is in Nyeri County. It was established in 1963 immediately after Kenya's independence. Economically Mathira East constituency is an agricultural area with Karatina as the commercial town. The performance of Mathira East constituency has been varied with some projects being successful and other not meeting expectations.

According to National Taxpayer Association report (2007) in the year 2006-07 the number of well-built and completed projects with good quality construction and having value for taxpayers' money were 35. On the contrary 16 projects were badly built, some complete and others not,

some of poor quality and with poor value for money. The report further pointed out that there were 3 ghost projects, whereby funds had been allocated but project did not exist physically. This is a clear indicator of the challenge facing CDF projects not only in Mathira East constituency but also in Kenya as a whole.

#### STATEMENT OF THE PROBLEM

The performance of CDF projects in Kenya has been varying with some projects doing very well and other doing very poorly. Partially this depends on the level of involvement accorded to the key stakeholders and the management of funds. While different authors have studied the performance of CDF in Kenya, it does not escape the fact that there are number of challenges still facing CDF projects in Kenya. According to National Taxpayer Association report (2008) in the year 2007-08 there were 4 badly built and incomplete project of poor quality, with evidence of wasted money with projects that did not physically exist. According to KIPPRA (2010) the impact of CDF is felt most in the education sector with 38 % of the allocation, health sector with 11% of the allocation and water 8%. The bulk of the CDF funds have been used to expand classes, build new schools and dispensaries within constituencies (Tisa, 2009) According to GoK (2007) allocation to education was 37% water 14%, health 9% and roads 9%. Analysis of previous studies point to a myriad of challenges facing by CDF projects since its inception in 2003, including duplication of project, incompletion of projects, lack of essential staff and equipment's among others. Some constituencies have performed very well while others have lagged behind. This is attributed by lack of stakeholders' participation, poor governance and low capacity of implementers. The CDF act of 2003 and amended in 2007 lays emphasis only in involving citizens in the project identification through meeting at location level. The act does not elaborate the process of engaging other stakeholders like line ministries, implementers of the devolved funds like LATF, donor agencies among others.

Wamae (2009) in his study on contribution of CDF in employment creation recommended that there should be constant awareness creation for the community members and training for personnel involved in implementation of CDF projects and community participation should be increased as well as stronger links with line government Ministries. Further, Ntuala (2010) conducted a study on factors affecting the implementation of CDF funded projects in Tigania East Constituency and recommended that a regulation be enforced to block the involvement of the politician in the activities of CDF implementation. He said that their role should be limited to legislative and oversight. Kamau (2009) also did a study on the role of community participation in successful completion of CDF projects in Imenti constituency and found that their involvement goes a long way in making sure that the project objectives are achieved and recommended that the community should be involved in project identification to enhance ownership. Kinyoda (2009) did a study on the level of participation in project identification and selection by constituents, a case of Makadara CDF, Odieki (2008) did a study on Influence of constituency development funded projects in selected indicators of poverty reduction in Kitutu

Masaba constituency, Mochiemo (2007) did a study on the contribution of the community in successful completion of CDF projects in Kitutu Chache constituency, Kisii Central District while Kairu (2010) did an analysis of the factors that influence successful management of the CDF, the case of Gatanga constituency, Kenya. The study endeavored to fill the knowledge gap by assessing the role of stakeholders' participation in the performance of CDF projects with a focus on Mathira East Constituency.

#### **GENERAL OBJECTIVE**

The main objective of the study was to establish the role of stakeholders Participation in the performance of Constituency Development Fund projects performance in Kenya in Mathira East constituency.

#### SPECIFIC OBJECTIVES

- 1. To assess the role of stakeholders participation in project initiation on the performance of CDF projects in Mathira East Constituency
- 2. To establish role of stakeholders participation in project planning on the performance of CDF projects in Mathira East Constituency
- 3. To determine the role of stakeholders participation in project implementation on the performance of CDF projects in Mathira East Constituency
- 4. To explore role of stakeholders participation in project monitoring on the performance of CDF projects in Mathira East Constituency

#### LITERATURE REVIEW

The theoretical framework of this study is anchored on Ladder Theory of Project Participation, Pinto's Model of Ten Critical Success Factors of the Project Management Profile, Agency Theory and Theory of Constraints. These theories provide vital theoretical foundation on the subject of the study by relating the study theme with study variables.

## **Ladder Theory of Project Participation**

The Ladder of Participation theory is designed to serve as a beginning typology for thinking about participation in projects. As cited by (Cornwall, 2008; Collins and Raymond, 2006; Tritter and McCallum, 2006) the Ladder of participation theory was advanced by Arnstein in 1969. The theory posits that there are different levels of participation ranging from manipulation through consultation to genuine participation. The ladder participation model was further reinforced by the studies of (Sharp & Connelly, 2002).

These levels indicate that 'community participation' projects takes different forms in different stages of the project cycle. Despite the time difference between the old and new CDF project the nature and extent of participation for the majority of local communities in both project is

generally limited to information giving, consultation and contribution Mwangi, 2005). Local communities are generally not actively involved in decision making, planning, monitoring and evaluation processes. However according to this theory stakeholders can exercise participation at different levels from non-participation (passive participation) to citizen power (active participation).

The theory represents different unique approaches to promoting stakeholder participatory in CDF project. While many constituencies accord unequal weight participation at different stage on CDF project life cycle, the theory emphasizes on holistic participation as all the project stages. Nelson and Wright (1995) believe that the extent of empowerment and achievement of the local population is more limited in 'participation as means' than it is in 'participation as an end'.

# **Stakeholder Theory**

The study was also based on the stakeholder theory. The stakeholder theory is a theory of organizational management and business ethics that addresses morals and values in managing an organization. It identifies and models the groups which are stakeholders of a project, and both describes and recommends methods by which management can give due regard to the interests of those groups. In short, it attempts to address the "Principle of Who or What Really Counts (Freeman, 1984). The stakeholder view of strategy is an instrumental theory of the CDF projects, integrating both the resource-based view as well as the market-based view, and adding a sociopolitical level. This view of the firm is used to define the specific stakeholders of a CDF project of stakeholder identification as well as examine the conditions under which these parties should be treated as stakeholders.

The importance of stakeholders from a strategy development and service planning perspective is well acknowledged (Ackermann & Eden, 2001). Still, the role of stakeholders and performance measurement has been little discussed. The issue of who is seen as the end user of the performance measurement information generated has received little attention and yet, particularly in the public sector especially in CDF projects, is of critical importance.

Applying a stakeholder conception of projects as opposed to the more traditional input-output perspective implies adhering to a belief where all actors are involved with CDF projects in order to obtain benefits. This differs from the input-output model that illustrates how certain actors contribute input which the black box of an organization converts to benefits for its customers (Donaldson & Preston, 1995). Stakeholder theory is primarily a management instrument. The attributes power, urgency and legitimacy of claims define CDF projects stakeholders. Power and urgency must be attended to if managers are to serve the legal and moral interests of legitimate stakeholders. Stakeholder theory thus contains methods for identifying and managing stakeholders. In addition, a substantial amount of work has been done on identifying the relative influence of different stakeholders (Yee-Chin, 2004).

# **Agency Theory**

Agency theory is based in a number of assumptions about man, which have a significant impact on the formation of the theory (Davis et al. 1997). The most common belief is that Agency Theory is based in the economic model of man (Shapiro,2005). Although the influence of Principal-Agent theory cannot be denied (Asher et al. 2005), the practical and empirical nature and implications of Positive Agency Theory on stakeholder is of great concern in recent studies.

This theory has been used widely in the business and economics studies and it also referred to as the stewardship theory. According to the theory, managers of asset (CDF fund in this case) left on their own are expected to act on the best interest of those who have appointed or elected them (constituents). They are the agents while the constituent Principal. This implies that all the CDF project ought to be carried out in a manner to benefit constituents

In agency theory terms, the project beneficiaries and constituents are principals and the Member on parliament and CDF boards' members are the agents. Therefore, the agents, since they hold power on behalf of the principal, are expected to exercise control for the benefit of the principal by ensuring sufficient returns. According to (Bonazzi et. al. 2007, Lan et al. 2010,) Agency theory specifies mechanisms which reduce loss and increasing benefits (wealth creation) to the principal Thus CDF manager, CDF committee and elected leader should always act to the best interest of the constituents. This theory is significant in managing CDF project and it indeed emphasizes on the need of taking the interest of the stakeholder in all management decision of CDF projects.

## **Theory of Constraints**

Mackey (2005) notes that a constraint is anything that prevents the system from achieving its goals. This is a management model that views any manageable system as being limited in achieving more of its goals by very small number of constraints (Eliyahu, 2013). In the project management perspective project success and performance is hinged on constrains such as, times available, budget, scope and knowledge factors.

According to Eliyahu (2013), in order to ensure that the main goal of a project is achieved, various stages have to be followed. They include identification of constraints, exploring the constraints, channel resources to the constraints and finally make changes to increase constraints capacity. The activities require to involve all the stakeholders. Stakeholder participation is aimed at overcoming these constraints.

#### **CONCEPTUAL FRAMEWORK**

Figure 1 represents the conceptual framework on which the study will be premised whereby the independent variable of the study includes: project constrains, beneficiaries' demographics, political influence and managements functions. The dependent variable of the study will be

stakeholder involvement in project activities of planning, implementation, monitoring and control.

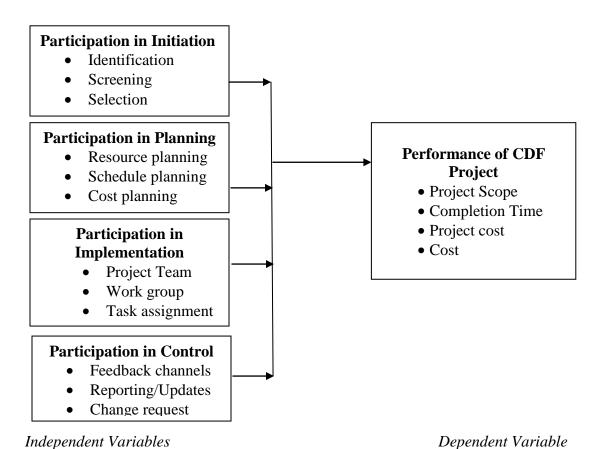


Figure 1: Conceptual Framework

# **Project Initiation**

The life cycle of projects has been studied from many viewpoints. According to A Guide to the PMBOK, 5th Edition (2013), "The Initiating Process Group consists of those processes performed to define a new project or a new phase of an existing project by obtaining authorization to start the project or phase." These activities or processes include a definition of the project product and scope of work.

During project initiation emphasis is given to idea generation, prioritization and idea selection (Aken 2001, Dahan & Hauser 2000, Kähkönen) .In the last 10 years of its operation, CDF funds have largely been used to fund projects in four key sectors; education, water, health, and roads (GOK: CDF Allocation Summary, 2012). Initiation of these types of projects is clearly stipulated under the CDF Act. For instance, Part IV Section 21 (1) of the Act states that, "projects shall be community based in order to ensure that the prospective benefits are available to a wide cross

section of the inhabitants of a particular area" (Government of Kenya Constituency Development Fund Act, 2013).

Communities have complained of not being involved in CDF affairs and that the projects being initiated do not address their needs. Many development experts have argued that community participation is paramount in successful implementation of CDF projects, and that many projects fail because of lack of adequate participation of the community (Nyamori, 2009, Mungai, 2009 and Kerore, 2007).

# **Project Planning**

The community and stakeholder participation in planning process involves a variety of actors with different roles and responsibilities in the planning phase (Omolo, 2011). Project planning activities include developing of baseline plans such as; the specification of required project resources and their allocation; and the determination of the methods to be used to deliver the project end product, respond to critical events and evaluate activities and time schedule (Ntuala, 2010).

According Kulkarni et al. (2004), it is generally better in planning projects to analyze successive increments or distinct phases of activity; in this way the return to each relatively small increment can be judged separately. Like products follow a product life cycle, projects follow a project life cycle that has certain phases of development. Dividing a big project in manageable chunks makes the complex task of managing projects easier. The benefits of stakeholder involvement in the planning process include a reduction in distrust of the project process or outcome, an increase in commitment to the project objectives and processes, and heightened credibility. These benefits play a significant role in the overall performance of CDF projects

#### **Project Implementation**

The implementation of community development projects starts with the identification of the needs (Mwangi, 2005). This is in line with the CDF Act, 2013 section 23 (2, 3&4). This section requires that location meetings be held to select projects to be submitted to the CDFC before onward transmission for funding.

The CDF Act of 2013, circulars, public procurement and disposal Act 2005 and the CDF implementation guidelines 2004 prepared by the National Management Committee provides that CDF projects are implemented by the respective government department in which they fall (Gikonyo, 2008).

All the constituents in every constituency are expected to be active in the implementation of all the approved projects to ensure that objectives of the project are met using resources allocated for them within a given period of time. In addition the Act gives technical department and CDFC authority to monitor the projects. However, studies conducted on the effectiveness of

implementation of Community Development Funds show that lack of community participation in implementation process reduces efficiency and effectiveness (Omolo 2011). Mungai (2009) supports that the exclusion of community participation in Kenyan case led to tribalism and nepotism in the award of tenders, lack of transparency of allocated funds, bribery to secure contracts, and location of CDF office at the MPs home or rented from MPs premises at exorbitant and unrealistic expense.

## **CDF Project Control**

Project control involves stakeholders inclusion of local people in deciding how progress should be measured, in defining criteria for success and in determining how results should be acted upon (Guijt & Gaventa, 1998). Project control has also been defined as a process of self-assessment, knowledge generation and collective action in which stakeholders in a program or intervention collaboratively define the control issues, collect and analyze data and take action as a result of what they learn through this process (Probst, 2002).

Participatory CDF projects control seeks to respect the perspectives, voices, preferences and decisions of the least powerful and most affected stakeholders and local beneficiaries. There are many challenges in setting up and implementing CDF project, hence the need for continuous control to ensure any deviation is corrected and feedback given for change request. According Gray and Larson (2008) to the purpose project control is to define outputs, outcomes and impacts of the project, as well as performance indicators and targets. The project control framework need to be applied by stakeholder in ensuring that the intended outcomes and output of the CDF project s over the short, medium and long terms are achieved and project success guaranteed.

## **CDF Project Performance**

According to Jugdev and Muller, (2005) project performance is pegged on two separate components, namely project management success and project product success. He distinguishes between them as project management success focuses on the project management process and in particular on the successful accomplishment of the project with regards to cost, time and quality. These three dimensions indicate the degree of the 'efficiency of project execution' (Pinkerton 2003) .Project product success focuses on the effects of the project's end-product. Both aspect determine the success of CDF projects

Although project product performance is distinguishable from project management performance, the successful outcomes both of them are inseparably linked. If the venture is not a success, neither is the project' (Pinkerton 2003). The three dimensions of time, budget and specifications feature in many definitions of project management success (Globerson & Zwikael 2002, Thomsett 2003). However, time, budget and specifications are not sufficient to measure project management success as dimensions such as the quality of the project management process and the satisfaction of the project stakeholder's expectations also need to be considered (Schwalbe

2004). The study will thus examine performance of CDF projects from the perspective of time, budget quality and impact on the constituents.

#### RESEARCH METHODOLOGY

The study adopted a descriptive research design. The population of study was CDF project carried out in the financial year 2013 to 2014. This entailed all the 15 members of Constituency Development Fund Committee (CDFC), as well as CDF project committees at the location level. There are 10 locations in Mathira East Constituency and every location has 7 members. There are therefore 85 local committee members in the county. According to Mugenda and Mugenda (2003) for small population a sample size of 10% is adequate. However, a proportionate sample size of 20 projects which is 30% of the project population was selected using simple random technique from the project ongoing in the year 2013/2014. According to Cooper and Schindler (2003) one widely used rule of thumb states that the sample size should be 30% or more. The sampling frame was composed of stratified random sample.

The study collected both primary data and secondary data. Secondary data include reports on performance of CDF project I Kenya in 2013/2014. Data analysis involved computation of study parameter with aim of identifying the relationships existing amongst the data groups in support or in conflict with the study question. Data analysis formed the basis of conclusion. The study used descriptive statistics such as frequency distribution tables, percentages mean, and standard deviation. In addition inferential statistics, mainly the regression model, Analysis of Variance was used to test the relationship among the variables (independent). The study used SPSS and Microsoft Excel to analyze the data. Tables were used to summarize responses and facilitate further analysis. The data analysis was guided by the regression and correlation models. The factors used in the regression model were: -  $\beta$  (independent variable) and the dependent variable is Y. Therefore the multiple regression equation was:

$$Y = \beta_{0+} \beta x_1 + \beta x_2 + \beta x_3 + \beta x_4 + \beta,$$

Where: Y is the dependent variable (performance of CDF project),  $\beta_{0 \text{ is}}$  the regression coefficient,  $\beta_{1}$ ,  $\beta_{2}$ ,  $\beta_{3}$  and  $\beta_{4}$ , represents the slope of regression equation.  $x_{1}$  is stakeholder participation in Project Initiation,  $x_{2}$  is stakeholder participation in Project Planning,  $x_{3}$  stakeholder participation in Project Implementation,  $x_{4}$  is stakeholder participation in Project Monitoring, and  $\beta$  is the error term representing the noise.

The main objective of using the multiple regression technique in this study was to predict the variability of the dependent variable (success of CDF project) based on its covariance with the independent variable-stakeholder participation in project initiation, planning, implementation and monitoring.

#### RESEARCH RESULTS

## Stakeholder participation in CDF Projects initiation in Mathira East Constituency

The study sought to determine the role of stakeholder participation in CDF project initiation on the performance of CDF projects in Mathira East constituency. The findings revealed that participation in initiation has a positive and significant effect on the performance of CDF projects. The findings were also supported by the statements in the questionnaire which majority of the respondents agreed. This was also supported by the regression results which revealed that participation in CDF project initiation had a positive and significant effect on performance of CDF projects. These findings were consistent with that of Van Aken (2001); Dahan and Hauser (2000) who concluded that community participation in project initiation have a significant effect on performance of projects.

# Stakeholder participation in CDF Projects Planning in Mathira East Constituency

The study sought to establish role of stakeholders participation in project planning on the performance of CDF projects in Mathira East Constituency. The findings revealed that participation in planning has a positive and significant effect on the performance of CDF projects. The findings were also supported by the statements in the questionnaire which majority of the respondents agreed. This was also supported by the regression results which revealed that participation in CDF project planning had a positive and significant effect on performance of CDF projects.

These findings agreed with that of Kulkarni et al. (2004) who argued that benefits of stakeholder involvement in the planning process which include a reduction in distrust of the project process or outcome, an increase in commitment to the project objectives and processes, and heightened credibility play a significant role in the overall performance of CDF projects. The findings were also consistent with that of Schaap (2006) who carried out an empirical study on whether effective senior-level leadership behaviors are directly related to successful strategy implementation of projects and argued that senior-level leaders who have been trained in or studied strategic planning and implementation are more likely to meet the performance standards of the company.

# Stakeholder participation in CDF Projects Implementation in Mathira East Constituency

The study sought to determine the role of stakeholders participation in project implementation on the performance of CDF projects in Mathira East Constituency. The findings revealed that participation in implementation has a positive and significant effect on the performance of CDF projects. The findings were also supported by the statements in the questionnaire which majority of the respondents agreed. This was also supported by the regression results which revealed that participation in CDF project implementation had a positive and significant effect on performance of CDF projects.

These findings agreed with that of Nyaguthii, et al (2013) who concluded that community participation in implementation of projects boosts performance. These findings also agreed with that of (Nyamori, 2009; Mungai, 2009; Kerore, 2007) who argued that community participation is paramount in successful implementation of CDF projects, and that many projects fail because of lack of adequate participation of the community. The findings also agreed with that of Ochieng (2005) who found that project implementation is a very important part of the life cycle of a project. It's the actual execution of the project design which involves what is required to successfully complete the project along the dimensions of time, budget / cost and quality

# Stakeholder participation in CDF Projects Control in Mathira East Constituency

The study sought to explore role of stakeholders' participation in project control on the performance of CDF projects in Mathira East Constituency. The findings revealed that participation in control has a positive and significant effect on the performance of CDF projects. The findings were also supported by the statements in the questionnaire which majority of the respondents agreed. This was also supported by the regression results which revealed that participation in CDF project control had a positive and significant effect on performance of CDF projects. These findings agreed with that of Gray and Larson (2008) the purpose of project control is to define outputs, outcomes and impacts of the project, as well as performance indicators and targets.

#### INFERENTIAL STATISTICS

Inferential analysis was carried out to generate the model of fitness as well as the correlation results and analysis of the variance and regression coefficients.

## **Correlation Analysis**

These results showed that participation in initiation and performance are significantly related and have a positive correlation (r = 0.593, p = 0.000). These findings were consistent with that of Van Aken (2001); Dahan and Hauser (2000) who concluded that community participation in project initiation have a significant effect on performance of projects. The table also intimated that participation in project planning and performance are significantly related and have a moderately strong positive correlation (r = 0.508, p = 0.000). These findings agreed with that of Kulkarni et al. (2004) who argued that benefits of stakeholder involvement in the planning process which include a reduction in distrust of the project process or outcome, an increase in commitment to the project objectives and processes, and heightened credibility play a significant role in the overall performance of CDF projects. It was further determined that participation in implementation and performance were significantly related and have a positive correlation (r = 0.611, p = 0.000). The findings also agreed with that of Ochieng (2005) who found that project implementation is a very important part of the life cycle of a project. It's the actual execution of the project design which involves what is required to successfully complete the project along the

dimensions of time, budget / cost and quality. The results also that participation in project control and performance were significantly related and have a moderately strong positive correlation (r=0.615, p=0.000). These findings agreed with that of Gray and Larson (2008) the purpose of project control is to define outputs, outcomes and impacts of the project, as well as performance indicators and targets. This denotes that an increase in any unit of the variables results in improvement in performance.

## **Regression Analysis**

The results in table 1 presented the fitness of model of regression model used in explaining the study phenomena. Participation in initiation, participation in planning, participation in implementation and participation in control were found to be satisfactory variables in performance of CDF projects. This was supported by coefficient of determination also known as the R square of 55.8%. This meant that remuneration, organization culture, reward and recognition explain 55.8% of the variations in the dependent variable which was staff retention. The results further meant that the model applied to link the relationship of the variables was satisfactory.

**Table 1: Model Fitness** 

Indicator	Coefficient
R	0.747
R Square	0.558
Adjusted R Square	0.531
Std. Error of the Estimate	0.440991

In statistics significance testing the p-value indicates the level of relation of the independent variable to the dependent variable. If the significance number found is less than the critical value also known as the probability value (p) which is statistically set at 0.05, then the conclusion would be that the model is significant in explaining the relationship; else the model would be regarded as non-significant.

Table 2 provided the results on the analysis of the variance (ANOVA). The results indicated that the overall model was statistically significant. Further, the results implied that the independent variables are good predictors of performance. This was supported by an F statistic of 20.534 which was greater than F critical (F $\alpha$  = 2.31) and therefore the null hypothesis was rejected and thus stakeholders' participation on the performance.

**Table 2: Analysis of Variance** 

	Sum of Squares	df	Mean Square	F	Sig.
Regression	15.973	4	3.993	20.534	0.000
Residual	12.641	65	0.194		
Total	28.614	69			

Regression of coefficients results in table 3 revealed that participation in initiation and performance are positively and significant related (r=0.263, p=0.018). These findings were consistent with that of Van Aken (2001); Dahan and Hauser (2000) who concluded that community participation in project initiation have a significant effect on performance of projects. The table further indicates that participation in planning and performance are positively and significant related (r=0.265, p=0.026). The findings were consistent with that of Schaap (2006) who carried out an empirical study on whether effective senior-level leadership behaviors are directly related to successful strategy implementation of projects and argued that senior-level leaders who have been trained in or studied strategic planning and implementation are more likely to meet the performance standards of the company. It was further established that participation in implementation and performance were positively and significantly related (r=0.262, p=0.026). These findings agreed with that of Nyaguthii, et al (2013) who concluded that community participation in implementation of projects boosts performance.

Lastly the study established that participation in control and performance were also positively and significantly related (r=0.273, p=0.039). These findings agreed with that of Gray and Larson (2008) the purpose of project control is to define outputs, outcomes and impacts of the project, as well as performance indicators and targets.

**Table 3: Regression of Coefficients** 

	В	Std. Error	t	Sig.
(Constant)	-0.476	0.501	-0.95	0.346
Participation in Initiation	0.263	0.108	2.431	0.018
Participation in Planning	0.306	0.134	2.28	0.026
Participation in Implementation	0.262	0.115	2.273	0.026
Participation in Control	0.273	0.129	2.112	0.039

Thus, the optimal model for the study is;

Performance= -0.476 + 0.263 Participation in initiation + 0.306 participation in planning + 0.262 Participation in Implementation + 0.273 Participation in Control

#### **CONCLUSIONS**

From the research findings the study concluded that participation in initiation, participation in planning, participation in implementation and participation had a positive and significant effect on performance of CDF projects. Most notably participation in project initiation activities such as identification screening and selection is the most critical as it is at this stage were stakeholder can have the highest influences. However, participation in the subsequent stage is equally important. Nevertheless, as established in the study the influence the stakeholder have on CDF project tend to diminish as the project progress.

The study also concludes that stakeholder participation ought to commence at the earliest stage of CDF project initiation. This aspect came out from the findings of the study were respondents cited they can influence outcome of CDF project if they are involved in the project selection. Related to this finding is that respondent ranked highly aspect of trust, acceptability-ownership and beneficiary satisfaction as more significant to outcome as opposed to aspects of cost, budget and scope. Results from inferential statistics imply that among other factors, stakeholder participation in project initiation, planning, implementation and control are strong and significant determinants of Performance of CDF projects in Mathira East constituency. The study in deed identified activities of project identification, screening, selection, planning budget and schedule as well as giving feedback as essential, thus requiring input of all stakeholders.

#### RECOMMENDATIONS

Based on the findings of this study, the following recommendations have been suggested. From the foregoing discussion, stakeholder participation component in CDF project in Mathira East should never be ignored. It is a powerful tool which should not be flouted but which must be prudently applied whenever a CDF project is being carried out. This is because it enhances and augments the performance of CDF projects.

Stakeholder participation in CDF project initiation is very important. To leverage the same, constituency CDF board ought to ensure among others, that there are thorough participation by all stakeholders covering identification, screening and selection of the project for implementation. Stakeholder participation ought also to be carried out when developing baseline plans for the budget and schedule as well as in implementation and control.

The study also recommends that CDF management board should strengthen stakeholder participation by removing the primary bottlenecks identified by the study- information asymmetry/lack of transparency, lack of clarity on stakeholder input and weak legal framework to support stakeholder participation. Once this is achieved it will enhance stakeholder participation in CDF projects

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