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Influence of stakeholder participation on sustainability of donor-funded projects in Lurambi sub-county, Kenya

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Abstract
Kenyan government has in recent years enhanced efforts to find an everlasting solution to the problem of extreme poverty which has ravaged many parts of the country. In view of the foregoing, the government has joined forces with various stakeholders to ensure that efforts towards this noble goal are sustainable. Developing countries depend mostly on developed countries for funding its community development projects. The objective of this study was to investigate the influence of stakeholder participation on sustainability of donor-funded projects in Lurambi Sub-county, Kenya. Descriptive research design was adopted for the study. The target population for this study was 120 respondents comprised of Managers, Heads of Departments and Project Management Committee Members from selected donor-funded projects within Lurambi Sub-county and forming a sample size of 60. Data was analyzed using both descriptive and inferential statistics. Findings revealed that stakeholder participation had a weak but positive and significant influence on sustainability of donor-funded projects in Lurambi Sub-county. The study concluded that sustainability of donor-funded projects in Lurambi Sub-county was influenced by stakeholder participation. The study recommended that all the relevant stakeholders should be informed and involved in all development projects for them to develop ownership attitude that can ensure sustainability.

Keywords: stakeholder participation, sustainability, donor-funded projects

1. Introduction

1.1 Background of the Study

As pointed out by several scholars, sustainability is hard to attain with no support and involvement of stakeholders (Vernon, Essex, Pinder, & Curry, 2005; Koenig & Schultz, 2010) [19]. With their different roles to play, stakeholders' active engagement implies the opportunity to influence, and to some level, control the direction, design, detail as well as implementation of a project. Koenig and Schultz (2010) [11] defined stakeholders as persons or organizations who are vigorously involved in, concerned with, or whose interests are affected by the implementation of a project, whether positively or negatively. Stakeholders tend to have substantial influence over project, its deliverables as well as the project members (Koenig & Schultz, 2010) [11].

In line with this explanation, stakeholders may include county governments, the community or public, project management committees or any other implementing agencies, employees or workers, technocrats and technical experts from, for instance, government ministries of water, housing and health, and public works. In layman's language, project stakeholders are people who have a stake in the project or people with interest or concern in any aspect of the project (Mwanzia & Strathdee, 2010) [14]. The project staff implement activities while the programme managers supervise project execution. Employees' interest is that they consider the project as a source of income hence making them a major stakeholder group. The Government, mainly for regulatory reasons, should also be informed of activities and likely impacts of projects.

1.2 Statement of the Problem

In developing countries like Kenya, most funding provided by developed countries for community development are project driven short-term funds, which do not factor in the whole funding mechanism policies that will ensure that such projects become sustainable after the donor funds have been withdrawn (Heeks & Baark 1998) [8]. To ensure project sustainability, it is crucial to have well thought out strategy that only looks at how a donor-funded project is completed, but also the means to continue with the project after the donor funds have been withdrawn (Young & Hampshire, 2000). Several studies carried out (Rimbera, 2012; Ali Jatan, 2012; Mbajiwe, 2009 & Airo, 2009) point out lack of project sustainability due to low level of community awareness, approaches used by developers and lack of proper feasibility. Notwithstanding this problem, there has been very little research carried out to investigate specifically influence of stakeholder participation on sustainability of donor-funded projects in Lurambi Sub-county. This study therefore sought to fill this knowledge gap.

1.3 Objective of the Study

The objective of this study was to investigate the influence of stakeholder participation on sustainability of donor-funded projects in Lurambi Sub-county.

1.4 Study Hypothesis

The null hypothesis of this study was that stakeholder participation has no influence on sustainability of donor-funded projects in Lurambi Sub-county.

2. Literature Review

This research was anchored by the stakeholder theory (Freeman, 1984). Westland (2007) [22] argues that the idea behind stakeholder theory is that holders who have stakes interact with the organization making its operation conceivable. The theory explains how organizations function with respect to various stakeholders with whom they are inextricably embedded. According to Freeman (1984), stakeholder theory of development is centered on defining the stakeholder concept and classifying stakeholders into categories that provide understanding of individual stakeholder interactions. In regard to donor funded projects, a stakeholder has some form of capital either financial or human at risk and therefore has something to lose or gain depending on the project's performance (Freeman, 1984). Development projects respond to the interaction of multiple influences from the entire stakeholders set rather than simply responding to each stakeholder individually (Gwadoya, 2012) [7].

While studying the dynamics of interest representation, Smith, Nell and Prystupa (1997) [17] reiterated that stakeholder participation is an indispensable element of not only effective project implementation, but also project sustainability. While tackling multi-stakeholder processes, Vernon, Essex, Pinder and Curry (2005) [19] established that the right design project implementation procedures may be achieved through engagement with stakeholders. In order to reduce biasness and subjectivity, people ought to seek input or views from different stakeholders through multi-stakeholder discussions.

Chambers and Conway (1992) [1] posited that when it comes to measured results, their interpretation and assessment, disagreements between stakeholders are inevitable. Even so, the issues and extent of divergence amongst stakeholders tend to lead to important insights and point to issue needing attention. In brief, different stakeholders have different roles and see the project through different lenses. In trying to explain the importance of stakeholder engagement, Hofisi (2013) [9] clarified how failure to consult and include, right from the beginning of projects, government stakeholders from agricultural, health, fisheries, public works and forestry ministries may affect the sustainability of projects. In order to enhance likelihood of success, it is imperative to articulate the expectations of different stakeholders earlier in the process (Chandra, 2007) [2].

Sustained stakeholder participation in monitoring and evaluation should not be assumed, but institutionalized. Specific measures have to be built into program and project management processes to ensure continued and effective involvement of stakeholders (Gareis, Heumann, & Martinuzzi, 2009) [6]. According to Hofisi (2013) [9], stakeholders can be categorized into various groups such as primary, secondary and external stakeholders. Primary stakeholders are those people or groups who are eventually affected by the project while secondary stakeholders are intermediaries who deliver aid to or affiliated to primary stakeholders. External stakeholders are those not officially engaged in a project, but who may impact or be impacted by its execution or results. In development projects, stakeholders usually comprise donor agencies, government, civil society organizations and the local community and beneficiaries. To identify stakeholders to a project, Hofisi (2013) [9] recommends the use of stakeholder analysis.

While dealing with the issue of stakeholder participation mechanisms, UNEP (2007) [18] concluded that, although evidence may be limited, participation has significant impacts on projects, their implementation, outcomes and sustainability. According to Eid (2009) [4] treatment of external stakeholders has been a major challenge in many projects. Stakeholder engagement should be considered as a critical success factor in the contemporary world (Eid, 2009) [4]. For that reason, their view ought to be heard and incorporated in decision making. From this understanding the project can benefit a lot and aim to commit early to stakeholders within the global project.

In Africa generally, issues of participation have become increasingly important as argued by Foxand (2004) [5] with many international development institutions recognizing that participation is necessary to the achievement of primary goals of sustainable development and poverty alleviation. Oluwoye and Crawford (2003) [15] posit that participatory approaches have proven to improve project quality, ownership and sustainability, especially to empower targeted beneficiaries and to contribute to long-term capacity-building and self-sufficiency.

In a study focusing on factors affecting sustainability of projects in Kiambu, Kenya, Wabwoba (2012) [20] established that partners and stakeholder groups should be convinced to participate in the evaluation process. This would improve the quality of evaluations through precision of information, improved credibility, and approval of findings and concerns of stakeholders. Participation is also an end in itself, as for primary stakeholders it is an empowerment strategy. As stakeholders are put at risk in an evaluation they should have the right to have their issues, problems and analysis incorporated in the evaluation process. Participation offers the opportunity to influence the evaluation process and becomes a pre-requisite of ownership and thus sustainability is achieved.

3. Methodology

3.1 Research Design

According to Orodho (2003) [16] research design is a scheme outline or plan used to generate responses to research questions. A descriptive research design was used in this study. A descriptive research design is one where information is collected without changing the data. Descriptive research design was suitable for this study since it is accurate and current facts are exhibited through data collection in human contexts (Cooper & Schindler, 2006) [3].

3.2 Target Population

Population is a complete set of individuals, cases and or objects with common observable characteristics (Mugenda & Mugenda, 2003) [13]. Target population on the other hand is defined as a full set of cases from which a sample is taken (Welman & Mitchelle, 2005) [21]. The target population of this study included 30 Departmental Heads, 120 Project Management Committee Members and 30 Managers making a total of 180 respondents.

3.3 Sample Size and Sampling Procedure

According to Mugenda and Mugenda (2009), sampling is the process of selecting items from a given population that specifies the type of sample to be used. From the population sampling frame, the required number of respondents was

selected in order to make a sample. The respondents were 40 Project Management Committee Members, 10 Departmental Heads and 10 Managers forming a sample of 60 respondents as shown in Table 3.1. This was arrived at through the Krejcie and Morgan (1970) [10] table for determining sample size for a finite population. The purpose of this was to ensure that a proportionate number of respondents were selected from the target population.

Table 1: Sampling Frame

Category	Target Population	Sample	Percentage
PMC Members	120	40	33.33%
Departmental Heads	30	10	33.33%
Managers	30	10	33.33%
Total	180	60	100

4. Findings and Discussion

4.1 Reliability of Test Results

To ensure reliability, a pre-test of the questionnaire was done on 16 respondents from Malava Sub-county. This was in order to ensure the items in the questionnaire are clearly stated and have the same meaning to all respondents and Cronbach's alpha calculated. The results of the pre-test were analyzed using descriptive and inferential statistics to get an overview of the research results. Table 4.1 shows that stakeholder participation had a Chronbach's alpha value of 0.813. This implies that the items were reliable as their reliability value exceeded the prescribed threshold of 0.7.

Table 2: Reliability Test

Variable	Cronbach's Alpha	Number of items
Stakeholder Participation	0.813	9

4.2 Response Rate

Out of the 60 questionnaires administered, 49 were returned making a response rate of 82%. This was considered sufficient since (Mugenda & Mugenda, 2003) [13] advice that a response rate of at least 50% is adequate for analysis and reporting.

4.3 Influence of stakeholder participation

The study sought to investigate the extent to which stakeholder participation influences sustainability of projects in Lurambi Sub-county. The objective sought to test the null hypothesis that stakeholder participation has no influence on sustainability of donor-funded projects in Lurambi Sub-county.

The Pearson correlation analysis was used to investigate the relationship between stakeholder participation and the sustainability of donor-funded projects in Lurambi Sub-county as shown in Table 4.10.

Table 3: Correlation between stakeholder participation and sustainability

		Stakeholder participation
Sustainability of projects	Pearson Correlation	.529**
	Sig. (2-tailed)	.000
	N	49

**. Correlation is significant at the 0.01 level (2-tailed).

In investigating the influence of stakeholder participation on the sustainability of projects in Lurambi Sub-county, the study established a coefficient of correlation (r) as 0.529**, P<0.01 at 99.0% confidence level. This shows that there exist a significant positive relationship between stakeholder participation and sustainability of projects in Lurambi Sub-county. This implies that sustainability of projects increase with an increase in stakeholder participation and a decrease in stakeholder participation leads to a decrease in their sustainability of projects.

Regression analysis was used to inform the amount of variance accounted for by one variable in predicting another variable. Regression analysis was conducted to find the proportion in the dependent variable (sustainability of projects) which can be predicted from the independent variable (stakeholder participation). Table 4.11 below shows the analysis results.

Table 3: Regression of Stakeholder Participation and Sustainability of Projects

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.529[a]	.280	.266	.61168

a. Predictors: (Constant), Stakeholder participation

Table 4: Analysis of Variance

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.293	1	25.293	67.602	.000[b]
	Residual	68.469	47	.374		
	Total	93.762	48			

a. Dependent Variable: Sustainability of donor-funded projects

b. Predictors: (Constant), Stakeholder participation

Table 5: Regression Coefficients

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.367	.282		7.683	.000
	Stakeholder participation	.586	.071	.519	8.222	.000

a. Dependent Variable: Sustainability of donor-funded projects

The results revealed a coefficient of determination (r^2) of 0.280. Meaning stakeholder participation can explain up to 28.0 % of the variance in sustainability of donor-funded projects in Lurambi Sub-county as shown in Table 4.2. The F test gave a value of (1, 48) = 67.602, P<0.01, which supports the goodness of fit of the model in explaining the variation in the dependent variable as shown in Table 4.3. It also means that stakeholder participation is a useful predictor of sustainability of projects in Lurambi Sub-county. The unstandardized regression coefficient (β) value of stakeholder participation was 0.586 with a t-test of 8.222 and significance level of p<0.001 as shown in Table 4.4. This indicated that a unit change in stakeholder participation would result to change in sustainability of projects by 0.519 units. The regression equation to estimate the sustainability of projects in Lurambi Sub-county as a result of stakeholder participation was hence stated as:

$$\mathbf{Y = 0.367+0.519\ X_1}$$

5. Summary of Findings

The study sought to investigate whether stakeholder participation influenced sustainability of donor-funded projects in Lurambi Sub-county. Inferential results indicated that there was a significant influence of stakeholder participation on sustainability of donor-funded projects in Lurambi Sub-county. The correlation results revealed that a significant moderate relationship existed between stakeholder participation and sustainability of donor-funded projects. The unstandardized regression coefficient value of the stakeholder participation revealed that stakeholder participation was significant predictor of sustainability of donor-funded projects in Lurambi Sub-county.

6. Conclusion

Based on the findings of this study, it was concluded that stakeholder participation had a positive influence on sustainability of donor-funded projects in Lurambi Sub-county. This implies that the extent to which stakeholders participate in donor-funded projects ensures people decision-making processes and decision-making capacity of project stakeholders at different levels. It further enhances project ownership and sustainability.

7. Recommendations

To promote and enhance sustainability, the study recommended that all the relevant stakeholders should be informed and involved in all development projects for them to develop ownership attitude that can ensure sustainability of projects. Community members need to be sensitized on sustainability of donor-funded projects to ensure that they are able sustain themselves after withdrawal of funding.

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