FACTORS INFLUENCING ACCESS TO POVERTY ERADICATION FUNDS BY LOCAL COMMUNITIES IN KENYA: A CASE OF YATTA DISTRICT, MACHAKOS COUNTY.

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A Research Project Report Submitted in Partial Fulfillment of the Requirement for the award of a Degree of Masters of Art in Project Planning and Management of the University of Nairobi.

2013
DECLARATION

This research report is my original work and has not been presented for a degree or any other award at any other university.

Signed ………………………………… Date ………………………..

Fredrick Mutisya Kilungu
Reg. No. L50/74113/2012

This research project report was submitted for examination with my approval as the University supervisor.

Signed ………………………………… Date ………………………..

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This research is dedicated to all family members and especially my Dad (Kilungu Muasya) and friends for their inspirational support, encouragement and understanding through the research period.
ACKNOWLEDGEMENT

It is not easy to thank everyone who has an input into this research report, for the list could be almost inexhaustible. However, there are those individuals and institutions, without who, this research consultation, interviews and the final report was not to be possible to take place. I wish to register my sincere gratitude to some of those who contributed including my lecturers and my Supervisor Dr. Ndunge Kyalo for the light they had shed on me and the encouragement since we met and all along, for this successful research work. I also thank my colleagues in Kitui Extra Mural Center of the University for their Support and encouragement during my studies.
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<td>CBOs</td>
<td>Community Based Organizations</td>
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<td>CDAs</td>
<td>Community Development Assistants</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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<td>CEISP</td>
<td>Community Development &amp; Institutional Support Project</td>
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<td>DAMER</td>
<td>District Annual Monitoring and Evaluation Report</td>
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<td>DDO</td>
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<td>DPEC</td>
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<td>EFA</td>
<td>Education for All</td>
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<td>ESP</td>
<td>Economic Stimulus Program</td>
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<td>EPWF</td>
<td>Elderly People Welfare Fund</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GoK</td>
<td>Government of Kenya</td>
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<td>H₀</td>
<td>Null hypothesis</td>
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<td>Alternative hypothesis</td>
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<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>Local Authority Trust Fund</td>
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<td>NESC</td>
<td>National Economic and Social Council of Kenya</td>
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<td>NPEP</td>
<td>National Poverty Eradication Plan</td>
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<td>OVCSF</td>
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<td>Abbreviation</td>
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<td>PEC</td>
<td>Poverty Eradication Commission</td>
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<td>PEF</td>
<td>Poverty Eradication Fund</td>
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<td>PMCs</td>
<td>Project Management Committees</td>
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<td>Poverty Reduction Strategy Paper</td>
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<td>SACCOs</td>
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ABSTRACT

Poverty eradication fund plays a decisive role in appreciably improving the livelihoods of different households’ and communities’ general socio-economic and political development at which such funds are being administered as a strategy of reducing hunger and extreme poverty affecting many rural and urban poor, mostly in many developing countries. This strategy employed by many developing countries salient to reducing hunger and extreme poverty has been influenced by several factors dictating its impacts in areas where it has been administered. The purpose for this research study was therefore to investigate the factors influencing the access of poverty eradication funds by local communities in Yatta District, Machakos County. The objectives of the study were; to establish the extent to which information flow regarding poverty eradication funds influences the local community’s access to poverty eradication funds, to assess how the performance of investment undertakings by previous beneficiaries of poverty eradication funds influences other potential groups to access such funds, to determine the influence of education level of group members on access to poverty eradication funds in Yatta District and to examine the influence of successful community based organizations in accessing poverty eradication funds in Yatta District. This study used descriptive survey design with the questionnaires as the main research instruments for collecting data. The target population was all the legally registered local community organizations in Yatta District. Simple random sampling was used to select the sample to be included in the collection and analysis. Data was analyzed by both descriptive and inferential statistics. Frequency distribution Tables and analysis of variance Tables were constructed. The findings of the study were that the extent to which information flow regarding poverty eradication funds factually influence the local community’s access to poverty eradication funds, there is a strong positive relationship between beneficiaries and potential groups seeking poverty eradication funds, there is a significant relationship between education level and access to poverty eradication funds and that there is strong positive relationship between community based organizations and access to poverty eradication funds. Based on the findings of the study, the researcher makes the following suggestions for further research; factors affecting the management of poverty eradication funds, factors influencing the investment of poverty eradication funds and the impact of poverty eradication funds on the society development.
1.1 Background of the study

According to the World Bank report, (2012) there are 987 million people living on US $1 a day or around 15 percent of the world’s population. Adding to this, a further 2 billion people still live on US $2 dollars a day. That combined together equate to 45 percent of the world’s population. But taking into account inflation since the 1 and 2 dollar arbitrary poverty line was introduced by World Bank economist Martin Ravallion (2008), poverty has not declined in real terms and it is in fact increasing. In this respect, a dollar today is only worth 55 percent of what it was in 1998 or the equivalent present day worth of US $1.82. Considering this therefore, global poverty is far greater today than it was a mere decade ago and the trends are not encouraging for the future.

According to Education News Colorado on 18th June 2012, more kids in United States of America are now living in poverty than in 2000, but more alarmingly they now live at extreme levels of poverty. According to Hacker (2008), 58.5 percent, of all Americans will spend at least one year beneath the poverty line at some point between ages 25 and 75.

Poverty is a prevailing feature amongst many developing countries around the world with ever increasing severe effects of social and economic backdrop felt in countries within sub-Saharan Africa despite much effort put in place to contain the situation (World Bank report, 2012). It is arguably a multidimensional challenge found in different forms both in urban and rural areas only possibly differing in its intensity in most of these affected areas (David Hill, 2008). According to Central Bank of Nigeria; presentation of a paper on “Integrating financial services into poverty reduction strategies” during the west Africa sub regional workshop in 2005, 60% of Africa’s rural
population, consisting chiefly of smallholder farmers, nomads, artisans, fishermen, and indigenous people, are said to fall below the poverty line. Therefore, solutions to poverty require a comprehensive set of well-coordinated measures and cannot be based exclusively on economic policies only (World Bank report, 2011). This is thus the foundation for the rationale underlying comprehensive poverty reduction strategies being employed by different countries around the world including setting out a poverty eradication funds kitty as an integral strategy (Republic of Kenya, 2002). Despite an increase in the average Gross Domestic Product (GDP) per capita in Sub-Saharan Africa in the 1980s, poverty levels actually remained relatively unchanged (World Bank report, 2012).

Poverty Eradication Commission (PEC) was established through a Gazette Notice No. 2295 of 30th April, 1999 with a wide range of mandates including: to promote policies and pilot strategies for eradicating poverty in Kenya; to coordinate poverty eradication activities undertaken by various actors, both governmental and non-governmental agencies throughout Kenya; to Identify and demonstrate poverty eradication initiatives on a pilot basis; to mobilize and manage resources for direct poverty reduction activities with a strong focus on the poorest section of the population and to monitor and evaluate poverty eradication programmes nationally (Poverty Eradication Commission Report, 2009).

The formation of PEC can be traced to the UN World Social Summit which was held in Copenhagen, Denmark from 6th to 12th March, 1995. During this summit, one of the resolutions passed by member states was the need to reduce absolute poverty by half by 2015 (United Nations World Summit for Social Development Report, 1995). Member states were to prepare poverty – specific plans to attain this goal. According to Ministry of State for Planning, National Development and Vision 2030 Executive Report (2012), Kenya produced its National Poverty
Eradication Plan (NPEP) in 1999 and the Commission was appointed to spearhead its implementation.

According to Kenya Welfare Monitoring Surveys (1999), poverty in Kenya is largely a rural and informal-urban problem except in areas where rapid provision of infrastructural development and/or expansion of existing ones in arable-lands and also where commercial/cash crop farming takes place. The survey further argues that, the poor constitute 52% of the population, with women being the majority, and mostly living in the rural areas; along with the Participatory Poverty Assessments of 1994 and 1996, all results produced were not encouraging - the poor continue to increase in number, from 3.7 million in 1992 to 11.5 million in 1994, and estimated to be 15 million today.

It’s against this background that, many developing countries Kenya alike, have devised strategies of reducing poverty among their population (Republic of Kenya, 2003). Poverty eradication fund is one of such strategies which have actually helped many community members in many parts of the world to alleviate hunger and extreme poverty levels affecting their households’ members, thus significantly improving on their living standards (Poverty Eradication Commission, 2009). However, the access to these funds by diverse community members in areas where the strategy is being implemented by the government and/or any other stakeholder has been influenced by certain factors by either impeding and/or aiding its access to such community members’, salient to eradicating extreme hunger and poverty grappling (Kenya Welfare Monitoring Surveys, 2012).

In Yatta District, currently 72% of the rural residents are poor (Yatta District Development Plan 2008 – 2012) with majority being food poor despite having irrigation water within its vicinity, this has compromised the living standards of the populace. The majority of the people in the
district depend directly or indirectly on agriculture for their livelihoods with over 70 per cent of the labour force engaged in either livestock or farming activities (Yatta DAMER 2011/2012).

1.2 Statement of the Problem

The World Summit, (2005) took stock of the progress made to accelerate global efforts to achieve the Internationally-agreed upon development goals, including the MDGs, and the overreaching target of halving the extreme poverty by 2015. According to MDGs report (2007), seven years after the Millennium Summit, many countries are still struggling to achieve the MDGs which include poverty eradication. However the report indicates that, even though some countries are not on track to reach these goals by 2015, others have made significant progress in reducing extreme poverty and, on balance, the results are encouraging.

Some of the strategies of reducing extreme poverty employed by the Kenya Government include administering various devolved funds in all constituencies. These include and not limited to: Women Enterprise Fund (WEF), Youth Development Fund (YDF), Constituency Development Fund (CDF), Community Development Trust Fund (CDTF), Local Authority Trust Fund (LATF), Economic Stimulus Program (ESP), Elderly People Welfare Fund (EPWF), Orphan and Vulnerable Children Support Fund (OVCSF), Total War Against HIV/Aids Funds (TOWA funds), Community Development & Institutional Support Project (CEISP) and Poverty Eradication Fund (Republic of Kenya, 2007).

In 1999, the government of Kenya initiated the Poverty Eradication Fund (PEF) as a sure strategic move towards giving an answer to the reality of poverty in Kenya (PEC report, 2009). PEF is thus a strategy of supporting development initiatives aimed at significantly alleviating poverty through socio-economic empowerment of poor community members in both marginalized
rural areas and informal urban places. The fund’s establishment actually was in line with a commitment to the United Nations World Summit on Social Development held in 1995 at Copenhagen. It was envisaged that this program would facilitate capacity building and community mobilization of legally organized community groups and their undertakings (Republic of Kenya, 2005b).

Despite the fact that the Government of Kenya is administering poverty eradication fund as a strategy of alleviating extreme hunger and poverty grappling many households and/or local communities in Yatta district, the poverty levels remains a major concern that needs to be addressed (Republic of Kenya, 2011). According to Yatta DPEC meeting report (2012), since the inception of poverty eradication fund in the district on 14th March 2011, only 29 groups out of 167 legally registered Groups have so far accessed and benefited from the funds, which is no more than 17.26 percent. The Yatta District Development Plan (2008 – 2012) point out that, 66% of the district population is living in absolute poverty with alarmingly 80% of the entire population being food poor. The Kenya National Bureau of Statistics (2007) adds that, the proportion of the Eastern province’s population below absolute poverty line was 51.1% with that of the entire Country being 56%. Poverty has thus remained a persistent problem in Yatta District today and by extension to the larger National outlook (Kenya Welfare Monitoring Surveys, 2012).

There was therefore a significant need to investigate the extent to which the factors have influenced access to poverty eradication funds by local communities in Yatta District with a view of mitigating the adverse situation.
1.3 Purpose of the Study
The purpose of this study was to investigate the extent to which factors that influence access to poverty eradication fund have affected local communities in Kenya with specific reference to Yatta district in Machakos County.

1.4 Objectives of the study
The study was guided by the following objectives:

(i) To establish the extent to which information flow regarding poverty eradication funds influences the local community’s access to poverty eradication funds in Yatta district.

(ii) To assess how the performance of investment undertakings by previous beneficiaries of poverty eradication funds, influence other potential groups to access such funds in Yatta district.

(iii) To determine the influence of education level of group members on access to poverty eradication funds in Yatta District.

(iv) To examine the influence of successful community based organizations in accessing poverty eradication funds in Yatta District.

1.5 Research Questions
To achieve afore set objectives, this study had sought to answer the following questions;

i) To what extent does the information flow regarding existence of poverty eradication funds influence the local community to access such funds in Yatta district?

ii) How does the performance of investment undertakings by those who benefited earlier on from the poverty eradication fund, influence other groups to access such funds in Yatta district?
iii) How does education level of group members influence access to poverty eradication funds in Yatta district?

iv) How does successful community based organizations influence access to poverty eradication funds in Yatta District?

1.6 Hypothesis

This study was guided by the following hypothesis:-

1. \( H_0: \) There is a significant relationship between information flow regarding poverty eradication funds and local community’s access to poverty eradication funds in Yatta district.

\( H_1: \) There is no significant relationship between information flow regarding poverty eradication funds and local community’s access to poverty eradication funds in Yatta district.

2. \( H_0: \) There is a significant relationship between performance of investment undertakings by previous beneficiaries of poverty eradication funds and other potential groups’ access to such funds in Yatta district.

\( H_1: \) There is no significant relationship between performance of investment undertakings by previous beneficiaries of poverty eradication funds and other potential groups’ access to such funds in Yatta district.

3. \( H_0: \) There is a significant relationship between education level of group members and access to poverty eradication funds in Yatta District.

\( H_1: \) There is no significant relationship between education level of group members and access to poverty eradication funds in Yatta District.
4. H₀: There is a significant relationship between successful community based organizations and access to poverty eradication funds in Yatta District.

H₁: There is no significant relationship between successful community based organizations and access to poverty eradication funds in Yatta District.

1.7 Significance of the Study

The study findings are important to several stakeholders in different ways depending on the interest of each stakeholder. The government may be guided in redesigning its devolved funds policy in respect to the following: evaluate and ease channels of information flow salient to disseminating the government policy to reach the local community timely so as to help them benefit; establish clear and enabling policy guidelines so as to help the District Poverty Eradication Committee (DPEC) vet and select viable groups applying to benefit from the funds done in an utmost transparent way that can urge many local community members seek access to poverty eradication fund.

The government policy implementers (respective departments) regarding poverty eradication fund alike other devolved funds, may learn the dynamics of the rural population view of such funds and adjust the strategic approach a little bit to suit and conform to their traditional believes and practices without necessarily obstructing the government policy on same. Such adjustments could include building the capacities of the locals aimed at courting them seek objectively and aggressively government devolved funds including poverty eradication fund, so as to benefit from low interest rated funds for enterprise/business growth and improvement.

The Development Partners, who support government efforts of alleviating hunger and extreme poverty affecting local population, may also adjust their policies regarding poverty eradication fund to conform to the emerging issues that could be of great importance in tandem
with smooth application of the program in the areas where they and government implement same. This could include setting aside some money and crucial time meant to train and build their capacities holistically in order to helping them apply for such funds. By building their capacities, the local community will thus be able to: organize themselves into more formidable groups that share common venture interests; resource mobilize for funds to help them initiate and operationalize a commercial activity; develop a realistic and viable project proposals meant for submission to DPEC for possible consideration and eventual funding, have ability to improve on governance issue in respect to electing able Project Management Committees (PMCs) and organization’s visionary officials that can lead them in utilizing such funds efficiently and effectively.

The local community population on the other hand, may learn how to boost their individual/group businesses by purposing to seek for funds from the available government devolved funds kitties, besides looking for credit facilities from mainstream financial institutions (for instance Commercial Banks and SACCOs) while firmly maintaining a good repayment rate of returns against income for such devolved funds. The local community population may understand as first-hand highlights of the prevailing external and internal factors affecting their access to poverty eradication fund including: limited information flow on poverty eradication fund; ruined investment interests owing to the failures by those who benefited earlier on from the poverty eradication funds; inability to develop realistic and viable proposals; outreach and linkages by respective departments as the main constraints; and setting them to train in financial management to overcome their devolved funds obstacles.

Likewise this may help the Ministry of Planning, National Development and Vision 2030, to review the poverty eradication fund strategy paper outlining strategies of improving and easing
access to such funds to boost small and micro enterprises funded through such among the local community.

The results of this study may also be invaluable to researchers and scholars, as it forms a basis for further research. It also forms basis for discussions on sustainable poverty eradication funding as a strategy of alleviating hunger and extreme poverty affecting many people in developing countries.

1.8 Limitation of the Study
Respondents might have given socially “correct” answers to please the researcher just in case they happened to have had egocentric motive with high expectations to gain.
The area understudy was vast and there was a challenge of distances to reach the respondents where they were.
Due to diversified community organizations benefiting from poverty eradication funds, there was little homogeneity in thoughts and entrepreneurial orientation concerning challenges facing their access to the funds and type of invested income generating activities.
Access to some areas was a challenge due to poor road networks and availability of the means of transport.

1.9 Delimitation of the Study
This study was designed to investigate the factors influencing access to poverty eradication fund by local communities in Kenya with reference to Yatta district Machakos County, Kenya. The study focused on the influence on four issues namely; information flow regarding poverty eradication funds, performance of investment undertakings by previous beneficiaries, education level of group members seeking access to poverty eradication fund and the influence of successful community based organizations in Yatta District.
As such, the data was generalized with caution to other districts in Kenya and/or the rest of countries of the world, since Yatta district in Kenya might have unusual characteristics that might have had influenced the findings. However, the results can be significantly generalized in most of the other parts in Kenya and elsewhere as long as they nearly have similar characteristics to those in Yatta district. The results may also be used for comparisons between results obtained from studies in other districts in Kenya or other countries of the world.

1.10 Assumptions of the Study

Respondents were familiar with general basic concepts of “access to government devolved funds” and “the respective community organization’s enterprise(s)” including specifically the rural population perception of access to poverty eradication fund. Respondents were representative of the targeted general population both those who benefited and those who un-successively applied for the poverty eradication fund.

The research assumed that the community has had access and prior knowledge of poverty eradication fund. Finally, the researcher’s data collection methods did not in either way influence the participant’s responses.

1.11 Definitions of Significant Terms

Poverty: its serious deficit in income to an individual and/or community leading to eventual denial of opportunities and choices that are widely regarded as essential to lead a long a healthy and creative life salient to enjoying a decent standard of living, freedom, dignity, self-esteem and the respect by others (Martin, 2008).
**Poverty eradication funds:** refer to funds availed to poor community members aimed at enabling them prevail over factors which deprive them their basic requirements of life. It’s literally a revolving fund from the government aimed at assisting the needy in the society.

**Access to Poverty eradication funds:** refer to the ability and/or opportunity for a given legally registered community based organization to benefit from the revolving fund meant to aid them initiate and/or expand their investment undertakings salient to alleviating extreme hunger and poverty.

**Community:** a community is an area of social living marked by some degree of social coherence.

**Development:** it’s widely used to refer to the act or process of growing, progressing, or changing situations/aspects like socio – economic, from a lower level to a perceived higher level.

**Community development:** refers to the situation where by a community keeps in changing with times in regard to dynamics of social, cultural, political and religious believes.

**Community development participation:** refers to active involvement of community members in their own projects undertaken to enhance their living standards.

**Development partners:** refers to those organizations and/or entities that enter into a working relationship with the government in a common commitment and objective of initiating and implementing programmes meant to eradicating poverty.

**Strategy:** refers to a plan or a means employed by a given organization and/or community to get it from one point to the next more often than not from a discredited point to a perceived better point.
**Employment**: refers to the accessibility of opportunities to run a decent and honest living through formal and informal jobs.

**Fund**: refers to the sum of money self raised, sourced for and/or saved by a community based organization meant to undertake a particular purpose.

**Investment**: refers to commitment of money or utilization of resources in order to increase income and/or earn socio-economic benefit in the future.

### 1.12 Organization of the study

This research report is organized into five chapters. Chapter one consists of the background of the study; statement of the problem; purpose and objectives of the study; research questions; significance; delimitations; limitations; assumptions of the study and finally operational definition of terms.

Chapter two consists of the literature review that supports the study and comprises of introduction of the chapter’s content; then the literature review presented according to the objectives of the study; theoretical and conceptual framework presented at the end of this chapter.

Chapter three dealt with research methodology and it consists of research design, target population, sampling procedures and sample size, research instruments with their reliability and validity, data collection procedures and analysis, ethical considerations and operationalisation of the study variables.

Chapter four deals with data presentation, analysis and interpretation whereas chapter five dealt with summary of the study, discussion of the findings, recommendations and conclusion.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

Chapter two consists of the literature review that supports the study and comprises of introduction of the chapter’s content; then the literature review presented according to the objectives of the study and the theoretical and conceptual framework presented at the end of this chapter. This literature review follows the objectives each making a subtopic and flowing from the first to the last objective.

2.2 Poverty Eradication funds information and the local communities

Poverty is the state of human beings who are poor. That is, they have little or no material means of surviving – little or no food, shelter, clothes, healthcare, education, and other physical means of living and improving one's life (Barr, 2004). Poverty reduction measures, like those promoted by Barr (2004) in his economics classic Progress and Poverty are those that raise, or are intended to raise, enabling the poor to create wealth for themselves as a means for ending poverty forever. Poverty occurs in both developing countries and developed countries. While poverty is much more widespread in developing countries, both types of countries undertake poverty reduction measures.

According to Smeeding (2005) poverty alleviation also involves improving the living conditions of people who are already poor. In particular, Aid in medical and scientific areas, is essential in providing better lives, such as the Green Revolution and the eradication of smallpox. Moreover, problems with today's development aid include the high proportion of tied aid, which mandates receiving Nations to buy products, often more expensive, originating only from donor countries.
According to Chen, et. Al, (2005), information about the poverty eradication funds access and microfinance initiatives remains not only partial but also highly contested. However, some studies tend to caution against such optimism and argue that micro financing is associated with some negative impacts and does not assist the poorest.

Notwithstanding, the application of these diverse methods and increased research activity in this area, it is still not very clear that microfinance is a panacea for poverty (Esping-Andersen, G. 1990). To shed light on these issues, the microfinance literature has recently focused on measuring the impact of credit on household welfare (Smeeding, 2005). It is argued that credit contributes positively to household welfare through improving household production or smoothing consumption over time. Specifically, it is shown that although most credit programmes may not serve the poorest of the poor, all categories of the poor may be able to benefit through increased income and reduced vulnerability to ‘shocks’, as noted in Kenworthy, (1999).

2.2.1 Poverty Policy Framework in Kenya.

According to Sessional Paper No. 10 of 1965, the poverty policy framework in Kenya can be traced to 1965 when the Government identified poverty, illiteracy and disease as some of the major challenges facing the country then, and committed itself to fighting the vices particularly through pursuing high economic growth strategies. Subsequent National blue prints, National Development Plans, Sessional Papers and other Government policy papers prominently featured poverty concerns.

Kenya, like most other countries in Africa has been in the process of developing a Poverty Reduction Strategy Paper (PRSP) and a system for monitoring progress in the implementation of the strategy over the past years (Republic of Kenya, 1999). However, the status of the PRSP and
government’s commitment to its implementation has not always been clear, (Huber, & Moller, 2003). The National Poverty Eradication Plan (NPEP 1999 – 2015) is a long term plan designed to fight poverty over a 15 year time frame. It was designed to be implemented in six year cycles and was launched in 1999. Its main objectives are the reduction in the incidence of poverty in both rural and urban areas by 50 per cent by 2015, and strengthening the capabilities of poor and vulnerable groups to earn income, reduce gender and geographical disparities, and to have a healthier, better educated and more productive population. Its three main pillars are improved access to basic social services, promotion of broad based economic growth, and a charter for social integration (Republic of Kenya, 1999).

Although the Government strategies of poverty eradication are there, it is still not clear whether the local communities (especially in areas where the strategies are being implemented by the government) are aware of such Government strategies above all the existence of the poverty eradication funds.

2.3 The poverty eradication fund and investment in the community.

The Government of Kenya produced the National Poverty Eradication Plan (NPEP 1999 – 2015) as a national policy for the fight against poverty in Kenya and established the Poverty Eradication Commission to co-ordinate, monitor and oversee its implementation (Republic of Kenya, 1999). The strategies of the NPEP are focused on improving access to essential social services through investments on basic health, education and safe drinking water and sanitation (Republic of Kenya, 2002). They also focus on eradicating income poverty through broad based economic growth that involves creation of improved gainful employment opportunities for the poor particularly in small scale agriculture, and non-farm small scale business and Rural and Urban micro enterprises (Republic of Kenya, 2005b).
The National Economic and Social Council of Kenya (NESC) Publication (2007) asserts that, the strategies adopted by the National Poverty Eradication Plan are in line with those identified under the present long term National blueprint, vision 2030. According this Publication, the government aims to create a just and equitable society without extreme poverty through promotion of high and broad based economic growth, and increasing community empowerment through devolved public funds for both social and income generating programmes, weighted in favour of the most disadvantaged communities. This involves developing wealth creating opportunities for the disadvantaged groups and regions by increasing infrastructure spending in the sub-sectors of roads, water, sewage, communications and electricity targeting poor communities and regions; and availability of affordable and accessible credit and saving programs (Republic of Kenya, 2003). The strategy will ensure improved and fair distribution of income among the various income classes, and also ensure equitable development in all regions and across gender (Republic of Kenya, 2005a).

According to GoK policy framework of (1999), policies for addressing poverty in Kenya since 1999 to-date are focusing on improving access to essential social services as well as on eradicating income poverty. It stipulates that, under improved gainful employment opportunities for the poor to combat income poverty, focus is put on the following areas: (a) Agriculture: given that this is by far the largest source of gainful employment many of the poverty eradication interventions were to be in the sector, through increasing farm outputs and productivity in the small-scale agriculture (b) Non-farm Rural and Urban small enterprises: given that most of the rural poor are engaged here or combine small-holder farming with part-time trading in small enterprises (c) Developing affordable Micro-finance services through group-based lending to small business. The strategies were selected on assumption that, they are likely to have sustainable impact on a bigger number of
poor people and to effectively tackle the income poverty with their success based on the assumption of strengthening the institutional framework for coordinating these efforts (Republic of Kenya, 2002).

It has been emphasized that group lending with joint liability may lead to peer-monitoring or peer-pressure among group members which reduces problems of moral hazard and enforcement (Narayan, & Nicholas, 2002). This may be because a high joint liability component in the debt contract provides incentives to borrowers to choose a safe investment project (Khandker, 1998). In addition, some recent theoretical papers have noted that joint liability lending induces group members to self-select each other (Yunus, 1999). Narayan & Nicholas (2002) argues that, the optimal outcome is one in which all borrowers with the same probability of success match together (homogeneous matching). However, Khandker, (1998) asserts that the optimality of homogeneous matching only holds in a frictionless world. However, the real world is characterized by frictions due to imperfect information, the unavailability of partners with the same risk characteristics, the inability to force contracts and the inability to fully screen and monitor group members (Yunus, 1999).

Capital structure also affects corporate behaviour (Claire,,& Renate Hartwig 2011) thus, financing policy, capital structure and firm ownership are all strongly linked in explaining how households form and modify their asset-acquisition behaviour through firms and capital markets, and thereby influence their incomes and returns to asset holdings, whether in the form of direct remuneration and/or capital gains or even dividends. It further argues that, a good financial sector policy for enterprise development seems to promote growth in the household and business sectors. Moreover, the growth of entrepreneurship does strengthen the link between finance and growth, and directly
encourages innovation and productivity—which are some of the basic elements of current poverty reduction strategies (Smeeding, 2005). There is some tentative evidence that the availability of credit for small business may have improved over time (Yunus, 1999). These investments whether done by individuals or community groups encourage other individuals and/or community groups to initiate and nurture viable income generating undertakings hence enhancing the access to poverty eradication funds (Khandker, 1998).

2.4 Education level and access to poverty eradication funds

According to Zuckerman (2002) Universal public education has some role in preparing youth for basic academic skills and perhaps many trade skills as well, meaning that, apprenticeships clearly build needed trade skills. If modest amounts of cash and land can be combined with a bit of agricultural skills in a temperate climate, subsistence can give way toward modest societal wealth (Yunus, 2003). Zuckerman (2002) further affirms that, education for women will allow for reduced family size—an important poverty reduction event in its own right. While all components mentioned above are necessary, the portion of education pertaining to the variety of skills needed to build and maintain the infrastructure of a developing (moving out of poverty) society: building trades; plumbing; electrician; well-drilling; farm and transport mechanical skills (and others) are clearly needed in large numbers of individuals, if the society is to move out of poverty or subsistence (Smeeding, 2005).

According to Paul & Robin (2009), many well-developed western economies are moving strongly away from the essential apprenticeships and skill training which affords a clear vocational path out of modern urban poverty. The popular of the new technical tools for economic development and poverty reduction are micro-loans made famous in 1976 by the Grameen Bank in Bangladesh (Khandker, 1998). According to Yunus (2003), micro-loan is a strategy to ensure poverty
reduction grappling poor population by loaning small amounts of money to farmers or villages so that these people can obtain the things they need to increase their economic rewards. For instance, a small pump costing only $50 could make a very big difference in a village without the means of irrigation. A specific example is the Thai government's People's Bank which is making loans of $100 to $300 to help farmers buy equipment or seeds, help street vendors acquire an inventory to sell, or help others set up small shops. According to (IFAD Vietnam Country programme, 2007), a total of 11 poor provinces are supported by its operations. Between 2002 and 2010, the programme had around 1,000 saving and credit groups (SCGs) formed, with over 17,000 members; these SCGs increased their access to micro-credit for taking up small-scale farm activities.

One of the most conspicuous outcomes of the World Education Forum held in Dakar Senegal, on 26th – 28th April 2000 was that, the international community underscored the need to eradicate extreme poverty and gave its collective commitment to work towards this aim through education (UNESCO World Education Forum Report, 2000). A commitment to poverty eradication was also avowed during the World Summit for Social Development held in Copenhagen in 1995, where abject poverty was considered a severe injustice and an abuse of human rights (United Nations World Summit for Social Development Report, 1995). Its action programme proposes to support livelihood systems and survival skills to help poor people to combat poverty. Subsequently, the United Nations General Assembly declared the period 1997 to 2006 as the First United Nations Decade for the Eradication of Poverty (United Nations Development Report, 2000). The role of education in poverty eradication, in close co-operation with other social sectors, is crucial. No country has succeeded if it has not educated its people. According to UNESCO World Education Forum Report (2000), education not only is important in reducing poverty, it is also a key to wealth creation. Within this context, one of the pledges of the Dakar Framework for Action -
Education for All (EFA): Meeting our Collective Commitments - was "to promote EFA policies within a sustainable and well-integrated sector framework clearly linked to poverty elimination and development strategies" (Zuckerman, 2002). The role of education in this process is particularly one of achieving universal primary education and adult literacy. The report made by the Secretary-General of the United Nations within the context of the Decade for the Eradication of Poverty confirms that universal primary education is central to the fight against poverty (United Nations, 2000). Understandably so, because this is the level of education through which most poor children pass and within which their achievements should assist them to break the cycle of poverty (Zuckerman, 2002). In fact, education is the social institution that reaches the largest segment of the population with the goal of guiding it through a systematic learning process thus in due course imparting incredible skills and knowledge that an individual may explore salient to shaping up his/her life.

2.5 Community based organizations and poverty eradication funds

Community based organizations (CBO’s) are civil society non-profit organizations that operate within a single local community (Phillip, 2005). They are essentially a subset of the wider group of non-profit organization often run on a voluntary basis and are self funded like other non-profit organizations (Allan, 2005). According to Phillip (2005), within community organizations there are many variations in terms of size and organizational structure. Some are formally incorporated, with a written constitution and a board of directors (also known as a committee), while others are much smaller and are more informal. The recent evolution of community organizations, especially in developing countries, has strengthened the view that these "bottom-up" organizations are more effective addressing local needs than larger charitable organizations (Adger, 2001). The focus is to
build equality across society in all streams - health care, environment, quality of education, access to technology, access to spaces and information for the disabled, to name but a few (Phillip, 2005). Allan, (2005) asserts that, CBO's are typically, and almost necessarily, staffed by local members - community members who experience firsthand the needs within their neighborhoods. Besides being connected geographically, the only link between staff members and their interests is often the desire and willingness to help (Phillip, 2005). Occupational skill sets and experience is thus greatly diverse. These forms part of human resource necessary for investment therefore helping in alleviating poverty (Adger, 2001).

According to Allan, (2005) governments are increasingly delegating responsibility to CBO's and relying on them to gather local concerns, develop, plan, and help deliver solutions. Moreover, CBO's are storehouses, gatekeepers; of local information obviously valuable for their own purposes, but this data is also useful to other organizations and government agencies (Phillip, 2005). The role of CBO's is becoming knowledge management - to compile, sort, store and retrieve local data (Adger, 2001). Technology is increasingly becoming more important to this function, to manage daily business operations, but also to develop innovative solutions, given restrictive budgets, limited personnel available, and new demands for services and information (Paul & Robin 2009). According to Allan, (2005) technology is being used to bring in the voice of the community members, through public participation and input. Applications include mapping of community landmarks and services by locals, providing environmental baseline and change measurements, and identifying concerns common throughout the community (Paul & Robin 2009). The local communities based structures like CBOs, depending on how they adopt technology and manage their livelihood undertakings, can positively and/or adversely dictate on how other potential CBOs may come to a decision of pursuing a good cause.
2.6 Theoretical Framework.

This study was based on Arubayi (2006) theoretical concept of a social system, in which stability of the system is constantly endangered by both intrinsic as well as extrinsic factors. The intrinsic factors in this case are the education level and information flow about poverty eradication while the extrinsic factors would be the social economic background and environment. This Theoretical Framework postulates that various forms of needs arise in the society such as need for food, education and clothing which translates into poverty. This relates to Charles Darwin (1874) social theory which emphasize that every citizen should be given, the social status to which he or she entitles him or her to inherited aptitude (Darwin, 1872). Schematically, the theory observes that provision of formal equity of access to funds by putting everybody on the same level from the scratch guarantees that the ensuring run is a just one. The theory asserts that the criteria of the scholastic promotion should be ability and will. Therefore a systematic financial aid that is expected to set in motion an intensive social mobility by facilitating an open competition where the community members would get access to funds that they deserve is significant.

2.7 Conceptual frame work

In writing this proposal, the researcher conceptualized the independent, dependent, intervening and moderating variables as shown in Figure 1.
Figure 1. Conceptual framework

The independent variables are: Information flow regarding poverty eradication funds; investment undertakings; the influence of education level of those seeking access to poverty eradication funds and the influence of successful community based organizations. This means that for the communities to apply and access for the funds, they need to know that the funds exist and they are being given out to legally registered community based organizations that make effort of applying for them. Besides the activities of the communities will forthwith determine access to poverty
eradication funds if they have a good project plan on how to spend the money, so as to qualify for allocation. As well, the education level of the officials determines if the CBOs will follow the right application procedures leading to access of the funds. Furthermore if the communities are aware of other groups who applied for and accessed the same funds subsequently benefitting from their investment undertakings, they will make an attempt to access the funds.

The moderating variable is CBO’s committee which determines whether the group follows the right application procedures leading to access of the funds. Furthermore the CBO’s committee management strategies determine how the funds application procedures are followed and if not well followed then the group might not access the funds. As well the composition of gender distribution for the CBO’s committee is important to augment views of the committee members.

The intervening Variable is Funds application procedures which must be followed by the CBO’s committee when applying for the access of the funds. The CBO’s committee must know the number of times the funds are applied in a year and as such pursue the right timing in applying for the same. Also the number of successful applications should persuade other groups to seek access of the funds. All these variables will determine the dependent variable which is access to poverty eradication funds.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction
This chapter describes the methods that were utilized in the study. They include the research design, target population, sampling and sampling techniques, research instruments for data collection, Validity and reliability of instruments, data collection procedure, and data analysis techniques.

3.2 Research design
The study used a descriptive survey design. A descriptive survey research is designed to obtain permanent and precise information concerning the current status of the variables under investigation and generalizations from the facts observed (Lukesh, 1994). Kothari (2004) has stated that a descriptive research provides the description of the information about the variables population. Descriptive survey was used because it is appropriate for fact finding and fields a great deal of information for this study. It also enables the researcher to gather data at a particular point in time and use to describe the nature of the existing conditions.

3.3 Target population
The target population is that specific population in relation to which information is desired. According to Mugenda and Mugenda (2003), the target population should have some observable characteristics, to which the researcher intends to generalize the results of the study. The target population of this study was all the 167 Community based organizations in Yatta District distributed across all the 8 locations in Yatta District.
3.4 Sample size and Sampling Procedure

Sampling is a means of selecting a given number of subjects from a defined population as representative of that population (Kombo & Tromp, 2006). The research used census sampling to select the three Divisions in Yatta District. This is because Yatta District is currently undertaking a pilot project on poverty eradication fund. To select the sample for the study the researcher used both census and simple random sampling. Census was used to select all the locations and simple random sampling was used to select the community based organizations’ respondents from every Location where 30 percent of the respondents were included in the study. This is according to Mugenda & Mugenda (2003) who proposed that a sample of 30 percent is sufficient enough. To arrive at the sample size the Formula used was \( s = \frac{30}{100} \times P \) where \( s \) is the sample size and \( P \) is the total population. This made a sample of 50 CBOs where an Executive Official of the selected group was interviewed.

<table>
<thead>
<tr>
<th>Division</th>
<th>Number of CBOs</th>
<th>30%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yatta Central</td>
<td>87</td>
<td>26</td>
</tr>
<tr>
<td>Ikombe</td>
<td>44</td>
<td>13</td>
</tr>
<tr>
<td>Katangi</td>
<td>36</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>167</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

Source of the information: Minutes of the Sub-DPEC Committee Meeting Held on 27\(^{th}\) and 28\(^{th}\) November 2012 at the DDO’s Boardroom Starting At 10.00am.
3.5 **Research Instruments**

The information for this study was gathered by use of one questionnaire for the community based organization’s official. Mugenda & Mugenda (2003) observes that the use of a questionnaire is a popular method for data collection in most disciplines because of the relative ease and cost effectiveness with which they are constructed and administered to large samples.

3.5.1 **Community Based Organization Officials’ Questionnaires**

Questionnaire for the community based organization officials was divided into five sections. Section one was about the demographic data which included gender, marital status, age, employment status, land ownership and level of education, section two was about the information access by community members, section three was about the performance of previous beneficiaries, section four was about influence of education level whereas section five was about the CBO influence on poverty eradication fund access.

3.6 **Instrument Validity**

Validity is the degree to which the results obtained from the analysis of the data actually represents the phenomenon under study (Orodho, 2009). Content validity of the instruments was used to measure the degree to which the items represents the specific areas covered by the study. Therefore, content validity of the instruments was determined by experts in research methodology from the School of Continuing and Distance Education of the University of Nairobi. The experts advised on the questionnaire and the questionnaires open-ended items to be corrected. The corrections on the identified items were incorporated into the instruments so as to increase its content validity. Finally the validity of the questionnaires’ open-ended items was ascertained by lecturers from the School of Continuing and Distance Education of the University of Nairobi.
3.6 Instrument reliability

Reliability has to do with the quality of measurements. In research, the term reliability means "repeatability" or "consistency" of measures (Kasomo, 2006). In the piloting process split-half method was used by administering the questionnaires’ closed-ended items which was subjected to a pilot study utilizing a sample of 8 randomly selected respondents. The data values collected were operationalized and the numerical scores were split into two using ‘old number versus even number items’ process to get two sets of values which was correlated using Pearson Product Moment Correlation Coefficient and Spearman’s Rank Correlation Coefficient to calculate the coefficient of relationship. A correlation coefficient of 0.8 was obtained which was sufficient enough for these questionnaires to have high pretest reliability as ascertained by Kasomo (2006).

3.7 Data Collection Procedure

The researcher obtained a permit from the National Council for Sciences and technology in order to be allowed to collect data. A copy of the permit was submitted to the District Commissioner in Yatta District. The researcher did pre-visit in 10 selected groups to make prior arrangement and establish a good rapport with the officials before actual data collection date. The questionnaires were personally administered by the researcher. They were filled in by the respective respondents and the researcher collected them.

3.8 Data Analysis techniques

Data was analyzed using both descriptive and inferential statistics. Statistical tally system was used to generate frequency counts from the responses so as to prepare frequency distributions. Percentages were calculated from the responses out of the total study sample response per item. This was followed by data interpretation. To analyze the relationship between independent and
dependent variables, the researcher tested the hypothesis following the research objectives. This was done by first coding the data and then entering it in SPSS software which generated correlation Tables hence helping the researcher to make conclusions about the relationship between the independent and depended variables using Pearson moment correlation coefficient.

3.9 Ethical Considerations

Ethics involves the study of right and wrong conduct (Ciulla J.B, 1995). Proper care was taken to ensure that all information from the respondents would be treated with maximum confidentiality. To increase the degree of confidence among the respondents, no names or personal identification details was required for the purpose of filling in the questionnaires. The sources of data and other information for literature review were acknowledged effectively in the study.
<table>
<thead>
<tr>
<th>Objectives</th>
<th>Variables</th>
<th>Indicator(s)</th>
<th>Measurement</th>
<th>Level of scale</th>
<th>Tools of analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>To establish the extent to which information flow regarding poverty eradication funds influences the local community’s access to poverty eradication funds in Yatta district.</td>
<td>Information flow regarding poverty eradication</td>
<td>Access to poverty eradication funds</td>
<td>-number of applications - number of community based organization s</td>
<td>-No. of applications and enquiries</td>
<td>- Nominal -Ordinal</td>
</tr>
<tr>
<td>To assess how the performance of investment undertakings by previous beneficiaries of poverty eradication funds influence other potential groups to access such funds.</td>
<td>Poverty eradication funds investment</td>
<td>Access to poverty eradication funds.</td>
<td>-Activities of the community based organization s -Benefits from the investments -Amount of funds allocated</td>
<td>Diversification of activities</td>
<td>-Interval - Nominal -Ordinal</td>
</tr>
<tr>
<td>To evaluate the influence of education level of group members on access to poverty eradication funds.</td>
<td>Education level</td>
<td>Access to poverty eradication funds.</td>
<td>- Education level for the office bearers - Number of times they have applied.</td>
<td>Academic and professional certificates</td>
<td>-Interval - Nominal -Ordinal</td>
</tr>
<tr>
<td>To examine the influence of successful community based organizations in accessing poverty eradication funds.</td>
<td>Influence of community based organizations</td>
<td>Access to poverty eradication funds.</td>
<td>- Number of community based organization s started per year. -Amounts allocated - Activities</td>
<td>Successful activities Funds allocated</td>
<td>-Interval - Nominal -Ordinal</td>
</tr>
</tbody>
</table>
CHAPTER FOUR
DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents results from the collected data, interpreted and discussed following the research objectives. The purpose of this study was to investigate factors that influence access to poverty eradication funds by local communities in Kenya with reference to Yatta District in Machakos County. This was in the light of the fact that, despite the fact that the Government of Kenya is administering poverty eradication fund as a strategy of alleviating extreme hunger and poverty, the poverty levels still remains a major concern. The researcher sought to establish the extent to which information flow regarding poverty eradication funds influences the local community’s access to poverty eradication funds, assess how the performance of investment undertakings by previous beneficiaries of poverty eradication funds influence other potential groups to access such funds, to evaluate the influence of education level of group members on access to poverty eradication funds, and to examine the influence of successful community based organizations in accessing poverty eradication funds in Yatta District. Data was collected using the questionnaires as the main research instruments. The questionnaires were subjected to 50 respondents composed of CBOs’ executive officials. The data collected were analyzed using both descriptive and inferential statistics. Frequency Tables and analysis of variance Tables to test the stated hypothesis were constructed following the research objectives. This was followed by data interpretation. The researcher first reported the return rate of the questionnaires as shown in Table 4.1.
4.2 **Questionnaire Return Rate.**

Questionnaire return rate is the proportion of the sample that participated in the survey as intended in all research procedures.

<table>
<thead>
<tr>
<th>Response rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returned</td>
<td>50</td>
<td>100%</td>
</tr>
<tr>
<td>Not returned</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Table 4.1 shows that 100% of the questionnaires were filled in and returned. This shows that the respondents took the research seriously. It also shows that, the respondents were confident with the researcher and had trust that, the information generated was not to be faultily used to infringe their privacy.

4.3 **Distribution of Respondents by Gender**

The respondents were asked to indicate their gender, this aimed at establishing whether the study was gender sensitive, assess the level of gender equity in groups’ leadership and governance and to establish if gender influenced financial management skills.

The results were shown in Table 4.2
Table 4.2: Distribution of respondents by gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>34</td>
<td>68%</td>
</tr>
<tr>
<td>Female</td>
<td>16</td>
<td>32%</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 4.2 showed that 68% of the respondents were male while 32% were female. This indicates that the number of male respondents were more than the female. The male respondents are almost double the female respondents. There is a big gender imbalance in the gender distribution as opposed to the government campaigns for gender balancing in public offices.

4.4 Distribution of Respondents by Age

The researcher sought to establish the age distribution of the respondents, salient to ascertaining how age disparity affected involvement in community based organizations and participation in local community development agenda. The results were presented on Table 4.3

Table 4.3: Distribution of respondents by age

<table>
<thead>
<tr>
<th>Age in years</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 25</td>
<td>7</td>
<td>15%</td>
</tr>
<tr>
<td>25-34</td>
<td>15</td>
<td>30%</td>
</tr>
<tr>
<td>35-44</td>
<td>15</td>
<td>30%</td>
</tr>
<tr>
<td>45 – 59</td>
<td>10</td>
<td>20%</td>
</tr>
<tr>
<td>Above 60</td>
<td>3</td>
<td>5%</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100%</td>
</tr>
</tbody>
</table>
Table 4.3 shows that majority of the respondents (60%) were aged between 25 and 44 years. This was followed by those who were aged between 45 – 59 years with 20%. The least were those who were aged above 60 years making 5% which could be due to old age limitation. The Table clearly indicates that, the youthful population involvement in community based organizations and participation in local community development agenda is well observed. This might be due to high unemployment rates they are facing, and as such, they team up to fulfill the government devolved funds’ policy which requires beneficiaries to be in legally registered groups so as to benefit.

4.5 Marital Status of Respondents

The researcher sought to investigate the marital status of the respondents with a view that, those who commit their lifetime to partners in form of a family are responsible and thus can responsibly manage public resources. The responses were presented in the Table 4.4.

Table 4.4: Marital status

<table>
<thead>
<tr>
<th></th>
<th>Respondents</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>40</td>
<td>80%</td>
</tr>
<tr>
<td>Single</td>
<td>10</td>
<td>20%</td>
</tr>
<tr>
<td>Separated</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Tables 4.4 revealed that majority (80%) of the respondents were married. The single respondents were 20%. However no respondent was separated. This shows that most of the married respondents had been randomly selected (as CBO officials) during the survey; and therefore to large extent, the local community members in utmost good faith entrusted them with the responsibility of managing their respective CBO’s affairs.
4.6 **Professional qualification of the respondents**

The researcher sought to establish the academic qualification of the respondents in tandem with establishing if level of education influences the election of CBO’s officials. People with high education levels are thought to possess good management skills, a recipe to visionary leadership. The results were shown in Table 4.5.

**Table 4.5: Distribution of respondents by academic qualification**

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>24</td>
<td>48%</td>
</tr>
<tr>
<td>Secondary</td>
<td>20</td>
<td>40%</td>
</tr>
<tr>
<td>University/College</td>
<td>16</td>
<td>12%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>50</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Table 4.5 revealed that majority of the respondents (48%) had primary education only, 40% of the respondents had secondary education and 12% had university /college level. Little education seems to be very high among the respondents (who were actually executive officials of their respective CBOs) and this could be affecting access to poverty eradication funds.

4.7 **Number of dependants in a household**

The researcher sought to establish the respondent’s dependants. This was so as to establish the poverty levels as more dependants require more funds for upkeep. The results were shown in Table 4.6.
Table 4.6 Number of dependants in respondent’s households

<table>
<thead>
<tr>
<th>Family size</th>
<th>Number of households</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- 4</td>
<td>14</td>
<td>27%</td>
</tr>
<tr>
<td>5-8</td>
<td>20</td>
<td>40%</td>
</tr>
<tr>
<td>over 9</td>
<td>16</td>
<td>33%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Table 4.6 shows that 40% of the respondents have 5 - 8 family members in their households and was followed by those with more than 9 family members with 33%. The least is those with 1-4 members making 27%. This shows majority of respondents have big families and are majority (60%) aged between 25 and 44 years as indicated for in Table 4.3. They fall under the active reproductive age bracket which alarmingly explains the need for more funds for upkeep.

4.8 Employment status

The researcher sought to investigate the employment status of the respondents. The responses were presented in Table 4.7.

Table 4.7: Employment status of respondents

<table>
<thead>
<tr>
<th>Employment</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>3</td>
<td>6%</td>
</tr>
<tr>
<td>Company</td>
<td>2</td>
<td>4%</td>
</tr>
<tr>
<td>Self</td>
<td>45</td>
<td>90%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Table 4.7 shows that majority of the respondents (90%) were self employed. This could be as a result of the education level as observed earlier. Very few respondents were employed by either Government (6%) or private company (4%). This could mean little earnings for the respondents.

4.9 Land ownership for respondents

The researcher sought to investigate the land ownership of respondents. This was to ascertain if the respondents had land of their own or not. The responses presented in Table 4.8

Table 4.8: Land ownership of respondents

<table>
<thead>
<tr>
<th>Land ownership</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landowner</td>
<td>45</td>
<td>90%</td>
</tr>
<tr>
<td>Landless</td>
<td>5</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Table 4.8 shows that majority of the respondents (90%) had their own land while only 10% were landless. They were still on their parents land.

4.10 Poverty eradication funds and the local communities

The first objective for this study was to investigate the extent to which information flow regarding poverty eradication funds influences the local community’s access to poverty eradication funds. To achieve this objective, respondents were required to give information on their main economic activity and the information flow.
From Table 4.9, it can be observed that all the respondents (100%) were aware of the poverty eradication funds availability, were members of a community based organization and their CBO had applied for the funds. On the other hand majority of the respondents (56%) never benefitted from the funds while 44% had benefitted.

Further the researcher investigated how the respondents got the information of poverty eradication funds. The responses were presented in Table 4.10.

Table 4.10 shows that majority (76%) of respondents got the information concerning poverty eradication funds through other sources mostly their respective CDAs among others. 14% got the information through friends while 10% got it through Chiefs’ barazas. However none of the respondents got the information through the media.
4.11 The poverty eradication fund and investment

The second objective for this project was to assess how the performance of investment undertakings by previous beneficiaries of poverty eradication funds, influence other potential groups to access such funds in Yatta district. To achieve this objective, respondents were required to give information on access and investment of poverty eradication funds. The responses were indicated in Table 4.11.

Table 4.11 Access to poverty eradication funds

<table>
<thead>
<tr>
<th>Amount in Kshs</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;50,000</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>50,000 – 100,000</td>
<td>6</td>
<td>12%</td>
</tr>
<tr>
<td>100,000 – 150,000</td>
<td>12</td>
<td>24%</td>
</tr>
<tr>
<td>150,000 – 200,000</td>
<td>15</td>
<td>30%</td>
</tr>
<tr>
<td>&gt;200,000</td>
<td>17</td>
<td>34%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

According to Table 4.11, 34% of the respondents received over Kshs 200,000 followed by 30% who received Kshs 150,000 – 200,000. 12% received Kshs.100, 000 – 150,000. The least were the groups which received Kshs 50,000 – 100,000. However none of the respondents got less than Kshs 50,000. This shows that majority (76%) of the respondents had received at least Kshs 100,000. This amount if well invested can assist the locals in poverty eradication.

4.12 Education level and poverty eradication funds

The third objective for this study was to evaluate the influence of education level of group members on access to poverty eradication funds in Yatta District. To achieve this objective, respondents were required to fill in the 5-liked scale indicating their agreement level to the stated statements.
Table 4.12 Education level and poverty eradication funds

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of education affects access to poverty eradication funds.</td>
<td>20</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>(40%)</td>
<td>(20%)</td>
<td>(20%)</td>
<td>(20%)</td>
<td>(0%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>Majority of the community organizations leaders are not educated.</td>
<td>20</td>
<td>16</td>
<td>10</td>
<td>4</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>(40%)</td>
<td>(32%)</td>
<td>(20%)</td>
<td>(8%)</td>
<td>(0%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>Community members do not have enough education to manage funds leading to losses.</td>
<td>12</td>
<td>20</td>
<td>10</td>
<td>8</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>(24%)</td>
<td>(40%)</td>
<td>(20%)</td>
<td>(16%)</td>
<td>(0%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>The education level limits amount of funds allocated.</td>
<td>10</td>
<td>19</td>
<td>14</td>
<td>7</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>(20%)</td>
<td>(38%)</td>
<td>(28%)</td>
<td>(14%)</td>
<td>(0%)</td>
<td>(100%)</td>
</tr>
</tbody>
</table>

Table 4.12 revealed that 40% of the respondents strongly agreed that lack of education affects access to poverty eradication funds and also agreed that community members do not have enough education to manage funds leading to losses. 38% of the respondents agreed that the education level limits amount of funds allocated. 40% strongly agreed that majority of the community organizations leaders are not educated. This shows that education is very important and it affects
the access of poverty eradication funds to a greater extend and therefore more educated officials ought to be elected to lead their CBOs.

4.13 Community based organizations and poverty eradication funds.

The last objective for this study was to examine the influence of successful community based organizations in accessing poverty eradication funds in Yatta District. To achieve this objective, respondents were to give information concerning the age of their CBO and the respective CBO’s activities. The responses were represented in Table 4.13.

Table 4.13: Community based organizations and poverty eradication funds

<table>
<thead>
<tr>
<th>Age in years</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>1 – 3</td>
<td>14</td>
<td>28%</td>
</tr>
<tr>
<td>3 – 5</td>
<td>25</td>
<td>50%</td>
</tr>
<tr>
<td>&gt; 6</td>
<td>11</td>
<td>22%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 4.13 revealed that majority of the respondents, 50% had operated for 3 – 5 years, 28% of the respondents had operated for 1 - 3; 22% had operated for more than 6 years. However none of the CBOs had operated for less than one year. This shows that, many CBOs’ were in operation for quite some time and could have immense experience in economic undertakings and therefore requires more money to continue operating.

Further the researcher investigated the CBOs’ activities. The responses were presented in Table 4.14
Table 4.14: Main economic activity of the CBO

<table>
<thead>
<tr>
<th>Activity</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>36</td>
<td>72%</td>
</tr>
<tr>
<td>Business</td>
<td>14</td>
<td>28%</td>
</tr>
<tr>
<td>Carving</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>50</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Tables 4.14 revealed that majority of the respondents were doing agriculture (72%) as their main economic activity while 28% were undertaking business. None of the respondents was doing carving. This shows the high levels of poverty among many families owing to the fact that, the region usually receives erratic rainfall and thus no serious farming can be done to support families throughout the year.

4.14 Hypothesis testing

Data for this study was analyzed by testing several hypotheses using Spearman’s correlations coefficient and ANOVA. This was tested by coding the data and analyzing using statistical package for social scientist following the research hypothesis. The generated Tables were shown below together with their interpretations.

4.14.1 Relationship between information flow about poverty eradication funds and access.

The first hypothesis was to test whether there was a significant relationship between information flow regarding poverty eradication funds and local community’s access to poverty eradication funds in Yatta district. Pearson correlation coefficient at 0.05 significance level was used. The results for the test were shown in the Table below.
Table 4.15 Relationship between information flow regarding poverty eradication funds and access

<table>
<thead>
<tr>
<th>Information flow</th>
<th>Pearson Correlation</th>
<th>Access to funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information flow</td>
<td>1</td>
<td>0.8</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.084</td>
<td>0.084</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Access to funds</td>
<td>0.8</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.084</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

The correlation coefficient relationship between information flow regarding poverty eradication funds and access to poverty eradication funds is +0.80 with 0.084 significant level. This correlation coefficient is very high implying that there is a strong positive relationship between information flow regarding poverty eradication funds and access to poverty eradication funds. We therefore accept the hypothesis and conclude that there is a significant relationship between information flow regarding poverty eradication funds and local community’s access to poverty eradication funds in Yatta district.

4.14.2 Relationship between investment undertakings by previous beneficiaries and other potential seekers to access funds

The second hypothesis for this study was to test whether there is a significant relationship between investment undertakings by previous beneficiaries and other potential seekers to access such funds in Yatta district. This was analyzed using Pearson correlation coefficient at 0.05 significance level. The results were shown below.
Table 4.16 Correlation between investment undertakings by previous beneficiaries and other potential seekers to access funds

<table>
<thead>
<tr>
<th></th>
<th>Beneficiaries</th>
<th>Potential seekers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>0.70</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.56</td>
<td>0.56</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

The correlation coefficient between beneficiaries and potential is + 0.70 with 0.56 significant level. This correlation coefficient implies that there is a strong positive relationship between beneficiaries and potential seekers. We therefore accept the hypothesis that there is significant relationship between earlier beneficiaries and potential fund seekers.

4.14.3 Relationship between education level and access to poverty eradication funds

The third hypothesis for this study was to test whether there is relationship between education level and access to poverty eradication funds. To test this hypothesis, an ANOVA Table was constructed at 5% alpha level as shown below.

Table 4.17 ANOVA Relationship between education level and access to poverty eradication funds

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>0.6458</td>
<td>1</td>
<td>0.658</td>
<td>6.297</td>
<td>0.074</td>
</tr>
<tr>
<td>Within Groups</td>
<td>9.982</td>
<td>49</td>
<td>0.113</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>10.531</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The above Table shows that the significance value is 0.074. This is greater than 0.05 alpha level and therefore we accept the hypothesis and conclude that there is a significant relationship between education level and access to poverty eradication funds.

4.14.4 Relationship between community based organizations and access to poverty eradication funds.

The last hypothesis for this study was to test whether there is association between community based organizations and access to poverty eradication funds. This hypothesis was tested using Pearson correlation coefficient at 0.05 significant level. The results for the test were shown in Table 4.18.

**Table 4.18 Relationship between communities based organizations and access to poverty eradication funds.**

<table>
<thead>
<tr>
<th></th>
<th>CBO members</th>
<th>Access to poverty funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBO members</td>
<td>Pearson Correlation</td>
<td>0.75</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>1</td>
<td>0.75</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Access to poverty eradication funds</td>
<td>Pearson Correlation</td>
<td>0.75</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.064</td>
<td>1</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

Table 4.18 shows that the correlation coefficient between the community based organizations and access to poverty eradication funds is 0.75 with 0.064 significant levels. There is a strong positive correlation coefficient. It is significant at 0.05 alpha level because the P value of 0.064 is greater than 0.05. We therefore accept the hypothesis and conclude that there is strong positive relationship between communities based organizations and access to poverty eradication funds.
CHAPTER FIVE
SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter presents summary of the research findings, discussion of the findings and conclusions made from the study. Finally recommendations made from the findings and suggestions for further research are presented.

5.2 Summary of the Findings

The purpose of this study was to investigate factors that influence access to poverty eradication funds by local communities in Kenya with reference to Yatta District in Machakos County. This was in the light of the fact that despite the fact that the Government of Kenya is administering poverty eradication fund as a strategy of alleviating extreme hunger and poverty the poverty levels still remains a major concern.

The study first sought to establish the extent to which information flow regarding poverty eradication funds influences the local community’s access to poverty eradication funds. The study revealed that all the respondents (100%) were aware of the poverty eradication funds availability, were members of a community based organization and their CBO had applied for the funds. On the other hand majority of the respondents (56%) never benefitted from the funds while 44% had benefitted. Also the correlation coefficient between information flow regarding poverty eradication funds and access to poverty eradication funds is +0.80 with 0.084 significant level. There is therefore a strong positive relationship between information flow regarding poverty eradication funds and access to poverty eradication funds.
The study sought to investigate how the investment undertakings by previous beneficiaries influence other potential groups seeking to access such funds in Yatta district. It was revealed that 34% of the respondents received over Kshs 200,000 followed by 30% who received Kshs 150,000 – 200,000. The least were the groups which received Kshs 50,000 – 100,000. However, none of the respondents indicated that they got less than Kshs 50,000. This shows that majority (76%) of the respondents had received at least Kshs 100,000. This amount if well invested can really assist the locals in poverty eradication. Also the study revealed that the correlation coefficient between those who benefited and the potential groups is + 0.70 with 0.56 significant level. This correlation coefficient implies that there is a strong positive relationship between beneficiaries and potential groups seeking access to the funds.

The study also sought to determine the influence of education level of those group members seeking access to poverty eradication funds and access to these funds in Yatta District. The study revealed that 40% of the respondents strongly agreed that lack of education affects access to poverty eradication funds and also agreed that community members do not have enough education to manage funds leading to losses. 38% of the respondents agreed that the education level limits amount of funds allocated. 40% strongly agreed that majority of the community based organizations’ leaders are not educated. This shows that education is very important and it affects the access of poverty eradication funds to a greater extend and therefore more educated officials ought to be elected to lead their CBOs. The results from the analysis of variance Table indicated a significance value of 0.074 which is greater than 0.05 significant level and therefore we accept the hypothesis and conclude that there is a significant relationship between education level and access to poverty eradication funds.
Finally, the study examined the influence of community based organizations in accessing poverty eradication funds in Yatta District. The study revealed that, majority of the respondents was doing agriculture (72%) as their main economic activity while 28% were undertaking business. None of the respondents was doing carving. This shows the high levels of poverty among many families owing to the fact that, the region usually receives erratic rainfall and thus no serious farming can be done to support families throughout the year. It was established that the correlation coefficient between the community based organizations and access to poverty eradication funds is 0.75 with 0.064 significant level. This is a strong positive correlation coefficient. It is significant at 0.05 alpha level because the P value of 0.064 is greater than 0.05. The hypothesis is therefore accepted and a conclusion made that there is a strong positive relationship between community based organizations and access to poverty eradication funds.

5.3 Discussion of the Findings

The study first sought to establish the extent to which information flow regarding poverty eradication funds influences the local community’s access to poverty eradication funds. The study established that, there is a strong positive relationship between information flow regarding poverty eradication funds and access to poverty eradication funds. This agrees with Chen. *et. al, (2005)* who argued that information about the poverty eradication funds access and microfinance initiatives remains not only partial but also highly contested. Thus although the Government strategies of poverty eradication are there, it is still not clear whether the local communities (especially in areas where the strategies are being implemented by the government) are aware of such Government strategies above all the existence of the poverty eradication funds. That seems to be the reason why there still remain many poor families despite the Government effort to
eliminate extreme poverty and hunger by the year 2015 in tandem with the MDGs Goal 1 (Eradicate Extreme Poverty & Hunger).

The study also sought to investigate how the investment undertakings by previous beneficiaries influence other potential seekers to access such funds in Yatta district. It was revealed that there is a strong positive relationship between beneficiaries and potential seekers. This agrees with the Claire M., & Renate Hartwig (2011) who argued that, capital structure affects corporate behaviour thus, financing policy, capital structure and firm ownership are all strongly linked in explaining how households form and modify their asset-acquisition behaviour through firms and capital markets, and thereby influence others to adopt the same strategy. According to Claire M., & Renate Hartwig (2011) a good financial sector policies for enterprise development seem to promote growth in the household and business sectors. Investments whether done by individuals or community groups encourage other individuals and/or community groups to initiate and nurture viable income generating undertakings hence enhancing the access to poverty eradication funds.

The study also sought to evaluate the influence of education level of those seeking access to poverty eradication funds and access in Yatta District. It was established that there is a significant relationship between education level and access to poverty eradication funds. This agrees with World Education Forum held in Dakar Senegal, on 26th – 28th April 2000 where the international community underscored the need to eradicate extreme poverty and gave its collective commitment to work towards this aim through education (UNESCO World Education Forum Report, 2000). A commitment to poverty eradication was also avowed during the World Summit for Social Development held in Copenhagen in 1995, where abject poverty was considered a severe injustice and an abuse of human rights (United Nations World Summit for Social Development Report, 1995). Its action programme proposes to support livelihood systems and survival skills to help
poor people to combat poverty. Subsequently, the United Nations General Assembly declared the period 1997 to 2006 as the First United Nations Decade for the Eradication of Poverty (United Nations Development Report, 2000). The role of education in poverty eradication, in close co-operation with other social sectors, is crucial. No country has succeeded if it has not educated its people. Not only is education important in reducing poverty, it is also a key to wealth creation. Within this context, one of the pledges of the Dakar Framework for Action - Education for All (EFA): Meeting our Collective Commitments - was "to promote EFA policies within a sustainable and well-integrated sector framework clearly linked to poverty elimination and development strategies" (Zuckerman, Elaine. 2002). The report made by the Secretary-General of the United Nations within the context of the Decade for the Eradication of Poverty confirms that universal primary education is central to the fight against poverty (United Nations, 2000). Understandably so, because this is the level of education through which most poor children pass and within which their achievements should assist them to break the cycle of poverty (Zuckerman, 2002). In fact, education is the social institution that reaches the largest segment of the population with the goal of guiding it through a systematic learning process thus in due course imparting incredible skills and knowledge that an individual may explore salient to shaping up his/her life.

Finally, the study evaluated the influence of community based organizations in accessing poverty eradication funds in Yatta District. It was established that there is strong positive relationship between community based organizations and access to poverty eradication funds. This agrees with Adger, (2001) who argued that, the recent evolution of community organizations, especially in developing countries, has strengthened the view that these "bottom-up" organizations are more effective addressing local needs than larger charitable organizations. The focus being to build equality across society in all streams - health care, environment, quality of education, access to
technology, access to spaces and information for the disabled, to name but a few (Phillip, 2005). Allan, (2005) asserts that, CBO's are typically, and almost necessarily, staffed by local members - community members who experience firsthand the needs within their neighborhoods. The role of CBO's is becoming knowledge management - to compile, sort, store and retrieve local data (Adger, 2001). Technology is increasingly becoming more important to this function, to manage daily business operations, but also to develop innovative solutions, given restrictive budgets, limited personnel available, and new demands for services and information (Paul & Robin 2009). According to Allan, (2005) technology is being used to bring in the voice of the community members, through public participation and input. Applications include mapping of community landmarks and services by locals, providing environmental baseline and change measurements, and identifying concerns common throughout the community (Paul & Robin 2009). The local communities based structures like CBOs, depending on how they adopt technology and manage their livelihood undertakings, can positively and/or adversely dictate on how other potential CBOs may come to a decision of pursuing a good cause.

5.4 Conclusions of the Study

The study established that the extent to which information flow regarding poverty eradication funds factually influence the local community’s access to poverty eradication funds. The major source of information concerning poverty eradication funds was established as through other sources mostly their respective CDAs among others. Those who had received that information had already started some CBOs and applied for poverty eradication fund in anticipation to benefit. The study also revealed that, there is a strong positive relationship between beneficiaries and potential seekers of poverty eradication funds. Those who benefited earlier from the funds are in a
better position to advice others on the benefits of getting the funds. This would encourage them to apply.

It was established further that there is a significant relationship between education level and access to poverty eradication funds. This is because the educated people are able to follow the right procedures in applying for the funds and also write good proposals which can help them access the funds. Their financial and investment management are also better hence benefitting more.

Finally, it was established that there is strong positive relationship between community based organizations and access to poverty eradication funds. This is because these funds are not given to individuals and therefore the more the legally formed CBOs are vibrant, the more the access of the poverty reduction funds.

5.5 Recommendations of the Study

In view of the research findings, the researcher recommends the following:

i. The government of Kenya through the Poverty Eradication Commission should consider increasing the poverty eradication funds kitty and avail the apportioned funds to respective District Poverty Eradication Committees for onward loaning to local community CBOs.

ii. The government of Kenya through the Ministry of Planning, National Development and Vision 2030, in conjunction with relevant Development Partners should set aside some funds and utilize it in capacity building the local communities’ CBOs on how well to invest the allocated funds so as to make optimal benefits.

iii. The Community Development Assistants should significantly improve on passing information to local community members within their areas of jurisdiction about poverty eradication funds.
iv. The District Poverty Eradication Committee members should tremendously improve on monitoring and evaluation of the community based organizations’ investments from the poverty eradication funds.

v. Many Development Partners involved in poverty eradication programmes should be encouraged to channel their efforts/resources and/or make the most of the government poverty eradication local structure (DPEC) salient to avoiding replication of efforts and/or double benefits to a certain CBO at expense of a deserving one.

vi. The CBOs should ensure proper and visionary administration within their groups by increasing the number of educated officers in their management committees through democratically electing and/or co-opting them.

vii. More CBOs should be encouraged to apply for the poverty eradication funds by reducing the waiting time after application and increasing the grace period for loan repayment from the current three months to at least five months to allow for such community investments to break even.

5.6 Suggestions for Further Research

Based on the findings of the study, the researcher makes the following suggestions for further research;

i. Factors affecting the management of poverty eradication funds.

ii. Factors influencing the investment of poverty eradication funds.

iii. The impact of poverty eradication funds on the society development.
REFFERENCES


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APPENDICES

APPENDIX I: TRANSMITTAL LETTER

UNIVERSITY OF NAIROBI
P.O. BOX 30197,
NAIROBI.
9TH MARCH, 2013.

Dear Sir/Madam,

RE: REQUEST TO FILL QUESTIONNAIRES

I am a post graduate student in the University of Nairobi pursuing a Masters Degree in Project Planning and Management course. I am carrying out a research on the “Factors influencing access to poverty eradication funds by local communities in Kenya: a case of Yatta District, Machakos County. I do request you to assist me in filling the questionnaires for this study. Please answer the questions as truthfully as possible.

The result of this study will be used for academic purposes only. Any information collected will be treated with utmost confidentiality.

Thanks in advance.

Yours Faithfully,

FREDRICK MUTISYA KILUNGU
APPENDIX I I: SURVEY QUESTIONNAIRE

INSTRUCTIONS

This questionnaire is intended to help establish factors influencing access to poverty eradication funds by local communities in Kenya: a case of Yatta district, Machakos County.

Kindly complete the questionnaire by honestly indicating your response by either writing or putting a tick [✓] where applicable. Your identity will be treated with a lot of confidentiality; therefore do not write your name anywhere on this sheet.

SECTION A: RESPONDENTS DETAILS

<table>
<thead>
<tr>
<th>Questionnaire No.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
<td>Month</td>
</tr>
</tbody>
</table>

Date of interview: __________________________

Division: __________________________

Location: __________________________

Sub-Location: __________________________

1. What is your Gender?

☐ Male ☐ Female

2. What is your age bracket (Please Tick?)

☐ Below 25 years ☐ 25-34 ☐ 35-44 ☐ 45-59 ☐ >60 years

3. (a) Marital Status (Please Tick?)

☐ Married ☐ Single ☐ Separated ☐ Other

________________________________________

(b) If married, give number of dependants in your family

________________________________________
4. What is your education Level?

- □ Primary School
- □ Secondary School
- □ Tertiary Education (College or University)
- □ None

5. What is your employment Status?

- □ Employed by Government
- □ Employed by Private Company
- □ Self Employed
- □ Other specify ————————————————————————————————————

6. If you are self-employed, what kind of economic activities are you engaging with?

___________________________________________________________________________

7. Tick the most appropriate relating to your land ownership?

- □ Landowner
- □ Landless
- □ Any other

___________________________________________

SECTION B: Information regarding poverty eradication funds and the local communities

8. What is your main economic activity?

- □ Agriculture
- □ Livestock rearing
- □ Carving
- □ Business
- □ Others

___________________________________________________________________________

9. (a) Are you aware of any poverty eradication funds in your District?

- □ Yes
- □ No

(b) If yes, how did you get the information?

- □ Through a friend
- □ Chiefs’ barazas’
- □ Through the Radio/Television.
- □ Others
10. Do you know any group which has benefited from poverty eradication funds?

- □ Yes
- □ No

11. Are you a member of any community based organization?

- □ Yes
- □ No

If yes, has your group ever applied for the poverty eradication funds?

- □ Yes
- □ No

SECTION C: EDUCATION LEVEL AND POVERTY ERADICATION FUNDS

12. The following statements have been suggested as affecting access to poverty eradication funds. Please indicate the level to which you agree with them.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1 = strongly agree</th>
<th>2 = Partially Agree</th>
<th>3 = Agree</th>
<th>4 = Partially disagree</th>
<th>5 = strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of education affects access to poverty eradication funds.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Majority of the community organizations leaders are not educated.</td>
<td></td>
<td></td>
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<tr>
<td>Community members do not have enough education to manage funds leading to losses.</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>The education level limits amount of funds allocated.</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
13. What is the highest academic level for the community organization leaders you know?

- □ Primary School
- □ Secondary School
- □ Tertiary Education (College or University)
- □ None

**SECTION D: THE POVERTY ERADICATION FUND AND INVESTMENT**

14. Have you ever applied for poverty eradication funds?

   a) Yes
   b) No

15. How many days did it take to get the poverty reduction funds after application?

   a) Less than two months
   b) 3 – 5 months
   c) 6 – 8 months
   d) > 9 months

16. How much money did you apply for?

   a) Less than Shs. 50,000
   b) Shs. 50,000 – Shs. 100,000
   c) Shs. 100,000 – Shs. 150,000
   d) Shs. 150,000 – Shs. 200,000
   e) More than Shs. 200,000
17. Did you get the money you applied for?
   a) Yes ( )
   b) No ( )

18. How did you spend the money________________________________________________

SECTION E: COMMUNITY BASED ORGANIZATIONS AND POVERTY ERADICATION FUNDS.

19. How old is your organization?
   a) Less than one year
   b) 2 – 3 Years
   c) 4 – 5 Years
   d) > 6 Years

20. What are the organization activities?
   a) Farming ( )
   b) Business ( )
   c) Others ( )

21. What is your source of funds?
   Specify______________________________________________________________

   What are the challenges facing your organization?
   ____________________________________________

THE END
THANK YOU