AN EXAMINATION INTO FACTORS AFFECTING SUSTAINABILITY OF DONOR FUNDED COMMUNITY DEVELOPMENT PROJECTS IN BUNGOMA COUNTY

BY

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RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS, KENYATTA UNIVERSITY.

2012
DECLARATION

This research project is my original work and has not been presented for any degree in any university.

Sign ________________________ Date ____________


This research project has been submitted to us for consideration with our permission as the University supervisors.

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DEDICATION

I dedicate this work to my wife Eunice and children for their support without which I would not have realized my dream. May God Bless them all.
ACKNOWLEDGEMENT

This work would not have been possible without the assistance and encouragement of some individuals who in one way or another gave in their invaluable contributions. My special gratitude and appreciation goes to Mrs. Phelgona Genga and Mr. Julius Murugi who highly and cheerfully assisted me in developing this research proposal.

Also, I want to appreciate my wife, Eunice, and children for their patience and encouragement during the development of the research proposal. May the almighty God bless them abundantly!
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ABSTRACT

The role played by donor agencies in improving the living standards of families/households, groups and individuals in developing countries especially in rural areas cannot be underestimated. There has been a significant increase in activities from donor agencies such as Community Based Organizations (CBOs), Faith Based Organizations (FBOs), Non-Governmental Organizations among others, with regards to funding of various projects especially in rural areas and urban slums where there is limited government support for social services e.g. Health facilities and provision of clean water for domestic use. However, development projects initiated and or funded by these donor agencies perform poorly and many become non-operational on termination of donor support. Despite this problem, no study has been carried out to establish the causes of termination of this donor funded projects, especially after withdrawal of donor support. The objectives of this study were; to find out the extent to which project financial systems affect sustainability of donor funded projects, to establish the effect of technology adoption on the sustainability of donor funded projects, to determine the effect of stakeholders and target groups involvement and participation the sustainability of donor funded projects, to find out the extent to which donor policies affect sustainability of donor funded projects and to establish how the management structures in place affect sustainability of donor funded projects. This poses a gap which this study seeks to fill through an examination of factors that affect sustainability of donor funded projects in rural areas of Kenya. The study adopted a descriptive research design. The target population included managers of donor funded projects in Bungoma County. Data was collected from the sampled respondents using questionnaires as the principal data collection instruments. Stratified and purposive sampling techniques were used to come up with a representative sample size. After data collection, the researcher analyzed data using descriptive statistics and Statistical Package for Social Sciences (SPSS) for generating results. The data was presented in the form of tables, pie charts, bar graphs, frequency distribution tables, percentages and cross-tabulations among others.

The study established that project finance system affects project sustainability to a very great extent where auditing was done quarterly. On information technology, the study established that IT affects sustainability of the project to a very great extent and that Accounting systems, records management, communication and technical operations were computerized to assure adequate information. Stakeholders’ Involvement in donor funded project affects its sustainability to a very great extent. On donor policy, the study concluded that donor policy affects sustainability of the project at very great extent. Further, the study concluded that democratic management style was more practiced in most of the community development project.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>ADB</td>
<td>African Development Bank</td>
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<tr>
<td>AIDs</td>
<td>Acquired Immune Deficiency Syndrome</td>
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<td>ANOVA</td>
<td>Analysis of Variance</td>
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<td>AusAID</td>
<td>Australia Development Agency</td>
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<td>CBO</td>
<td>Community Based Organization</td>
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<td>CDF</td>
<td>Constituency Development Fund</td>
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<td>CDTF</td>
<td>Community Development Trust Fund</td>
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<tr>
<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>ERSWEC</td>
<td>Economic Recovery Strategy for Wealth and Employment Creation</td>
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<td>ETA</td>
<td>Expatriate Technical Assistance</td>
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<tr>
<td>IcFEM</td>
<td>Inter-Christian Fellowship Mission</td>
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<td>JICA</td>
<td>Japanese International Co-operation Agency</td>
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<tr>
<td>KCDTF</td>
<td>Kenya Community Development Trust Fund</td>
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<td>KENFINCO</td>
<td>Kenya Finland Cooperation</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>NGO</td>
<td>Non Government Organization</td>
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<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
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<td>Abbreviation</td>
<td>Description</td>
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<tr>
<td>PRSP</td>
<td>Poverty Reduction Strategy paper</td>
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<td>PWAS</td>
<td>People with Aids</td>
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<td>SMASSE</td>
<td>Strengthening Mathematics and Science in Secondary Education</td>
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<td>TB</td>
<td>Tuberculosis</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Education Scientific and Cultural Organization</td>
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<td>UNICEF</td>
<td>United Nations Children Fund</td>
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<td>WFP</td>
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OPERATIONAL DEFINITIONS

Financial systems: Accounting records and financial statement that are used to report financial performance and project cash flows that determine project sustainability.

Product: Kotler (2006) defines product as anything tangible or intangible that is used to satisfy a need or want. This includes physical goods or services or ideas.

Project sustainability: In the context of donor-funded projects sustainability can be defined as: continuation of benefits after donor withdrawal. Financial sustainability means continued financial inflows.

Technology: The application of technical means by the communities to improve their environment. It involves use of tools, knowledge and systems to make lives easier and better.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Sustainability is the ability of an organization to develop a strategy of growth and development that continues to function indefinitely. This implies that organization need to have proper strategies covering advocacy, foundations and fundraising, governance, management and leadership among others (Dorothy, 2007). Donors play a significant role in the social development process in all regions of the world. They are particularly critical in rural areas and urban slums where state funding is limited. These areas are characterized by low levels of income, high incidence of illiteracy and disease.

From a global perspective, the donor funded development projects are involved in a wide range of activities and programmes at national and regional levels all aimed at improving the living standards of the poor people. Donor agencies such as Faith Based Organizations (FBOs), NGOs such as United Nations Educational Scientific and Cultural Organization (UNESCO), United Nations Development Programmes (UNDEP), Kenya Finland Co-operation (Kefinco), Community Development Trust Fund (CDTF), Kenya Community Development trust funds (KCDTF) and community based organizations (CBOs) have historically provided initial services to the needy communities and contributed significantly to the strengthening of lives of families and communities (Vital, 2001). FBOs and CBOs are often found in areas where needy populations like e.g. the rural areas, Arid and Semi Arid Lands (ASALS), slums in urban areas. These organizations have limited resources yet their contributions have had positive effects on the targeted clientele. Conceptually, development projects undertaken by donor agencies
are asset building that improves the quality of life among residents of low to middle income communities (Vital, 2001).

The donor funded development projects are involved in various activities which including; water and sanitation, environmental conservation and forestry, integrated food security programmes, livestock breeding and agricultural production. Health programmes for disease prevention and treatment often with mobile clinic is a common feature. Donors have partnered with government agencies- Ministry of Health, in the fight against diseases e.g. HIV/AIDS, malaria and Tuberculosis (TB). Their main concern has been educating the masses on how the spread of these diseases can be prevented. This has witnessed low infection rates in HIV/AIDS according to National Aids control council (NACC).

In the fight against malaria for instance donors with the government agencies have distributed mosquito nets to households. This has significantly reduced malaria cases.

The focus on capacity building at national and regional levels ensures a workforce with appropriate skills to promote participatory and sustainable community development while at the same time empowering communities to be more analytical about their structures, resources and develop interventions to address their challenges. Their capacities are further enhanced through gender, justice and equity, conflict resolution and civic education and advocacy programmes (Okun, 2009).

Kenya's population is rural based, i.e. 67% of its 40 million people live in rural areas (GoK, 2009). Bungoma county is the third most populous in the country- after Nairobi and Kakamega. It is home to more than 1,600,000 inhabitants. The people of this county...
are mainly farmers-growing of crops and keeping animals. In Mt. Elgon region, they grow cash crops such as tea, coffee and keep dairy animals. Here the soils are very fertile and the area also receives heavy rainfall.

The biggest impediment to development has been lack of transport networks due to rugged terrain which make road construction expensive, (KLB, 2006). Thus most crop produce go to waste especially during rainy seasons. The area also lacks clean water for domestic use resulting to high incidence of water-born diseases e.g. typhoid.

The lower parts of Malakisi, Sirisia, Bumula have moderate rainfall ranging between 1000mm-1500mm per annum, (KLB, 2006). Their main crops are sugar cane, tobacco, cotton and keeping of indigenous cattle.

At independence, Bungoma County was one of the richest in country (GoK, 1969). This was due to vibrant co-operative movement that supported farmers to obtain inputs, stored and marketed the produce. This ensured steady flows of income, from crops such as; coffee, cotton, rice and maize. The co-operative movement, like in other parts of the country was riddled with corruption and mismanagement leading to poor incomes and farmers abandoning the growing of these crops. The institutions that collapsed included Malaba-Malakisi co-operative society Ltd that managed- Malakisi Cotton Ginery, Kitinda Dairy co-operative society Ltd with its milk cooler.

Due to this scenario, poverty incidence has been growing with time. This now ranges between 50%-54% according to the 2009 population census.
These areas suffer from lack of clean water for domestic use. Past efforts by donors to provide water for use by the residents have since collapsed. The Kibichori and Kefinco water projects (Bungoma, District Development office) are now not functional.

Provision of clean water, Primary Health care, and intervention measures to eradicate poverty has been the main focus of donors funding.

The other problem in the area has been the periodic tribal violence in 1992, 1997 and 2007 between Sabaoti and Bukusu communities due to differences in political affiliations. This has resulted into loss of life, property and displacement of people from their homes. Currently, there are still families living in camps near market centres e.g. Chwele, Kamukuywa and Sirisia. Donors have therefore partnered with local communities in conflict resolution efforts.

1.2 Statement of the problem

Donors usually have the objective of helping to improve the livelihood of the locals either through direct participation or providing funding to supplement government allocation to various sectors. Unfortunately funds provided by these donors are project driven short term funds, which do not factor into the whole funding mechanism policies that ensure that such projects become sustainable after donor funds have been withdrawn (Hecks and Baark, 1998). The presence of a well thought out strategy that not only looks at how a donor funded project is completed, but also the means to continue with it after donor funds have been withdrawn is critical to project sustainability (Young and Hampshire, 2000). A case in point is the water supply project initiated in late 1980s and early 1990s
funded by the Kenya Finland Co-operation (Kenfinco) is no longer functional in most parts of the county.

The national policies on poverty eradication as stated in policy documents such; Poverty Reduction Strategy Paper, (PRSP), Millennium Development Goals (MDGs) and now the vision 2030 place emphasis on efficient management initiatives supporting improvements in socio-economic, political and legal environments. However the question of effectiveness or efficiency of implementation of donor funded projects remains a significant policy and management concern to be investigated. Some of the factors that might influence sustainability of the project include; financial systems, technology adoption, stakeholders and management structures. Evaluation studies done by Agevi (2002), Muttagi (1998), Ashley and Barney (1999) and Cedric (1992) widely linked poor management of community projects to the increase in the poverty incidence and failure of donor funded projects in developing countries, Kenya included. This situation is worse in rural areas like Bungoma County where state funding is limited. There has been significant role played by donors in rural areas to improve the living standards of the people. Despite this little has been done to establish the causes of failure of donor funded projects in rural areas. It is this missing link which this study seeks to fill through an examination of the factors that influence the sustainability of donor funded projects in rural areas of Kenya.

1.3 Objectives of the study

1.3.1 The broad objective

The broad objective of the study was to examine factors that affect sustainability of donor funded projects in Bungoma County, Kenya.
1.3.2 Specific Objectives

In order for the study to achieve its main objective it was guided by the following specific objectives.

i. To find out the extent to which project financial systems affect sustainability of donor funded projects.

ii. To establish the effect of technology adoption on the sustainability of donor funded projects.

iii. To determine the effect of stakeholders and target groups involvement and participation on the sustainability of donor funded projects.

iv. To find out to what extent to which donor policies affect sustainability of donor funded projects.

v. To establish how the management structuring in place affect sustainability of donor funded projects.

1.3.2 Research questions

The study sought to answer the following research questions

i. How do the financial systems affect sustainability of donor funded projects?

ii. What is the effect of technology adoption on donor funded projects?

iii. What is the effect of stakeholders and client involvement and participation on sustainability of donor funded projects?

iv. How do donor policies affect sustainability of donor funded projects?

v. How do management structures in place affect the sustainability of donor funded projects?
1.4 Significance of the Study

Donors play a crucial role in community development especially in developing country. They provide funds to initiate community development projects that improve the lives of the people. “They diffuse political anger and dole out aid or benevolence what people ought to have by right” (Roy, 2003). With a lot of funds put into projects and increased need for interventions especially in the social aspects of life including; primary health care, education, poverty eradication and food security, it is important to study and determine the factors that affect the sustainability of these projects. This project report will therefore be of great use to the following groups.

The donor community and more particularly in Kenya, they will benefit from the findings of this study by gaining insights on how donors can partner with local communities in identifying, implementing and managing projects to ensure the sustainability.

The local partners; the NGOs, CBOs and other civil society groups involved in identifying and implementing of community development projects understood the challenges that hinder sustainability of these projects and formulate strategies to avoid such challenges.

The Kenya government benefited from the study as the information available enabled it offer assistance to donors as they implement development projects to ensure sustainability. This help the government identify missing links in management of development projects e.g. CDF projects and formulate strategies to improve project identification, implementation, management and project monitoring and evaluation to ensure sustainability of these projects.
Lastly, institutions of higher learning and individual researchers would benefit from the study as it will provide reference information for further studies and avoid duplication of efforts.

1.5 Scope of the Study

The study focused on Bungoma County which is the third most populous county in the country according to 2009 population census. The county has North Bungoma, East Bungoma, West and Bungoma south. The area receives heavy rainfall especially in Mt. Elgon area, however areas like Bumula, Malakisi and Sirisia.

The region has a number of projects funded by various donor agencies. These projects experience similar or different sustainability problems which is the primary focus of this study. The study was limited to project managers of various donor funded projects who are expected to give insights on the various sustainability related problems faced by the projects in the county. The study covered projects which are on-going and those that have closed down.

1.6 Limitation of the Study

The study limited itself to donor projects in Bungoma County due to financial, time and logistical constraints which affect the scope of the study making it impossible to take a census.

1.7 Assumptions of the Study

The respondents chosen were honest and active such that they gave information elicited from them can be relied upon to draw valid conclusion and deduction for future use.
Furthermore, the sample selected was enough representative and hence the findings was generalized to represent the entire population.

1.8 Chapter Summary

The chapter has highlighted the area of intended study with emphasis on understanding project sustainability. The next chapter consists of the literature review according to the research objectives.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction
This chapter presents a review of the related literature on the area of study presented by various researchers, scholars, analysts and authors. The review covers materials from various sources which are closely related to the theme and the objectives of the study.

2.2 Project management
A project is a set of activities with a definition beginning and end, whose purpose is to bring about new production, services or changes of value within a times and resource constraints (Chikati, 2010). This finite characteristics for projects stand out in contrast with processes, operations or procedures which are permanent or semi-permanent functions to repetitively produce the same product or service. A successful project management is the clue that binds services to results (Wayne Peal, 2000). It therefore entails the project identification, resource mobilization, project planning and coordination of the core functions to ensure proper use of available resource; time, human and physical resources.

2.3 Concept of project sustainability
2.3.1 Sustainability
The concept of sustainability is used in many contexts and with widely different interpretations of meanings. Perhaps the most popular definition of sustainability is drawn from UN Report (1987) on World Commission on Environment and Development (Bruntland commission) which defined it as “meeting the needs of the present without compromising the ability of the future generations to meet their own needs.” Some
popular applications of the concept of sustainability includes; Global sustainability, Environmental sustainability, sustainable agriculture, Economic sustainability, sustainable economic development. Global sustainability refers to factors of worldwide concern e.g. Global warming, nuclear proliferation and high population growth. Environmental sustainability is applied to the functioning of plant and animal ecosystems, including human ones. Agricultural sustainability refers to maintaining crop yields from various farming practices without harming the soils. Thus “sustainable” means to endure, to last and to keep in being. Sustainable development is about marshalling resources to ensure that some measure of human well-being is sustained over time. According to Pearce and Robinson, (2003). The objective is to take actions to strategize in order to avoid impairing future generations from at least living as well as the present if not better. To do this, each generation must leave the next generation a stock of capital no lesser than the present one. These forms of capital recognized as; human, natural and infrastructure. Natural includes; natural resources such as water, soils, minerals, forests, wildlife and solar system. Infrastructure includes; roads, railways, dams, electricity, communications, pipelines e.t.c. human capital encompasses the stock of knowledge and skills possessed by the citizens of the country. These forms of capital put together comprises the aggregate stock of capital of a nation. Sustainability can be seen therefore as the ability of a project to generate benefits over a time until perhaps a new project of superior technology is initiated to replace it.

In the context of donor-funded projects, sustainability can be defined as; the continuation of benefits after major assistance from a donor has been withdrawn. Key points to note in this definition are; the focus is on sustaining the flow of benefits into the future rather
than sustainable programs or operations. Projects are by definition not sustainable as they have a definite start and finish date. The concept of sustainable benefits does not necessarily mean continuation of AID-funded activities to sustain the project but rather the adoption of new structures, ownership by communities and support by locally available resources to ensure the continuous inflow of benefits.

For instance, in 1998 the Japanese International Co-Operation Agency (JICA) partnered with the Kenya government to start an In-Service Training of Science Teachers (SMASSE), this project seems to be not sustainable despite the governments support as stated in session paper No. 1 (2005). This is perhaps the key players; teachers involved, government officers seemed not to buy the idea and they viewed at it as a vehicle to derive direct benefits. Managing sustainability is a process aimed at maximizing the flow of sustainable benefits..

It should be an ongoing process and needs to be reviewed and updated as circumstances change and lessons are learned from experience. Without being risk averse with initial selection of programmes and projects, all bilateral and regional aid activities should be designed and managed with the aim of achieving sustainable benefits: with the possible exception of one-off emergency and relief activities. Given that there is no one way to achieve sustainability, each project, with country specific circumstances need to be considered. Hence each programme/project should define its sustainability strategy that suits its circumstances.
Maintaining benefits flows after withdrawal of the major donor firm a project assumed that stakeholders (government, community groups, beneficiaries or private sector) will provide an appropriate level of financial, technical and managerial capacities.

According to studies carried out by Muia (1997) most water pumps installed in Ukambani to provide water were not functional though they needed repairs some costing as low as Ksh. 500 but could not be repaired. This was because the community thought that the pumps belonged to an Egyptian Agency that had funded them. However donors need to provide some follow-up assistance such as technical support (Training local capacity to manage) or supplementary financial support to enhance the prospects of sustainability and consolidate achievements.

2.3.2 Sustainability analysis

Sustainability analysis is the identification and analysis of the key factors that are likely to impact, either positively or negatively on the likelihood of delivering sustainable benefits. It is closely allied to risk analysis though there exists differences between the two concepts, sustainability analysis can be considered an extension of risk analysis. A broad sustainability analysis should be incorporated into the program strategy. The level of relevant detail should be expanded and refined at each activity (project), starting from identification through completion. It should be appraised and reviewed at least annually during implementation and it should be evaluated in order to learn lessons.

2.3.3 Sustainability strategy

The sustainability analysis will lead to the development a sustainability strategy. The aim of the strategy is to define the benefits to be sustained and specify how each of the main
constraints to sustainability will be addressed during the implementation process. The main elements of the strategy should be fed into the design so that sustainability will be strengthened in a systematic and comprehensive way. Hence sustainability strategy will be reflected into the log frame and risk management; the activity, resource and cost schedules, plus position description, organizational plans and training plans. The strategy should also be reflected in the scope of services and basis of payments, and memorandum of understanding (or subsidiary agreements) with partner government. The design team should prepare sustainability strategy matrix in a participatory way with major stakeholders. This should be done just after a hierarchy of objectives has been created and the risks to the achievement of the objectives have been identified.

The matrix is a summary of sustainability strategy that can be expanded into a separate section of the design document, under the heading of “sustainability strategy”. The matrix can also be inserted into the design document as an attainment. Like sustainability analysis, the sustainability strategy ought to be appraised, reviewed and refined at least annually, during the implementation through the annual planning process, mid term reviews and updating of phase-out strategies. It should also be evaluated in order to learn lessons.

2.4 Factors affecting project sustainability

2.4.1 Project financial systems

Project financial systems refer to accounting procedures, records and financial statements showing performance and cash flow statements, projections that determine financial sustainability of donor funded projects. (Nturibi, 2004) states that for a development
project to be financially sustainable, it requires a sound financial base arising from reliable sources of funding, financial systems to facilitate accountability and cash flow projections and development of marketable products/services to generate excess incomes over the expenditure of the project. "If a programme or project does not deliver clear and equitable financial or economic benefits, which are apparent to the stakeholders, it is most unlikely to be sustainable after donor funding is withdrawn (OECD, 1989). For instance, health service users will not pay for government health services (either directly or through taxes) if the service is poor, or their expectations of benefits are extremely limited. Benefits are not sustainable if the net benefit arising is negative or very small when all costs are considered. Better financial analysis is often required particularly in the formulation of economic sector programs and projects. Economic cost-benefit analysis can also be useful but it is methodologically complex; care should be taken to ensure that this procedure is not manipulated to produce "desired" results, or that it obscures benefits that are difficult to measure in monetary terms. Financial sustainability can be enhanced by; counter contributions, or cost-sharing strategies, recurrent cost financing by donors, user-pays and private sector involvement.

To achieve all these, better financial analysis is required during the formulation of the projects and it is at this point that strategies should be put in place to ensure financial sustainability.

2.4.2 Technology adoption

Technology is the application of technical means to solve environmental problems to improve the surroundings, to ensure productions of goods or services to satisfy human needs. This involves the use of tools, knowledge, and systems to make live easier and
better. Technology involves the application of knowledge, tools and skills to solve problems and extend human capacity (Johnson, 1989).

To promote sustainability, the technology to be transferred must be selected on the basis of its appropriateness in terms of technical and financial criteria, plus social, gender and cultural acceptability (OECD, 1989).

The quality of any asset or piece of infrastructure will have a direct bearing on its economic life. The longer it lasts, the more sustainable the resulting benefit. However, the appropriate level of quality must be against a number of criteria, including; user expectations and acceptance, costs and benefits; including how investment and maintenance costs will be financed, reliability of delivery or supply systems; and local capacity to maintain the asset including access to spare parts.

Stakeholders participation in the selection, testing of new technology for promoting its sustainable use. Demand-responsive approaches (such as water sanitation systems) are more acceptable as being more sustainable than supply-led

Another way to enhance technical sustainability is by training the local beneficiaries. Training to support the introduction of new technology is usually an essential component of sustainability strategy. Training must be relevant and appropriate, and continuity of the training program itself (including refresher and follow up training) must also be considered in many instances, one-off externally funded training will be inadequate. Building on (actively supporting) existing local capacity to deliver training provided by either public or private sector agencies, may be part of sustainability strategy.
2.4.3 Stakeholders and target groups involvement and participation

According to Pomeroy and Carlos (1997), one of the critical factors in promoting sustainability of any project is the role played by stakeholders and target groups and their participation in the project implementation and management. Stakeholders and target groups are those that are directly linked with the program or project; especially the partner government and the implementing agency, and those who stand to benefit from the projects, products or services. Stakeholders, both men and women should actively participate in the identification the design, implementation of the project or in brief should be able to influence the direction and design of implementation. Allocating adequate time and resources for participatory analysis and responding to demand-led approaches are important ways to improve participation and sustainability.

Donor-led top-down projects generally fail to bring about sustainable benefits because they do not lead to stakeholder ownership and commitment. Genuine participation and ownership is not being adequately addressed if the main strategy consists of simply running workshops to let “them” know what “you” are doing (OCED, 1989).

Some steps to enhance effective participation include; ensuring ideas for the project are demand-driven; that the design is phase is thought of as an investment in a successful outcome and thus given ample time and resources; ensuring that the a design incorporates specific activities and resources needed to implement participatory strategies; stakeholder analysis in terms of gender, age and how each will benefit; clearly defining the type and level of participation of each stakeholder; and lastly ensuring that key team members are appropriately skilled in participatory approaches.
IT administrators where applicable. A purposive sample of 53 respondents was drawn from categories which represent 25% of the target population as in table 3.1.

Table 3.2 Sample Size Distribution

<table>
<thead>
<tr>
<th>Project</th>
<th>Target Population</th>
<th>Sample Ratio</th>
<th>Sample Size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red cross international</td>
<td>36</td>
<td>25</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Relief and support programmes</td>
<td>21</td>
<td>25</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Heifer international</td>
<td>16</td>
<td>25</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Bungoma home based care</td>
<td>11</td>
<td>25</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Christadelphia bible mission</td>
<td>25</td>
<td>25</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Libolina Home for Physically Handicapped</td>
<td>20</td>
<td>25</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Kenya community care and support team, Webuye</td>
<td>24</td>
<td>25</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Inter-Christian Fellowship Mission</td>
<td>56</td>
<td>25</td>
<td>14</td>
<td>27</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>209</strong></td>
<td><strong>25</strong></td>
<td><strong>52</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: District Social Development Office, Bungoma

3.5 Data collection procedures and tools

3.5.1 Pilot survey

The researcher distributed questionnaires to individual employees in the sampled projects. This sampled group of employees attempted to answer questions in the questionnaire and responses assist in evaluating question validity and reliability with a view of finding out whether the questions extract the required information from the respondents.
3.5.2 Data collection

Data was collected using questionnaires. The questionnaires were distributed to the respondents by the researcher and his assistants. Respondents were guided by the researcher and the assistants where necessary and the data collected was used for analysis. This tool is appropriate because it can be used to collect data from large sample and a wide area. This saves time and upholds confidentiality, (Orodho, 2003). The questionnaire contained both closed and open ended. This enables the respondents to express their feelings, attitudes e.t.c while at the same time ensuring relevant responses are elicited too.

3.6 Data analysis and presentation

The study used descriptive statistics such as percentages and measures of centrality. Statistical Package for Social Sciences (SPSS) aided in generating descriptive statistics and to establish relationship between the dependent and independent variables.
CHAPTER FOUR
DATA ANALYSIS AND INTERPRETATIONS

4.1 Introduction

This chapter presents analysis and findings of the study as set out in the research methodology. The results were presented on the factors affecting sustainability of donor funded development projects in Kenya with specific focus to community development projects in Bungoma County.

4.2 Response Rate

The study targeted a total of 52 respondents, however, Table 4.1 shows that out of the 52 questionnaires distributed; only 39 questionnaires were received back, making a response rate of 75% while 25% were reluctant to the questionnaires. On the same the number of respondents who participated in the survey is also shown in the table. This conferred with Mugenda and Mugenda (1999) who suggested that for generalization a response rate of 50% is adequate for analysis and reporting, 60% is good and a response rate of 70% and over is excellent. This response rate was due to extra efforts were made via personal calls and visits to remind the respondent to fill-in and return the questionnaires.

Table 4.3: Response Rate

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returned</td>
<td>39</td>
<td>75</td>
</tr>
<tr>
<td>Unreturned</td>
<td>13</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Researcher 2012
4.3 Demographic Information

The study found it important to establish the general information of the respondents since it structures the foundation beneath which the study can fairly entrance the relevant information. The analysis centred on this information of the respondents so as to categorize the different results according to their knowledge and responses.

4.3.1 Gender of the Respondent

The study requested the respondents to indicate their genders, from the finding majority (62%) of the respondent were female while 38% were male. This implies that in community development project both male and female are concerned with project that aims to improve their living standard either in social or economical status.

Table 4.4: Gender of the Respondent

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>20</td>
<td>38</td>
</tr>
<tr>
<td>Female</td>
<td>32</td>
<td>62</td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.3.2 Positions Held by the Respondents

Figure 4.1 depicts result of the finding on the positions held by the respondents, from the findings, most 41% were projects managers either in higher position, middle or in lower level, those who were in position of account and it administrator had 21% as per case while 18% were procurement officer in the supply department. This illustrates that for
effective sustainability of donor funded project all professional skills and personnel were involved in development of project.

Figure 4.2 Positions Held by the Respondents

![Pie chart showing positions held by respondents]

Source: Researcher 2012

4.3.3 Age Category of the Respondents

The researcher was inquisitive to determine age category of the respondents, this was of great important as it depicts distribution of opportunity in terms of employment in relation to age of employees. According to the findings, 33% of the respondents were at the age category of 30-39 years, 26% were at the age category of 40-49 years, 23% were at age bracket between 20-29 years while the rest (18%) were above 50 years. This implies that donor funded projects recognizes both young and aged as the intended project is to benefit general community regardless of age.
Table 4.5: Age Category of the Respondents

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-29 years</td>
<td>9</td>
<td>23</td>
</tr>
<tr>
<td>30-39 years</td>
<td>13</td>
<td>33</td>
</tr>
<tr>
<td>40-49 years</td>
<td>10</td>
<td>26</td>
</tr>
<tr>
<td>Above 50 years</td>
<td>7</td>
<td>18</td>
</tr>
<tr>
<td>Total</td>
<td>39</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.3.4 Duration of Working in Project

The respondents were asked to state numbers of years that they had been part of the respective community development. The results presented in the figure ....show that most (33%) of the respondents had been part of the community project sustainability for a period of 4-6 years, 28% had been part of the community project sustainability for a period above 6 years, 21% had served respective community project for a period between 1-3 years while a small proportion of the respondents (18%) had been part of the community project sustainability for a period between 7 month to 1 year. This reveals that most of the respondents had been serving in their respective donor funded project development for an ample time such that they are conversant with the information that the study sought.
4.3.5 Education Level of the Respondents

The study also wanted to determine the highest level of the academic qualification that the respondent held. Table 4.6 summarizes the findings of the result, most (44%) of the respondents were undergraduate, 36% were diploma/certificate holders as their highest level of education while 21% were postgraduate. This depicts that most of the staffs working at project development targeting community are literate hence they are capable to adopt any strategic issues that the project requires with the aim of developing living standard of the community as well as mitigating poverty level.
Table 4.6 Education Level of the Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tertiary</td>
<td>14</td>
<td>36</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>17</td>
<td>44</td>
</tr>
<tr>
<td>Postgraduate</td>
<td>8</td>
<td>21</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>39</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research 2012

4.3.6 Sources of Project Fund

Figure 4.3 summarizes result of the findings on the source of the project funds, form the findings 31% of the respondents indicated that their respective project accessed fund from NGOs/CBOs, 23% indicated that their projects are funded through conducting fund raising, 21% indicated that their project are self sustenance, 18% pointed out that churches are co-funding of the project while rest (8%) indicated that government funds the project. This illustrates that despite the project being beneficial to the community NGOs and CBOs are the main donors of the project, however other well wishers and government are also concerned to improve community development through funding of the projects.
4.4 Project Financial Systems

4.4.1 Auditing Book of Accounts

The study aimed to scrutinize whether auditing of the donor funded community project book of accounts were audited. From the findings majority (92%) of the respondents were of the opinion that books of accounts were audited while the rest 8% indicated that there was no thorough auditing of the book of accounts. In relation to the finding it clear that due to transparency and to protect any embezzlement of the finance in the project auditing practices were done to ensure that sustainability of such kind of the project is effective and that finance resources are utilized to maximum with core objective of sustaining the project.
4.4.2 Frequency of Auditing

The researcher was inquisitive to determine how often auditing was practiced within the respective organization. From the findings, most (41%) of the respondents purported that auditing was done quarterly, 33% indicated that auditing was done annually, 18% indicated that auditing was done occasionally while the rest 8% pointed out that auditing was done monthly. This implies that auditing of the finance funded to the community project was emphasized such that most of organization mandated in project management conducted auditing frequently (Quarterly and Annually).
Table 4.7 Frequency of Auditing

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Quarterly</td>
<td>16</td>
<td>41</td>
</tr>
<tr>
<td>Annually</td>
<td>13</td>
<td>33</td>
</tr>
<tr>
<td>Occasionally</td>
<td>7</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>39</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.4.3 Extent Financial Systems Affect project Sustainability

Figure 4.5 summarizes result of the findings on the extent to which finance affects sustainability of the project. From the findings majority (59%) of the interviewed respondents pointed out that finance affects project sustainability at a very great extent, 28% at a great extent while 13% revealed that finance affects project sustainability at moderate extent. This illustrates that poor misuse of the funds allocated for project sustainability, adequate fund and embezzlement of funds may hinder sustainability of the project.
4.5 Technology adoption

4.5.1 Adoption of Technology in Project Sustainability

The study aimed to investigate whether IT had been adopted in the community development projects. From the findings, majority (72%) of the respondents indicated that IT had been adopted in their respect donor funded community project development to ensure effective sustainability of the project while 28% argued that IT had not been adopted in project sustainability. This illustrates that managers responsible of the project sustainability recognizes that IT led to effective sustainability of the project.
4.5.2 Extent at which Information Technology Affects Project Sustainability

Table 4.8 shows result of the finding on the extent to which IT affects sustainability of the project. From the findings, majority (54%) of the respondents indicated that IT affects sustainability of the project at very great extent, 13% were of the opinion that IT affects sustainability of the project at great extent while the rest (13%) were of the opinion that IT affects sustainability of the project at moderate extent.
Table 4.8 Extent at which Information Technology Affects Project Sustainability

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very great extent</td>
<td>21</td>
<td>54</td>
</tr>
<tr>
<td>Great extent</td>
<td>13</td>
<td>33</td>
</tr>
<tr>
<td>Moderate extent</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>39</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.5.3 Computerized Operation of the Project

The study aimed to determine operation of the project that were computerized. Majority (69%) of the respondents indicated that Record management were computerize, 64% purported that accounting systems were computerized, 44% favored that technical operations were computerized while 38% revealed that communication system was computerized. From the findings, the study illustrates that most of the crucial information that pertains to management and sustainability of the project were computerized for future use.
Table 4.9 Computerized Operation of the Project

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Yes %</th>
<th>No %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting system</td>
<td>25</td>
<td>14</td>
<td>64</td>
<td>36</td>
</tr>
<tr>
<td>Record management</td>
<td>27</td>
<td>12</td>
<td>69</td>
<td>31</td>
</tr>
<tr>
<td>Communication</td>
<td>15</td>
<td>24</td>
<td>38</td>
<td>62</td>
</tr>
<tr>
<td>Technical operation</td>
<td>17</td>
<td>22</td>
<td>44</td>
<td>56</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.5.4 Adequacy of Information System

Adequate flow of the information is essential in any management practices, likewise sustainability of the project information flow plays a major role in it, however the researcher requested the respondent to indicate adequacy of the information within the project development. Majority (64.1%) indicated that information is very adequate, 23.1% argued its adequate while 12.8% pointed out that information was inadequate.

Figure 4.8 Adequacy of Information System
4.6 Stakeholders Involvement

4.6.1 Extent of stakeholders’ Involvement

The study aimed to investigate the extent to which various stakeholders’ have been involved in sustainability of the project. Most of the respondents indicated that community group had been involved in donor funded project at a very great extent as depicted by mean score of 4.9, private sectors had been involved at very great extent as indicated by mean score of 4.69 while government had been involved at a great extent as shown by mean score of 4.15.

Table 4.10 Extent of Stakeholders’ Involvement

<table>
<thead>
<tr>
<th></th>
<th>Very low Extent</th>
<th>Low Extent</th>
<th>Moderate</th>
<th>Great Extent</th>
<th>Very Great Extent</th>
<th>Mean</th>
<th>StDev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>2.0%</td>
<td>2.0%</td>
<td>24.0%</td>
<td>54.0%</td>
<td>18.0%</td>
<td>4.15</td>
<td>0.182</td>
</tr>
<tr>
<td>Private sector</td>
<td>0%</td>
<td>2.0%</td>
<td>28.0%</td>
<td>52.0%</td>
<td>18.0%</td>
<td>4.69</td>
<td>0.348</td>
</tr>
<tr>
<td>Community groups</td>
<td>3.9%</td>
<td>3.9%</td>
<td>21.6%</td>
<td>56.9%</td>
<td>13.7%</td>
<td>4.9</td>
<td>0.119</td>
</tr>
</tbody>
</table>

Source: Researcher, 2012

4.6.2 Respondents Level of Agreement on Stakeholders Involvement

The researcher requested the respondents to indicate their level of agreement on the statements relating to stakeholders involvement in the project development sustainability. Most of the respondents agreed that projects in their respective organization were fully owned by the target beneficiaries of the project as depicted by mean score of 3.90, the study also noted that stakeholder were involved in key decision making in the project
committed at all. According to the study finding for achievement of the main object of the organization stakeholders' must be involved on the ongoing practices for ease achievement of such objective.

**Figure 4.9 Level of Commitment of Stakeholder**

4.6.4 Effect of Withdrawal of Donor Funding

The researcher requested the respondents the effect of withdrawal of donor funding on the project sustainability and development. Most (41%) of the respondents were of the opinion that the project would cease operating, 33% pointed out that project would be affected significantly, 18% indicated that project would be not effect at all while 8% were of the opinion that project would continue normally.
Table 4.12 Effect of Withdrawal of Donor Funding

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue normally</td>
<td>3</td>
</tr>
<tr>
<td>Cease operations</td>
<td>16</td>
</tr>
<tr>
<td>Will be affected significantly</td>
<td>13</td>
</tr>
<tr>
<td>Not effect at all</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>39</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.7 Donor policies

4.7.1 Existence of Donor Policies

The study aimed to determine whether there is existence of donor policies laid down which were adhered to during project development practices. Majority (87%) of the respondents pointed out that there was existence of donor policies followed during sustainability of the project while 13% indicated that there was not laid down donor policies.

Table 4.13 Existence of Donor Policies

<table>
<thead>
<tr>
<th>Frequency</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>34</td>
</tr>
<tr>
<td>No</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.7.2 Effectiveness of Donor Policies in Project Sustainability

The researcher aimed to investigate effectiveness of donor policies in project sustainability. From the findings, most of the respondents indicated that Operation and
maintenance costs was more effective as indicated by mean score of 4.21, Duration of funding was effective as shown by mean score of 4.04, Donor planning horizon was also effective as shown by mean score of 4.02 and that Contracts preparation was effective as illustrated by mean score of 3.92.

### Table 4.14 Effectiveness of Donor Policies in Project Sustainability

<table>
<thead>
<tr>
<th></th>
<th>Do not Know</th>
<th>Very Ineffective</th>
<th>Ineffective</th>
<th>Effective</th>
<th>Very Effective</th>
<th>Mean</th>
<th>SDev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts preparation</td>
<td>1</td>
<td>2</td>
<td>13</td>
<td>15</td>
<td>8</td>
<td>3.92</td>
<td>0.675</td>
</tr>
<tr>
<td>Duration of funding</td>
<td>0</td>
<td>5</td>
<td>11</td>
<td>14</td>
<td>9</td>
<td>4.04</td>
<td>0.808</td>
</tr>
<tr>
<td>Donor planning horizon</td>
<td>2</td>
<td>3</td>
<td>9</td>
<td>15</td>
<td>10</td>
<td>4.02</td>
<td>0.843</td>
</tr>
<tr>
<td>Operation and maintenance costs</td>
<td>1</td>
<td>3</td>
<td>9</td>
<td>15</td>
<td>11</td>
<td>4.21</td>
<td>0.631</td>
</tr>
</tbody>
</table>

**Source: Researcher 2012**

### 4.7.3 Extent that Donor Policy Affect Project Sustainability

Figure 4.9 depicts results of the findings on the extent to which donor policy affects sustainability of the project. Majority, 64.1% pointed out that donor policy affects sustainability of the project at very great extent, 23.1% at great extent while the rest 12.8% at moderate extent. This reveals that policies laid down by the donor govern the process of sustaining the project at its highest level.
4.8 Management Structures

4.8.1 Management Styles Adopted in Project Sustainability

Management style adopted by the organization determine effectiveness of achieving the set goal of any organization, however the study aimed at investigating the management styles adopted by various community development donor funded projects. From the findings majority 69% of the respondents indicated that Democratic management style was practiced in their respective projects, 64% indicated that autocracy was adopted in their respective projects, 44% pointed out that Laisser-faire was adopted in their projects while 38% were of the opinion that Laisser-faire was management practice adopted within the projects management systems. This illustrates that the community as the main target and beneficiary of these projects was encouraged to participate and raise their initiative in management practices as a way of creating prestige as well as coopting them to feel part of the management of the project for effective sustainability strategy.
Table 4.15 Management Styles Adopted in Project Sustainability

<table>
<thead>
<tr>
<th>Management Style</th>
<th>yes</th>
<th>no</th>
<th>% yes</th>
<th>% no</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autocratic</td>
<td>25</td>
<td>14</td>
<td>64</td>
<td>36</td>
</tr>
<tr>
<td>Democratic (employee) driven/participative</td>
<td>27</td>
<td>12</td>
<td>69</td>
<td>31</td>
</tr>
<tr>
<td>Laisser-faire (minimum interference from</td>
<td>15</td>
<td>24</td>
<td>38</td>
<td>62</td>
</tr>
<tr>
<td>management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Open door policy (Freedom of access)</td>
<td>17</td>
<td>22</td>
<td>44</td>
<td>56</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.8.2 Extent at which Management Structures Affects Project Sustainability

The researcher aimed to investigate the extent to which management structures affects project sustainability. From the findings, majority (59%) of the respondents alleged that management structures affects project sustainability at a very great extent, 28% depicted that management structures affects project sustainability at a great extent while the rest (13%) indicated that management structures affects project sustainability at a moderate extent. This conferred that management structure adopted in project management influences its sustainability.
Table 4.16 Extent at which Management Structures Affects Project Sustainability

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>very great extent</td>
<td>23</td>
</tr>
<tr>
<td>great extent</td>
<td>11</td>
</tr>
<tr>
<td>moderate</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>39</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.8.3 Effectiveness of the Management Systems Adopted

Figure 4.10 illustrates the findings of the study on the effectiveness of the management systems adopted in sustainability of project. Most (41%) of the respondents indicated that management systems adopted in sustainability of project is very effective, 33% were of the opinion that management adopted is effective, 18% were of the opinion that management system adopted is very ineffective while 8% were of the opinion that management adopted is ineffective.

Figure 4.11 Effectiveness of the Management Systems Adopted
4.8.4 Practice of Civil Training

Table 4.15 presents the aspect of the existence of employees training within the organization. From the findings, majority (79%) of the interviewed respondents indicated that they had been offered training on sustaining project while 21% argued that they had not been given any training. In regard to this, most of the donor funded community development projects; management had offered civil training to the public as a mean of enhances members capacity to sustains projects.

Table 4.17 Practice of Civil Training

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>31</td>
<td>79</td>
</tr>
<tr>
<td>No</td>
<td>8</td>
<td>21</td>
</tr>
<tr>
<td>Total</td>
<td>39</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Researcher 2012

4.8.5 Competency of Staff Working in Project

The study aimed to determine competent of the staffs working in community development projects. Majority, 64% were of the opinion that staffs at community development were very competent, 23% pointed out that staffs in project sustainability were competent while 13% were of the opinion that staffs were incompetent in their role. This illustrates that for effective development and sustainability of any community based projects staffs delegated duties on them should be competent to ensure smooth maintenance and sustainability of projects.
4.8.6 Level of Respondent Agreement on Management Structure Adopted Aspects

The researcher requested the respondent to indicate their level of agreement on the statements regarding to management structure adopted aspects and their influences to sustainability of the project. Most of the respondents agreed that organization structure enables effective performance and efficiency in achievement of the project objectives as indicated by mean score of 4.04, almost the same number of the respondent agreed that the current levels of staff training affect the sustainability of this project as depicted by mean score of 4.02, lastly respondents agreed that the training they have received is adequate to enable them perform their duties effectively as shown by mean score of 3.92.
Table 4.18 Level of Respondent Agreement on Management Structure Adopted

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean</th>
<th>STDev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The training I have received is</td>
<td>1</td>
<td>2</td>
<td>13</td>
<td>15</td>
<td>8</td>
<td>3.9</td>
<td>0.675</td>
</tr>
<tr>
<td>adequate to enable me perform my</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>duties effectively</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project organization structure</td>
<td>0</td>
<td>5</td>
<td>11</td>
<td>14</td>
<td>9</td>
<td>4.0</td>
<td>0.808</td>
</tr>
<tr>
<td>enables effective performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and efficiency in achievement of</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the project objectives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The current levels of staff</td>
<td>2</td>
<td>3</td>
<td>9</td>
<td>15</td>
<td>10</td>
<td>4.0</td>
<td>0.843</td>
</tr>
<tr>
<td>training affect the sustainability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of this project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher 2012
CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This chapter presents the summary of the data findings on the analysis on factors affecting sustainability of donor funded development projects in Kenya with specific focus to community development projects in Bungoma County, the conclusions and recommendations are drawn there to. The chapter is therefore structured into summary of findings, conclusions, recommendations and area for further research.

5.2 Summary of Findings
The objectives of this study were to find out the extent to which project financial systems affect sustainability of donor funded projects, to establish the effect of technology adoption on the sustainability of donor funded projects, to determine the effect of stakeholders and target groups involvement and participation on the sustainability of donor funded projects, to find out to what extent to which donor policies affect sustainability of donor funded projects and to establish how the management structuring in place affect sustainability of donor funded projects.

From the findings on Project Financial Systems, the study established that books of accounts were audited. In addition, the study found that auditing were done on quarterly basis for financial control and to ensure there is transparency on use of available resources. Further the study established that financial management affects project sustainability to a very great extent.
On the effect of technology adoption, the study found that IT had been adopted in respect of donor funded community development projects to ensure their sustainability. Further, accounting systems, record management, communication and technical operations were computerized to ensure flow of information is adequate.

On the effect of stakeholders' Involvement, the study established that community groups had been involved in donor funded project to a very great extent. It was also found that target beneficiaries of the project fully owned them and that they were very committed to their implementation and sustainability.

On donor policies, the study deduced that these were laid down and adhered to during project development practices. On the same the study found that Contract preparation, Duration of funding, Donor planning horizon and Operation and maintenance costs were effective and that donor policies affect sustainability of the project to a very great extent.

Finally on management structures adopted in project sustainability, the study established that Democratic management style was more practiced in most project organizations. Of the groups covered by the study, 69% used democratic style of management. Conclusively, the study revealed that management structures affect project sustainability to a very great extent and that democratic style of development is very effective in ensuring sustainability of projects. Further the study established that members of staff of the groups had been offered training to enhance capacity of sustaining project. However most of them at community development were very competent where organization structure enables effective performance and efficiency in achievement of the project objectives.
5.3 Conclusion

The study aimed at finding out factors affecting sustainability of donor funded development projects in Kenya. Based on the findings the study concludes that project finance systems affects project sustainability to a very great extent where auditing was done quarterly for financial control and to ensure there is transparency on use of available resource.

On the finding of information technology and its effect on sustainability of the project, the study concluded that IT affects sustainability of the project to a very great extent. Accounting systems, record management, communication and technical operation were computerized to assure adequate information.

To the objective of stakeholders’ Involvement, the study concluded that stakeholders’ Involvement in donor funded project affects its sustainability to a very great extent. Additionally the study concluded that members of staff were very committed to their responsibilities at the projects surveyed.

On the finding to the objective of donor policies and its effect on project sustainability, the study concluded that these were laid down and adhered to during project development practices. Likewise the study concluded that donor policy affects sustainability of the projects to a very great extent.

On management structures adopted in project sustainability, the study concluded that democratic management style was more practiced in most of community development oriented projects. The study further concluded that management structures affect project sustainability to a very great extent.
5.4 Recommendations

On the Project Financial Systems, the study recommended that adequate finance be allocated by the project donor in order to ensure effective sustainability of the project. On the same the study recommends that those authorized to manage and supervise community projects be trustworthy and avoid corruption and embezzlement of the funds.

The study recommends that for the organization to be fully effective on data management and storage proper systems of information management must be embraced. Continuous updating of technology is necessary to ensure the one adopted is obsolete. On the same the study recommends that enough modern technological equipments to be installed within organizations and the use of them by staff members in order to have effective response and safe retrieval of information whenever necessary.

On the stakeholders’ involvement the study recommends that they be involved in the conception, design, implementation and management of such projects to ensure sustainability. In addition, the study recommends that stakeholders be given an opportunity to pool their initiative towards project sustainability.

On donor policies, the study recommends that the policies be flexible and favorable to project sustainability.
5.5 Areas for Further Studies

The study suggests that further research be done on the other challenges affects sustainability of donor funded project within community development projects. The study also suggests that further study be done on the impacts of donor funded projects to the community in order to depict clear and reliable result that exposes both negative and positive aspect of community based project funded.

More so studies should be done on CDF projects to assess their sustainability and effectiveness in improving the standard of living of the people in the constituencies. This will go along way in helping the country achieve its Vision 2030.
REFERENCES

GOK, 2009. Ministry of National planning and vision 2030, National population census


Natasha, A (2003). The Quest for financial sustainability; Foundations in south east Asia, Introduction to financing Development in south East Asia, opportunities for collaboration and sustainability.


APPENDICES

Appendix 1: Registered community Development Projects

Groups in Bungoma County

1. Red Cross International
2. Relief and Support Programmes
3. Heifer International
4. Bungoma Home Based Care
5. Bungoma Catholic Diocese
6. Christadelphia Bible Mission
7. Kenya Community Care and Support Team
8. Inter-Christian Fellowship Mission

Source: District Social Development Office, Bungoma.
Appendix II: Letter to respondents

Kenyatta University
School of business
P.O. Box 43844-00100
Nairobi.

Dear respondents,

REF: KHISA GEOFFREY JUMA. REG. NO. D53/CF/11698/2008

This is to certify that the above named is a post graduate student of this university pursuing a master of Business Administration (Project Management). As part of the requirement for the course, he is required to carry out research in the selected area of study which will enable him write a research project. The findings and data collected will be for examinations purposes only and all responses will be treated with utmost confidentiality.

Your co-operation will highly be appreciated.

Thank you.

Yours faithfully,
Appendix III: Questionnaire

Section one: Demographic information

1. Gender of the respondent
   a. Male [ ]
   b. Female [ ]

2. Respondents position:
   a. Project manager [ ]
   b. IT Administrator [ ]
   c. Accountant [ ]
   d. Others (specify) _______________________________________

3. Indicate your age category:
   a. Below 20 years [ ]
   b. 20-29 years [ ]
   c. 30-39 years [ ]
   d. 40-49 years [ ]
   e. Above 50 years [ ]

4. How long have you been working on this project?
   a. Less than 6 months [ ]
   b. Between 6 months- 1 years [ ]
   c. Between 1-3 years [ ]
   d. Between 3-5 years [ ]
   e. Above 5 years [ ]
5. What is your highest level of education?
   a. Primary [ ]
   b. Secondary [ ]
   c. Tertiary [ ]
   d. Undergraduate [ ]
   e. Postgraduate [ ]
   f. Others (specify) ____________________________

6. Who are the major sources of funds for this project?
   a. Local fund raising [ ]
   b. NGO/CBOs funding [ ]
   c. Self sustenance [ ]
   d. Government funded [ ]
   e. Church funding [ ]
   f. Others (specify) ____________________________

Section two: Factors affecting donor funded project sustainability

a. Project financial systems

7. Which financial systems of preparation and presentation of financial statements is followed by this project.

   ________________________________
   ________________________________
   ________________________________
8. Write key components of the financial systems of preparation and presentation of financial statements used in 7 above?


9. Are the books of accounts for this project audited?

Yes [ ]

No [ ]

10. If yes, how often does the auditing take place?

Monthly [ ]

Quarterly [ ]

Annually [ ]

Occasionally [ ]

11. To what extent would you agree or disagree with the fact that financial systems affect the sustainability of this project?

Strongly agree [ ]

Agree [ ]

Neutral [ ]

Disagree [ ]

Strongly disagree [ ]

b. Technology adoption
12. How would you rate the adequacy of information system in this project?
   a. Very adequate [ ]
   b. Adequate [ ]
   c. Inadequate [ ]
   d. Very inadequate [ ]

13. Which of these operations are computerized in this project?

<table>
<thead>
<tr>
<th></th>
<th>Computerized</th>
<th>Not computerized</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Accounting system</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) Record management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) Communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) Technical operation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e) Others</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

14. (a) To what extent would you agree or disagree technology adoption affect sustainability of this project?
   a. Strongly agree [ ]
   b. Agree [ ]
   c. Neutral [ ]
   d. Disagree [ ]
   e. Strongly disagree [ ]
b) Comment on your answer
Stakeholders and target groups involvement and participation

15. How would you rate the level of involvement and participation of following in this project? Rate as follows: 1= greatly, 2= fairly, 3= low, 4= very low,

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Government</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) Private sector</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) Community groups</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

16. To what extent would you agree or disagree with the following statement as relate to stakeholders and target groups involvement and participation in this project? Rate as follows: 1= strongly agree, 2= agree, 3= neutral, 4= Disagree, 5= Strongly Disagree.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) This project is fully owned by the target beneficiaries of the project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) This project is fully owned by the stakeholder of the project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) The target beneficiaries of the project are involved in key decision making</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) The project stakeholder are involved in key decision making</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
17. How would you describe the level of commitment of stakeholder and target beneficiaries to the project?

a. Very committed [ ]
b. Committed [ ]
c. Less committed [ ]
d. Not committed at all [ ]

18. What do you think would be the effect of withdrawal of donor funding to this project?

The project will ________________________________

a. Continue normally [ ]
b. Cease operations [ ]
c. Will be affected significantly [ ]
d. Not effect at all [ ]

19. In your view, what are the effects of stakeholders and target groups involvement and participation on the sustainability of this project?

________________________________________________________________________

________________________________________________________________________

Donor policies

20. How would you rate the effectiveness of the following donor policies in enhancing sustainability of this project? Rate as follows: 1 = Very effective, 2 = Effective, 3 = ineffective, 4 = very ineffective, 5 = Do not know
21. To what extent would you agree or disagree with the fact that donor policies affect the sustainability of this project?

a. Strongly agree [ ]

b. Agree [ ]

c. Neutral [ ]

d. Disagree [ ]

e. Strongly disagree [ ]

Management structures

22. What kind of management styles does the management of this project adopt?

a. Autocratic (dictatorial) [ ]

b. Democratic (employee) driven/participative [ ]

c. Laisser-faire (minimum interference from management) [ ]

d. Open door policy (Freedom of access) [ ]

e. Any other (specify) ____________________________

23. To what extent would you agree or disagree with the fact that management styles adopted in this project will affect the project sustainability after withdrawal of donor support?

a. Strongly agree [ ]

b. Agree [ ]
24. How would you rate the effectiveness of the management systems adopted in this project?
   a. Very effective [ ]
   b. Effective [ ]
   c. Ineffective [ ]
   d. Very ineffective [ ]

25. Have you undergone any training related to the job you do in this project?
   Yes [ ]
   No [ ]

26. To what extent do you agree with following statement 'that the training I have received is adequate to enable me perform my duties effectively'
   a) Strongly agree [ ]
   b) Agree [ ]
   c) Neutral [ ]
   d) Disagree [ ]
   e) Strongly disagree [ ]

27. How would you rate the overall level of competency of the staff working in this project?
   a. Very competent [ ]
b. Competent [ ]
c. Incompetent [ ]
d. Not able to rate [ ]

28. To what extent do you agree with the statement that the project organization structure enables effective performance and efficiency in achievement of the project objectives.
   a) Strongly agree [ ]
   b) Agree [ ]
   c) Neutral [ ]
   d) Disagree [ ]

29. (a) To what extent would agree or disagree with the fact that the current levels of staff training affect the sustainability of this project?
   a. Strongly agree [ ]
   b. Agree [ ]
   c. Neutral [ ]
   d. Disagree [ ]
   e. Strongly disagree [ ]

(b) Comment on your answer above

30. What recommendations would you make to help improve the sustainability of donor funded projects in arid and semi arid areas in Kenya?

THANK YOUR FOR YOUR RESPONSES