

**MANAGEMENT PRACTICES AND THEIR ROLE ON SUSTAINABILITY OF  
INCOME GENERATING PROJECTS IN KILIFI COUNTY IN KILIFI COUNTY,  
KENYA**

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## **DECLARATION**

I, the undersigned, declare that this research project is my original work and has not been presented in any other University for the award of a degree.

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## **DEDICATION**

This study is dedicated to my loving Son, Sammy, my dear parents Mr. and Mrs. Jonathan Okwach, my caring brothers and sisters and all my friends and colleagues who have lent undying support and inspiration.

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## **ABBREVIATIONS AND ACRONYMS**

<b>IFAD</b>	- International Fund for Agricultural Development
<b>IGPs</b>	- Income Generating Projects
<b>IT</b>	- Information technology
<b>KWFT</b>	- Kenya Women Finance Trust
<b>LCD</b>	- Less Developed Countries
<b>M &amp;E</b>	- Monitoring and Evaluation
<b>MDG</b>	- Millennium Development Goals
<b>RBM</b>	- Results Based Management

## **ABSTRACT**

Sustainability has become a major challenge that is facing many projects in developing countries despite the efforts by the implementing partners. The nature of project management has taken a direction that focuses on proper design, planning, effective implementation, monitoring and evaluation and it aims at making projects sustainable even after the financiers have left. This is to ensure that project remain relevant to society long after the end of donor funding. The aim of this study was to establish whether the management of projects in Kilifi County enhanced sustainability of income generating projects with objectives coiled around determining the influence of leadership, financial management, training practices; and monitoring and evaluation on the sustainability of income generating projects in Kilifi County, Kenya. The research adopted a descriptive design with questionnaires as data collection tools. The research targeted a population of 1700 beneficiaries and 17 officials of Bamba projects in Kilifi County. A stratified sample of 60 respondents made up of 10 officials and 50 non-officials was used. However, only 8 officials and 31 non-officials actually provided data used in the analysis. This led to a response rate of 65 %. Chi-square was used in hypothesis testing. The study found that leadership, financial management, training practices; and monitoring and evaluation influenced the sustainability of Bamba project in Kilifi. To improve the sustainability of projects it is recommended that: financial systems should be digitized; training programs should be tailored to fit the kind of projects found in Kilifi County; frequency of monitoring should be improved; data obtained from the monitoring and evaluation should be used to make financial and non-financial decisions for the projects. Further studies can be done on socio-cultural factors influencing the sustainability of income generating projects.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background of the Study**

In their work on sustainability, Norton & Bryan (2010) have defined sustainability in development. According to them, sustainability in development refers to processes and relative increases in local capacity and performance while foreign assistance decreases and continuous benefits to the stakeholders. The nature of project management has taken a paradigm shift from the earlier one in the sense that it takes into focus the project life cycle that includes: proper design, planning, effective implementation, monitoring and evaluation and has become a more specialized branch of management in its own right.

For sustainability to be achieved in the projects there is need to have proper strategies covering advocacy, foundations and fundraising, governance, management and leadership among others. The focus should be on capacity building at national and regional level to ensure a workforce with appropriate skills to promote participatory and sustainable project development, while at the same time empowering the stakeholders to be more analytical about their situations, resources and develop appropriate interventions, to address their challenges (Mutimba, 2013).

Similarly according to IFAD (2011), project sustainability, ensures that the institutions supported through projects and the benefits realized are maintained and continue after the end of the project. According to Eyben (2010), in an effort to ensure sustainability of livelihoods and eliminate poverty, there has been a growing concern to embrace the idea of management practices to enhance sustainability of all the projects undertaken. Chambers & Conway (1992) cited by Clarke & Oswald (2010), noted that this approach considers the resilience of livelihoods to shocks and stresses over the long-term and the ability to manage available assets that include the natural, physical, social, human and financial both in present and in future.

The concept of sustainability of projects has been of great concern (United Nations Development Program, 2012). According to IFAD Strategic Framework (2007-2010), sustainability of a project can be defined as the ability to ensure that the institutions supported through projects and the benefits realized are maintained and continue after the end of the project external funding. The Brundtland Report, is probably the most widely quoted definition as it marks an important

shift away from the idea of sustainability as primarily an ecological concern to one that emphasizes management perspective approach in terms of economic and social processes (IFAD, 2012c).

According to Mutimba (2013), in Kenya the scenario has not been different and most income generating projects funded by either government or even donor sponsored remain as white elephant project once the funding and technical support is withdrawn. Kenya is one of the countries in sub-Saharan Africa that is not able to feed its population sufficiently and is faced with high challenges of unemployment and mostly relies on donor support. A good number of food projects have been funded by both the Kenyan government and other development partners in an effort to mitigate against food insecurity. Unfortunately, as revealed by assessment reports, such projects leave little impact after the end of funding. Quite a number of communities in Kenya have been given grants and technical support by both local and international donors, with the intention of helping them combat food insecurity and reduce poverty.

A study carried out by in 2007 by the Strategic Development Body of Kenyan Parliament, revealed that all the 15 development partners who operated in Kiambu County targeted rural community food security projects. Such donors included community-based organizations, faith-based organizations, financial institutions, the government of Kenya and other private organizations. A total of 536 groups were funded between 2005 and 2009 by various organizations. The report further revealed that some community projects were funded by as many as five donors during the same period. However, after withdrawal of funding and technical support the projects slowly withered leaving no beneficial or lasting impact to the communities (World Bank, 2012).

According to Institute of Economic Affairs (2014), Projects are intended to produce benefits that continue for a specified period of time even when the funding has been withdrawn. The goal of development assistance is to improve the quality of life by providing employment and increased income. However, many projects, including those undertaken by international development organizations, fail to fulfill these objectives. An impact assessment on community-funded projects showed that only 5 out of 36 groups funded in 2007 by “Njaa Marufuku Kenya” (NMK) were partially active. The rest had become defunct and could not be traced after cessation of

funding. Unfortunately, despite the many funded food security projects in Kiambu County, there is persistent food insecurity among the rural communities. This is further supported by World Bank report (2012) which pointed out that these projects which have been funded by donors have failed to meet the expectations of the donor and the beneficiary communities and, have not produced the desired or expected results.

In recent years there has been an increasing focus on, and understanding of, the design and implementation phases of projects as part of efforts to make project more successful and work more efficiently (IFAD, 2012). Recent studies (TANGO International 2010) noted that, while the trend with implementation is showing significant improvement, the trend with sustainability is rather disappointing, as fewer projects are being sustained. This means that the expenditure incurred during implementation is not commensurate with the benefits accrued by the beneficiaries.

## **1.2 Statement of the Problem**

Sustainability is a major challenge that is facing many projects in developing countries. In Tanzania for example, in studying factors affecting sustainability of rural water projects, it was established that such projects were undermined by poor financial management. This indicated that post-implementation management of projects is ineffective undermining their sustainability (TANGO International, 2010).

Without project sustainability, a lot of funding will be wasted on projects effectively causing dismal impact on the lives of the targeted communities. While the Poverty Reduction Strategy Paper (PRSP), places emphasis on effective management of community projects, evaluation studies done by Agevi (2002), Muttagi (1998), Ashley & Barney (1999) and Cedric (1992) widely linked unsustainability of community projects to the increase in poverty and collapse of many income generating projects in Kenya.

For Kenya to maintain its momentum towards changing from an emerging to a developed market, the opportunities offered by the funding of income generating projects can be made success drivers if supported by sustainability. This is an area with income generating projects, this research therefore aimed at finding out how management practices are affecting the sustainability of income generating projects in Kilifi County, Kenya.

### **1.3 Purpose of the Study**

The purpose of the study was to assess the influence of management practices on sustainability of income generating projects in Kilifi County, in Kenya.

### **1.4 Objectives of the Study**

The study aimed at achieving the following four objectives:

1. To determine the influence of leadership on the sustainability of income generating projects in Kilifi County, Kenya.
2. To establish the influence of financial Management on sustainability of income generating projects in Kilifi-County, Kenya.
3. To examine the influence of Training on the Sustainability of income generation projects In Kilifi County, Kenya
4. To assess the influence of monitoring and evaluation on sustainability of income generating projects in Kilifi County, Kenya.

### **1.5 Research Questions**

The study was guided by the following research questions;

1. How does leadership influence sustainability of income generating projects in Kilifi County, Kenya?
2. To what extent does financial management influence sustainability of income generating projects in Kilifi County, Kenya?
3. What is the influence of Training on sustainability of income generating projects in Kilifi County, Kenya?
4. To what extent does monitoring and evaluation influence sustainability of income generating projects in Kilifi County, Kenya?

## **1.6 Research Hypotheses**

This research was guided by the following alternative hypotheses

1. **H<sub>1</sub>**:Leadership has no influence on sustainability of income generating projects in Kilifi County, Kenya.
2. **H<sub>1</sub>**:Financial management has no effect on sustainability of income generating projects in Kilifi County, Kenya.
3. **H<sub>1</sub>**:Training does not influence sustainability of income generating projects in Kilifi County, Kenya.
4. **H<sub>1</sub>**:Monitoring and evaluation does not affect sustainability of income generating projects in Kilifi County, Kenya.

## **1.7 Significance of the Study**

The findings of the study will give an insight to financiers on how well they can manage their development projects to ensure long term sustainability. Local communities will get an insight on the role they are expected to play to enhance sustainability of these projects for their long term socio-economic development and improvement of their welfare.

The study findings will enable the Government to set up a conducive environment in terms of Policy and regulation to support the income generating projects which promote poverty reduction. The findings will also lay a solid foundation of knowledge on influence of management practices on sustainability of income generating projects and therefore form a base for further studies for scholars who intend to pursue further research.

## **1.8 Assumption of the study**

The research project was based on the assumption that the respondents would give honest responses and that all respondents had at least attained secondary education and have at least been in the project for more than two years and are well acquainted with project activities to give reliable information. It also assumed that the project management team would be willing and supportive in giving required information. Finally the study assumed that there were no rigid project policies that would hinder project members from participating in the research. All the assumptions were held.



## **1.9 Delimitation of the Study**

The study was based in Kilifi County which is in the Coastal Region of Kenya. It is found in drier areas of Coast. The area generally experiences frequent droughts that disrupt normal livelihood and is characterized with poverty among the locals. This region has a number of development projects which are funded by various agencies which include: Government, Community, Non-Governmental Organization and Foreign Donors. However, for this study our main focus was the Bamba project which is funded by World Vision. Most projects in the region experience similar or different sustainability problems, which is the primary focus of study. The study focused on the employees of the project and the local community who are the immediate beneficiaries with intention to explore and give insights on whether management practices affect sustainability of income generating projects in the region.

## **1.10 Limitations of the Study**

First, the staff members were hesitant to co-operate in giving information due to its perceived sensitive nature. Secondly, accessibility and traceability of required officers was a limiting factor. Due to the busy staff schedule; it was difficult to create time for exhaustive responses. However the researcher assured the respondents that the study would be very beneficial to their operations and the confidentiality of sensitive information was ensured.

## **1.11 Definition of Significant Terms**

<b>Income Generating Project</b>	An activity in which a group engages in to make income; for example fish rearing.
<b>Financial Management</b>	Ability to draw a plan on how to use the available funds effectively.
<b>Leadership</b>	Ability to influence the thoughts and behaviors of others/ a group towards the accomplishment of a goal or goals.
<b>Management Practices</b>	Practices that a manager should undertake to ensure smooth running of a project, for example planning, leadership, monitoring and evaluation, organizing, managing finances, motivation and training.
<b>Monitoring and evaluation</b>	Systematic collection and analysis of information at regular intervals about ongoing project in order to compare the actual project impacts against the set objectives to facilitate decision making.
<b>Sustainability</b>	Continuation of a project intended to have benefits after implementation and even after external funding has been ceased.

### **1.12 Organization of the Study**

Chapter one presented the background of the study, statement of the problem, purpose of the study, objectives, significance. It also presented the basic assumptions, limitations, delimitations of the study, and definition of significant terms.

Chapter two covered literature review based on the objectives of the study derived from both local and international studies on management practices and their role on sustainability of income generating projects in Kenya. It also contained a summary of the literature review, the theoretical and conceptual frameworks.

Chapter three presented the research methodology to be used in the study. It presented the research design, target population, sample size and sampling techniques, data collection instruments, data collection procedure, validity and reliability of research instruments, data processing, analysis and presentation.

Chapter four presented data analysis and interpretation of the data. The chapter specifically discussed how the independent variables, namely, leadership practices, financial management, training and monitoring and evaluation affect sustainability according to the data obtained from respondents.

Chapter five presented conclusions, discussions and recommendations from the research findings. The chapter also suggests areas of further research.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter reviews and critically analyses available literature on management practices and their influence on sustainability of income generating projects from the global, regional, and local perspectives. Literature on leadership, training, financial management and monitoring and evaluation which forms the core elements of management practices will be reviewed. Theoretical and a conceptual framework is also developed to show the relationship between the study variables.

#### **2.2 Overview of Management Practices in Project Management**

According to Landale(2006); and Galina (2010) effective management practices play a very vital role in addressing confusion, confidence and commitment to issues found within income generating projects, and which affect members and managers timely response to emerging problems that hinder efficiency in projects implementation and sustainability. Most projects in less developed countries are poorly implemented because stakeholders and the members do not appreciate the need for a qualified management team and consultancy services during formulation and implementation of income generating projects since most of them take political dimensions and are led by political appointees (World Bank Group, 2013).

Madison (2009) argues that sound management practices provide an essential basis for program continuity, particularly for those programs that are not associated with a larger organization that have structured and professionally qualified management and sound cooperate governance which lays the foundation on how the project is managed. Goodman & Steckler (1989) cited by Institute of Economic Affairs (2014) argued that incompetent project management has failed to motivate project workers and create suitable environment for workers to motivate themselves.

According to Dana (2001) effective management involves establishing project values and ethics, which transforms the way the project does business in order to improve its effectiveness, efficiency and sustainability right from initial stages and even after completion. In most LDCs management has failed to effectively lead people working in the project especially after donors

withdraw. This leads to low success rate of such projects during implementation and subsequent post-implementation.

### **2.3 Concept of Project Sustainability**

When we consider sustainability, we view it from a broad perspective, that is: Financial sustainability, political sustainability, Social sustainability and Environmental sustainability. Financial sustainability refers to the long-term ability of projects to generate enough income to meet their operational and maintenance costs, in addition to a reasonable surplus for renewing broken and obsolete equipment (Kiogora, 2009; WWF, 2010).

Financial sustainability is the greatest challenge for many of the projects which are to be funded for a finite period. It is especially problematic as many of these projects have no financial support from government and do not have other sources of income (Clarke & Oswald, 2010). Generating sufficient income, while at the same time, ensuring equal access for those who cannot afford to pay for services is cumbersome due to the fact that most of them, especially in LDCs are projects that target poor communities with expectations of raising their living standards (Kiogora, 2009).

Sound management practices provide an essential basis for program continuity, particularly for those programs that are not associated with a larger organization. Intentional planning for continued funding includes an analysis of short-term and long-term management requirements, developing a range of financing options, and recognizing that sustainability is enhanced when there is diversity in structured sound management (Eyben, 2010). Diverse sources of funding increase the odds of having sufficient funding for short-term and long-term program development and implementation (Tucson&Tembo, 2003;WWF, 2011).

### **2.4 Leadership and Sustainability of Income generating Projects**

Leadership refers to how an individual influences a group of individuals to achieve a common goal. It therefore has a positive role to play in the achievement of sustainable income generating activities. Tucson& Tembo (2010) argue that leadership involves motivating the employees, being innovative, creating a healthy organization, policy making and so on. Kiogora (2009) in his study observed that in less developed countries, most leaders of the donor-financed income

generating projects are incompetent and have therefore failed to effectively lead people working in the project especially after donors withdraw. This leads to low success rate of such projects during implementation and subsequent post-implementation.

Wickham & Wickham (2008) argue that when project leaders are executing their leading function, they are expected to give assignments, explain routines, clarify policies and provide feedback of the performance to the project staff. However, most project managers, in an attempt to be leaders, often end up creating confusion among project staff. This is due to the fact that they have inadequate management skills and competencies required for leading the project team. Further, most project leaders have difficulty striking the right amount of assertiveness and concluded that being under-assertive or over-assertive may be the most common weakness among aspiring project leaders (Hakala, 2009).

According to World Bank Report (2012) leaders lead by establishing project values and ethics, and transforming the way project does business in order to improve its effectiveness, efficiency and sustainability right from initial stages and even after completion. However in less developed countries most leaders of projects, due to their selfishness and incompetence have failed to effectively lead people working in the project leading to low success rate of such projects especially in Sub-Sahara Africa where most of the projects have become white elephants (Mchugh, et al., 2002 cited by Mutimba, 2013).

Hakala (2009) argues that effective project leadership must create a vision, articulate the vision, passionately, own the vision and relentlessly drive it to completion. In less developed countries the projects leaders in these projects most of the time fall short of these leadership qualities and the consequence is lack of project sustainability especially after donor withdrawal. Progressive leadership empowers their members to make decisions on their own. Good leadership must have the discipline to work toward his or her vision single-mindedly, as well as to direct his or her actions and those of the team toward the goal.

Effective and efficient leadership with quality leadership skills, creative with commitments will lead the projects to sustainability. There is a need for persistence and perseverance leadership to mobilize, inspire, and lead the staff with participatory style of leadership. Due to lack of skills in

strategizing at the local level, the gains have not been capitalized widely; setting goals and being better informed (Maina, 2012).

According to Maina (2012), organizing tasks and workshops for leaders in a company helps them become more aware of the effectiveness of positive leadership styles. When leadership offer more positive feedback and members of the group respond with better work, the results can be a mutually beneficial cycle and that results in a more content workforce and more productive projects. Leading through example shows project members that you are willing to walk the walk as well as talk the talk. It is an effective way of building solidarity and loyalty in the group.

While looking at leadership practices, four aspects are important. They include the following: team work, target or goal orientation, leadership commitment and project ownership.

### **Team work**

According to Karanja (2014) majority of the project leaders and the members felt that team building activities in the project cycle needed to be more frequent as they were important in cultivating teamwork among the project team members hence a sustainable project. This concurred with the ideas of (Dana, 2001) who pointed out that, project managers should lead by establishing project values and ethics, and transforming the way project does business in order to improve its effectiveness, efficiency and sustainability. It was also supported by (Mchugh & etal 2002) who suggested that, good project leaders motivate project workers and create suitable environment for workers to motivate themselves. Teamwork can be identified as the main important factor for the success of income generating projects (Magano, 2000). It involves communication, relationship, sharing, responsibility and commitment. Through teamwork, project members express their ideas, opinions, and feelings openly and authentically. Magano (2000) further elaborates that when people work as a group, lack of respect such as ignoring the contributions of others, criticisms, and sarcasm devalues other members, which has a negative effect on team relationships. Teamwork helps people to overcome any barriers that exist within them.

### **Target orientation**

Planning is closely linked to the orientation and assessment phases. By this time the action committee has been established. The next step is to equip these teams with the knowledge and

skills to formulate action plans in order to address the already identified needs/ problems (De Beer & Swanepoel, (1996). At planning stage the action committee formulates objectives according to the goals and draws up a time schedule and also determines resources aimed at satisfying the needs and problems of the community. Planning means bringing together three elements, that is –the needs, resources and objectives and relates them to a fourth element, action. It is a continuous process not an annual event. Target orientation enables the effective success and future of the project.

### **Leadership commitment**

A commitment to service means providing help, resources, and benefits so that people can achieve their maximum potential (Kirst-Ashman, 2002). According to (Madi, 2007) participants of the income generating projects in addressing poverty in Mogale City, South Africa, were emotionally and socially satisfied by the projects, which indicated that they had passion and trust in the projects for the future. The participants had courage and commitment to ensure the success of the projects.

### **Project ownership**

According to the study by (Niekerk, Liezel van, A. Kruger & Ms. M. Lamey, 2006) “Women's Income-Generating Activities in a Disadvantaged Farming Community: Towards Sustainability” the chosen project management team was an imperative necessity to ensure ownership and cooperation of project team members. It was found that through the project management team, skills were transferred, knowledge shared and team members became motivated. The study recommended that a participative approach must be followed, allowing the community to take ownership and responsibility for their own development. The approach in community development requires participation, it allows for learning to take place, for small-scale projects to be undertaken, for the empowerment of people, ownership of the project, adaptation of the project, simplicity in execution, and release from poverty and finally, it address the abstract human needs of an improved self-image and self-reliance (Swanepoel et al., 1997). The evaluation study by TANGO International (2009) entitled “Sustainability of rural development projects”, by documenting the best practices and lessons learned by IFAD in Asia, Community projects are implemented with significant contributions of local labour, materials and sometimes



cash, each of which promotes a sense of ownership of the project and gives participants a genuine stake in ensuring sustainability. Community ownership by poor rural people is another critical factor contributing to the sustainability of project benefits. Ideally, this should entail involvement of project participants at all stages of the cycle: design, implementation, and monitoring and evaluation (M&E).

## **2.5 Financial Management and Sustainability of Income generating Projects**

According to Madison (2009), financial management involves setting objectives, assessing assets and resources, estimating future financial needs and making plan to achieve monetary goals. Kiogora (2009) pointed out that a systematic approach for attaining effective management performance is financial planning, budgeting and that sustainability of any project lies in effective financial management right from the implementation stage to post implementation phase. Finance is a major resource in a project, without which the project cannot operate. This item, financial resources, should be given the attention it deserves if projects have to survive (Sanga & Chu, 2011).

Tucson & Tembo (2010) argue that proper record keeping sustains and expands an organization. Without it the business runs a risk of hitting cash flow crunches wasting money and missing out opportunities to expand. Further they assert that for a project to be sustainable, the experience of the project leader in financial management matters is paramount. The demand for careful project planning has made financial management a key activity in organizations and projects in general. Stoner(2011) noted that financial statements are used to track the monetary value of resources into and out of the project. This then calls for the project managers to have a careful financial management strategy to monitor project resources to enhance and guarantee their sustainability. Financial planning starts with the evaluation of the current financial position, and suggests that a good project manager should know where the project stands financially, how much it requires and how much it owes to outsiders. Further, project manager needs to know what the project intends to achieve. Project managers also need to set financial goals, which involve identifying projects needs and stakeholders expectations. Financial planning and management is for everyone in the project and pointed out that all stakeholders are financial planners and everyone has a financial plan at some level. In disregard to the above argument by Connell (year), some

project stakeholders, due to ignorance, do not consider themselves financial planners and therefore detach themselves from the project. This actually threatens sustainability of the project.

Madison (2009) in his study on factors affecting sustainability of rural water supplies in Tanzania concluded that, sustainability of rural water supply projects is clearly undermined by poor financial management the constituent element which must be addressed by all implementing agencies, donors and government. The study also recommended improvement to financial management through a commitment led by the District Water officer who must accept management as key to success of the water projects. However it is doubtful whether most income generating projects in Kilifi County prepare and use budgets appropriately. This makes it necessary to investigate the financial management of projects in this county.

### **Generally Accepted Accounting Principles (GAAP)**

Limited transparency around corporate sustainability risks can lead to investments that are bad for the environment, and investors' bottom lines (Ranganathan, 2010). Worldwide, current financial accounting standards and generally accepted accounting principles (GAAP) fail explicitly to address such risks, which often derive from unsustainable business strategies. They can also miss the opportunities that such challenges create. Current financial accounting standards and generally accepted accounting principles fail explicitly to address environmental risks, which often derive from unsustainable business strategies. Corporate sustainability reports can help fill information gaps on some risks. But sustainability reporting standards, such as the Global Reporting Initiative, remain largely voluntary, and as a result, their uptake is limited. Another recent WRI report, for example, found that developing markets have particularly lagged behind in producing corporate sustainability reports. What's more, stand alone reports all but guarantee that sustainability remains at the periphery rather than the mainstream of financial and investment decisions. A 2008 KPMG International Survey of Corporate Social Responsibility, for example, found that only three percent of annual financial reports had corporate responsibility information fully integrated into them. Excellent transparency, financial accounting standards and GAAP can sustain the initiated projects successfully with minimal setbacks.

## **Auditing**

The Project Management Unit ought to maintain separate project accounts to ensure efficient monitoring of the project finances (Government of Malawi, 2001). Detailed accounts concerning expenditure from the projects and Government allow identification of expenditure by project components, category of expenditure and source of finance. Project accounts will be audited by the Government Accountant General's office on an annual basis and will be presented to African Development Fund (ADF) within six months following the end of each financial year (Government of Malawi, 2001). Frequent financial reporting on the project progress was supported by a big proportion of the chairpersons and equal number of members to have had influence on the sustainability of the youth projects (Karanja, 2014).

## **Financial management procedure**

Stoner et al (2007) noted that financial statements are used to track the monetary value of goods and services into and out of the organization. This then calls for the youth project managers to have a careful financial management strategy to guarantee the sustainability of these projects. Regarding proper financial records keeping, majority of the chairpersons and the members felt that when proper financial records are kept in youth income projects their sustainability would be promoted (Karanja, 2014). According to Karanja, (2014) majority of the chairpersons and members agreed that for a project to be sustainable experience of the project leader in financial management matters was paramount in youth income projects. (Sanga, 2009) argue that proper record keeping sustains and expands an organization and without it the business runs a risk of hitting cash flow crunches wasting money and missing out opportunities to expand. Efficient budgeting of the project activities was also strongly supported by majority of the chairpersons and members to have a great influence on sustainability of youth income projects. This is supported by ideas advanced by (Madison 2009) who suggested that, one systematic approach for attaining effective management performance is financial planning, budgeting and that sustainability of any project lies in effective financial management right from the implementation stage to post implementation phase.

### **Informed decision making**

Statements issued for decision-making purposes are just as important as accounting procedures. Examples of the financial statements are balance sheet, income/expenditure statement, cash flow, audit reports, financial statement entries, financial statement entries, inventory control, investments, financing, budget and budget verifications. Other reports that the nonprofit organization should request from its accounting department are: Grant reports, Trust fund (if one exists), income-generation through business activities, Financial reports to donors and Project audits (León, 2001). The financial statements generated reveal the progress and achievement of the project which will in turn lead to the project sustainability.

Madison (2009) in his study on factors affecting sustainability of rural water supplies in Tanzania concluded that, sustainability of rural water supply projects is clearly undermined by poor financial management the constituent element which must be addressed by all implementing agencies, donors and government. The study also recommended improvement to financial management through a commitment led by the District Water officer who must accept management as key to success of the water projects. However it is doubtful whether most income generating projects in Kilifi County prepare and use budgets appropriately. This makes it necessary to investigate the financial management of projects in this county.

### **2.6 Training and Sustainability of Income generating Projects**

Studies by a number of organizations, government bodies and scholars have shown that for sustainability of a project to be achieved, leadership is an integral part. GOK (2013) argues that for the project to be successfully implemented and sustained the leader and the people working in the project must be trained and the training offered should be of quality and must match the project requirements on all necessary tasks identified during planning phase and post implementation phase of the project. According to Landale (2006); and Madison, (2009), training is the process of acquiring knowledge and skills by target groups to enable them to acquire new set of values and attitudes towards the appreciation of their inherent but untapped potential and reinforce their self-confidence and sense of autonomy enhancing them to operate effectively and efficiently.

Hubbard & Bolles (2010) points out that in order to increase chances of successful and sustainability of the project, the leader and the team members need to be trained on the project risk assessment and management, fundraising and project evaluation and monitoring. By knowing what may have led to project failure, the team stands a better chance of forestalling the pitfalls by being more proactive in planning. To counteract the foregoing and ensure success, the following factors should be put into consideration; risk management, project evaluation and sponsorship. In less developed countries, project managers of income generating projects, lack financial capacity to train their managers and members in the essential skills needed for effective implementation and sustainability of the projects leading to the continued fail (Hubbard & Bolles, 2010).

According to IFAD (2011), training plays a very important role in addressing confusion, confidence and commitment to issues found within income generating projects, which affect members and managers. It enhances timely response to emerging problems that hinder efficiency in projects implementation and sustainability. Most projects in less developed countries are poorly implemented because the managers and the members do not appreciate the need for training on how to formulate plan and implement income generating projects to successful completion (World Bank Group, 2013).

For the training to yield the required commitment and awareness from participants, it must address specific needs of projects and that quality training increases commitment to project objectives and awareness of individual participant's and therefore all team members should receive detailed training on process and procedures relevant to their own work (OECD, 2011).

According to World Bank (2012a), in less developed countries most projects managers do not take time to identify management needs and those of specific people working in a specific project. They only take advantage of the trainings organized by the government or non-governmental organization and send the staff working in projects and leaders to be trained. This partly explains what leads to poor sustainability of the projects. According to Hubbard and Bolles (2010), for modern project to facilitate timely achievement of project objectives, members of the team must possess characteristics, skills, values, attitudes and commitments that enable projects to achieve their goals efficiently. Failure to do this, leads to the formation of a project

mob instead of project team in which members mistrust each other, lack commitment to the project goals, hold diverse and contradictory attitudes and values, and managers are more concerned with personal growth than group success (Eid, 2010).

This study supports the view that training of project members and leaders should be able address all the above concerns and correct them to ensure that project teams focus on purpose, strategy and sustainability of their projects within the constraints of time, cost, resources and quality output. Effective project team management must inspire people working in the project to develop more commitment to performance of the project tasks. Training can achieve this if suitable methods like multimedia and outdoor activities are used to establish common entry behavior in the training, build trust and support among members respectively. Income generating projects by established business firms invest in training their project members and staff on risk assessment and management. In LDCs projects, Governments rarely do this due to financial constraints and lack of competent project managers in the projects (Eid, 2010).

### **Training practices**

Attention to training and improving people's skills and managerial abilities can be very effective but requires a long-term perspective. At present, training is a fashionable answer to many development problems (Hurley, 1990). Effective partnership and community involvement require training and other resources. In reality, the major training needs of the project staff should frequently be oriented towards human development and this is a grounding principle of sustainability (Matakanye, 2000). Education and skills increase the ability to innovate and adopt new technologies in agriculture and enhance farmers' performance (Hartl, 2009). Evidence from Asia suggests that better education and training increases the chances to find high-paying non-farm employment, whereas lack of education tends to limit options to agriculture or low-wage non-farm employment (ILO, 2008). Access to training is a major constraint among rural people in developing countries. For instance, nearly 90 percent of agricultural workers in India have no formal training, (Singh, 2008) and a study among small scale entrepreneurs in Kenya indicated that over 85 percent of rural informal sector operators have no business or technical training at all.

**Trainees:**

Employee training courses and workshops are effective teaching methods (Armstrong & Sadler-Smith, 2008), and we would expect most organizations to use them to deliver technical information about sustainability to employees. To teach employees about sustainability, Hartman, a global company that specializes in manufacturing moulded-fiber packaging based on recycled paper, developed a 5-stage STEP model. The model consists of six activity areas: networks, systematic management, proactive actions, lifecycle management, communications, and employee development. Employees learn about the model in an internal training program. The implementation of the model has led to continuous implementation of management systems across health and safety, social responsibility, and environmental management, and to closer cooperation with stakeholders. Training may focus on a variety of skills such as leadership, communication, small business management, bookkeeping and technical skills that relate to the project activities (Hurley, 1990). The study by Karanja's (2014) findings reveal the chairpersons of the youth income generating projects in Kangema District believed that prior training and frequent in service training in project management had a positive influence on the sustainability of the youth projects.

**Leave policy**

Granting longer periods of leave post-birth can contribute to healthy child development: babies whose mothers return to work within 12 weeks of child birth are less likely to be breast-fed, less likely to be up-to-date on their immunizations, and more likely to exhibit externalizing behavior problems. There is also some evidence that parents – both mothers and fathers – benefit from being able to take leave. Mothers who were employed prior to child birth and who delay returning to work after giving birth experience fewer depressive symptoms than those who return to work earlier. Fathers who take longer leaves after a child's birth are more involved in childrearing activities once they return to work. These benefits for parents also contribute to improved child well-being and in the long run they work without stress after returning to work. The workers who enjoy leave both paid and unpaid are able to work extra hard and long hours when come back (Fass, 2009). Workers who work at least 35 hours per week would receive a flat weekly benefit of \$250 per week while on leave and this motivate them to come back and work. Workers for the projects to remain trustworthy to the projects activities, they ought to be covered

in the employment terms and conditions so that they are entitled to paid leave allowance and other allowances such as sick, parent, maternal and paternal leaves. Thus, in turn boost the sustainability of the project. Consideration the important dimensions of the leave, the project managers ought to consider the relevance and favorable conditions for their workers to increase sustained.

### **Employee empowerment**

Possible labour force being trained and unemployed, empowered with income through project that is potential and which is equitable, sustainable, and accessible and people centered. Continuous educational training that enables them to participate in income-generating work increase their capacity to participate and ensure sustainability of the projects. Employees ought to be empowered with different capacities like skill improvement, being trained in the universities and other higher learning institutions to work effectively and efficiently. They can be trained in areas such as production, safety, financial planning, personal sales and marketing, monitoring and evaluation (Walmart, 2012).

### **Training needs**

For the training to yield the required commitment and awareness from participants, it must address specific needs of projects and that quality training increases commitment to project objectives and awareness of individual participant's and therefore all team members should receive detailed training on process and procedures relevant to their own work (OECD, 2011). According to World Bank (2012), in less developed countries most projects managers do not take time to identify management needs and those of specific people working in a specific project. They only take advantage of the trainings organized by the government or non-governmental organization and send the staff working in projects and leaders to be trained. This partly explains what leads to poor sustainability of the projects.

## **2.7 Monitoring and Evaluation and Sustainability of Income generating Projects**

According to Freeman (2015), over the past decade, aid organizations have faced increasing pressure to become more effective and result-oriented. Many have launched agenda for result-orientation and results based management (RBM), more recently referred to as 'managing for



development results'. Gareis *et al.* (2009) advocate that within any program or project there is a strong focus on results. This helps explain the growing interest in monitoring and evaluation as the success and sustainability of any project or program largely depends on constant feedback about ongoing project activities.

Massie (2010) argues that, monitoring forms an integral part of all successful projects and without access to accurate and timely information, it is difficult if not impossible to manage an activity, project or program effectively. In LDCs, monitoring and evaluation of most projects is done largely by the project leaders but not by M&E experts (Transparency International, 2011). If the project complexities are beyond the project leader, the project is bound to fail. According to UNDP (2012) "Monitoring enables management to identify and assess potential problems and success of a program or project. It provides the basis of corrective actions, both substantive and operational to improve the program or project design, the manner of implementation and quality of results. In addition it enables the reinforcement of initial positive results." In fact it is a major aspect that cannot be overlooked because it determines the sustainability of any venture or project (Lawsuit, 2011).

Harvey & Reed (2011) argue that, the success and sustainability of any project or program largely depends on constant feedback about ongoing project activities. Leaders should therefore be trained on monitoring and evaluation skills to enhance the effectiveness and sustainability of a project. According to Standish Group Project Chaos Report (2005), one of the reasons for project failure is lack of project monitoring and evaluation. Monitoring and evaluation of development activities provides program and project managers, including Government officials and civil society the means of learning from past experience, improving service delivery, planning and allocating resources, and demonstrating results as part of accountability to key stakeholders (Ministry of Tourism, 2012).

### **Information accessibility**

Sustainability indicators must be developed as a measuring tool, which will assist the community to monitor and evaluate their project progress, detect problems well in advance and take timely corrective measures. Facilitators of income-generating projects must be patient at all times and they must be willing to learn from community members and they should have an open mind.

Checklists and evaluations are vital for both the facilitator and project members. Constant re-training of project members must occur in order to ensure continuity and sustainability (Niekerk, Kruger & Lamey, 2006). It was further found that through financial planning, project team members realized the importance of sound money management; and that resources should be effectively allocated. All the required information for the monitoring and evaluation activities of the project should be made accessible by all the stakeholders' effective evaluations.

### **Reporting**

Evaluation provide ways of checking that the community involvement strategy is going according to plan and that money invested in this has been well spent. Without monitoring of progress, there is a danger that community priorities could be sidelined or that token community involvement could take the place of real participation by local residents. Throughout the monitoring process, full account must be taken of the community's views (Madi, 2007).

### **Monitoring frequency**

The study by Karanja (2014), findings revealed that majority of the youth projects in Kangema were only evaluated twice a year and 23% had not been evaluated at all. Monitoring and evaluation is important in the sustainability of a project and therefore the frequency of monitoring and evaluation should be enhanced in all the project stages. This was also supported by views of (Patton, 1997) who argued that, monitoring forms an integral part of all successful projects and without access to accurate and timely information, it is difficult if not impossible to manage an activity, project or program effectively. Monitoring and evaluation of youth projects in Kangema was done largely by the project leaders however, only a small proportion of the groups reported being evaluated by M&E expert (Karanja, 2014). This implied that, if the project complexities were beyond the project leader, the project is bound to fail.

### **Impact assessment**

The study of (Karanja, 2014) suggests that, periodic Monitoring and Evaluation by expert from the Ministry of Youth or any other area should be incorporate to assist the monitoring and evaluation of these projects so as to make them give quality returns. This concurs with ideas of (Mark, Henry, & Julnes, 2000) who argued that the success and sustainability of any project or

program largely depend on constant feedbacks about project on going activities. Impact assessments need to be carried out after the project that has been completed to check the effect it has created on the ground by changing the lives of the people.

## **2.8 Theoretical Framework**

Stakeholders' theory challenges the primacy assumption of shareholder interests and advocates that a project should be managed in the interests of all its stakeholders. The theory is based on the assumption that values are necessarily and explicitly a part of running a project and that project managers need to articulate the shared sense of value they create to bring its key stakeholders together. When stakeholders get what they want from a project, they return to the project for more (Tucson & Tembo, 2003 cited in Government of Kenya, 2010a).

Stakeholders can be instrumental to project success and therefore, project leaders have to consider the claims of stakeholders when making decisions and run the project responsibly towards the interests of all stakeholders. The stakeholder theory argues that project managers should make decisions so as to take account of the interests of all stakeholders in a project including not only financial claimants, but also employees, customers, communities and governmental officials (Gareis *et al.*, 2009).

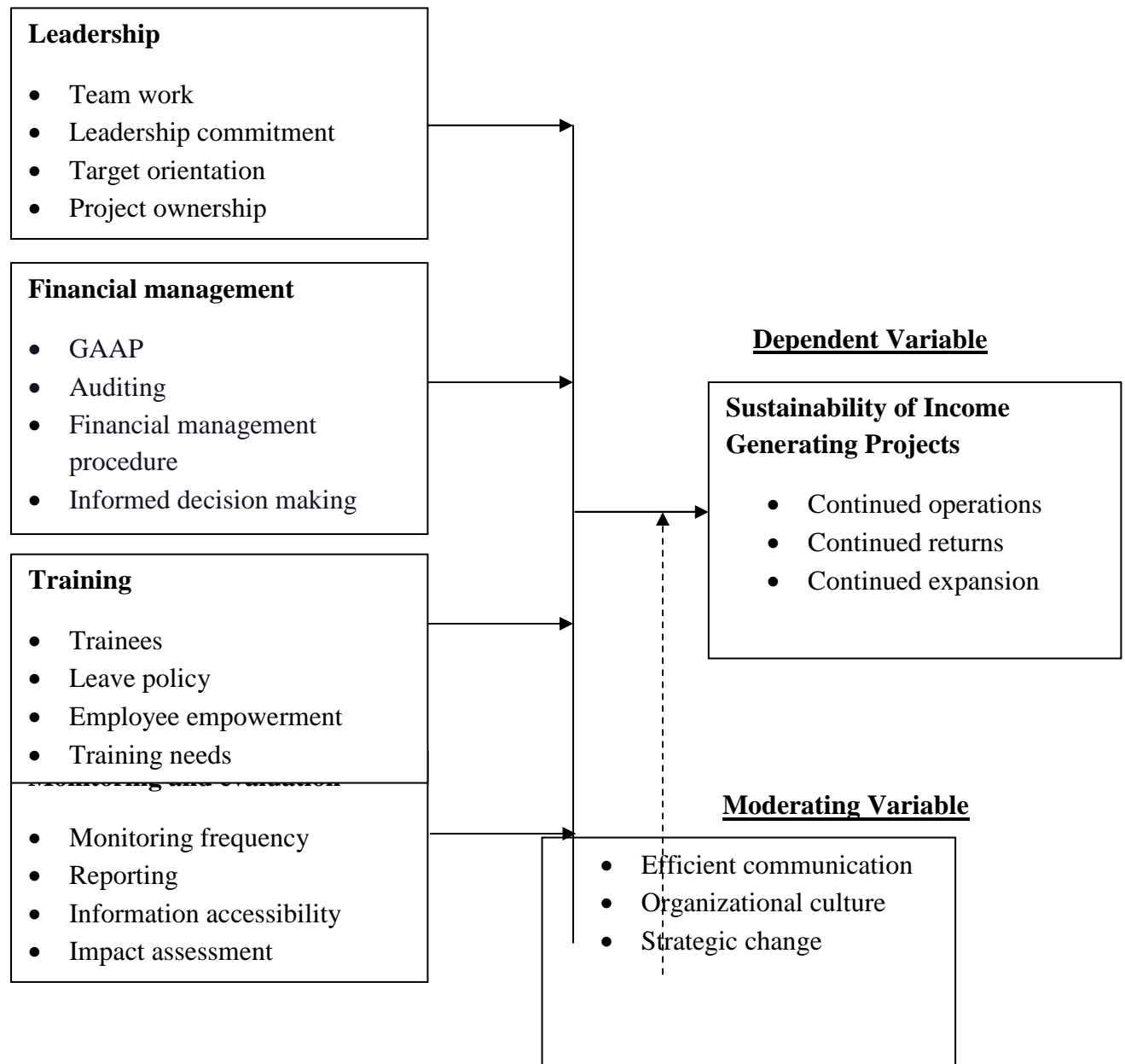
Advocates of stakeholder theory refuse to specify how to make the necessary tradeoffs among these competing interests, they leave managers with a theory that makes it impossible for them to make purposeful decisions (Freeman, 1984; Freeman, 2005). With no way of keeping a balanced score, stakeholder theory makes managers unaccountable for their actions making them adopts a reactive approach which does not integrate stakeholders into project decision making processes resulting into a misalignment of projects goals and stakeholder demands (Massie, 2010; Gibson, 2010).

In summary, Orodho (2009) argues that the choice of value maximization as the project scorecard must be complemented by good management practices supported by a project vision, strategy and tactics that unite participants in the project in its struggle for dominance in a competitive arena. A project cannot yield maximum value if management ignores the interest of its stakeholders in the long-term. Over time, a project board of directors and its CEO, acting as

stewards, are more motivated to act in the best interests of the project rather than for their own selfish interests as they tend to view a project as an extension of themselves. Compared to Agency theory, enlightened Stakeholders theory which utilizes much of the structure of shareholders theory advocates that, in a good project, top management cares more about the project's long term success and accepts maximization of the long run value of the project as the criterion for making the requisite tradeoffs among its stakeholders(Government of Kenya, 2009).

## 2.9 Conceptual Framework

### Independent Variables



**Figure 1: Conceptual framework of the management practices on sustainability of income generating projects**

## **2.10 Summary of Literature Review**

From the literature reviewed, it was evident that several factors affect sustainability of income generating projects. Community participation is important in sustainability of projects. Failure to manage risks in a project is a major constraint to project sustainability. Organizations should put in place proper mechanisms in order to monitor and evaluate the project progress in order to come up with collective measures to arrest the situation in case deviations are detected. This should be done in all the stages of project cycle from the start to the end to ensure project sustainability.

Most projects fail to reach their maturity once rolled out due to their inability to keep proper financial records and are therefore unable to monitor all the financial transactions carried. This results to the collapse of the projects before maturity. However, none of these studies had taken an in-depth study of management practices such as leadership, training, financial management and monitoring evaluation and how they influence women projects sustainability. Also no substantive study had been carried out at least in Kilifi County on the influence of Management Practices on sustainability of income generating projects. This study therefore aimed to bridge that gap.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter contains the research methodology that was used in the study. It focuses on target population, description of the research instruments, administration of research and the methods of data analysis.

#### **3.2 Research Design**

The study adopted a descriptive research design. According to Yin(2009),the objective of the descriptive study is to describe phenomena as it exists at present. A descriptive design was appropriate for this study because it enabled the researcher to investigate the target population and establish the factors under investigation. The study adopted both qualitative and quantitative research approaches.

#### **3.3 Target Population**

The target population of the study comprised of 1700 individuals who are the immediate beneficiaries of the project as recorded in the project records and 17 officials working in different capacities within the project, making a total target population of 1717.

#### **3.4 Sampling procedures and Sample size**

Stratified random sampling and purposive sampling techniques were used in this study. According to Mugenda & Mugenda (2003) purposive sampling, is a sampling technique that allows a researcher to get cases that have the required information with respect to the objectives of the study. Stratified random sampling was used to get the study sample by stratifying the target population into two strata; that is, one strata consisting of beneficiaries, and the other consisting of the officials working within the project. Using purposive sampling in the strata for project officials, the study focused on the following personnel in the project; project managers, finance managers, project accountants, technical staff and IT staff. A purposive sample of respondents was also drawn from the rest of the beneficiary respondents who are represented in the target population. These helped the study to achieve the needed information.

**Table 3.1: Sampling Matrix**

<b>Population</b>	<b>Total</b>	<b>Sample size</b>
Project officials	17	08
Project Stakeholders	1700	50
<b>Total</b>	<b>1717</b>	<b>58</b>

### **3.5 Data Collection Methods**

The study focused on primary data, both qualitative and quantitative. The data was collected through administration of questionnaires. The questionnaire included both open-ended and closed ended questions covering issues that touch on project sustainability. Open ended questions permitted free responses from the respondents, without providing or suggesting any structure for the replies. The closed ended questions enabled the researcher to analyze data easily using the stated alternatives. These alternatives were designed in such a way to make it simple for the respondents. Questionnaires were chosen because they help the researcher to collect a large amount of information in a large area within a short period of time (Orodho, 2003). The questionnaires were self-administered.

### **3.6 Data Collection Procedure**

The researcher trained two research assistants on the tools and procedure that had already been prepared. The researcher and the research assistants collected data by administering the questionnaires. Communication to the respondents was done in English and Kiswahili where it was applicable. In some cases a drop and pick later method was used. However, where respondents were willing, the completed questionnaires were picked immediately.

### **3.7 Validity and Reliability of Research Instruments**

This subsection discusses how the validity and the reliability of the data collection instrument were established.



### **3.7.1 Validity of the Research Instruments**

Validity refers to the degree to which evidence supports any inferences a researcher makes based on the data he or she collects using a particular instrument (Orodho, 2009). To ascertain the content validity of the instruments, expert opinion was sought from, colleagues and the supervisor. The pilot study was also carried out and helped the researcher to familiarize with data collection process.

### **3.7.2 Reliability of Instrument**

Mugenda and Mugenda (1999) define reliability as a measure of research instrument to yield consistent results or data after repeated trials. The test-retest method of assessing reliability was used. The questionnaire was administered twice to the project managers of the five piloted projects. The second administering was done after a two week lapse time. Correlation coefficient was used to determine the extent to which the contents of the questionnaire were consistent in producing the same response every time the instrument is administered. A Correlation coefficient of 0.8 was realized and accepted as recommended by Wiersma & Jurs (2005).

## **3.8 Ethical Considerations**

The researcher submitted a written request to World Vision Kenya (Kilifi) for permission to study Bamba Project which was replied in writing (permission letter). The consent was sought from all the participants (project staff and beneficiaries) before any data would be collected from them; and the purpose of the study was explained comprehensively to them. Their confidentiality was assured. None of them his or her name or identity was captured on the questionnaire.

## **3.9 Data Processing and Analysis and Presentation**

The data was analyzed using both qualitative and quantitative techniques. Qualitative data with scaled types of questions were analyzed descriptively through the 5-point Likert scale based on the various attributes provided in the questions while quantitative data were coded. The data was presented in frequency tables. The hypothesis was tested by use of the Chi-Square.

### 3.10 Operational Definition of Variables

**Table 3.2: Operational Definition of Variables**

Variable	Type of variable	Indicators	Data collection method	Level of scale
Leadership	Independent	<ul style="list-style-type: none"> <li>• Team work</li> <li>• Leadership commitment</li> <li>• Target orientation</li> <li>• Project ownership</li> </ul>	Questionnaire	Ordinal
Financial management	Independent	<ul style="list-style-type: none"> <li>• GAAP</li> <li>• Auditing</li> <li>• Financial management procedure</li> <li>• Informed decision making</li> </ul>	Questionnaire	Ordinal
Training	Independent	<ul style="list-style-type: none"> <li>• Trainees</li> <li>• Leave policy</li> <li>• Employee empowerment</li> <li>• Training needs</li> </ul>	Questionnaire	Ordinal
Monitoring and evaluation	Independent	<ul style="list-style-type: none"> <li>• Monitoring frequency</li> <li>• Reporting</li> <li>• Information accessibility</li> <li>• Impact assessment</li> </ul>	Questionnaire	Ordinal
Sustainability of project	Dependent	<ul style="list-style-type: none"> <li>• Continued operation</li> <li>• Constant returns</li> <li>• Continued expansion</li> </ul>	Questionnaire	Ratio

## **CHAPTER FOUR**

### **DATA ANALYSIS, PRESENTATION AND INTERPRETATION**

#### **4.1 Introduction**

This chapter focuses on the presentation of data and interpretation. The data was analysed using SPSS (Statistical Package for Social Scientists) version 20.0 and the hypothesis tested after each discussion using the Chi-Square.

#### **4.2 Response Rate**

In this study 58 questionnaires were sent out to the Bamba project of which 39 were successfully completed making a response rate of 67.24 %.

#### **Demographic Characteristics of Respondents**

**Table 4.1: Distribution of Respondents by Position in Project and Gender**

		Position		
		Non-Officials	Officials	Total
Gender	Male	18(.58)	3(.38)	21(.54)
	Female	13(.42)	5(.62)	18(.46)
Total		31(.79)	8(.21)	39

As shown in the table, 18 of the respondents were female making 46 % while 21 were male making 54 %. Of the respondents who were non-officials, 58% were male while 42% were female. Of the respondents who were officials, 38 % were male while 62% were female. In total, 79% of respondents were non-officials while 21% were officials.

**Table 4.2: Distribution of Respondents by Education Level and Time on Project**

		Level of education					
		PG	UG	T	S	P	Total
Time of service to the project	Over 10 years	1(.33)	5(.42)	3(.30)	3(.38)	3(.50)	15(.38)
	5 - 10 years	1(.33)	4(.33)	2(.20)	4(.50)	0(.00)	11(.28)
	Below 5 years	1(.33)	3(.25)	5(.50)	1(.13)	3(.50)	13(.33)
Total		3(.08)	12(.30)	10(.26)	8(.21)	6(.15)	39(1.0)

(PG=postgraduate, UG=Undergraduate, T=Tertiary, S=secondary, P=primary)

As shown 38% of the total number of respondents had stayed at their projects for over 10 years; 29% had stayed for between 5 and 10 years; while 33% had stayed for less than 5 years. Only 8 percent of the respondents had postgraduate education, 31% had undergraduate education, 26% had tertiary college education, 22% had secondary education while 15% had primary education.

### 4.3 Leadership and Sustainability of Income Generating Projects

**Table 4.3 Opinions in Relation to whether leadership has an influence on the sustainability of projects in the County**

	Response	Respondents	Percentage (%)
Leadership's influence in the sustainability of projects	Yes	36	92.31
	No	03	7.69

From the responses, 92.31% of the respondents who equate to 36 felt that Leadership Practices have an influence in the Sustainability projects in the county while the remaining 3 who represent 7.69% felt that leadership has no influence. When asked to give their reasons for support, 89% of the respondents said that good leadership places the project at a point of identifying future structural and cultural adjustments that are aimed at seeing it survive for long. On the same idea 11% Of the respondents felt that leadership alone cannot strategically place the projects in better positions for future survival if not coupled with proper financing and technology.

**Table 4.4: Leadership Practices Rating**

	Respondents' opinion on leadership practices on sustainability of IGP				
	SD	D	UD	A	SA
The leadership of the project allows for participative decision making	9	9	9	8	5
Leaders are fully committed to the project	11	10	9	7	2
Leaders are keen of achievement of targets of the project	12	10	10	5	2
This project is fully owned by the target beneficiaries of the project	16	14	5	1	3

Respondents were asked to what extent they agreed that the following affected sustainability of the project they worked for and responses given as follows:

Scale: SD-strongly disagree; D-Disagree; UN-undecided; A-Agree; and SA-Strongly Agree

From the responses, 9 respondents strongly disagreed with the idea that, the leadership of the project allows for participative decision making, 9 disagreed, 9 were undecided, 8 agreed while the remaining 5 strongly agreed with the idea. As per the second idea on leaders are fully committed to the project, 11strongly disagreed, 10disagreed, 9were undecided, 7agreed, while the remaining 2strongly agreed with the idea. On the idea that read, leaders are keen of achievement of targets of the project attracted 12 respondents who strongly disagreed, 10disagreed,10were undecided,5agreed,while the remaining 2 strongly agreed.Finally, 16 respondents strongly disagreed with the idea that, this project is fully owned by the target beneficiaries of the project,14 disagreed, 5 were undecided, 1 agreed, while the remaining 3 strongly agreed with the idea.

#### 4.4 Testing the First Hypothesis Using Chi-Square

**H<sub>1</sub>:**Leadership has no influence on sustainability of income generating projects in Kilifi County, Kenya.

**Table 4.5 Showing Chi-Square Testing**

O	E	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
16	8	8	64	8
14	8	6	36	4.5
5	8	-3	9	1.125
1	8	-7	49	6.125
3	8	-5	25	3.125
Summation				22.875

(O=observed results; E=Expected results)

Since the calculated chi-square value of 22.875 is greater than the critical chi-square value at 5% level of confidence(9.488), we accept the alternative hypothesis. Thus, leadership has an influence on sustainability of income generating projects in Kilifi County, Kenya.

#### 4.5 Financial Management and Sustainability of Income generating Projects

**Table 4.6 Response on Financial Management onIncome generating Projects**

	Response	Respondents	Percentage (%)
Financial management had an influence in projects sustainability on IGP	Yes	30	76.92
	No	9	23.08

The respondents where they were asked whether they thought that financial management is an issue in the sustainability of income generating projects in the Kilifi with responses of Yes orNo.

From the responses received, 30 respondents felt that financial management had an influence in projects sustainability while the remaining 9 who represented 23.08% felt that financial management had no influence. When asked to give reasons, out of the 39 respondents, 37 of them gave reasons like transparency in accounting, maintaining of records and managing the limited budgets in the organizations/projects could enable the project survive during times of

crisis. The remaining two thought proper management of financial records could attract more financing thus enabling the projects to go on with their activities for long.

**Table 4.7 Rating of Financial Management on sustainability of Income generating Projects.**

	Respondents' opinion on influence of Financial Management on sustainability of IGP				
	SD	D	UN	A	SA
You strictly follow the generally accepted accounting principles	15	14	6	3	1
The books of accounts for this project are always audited	14	16	5	2	2
Strict financial monitoring procedures are followed	14	12	12	1	0
Performance data routinely used in financial decisions	10	10	12	6	1

From the respondents, 15 strongly disagree with the idea that they strictly follow the Generally Accepted Accounting Principles, 14 disagreed, 6 were undecided, 3 agreed, while the remaining 1 strongly agreed. In relation to the statement that read, the books of accounts for this project are always audited, 14 strongly disagreed, 16 disagreed, 5 were undecided, 2 agreed, while 2 strongly agreed. 14 strongly disagreed with strict financial monitoring procedures are followed, 12 disagreed, 12 were undecided, 1 agreed, while 0 strongly agreed. Finally, 10 strongly disagreed with Performance data routinely used in financial decisions, 10 disagreed, 12 were undecided, 6 agreed, while 1 strongly agreed.

### Testing the second Hypothesis Using Chi-Square

**Table 4.8 Showing Chi-Square Testing**

O	E	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
14	8	8	36	4.5
16	8	6	64	8
5	8	-3	9	1.125
2	8	-6	36	4.5
2	8	-6	36	4.5
Summation				22.625

**H<sub>1</sub>:** Financial management has no effect on sustainability of income generating projects in Kilifi County, Kenya.

Since the calculated chi-square value of  $\chi^2_c = 22.625$  is greater than the critical chi-square (9.488) value at 5% level of confidence, we accept the alternative hypothesis. Thus, financial management has an effect on sustainability of income generating projects in Kilifi County, Kenya.

### 4.6 Training and Sustainability of Income generating Projects

**Table 4.9 Response on Training Practices on Sustainability of Income generating Projects**

	Response	Respondents	Percentage (%)
Training Practices had an influence in projects sustainability on IGP	Yes	33	84.62
	No	6	15.38

From the responses, 33 respondents felt that training practices have an influence in the sustainability of projects while the remaining 6 felt that it had no influence. When asked to give reasons, 33 had almost similar responses whereby they argued that if personnel were trained, the workers could become more innovative, creative and may in the long run bring in new ideas that will place the projects in continuous operations. The ones who responded with no felt that other external issues like leadership and finances surpassed the training issues in sustainability.



**Table 4.10 Rating for Training Practices on Sustainability of Income generating Projects**

	Respondents' opinion on influence of Training Practices on sustainability of IGP				
	SD	D	UN	A	SA
Only competent staff work in this project	10	12	12	4	1
There is a clear policy on who can take over if key staff leave	10	9	11	5	4
Training focuses on empowering employees	12	13	7	5	2
Training is extensive enough to cover key aspect of project	15	12	12	0	0

Respondents were asked to rate how the following factors affect sustainability of the project they worked .From the responses, 12 respondents strongly disagree with the idea that only competent staff work in this project, 12 disagreed, 12 were undecided, 4 agreed, while the remaining 1 strongly agreed. In relation to the statement that read, there is a clear policy on who can take over if key staffs leave, 10 strongly disagreed, 9 disagreed, 11 were undecided, 5 agreed, while 4 strongly agreed. 12 strongly disagreed with Training focuses on empowering employees, 13 disagreed, 7 were undecided, 5 agreed, while 2 strongly agreed. Finally, 15 strongly disagreed with the idea that Training is extensive enough to cover key aspect of project, 12 disagreed, 12 were undecided, 0 agreed, while 0 strongly agree.

### Testing the Third Hypothesis Using Chi-Square

**Table 4.11 Showing Chi-Square Testing**

O	E	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
15	8	7	49	6.125
12	8	4	16	2
12	8	4	16	2
0	8	-8	64	8
0	8	-8	64	8
Summation				26.125

**H<sub>1</sub>:** Training does not influence sustainability of income generating projects in Kilifi County, Kenya.

Since the calculated chi-square value of  $\chi^2_c = 26.125$  is greater than the critical chi-square value (9.488) at 5% level of confidence, we accept the alternative hypothesis. Thus, training influences sustainability of income generating projects in Kilifi County, Kenya.

#### 4.7 Monitoring and Evaluation on Sustainability of Income generating Projects

Table 4.16 shows how respondents felt in relation to the question that read, in your own opinion, do you think that the project you are involved in is doing enough in relation to monitoring and evaluation?

**Table 4.12 Responses on Monitoring and Evaluation**

	Response	Respondents	Percentage (%)
Monitoring and Evaluation had an influence in projects sustainability on IGP	Yes	26	66.67
	No	6	15.38
	Not sure	7	17.95

From the responses, 26 respondents said yes to the idea that monitoring and evaluation has an influence in the sustainability of projects, 6 responded with no while the remaining 7 were not sure about the influence of monitoring and evaluation. When asked why, 22 felt that monitoring and evaluation will project the future trends of activities by summing up and continuously updating on the project's success or failure, 10 felt that monitoring and evaluation could test the project's trend and avoid risks while the remaining 7 felt that monitoring and evaluation has no effect because it has never been effected.

**Table 4.13 Rating of Monitoring and Evaluation**

	Respondents' opinion on influence of Monitoring and Evaluation on sustainability of IGP				
	SD	D	UN	A	SA
Monitoring and evaluation is frequently done in your in your project	12	12	12	3	0
Monitoring and evaluation findings are always reported	10	15	11	0	3
Key information about the project is easily accessible	11	11	12	5	0
Biodiversity impact assessment of the project is keenly observed	15	15	5	2	2

Respondents were asked to give their level of opinion on the monitoring and evaluation.

From the responses, 12 respondents strongly disagree with the idea that monitoring and evaluation is frequently done in your in the Bamba project, 12 disagreed, 12 were undecided, 3 agreed, while none strongly agreed. In relation to the statement that read, Monitoring and evaluation findings are always reported, 10 strongly disagreed, 15 disagreed, 11 were undecided, 0 agreed, while 3 strongly agreed. 11 strongly disagreed with Key information about the project is easily accessible, 11 disagreed, 12 were undecided, 5 agreed, while 0 strongly agreed. Finally, 15 strongly disagreed with biodiversity impact assessment of the project is keenly observed, 15 disagreed, 5 were undecided, 2 agreed, while 2 strongly agreed.

### Testing the Fourth Hypothesis Using Chi-Square

**Table 4.14 Showing Chi-Square Testing**

O	E	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
12	8	4	16	2
12	8	4	16	2
12	8	4	16	2
3	8	-5	25	3.125
0	8	-8	64	8
Summation				17.125

**H<sub>1</sub>:**Monitoring and evaluation does not influence sustainability of income generating projects in Kilifi County, Kenya

Since the calculated chi-square value of  $\chi^2_c = 17.125$  is greater than the critical chi-square (**9.488**) value at 5% level of confidence, we accept the alternative hypothesis. Thus, Monitoring and evaluation affects sustainability of income generating projects in Kilifi County, Kenya.

## CHAPTER FIVE

### SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS, AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter presents the summary of the study findings, discussions, conclusions and recommendation of the research. The chapter also contains suggestions of related studies that may be carried out in the future.

#### 5.2 Summary of Findings

**Table 5.1 summary Chi-square results on the relationship between the leadership practices, financial management, training practices and monitoring and evaluation on the sustainability of IGP**

	Chi-square value	df	X-table value	Decision
Leadership practices	22.875	4	9.488	Accept
Financial management	22.625	4	9.488	Accept
Training practices	26.125	4	9.488	Accept
Monitoring and evaluation	17.125	4	9.488	Accept

The purpose of this study was to determine the management practices and their role on sustainability of income generating projects; the case of Kilifi county in Kenya. From an analysis and review of the research data and additional data gathered through interviews and questionnaires filled, a number of issues became apparent.

The first objective sought to determine the influence of leadership on the sustainability of income generating projects in Kilifi County. A number of arguments became apparent. From the responses, 36 respondents (92.31%) agreed that leadership is a significant contributor to sustainability of income generating projects while 03(7.69%) thought it was not significant.

Furthermore, 9 respondents strongly disagreed with the idea that, the leadership of the project allows for participative decision making, 9 disagreed, 9 were undecided, 8 agreed while the remaining 5 strongly agreed with the idea. On the second idea on whether leaders are fully committed to the project, 11 strongly disagreed, 10 disagreed, 9 were undecided, 7 agreed, while the remaining 2 strongly agreed with the idea. On the idea that read, leaders are keen on achievement of targets of the project attracted 12 respondents who strongly disagreed, 10 disagreed, 10 were undecided, 5 agreed, while the remaining 2 strongly agreed.

The second objective sought to establish the influence of financial Management on sustainability of income generating projects in Kilifi-County. The responses were as follows: 30 (76.92%) respondents felt that financial management had an influence on projects sustainability while the remaining 9 who represented 23.08% felt that financial management had no influence. When asked to give reasons, out of the 39 respondents, 37 of them suggested that transparency in accounting, maintaining of records and managing the limited budgets in the organizations/projects could enable them survive during times of crisis. The remaining two thought that proper management of financial could attract more financing thus enabling the projects to go on with their activities for long. On a scale rating, 15 strongly disagree with the idea that the project strictly follow the Generally Accepted Accounting Principles, 14 disagreed, 6 were undecided, 3 agreed, while the remaining 1 strongly agreed. In relation to the statement that read, the books of accounts for this project are always audited, 14 strongly disagreed, 16 disagreed, 5 were undecided, 2 agreed, while 2 strongly agreed.

On the third objective that sought to establish the influence of training on sustainability of income generating projects in Kilifi-County, 33 respondents (84.62%) thought that training practices enhance sustainability of income generating projects while 6 (15.38%) thought it does not. Respondents also responded as follows to questions put to them, 12 respondents strongly disagree with the idea that only competent staff work in this project, 12 disagreed, 12 were undecided, 4 agreed, while the remaining 1 strongly agreed. In relation to the statement that read, there is a clear policy on who can takes over if key staff members leave, 10 strongly disagreed, 9 disagreed, 11 were undecided, 5 agreed, while 4 strongly agreed. 12 strongly disagreed with Training focuses on empowering employees, 13 disagreed, 7 were undecided, 5 agreed, while 2

strongly agreed. Finally, 15 strongly disagreed with the idea that Training is extensive enough to cover key aspects of the project, 12 disagreed, 12 were undecided, 0 agreed, while 0 strongly agreed.

The final objective sought to assess the influence of monitoring and evaluation on sustainability of income generating projects in Kilifi County. From the responses, 26 (66.67%) respondents said yes to the idea that monitoring and evaluation has an influence on the sustainability of projects, 6 (15.38%) responded with no, while the remaining 7 (17.95%) were not sure about the influence of monitoring and evaluation. When asked why, 22 felt that monitoring and evaluation will project the future trends of activities by summing up and continuously updating on the project's success or failure, 10 felt that monitoring and evaluation could test the project's trend and avoid risks while the remaining 7 felt that monitoring and evaluation has no effect because it has never been effected. On likert scale rating, 12 respondents strongly disagree with the idea that monitoring and evaluation is frequently done in your in your project, 12 disagreed, 12 were undecided, 3 agreed, while none strongly agreed. In relation to the statement that read, Monitoring and evaluation findings are always reported, 10 strongly disagreed, 15 disagreed, 11 were undecided, 0 agreed, while 3 strongly agreed.

### **5.3 Discussion of Findings**

From the results of the study, there is a great relationship between the management practices and their role on sustainability of income generating projects; the case of Kilifi county in Kenya.

Therefore, from the findings, and on the support on the first of objective that sought to determine the influence of leadership on the sustainability of income generating projects in Kilifi County, a number of arguments became apparent. 36 respondents (92.31%) agreed that leadership is a significant contributor to sustainability of income generating projects while 03 (7.69%) thought it was not significant. Furthermore, 9 respondents strongly disagreed with the idea that, the leadership of the project allows for participative decision making, 9 disagreed, 9 were neutral, 8 agreed while the remaining 5 strongly agreed with the idea. On the second idea on leaders are fully committed to the project, 11 strongly disagreed, 10 disagreed, 9 were neutral, 7 agreed, while the remaining 2 strongly agreed with the idea. On the question that read, leaders are keen on achievement of targets of the project, it attracted 12 respondents who strongly disagreed, 10

disagreed, 10 were neutral, 5 agreed, while the remaining 2 strongly agreed. This is in agreement with the literature reviewed. According to Maina (2012), Effective and efficient leadership with quality leadership skills, creative with commitments will lead the projects to sustainability. There is a need for persistence and perseverance leadership to mobilize, inspire, and lead the staff with participatory style of leadership. Due to lack of skills in strategizing at the local level, the gains have not been capitalized widely; setting goals and being better informed. Significant proportion of respondents that is over two-third believed that the leadership of the project did not allow for participative decision making; leaders were not fully committed to the project; the project was not fully owned by the target beneficiaries of the project and leaders were not keen on achievement of targets of the project. Teamwork can be identified as the main important factor for the success of income generating projects (Magano, 2000). This concurs with Karanja's study (2014) who found majority of the project leaders and the members felt that team building activities in the project cycle needed to be more frequent as they were important in cultivating teamwork among the project team members hence a sustainable project. Magano (2000) further elaborates that when people work as a group, lack of respect such as ignoring the contributions of others, criticisms, and sarcasm devalues other members, which has a negative effect on team relationships.

According to (Madi, 2007) participants of the income generating projects in addressing poverty in Mogale City, South Africa, were emotionally and socially satisfied by the projects, which indicated that they had passion and trust in the projects for the future. The approach in community development requires participation, it allows for learning to take place, for small-scale projects to be undertaken, for the empowerment of people, ownership of the project, adaptation of the project, simplicity in execution, and release from poverty and finally, it address the abstract human needs of an improved self-image and self-reliance (Swanepoel, 1997).

The second objective sought to establish the influence of financial Management on sustainability of income generating projects in Kilifi-County. The responses were as follows: 30 (76.92%) respondents felt that financial management had an influence on projects sustainability while the remaining 9 who represented 23.08% felt that financial management had no influence. When asked to give reasons, out of the 39 respondents, 37 of them suggested that transparency in



accounting, maintaining of records and managing the limited budgets in the organizations/projects could enable them survive during times of crisis. The other two thought proper management of finances could attract more financing thus enabling the projects to go on with their activities for long. This is in agreement with a number of literatures reviewed. For example, Stoner (2011) noted that financial statements are used to track the monetary value of resources into and out of the project. This then calls for the project managers to have a careful financial management strategy to monitor project resources to enhance and guarantee their sustainability. Financial planning starts with the evaluation of the current financial position, and suggests that a good project manager should know where the project stands financially, how much it requires and how much it owes to outsiders. Further, project manager needs to know what the project intends to achieve. Project managers also need to set financial goals, which involve identifying projects needs and stakeholders expectations. Financial planning and management is for everyone in the project and pointed out that all stakeholders are financial planners and everyone has a financial plan at some level. In disregard to the above argument by Connell, some project stakeholders, due to ignorance do not consider themselves as financial planners and therefore detach themselves from the project. This actually threatens sustainability of the project.

The study reveals that three-fourths of the respondents believed that the performance data was not routinely used in financial decisions; no strict financial monitoring procedures were followed; and the books of accounts for this project were always audited. However, a half of the respondents had an opinion that projects did not really strictly follow the Generally Accepted Accounting Principles. Frequent financial reporting on the project progress was supported by a big proportion of the chairpersons and equal number of members to have had influence on the sustainability of the youth projects (Karanja, 2014). This concurs with Sanga's study's (2009) findings that proper record keeping sustains and expands an organization and without it the business runs a risk of hitting cash flow crunches wasting money and missing out opportunities to expand. Statements issued for decision-making purposes are just as important as accounting procedures (León, 2001). The financial statements generated reveal the progress and achievement of the project which will in turn lead to the project sustainability. Another recent World Resource Institute report, for example, found that developing markets have particularly

lagged behind in producing corporate sustainability reports. What's more, stand alone reports all but guarantee that sustainability remains at the periphery rather than the mainstream of financial and investment decisions. Madison (2009) in his study on the factors affecting sustainability of rural water supplies in Tanzania concluded that, sustainability of rural water supply projects is clearly undermined by poor financial management the constituent element which must be addressed by all implementing agencies, donors and government.

On the third objective that sought to establish the influence of training on sustainability of income generating projects in Kilifi-County, The responses were as follows: 30 (76.92%) respondents felt that financial management had an influence on projects sustainability while the remaining 9 who represented 23.08% felt that financial management had no influence. When asked to give reasons, out of the 39 respondents, 12 respondents strongly disagree with the idea that only competent staff work in this project, 12 disagreed, 12 were neutral, 4 agreed, while the remaining 1 strongly agreed. In relation to the statement that read, there is a clear policy on who can take over if key staff members leave, 10 strongly disagreed, 9 disagreed, 11 were neutral, 5 agreed, while 4 strongly agreed. 12 strongly disagreed with Training focuses on empowering employees, 13 disagreed, 7 were neutral, 5 agreed, while 2 strongly agreed. Finally, 15 strongly disagreed with the idea that Training is extensive enough to cover key aspect of project, 12 disagreed, 12 were neutral, 0 agreed, while 0 strongly agreed. This has a relationship with the findings of a number of scholars. In summary, three quarters of the respondents disagreed that only competent staff work in this project, training is extensive enough to cover key aspect of project, training focuses on empowering employees and that there is a clear policy on who can take over if key staff leave. From the literature for example, Hubbard and Bolles (2010) points out that in order to increase chances of successful and sustainability of the project, the leader and the team members need to be trained on the project risk assessment and management, fundraising and project evaluation and monitoring. By knowing what may have led to project failure, the team stands a better chance of forestalling the pitfalls by being more proactive in planning. To counteract the foregoing and ensure success, the following factors should be put into consideration; risk management, project control and sponsorship. In less developed countries, project managers of income generating projects, lack financial capacity to train their managers and members the essential skills needed for effective implementation and

sustainability of the projects leading to the continued fail (Hubbard and Bolles, 2010). Training may focus on a variety of skills such as leadership, communication, small business management, bookkeeping and technical skills that relate to the project activities (Hurley, 1990). The study by Karanja's (2014) findings reveal the chairpersons of the youth income generating projects in Kangema District believed that prior training and frequent in service training in project management had a positive influence on the sustainability of the youth projects. For the training to yield the required commitment and awareness from participants, it must address specific needs of projects and that quality training increases commitment to project objectives and awareness of individual participant's and therefore all team members should receive detailed training on process and procedures relevant to their own work (OECD, 2011). Employees ought to be empowered with different capacities like skill improvement, being trained in the universities and other higher learning institutions to work effectively and efficiently (Walmart, 2012). In reality, the major training needs of the project staff should frequently be oriented towards human development and this is a grounding principle of sustainability (Matakanye, 2000). Education and skills increase the ability to innovate and adopt new technologies in agriculture and enhance farmers' performance (Hartl, 2009). Similarly, ILO (2008) shows evidence from Asia that better education and training increases the chances to find high-paying non-farm employment, whereas lack of education tends to limit options to agriculture or low-wage non-farm employment.

On the final objective that sought to assess the influence of monitoring and evaluation on sustainability of income generating projects in Kilifi County, from the responses, 26 (66.67%) respondents said yes to the idea that monitoring and evaluation has an influence on the sustainability of projects, 6 (15.38%) responded with no, while the remaining 7 (17.95%) were not sure about the influence of monitoring and evaluation. On the Likert scale rating, 12 respondents strongly disagree with the idea that monitoring and evaluation is frequently done in your in your project, 12 disagreed, 12 were neutral, 3 agreed, while none strongly agreed. Therefore, the study found that Monitoring and evaluation is not frequently done in the project with only insignificant proportion of the respondents agreeing that it is usually done frequently. In relation to the statement that read, Monitoring and evaluation findings are always reported, 10 strongly disagreed, 15 disagreed, 11 were neutral, 0 agreed, while 3 strongly agreed. This is in agreement with a number of scholars in the literature reviewed. For example, Harvey and Reed

(2011) argue that, the success and sustainability of any project or program largely depends on constant feedback about ongoing project activities. In the study by Karanja (2014) suggests that, periodic Monitoring and Evaluation by expert from the Ministry of Youth or any other area should be incorporate to assist the monitoring and evaluation of these projects so as to make them give quality returns. Leaders should therefore be trained on monitoring and evaluation skills to enhance the effectiveness and sustainability of a project. According to Standish Group Project Chaos Report (2005), one of the reasons for project failure is lack of project monitoring and control. Monitoring and evaluation of development activities provides program and project managers, including Government officials and civil society the means of learning from past experience, improving service delivery, planning and allocating resources, and demonstrating results as part of accountability to key stakeholders (Ministry of Tourism, 2012). Without monitoring of progress, there is a danger that community priorities could be sidelined or that token community involvement could take the place of real participation by local residents (Madi, 2007). The study by Karanja (2014) revealed that majority of the youth projects in Kangema were only evaluated twice a year and 23% had not been evaluated at all. Monitoring and evaluation is important in the sustainability of a project and therefore the frequency of monitoring and evaluation should be enhanced in all the project stages. On the accessibility of key information about the project, majority of the respondents reported not able to access them easily. This was also supported by views of (Patton, 1997)who argued that, monitoring forms an integral part of all successful projects and without access to accurate and timely information, it is difficult if not impossible to manage an activity, project or program effectively. Sustainability indicators must be developed as a measuring tool, which will assist the community to monitor and evaluate their project progress, detect problems well in advance and take timely corrective measures (Niekerk, Kruger & Lamey, 2006). Facilitators of income-generating projects must be patient at all times and they must be willing to learn from community members and they should have an open mind. Checklists and evaluations are vital for both the facilitator and project members (Niekerk, Kruger & Lamey, 2006). Similarly, to the observation of the biodiversity impact assessment of the project the majority of the respondents disagreed with the idea that the project upholds the biodiversity.

## **5.4 Conclusion**

From the study results and the findings of various authors in the literature, the Kilifi income-generating projects are not performing well in the measures taken to ensure the sustainability. There is poor leadership, financial malpractices, inadequate skill development among workers and the beneficiaries and poor monitoring and evaluation system in place. The community members or project beneficiaries feel sidelined from the projects. It is also evident that projects that are geared towards income-generation activities have to follow a Participatory Action Research (PAR) approach for them to be sustained. Communities must be held responsible and accountable for their own development with the help of external organizations. The efforts and activities embarked upon should be bent on expanding and establishing empowerment and capacity building to the people both the staff and beneficiaries of the projects in the community. It also became evident that good financial management practices have positive effect on the sustainability of the income generating projects in Kilifi. Continued improvements of the skill development especially in leadership, financial management, monitoring and evaluation of the projects have great impact on the survivorship of the projects. In a nutshell, good governance which include leadership, capacity building of the workers and beneficiaries, excellent financial management and good practices of monitoring and evaluation of the income-generating projects general have major impacts on their sustainability both in the environment and community.

## **5.5 Recommendations**

Based on the study findings and the conclusions, the following recommendations arise in the light of aiming to improve the sustainability of projects in Kilifi County. A number of sustainability measures or indicators need to be developed since without any of these components present in an intervention directed at income-generation, sustainability cannot be achieved.

The specific recommendations are as follows:

### **Leadership**

The leadership of projects in Kilifi County should be improved. The leadership should be made effective and efficient so as to ensure that the implementation and sustainability of the income-generating projects in Kilifi for the betterment of the beneficiaries. People within the

communities must be fully aware that development is a process that needs commitment and teamwork.

### **Skill development and training**

It is imperative for community development practitioners to assist the beneficiaries within the projects to undergo some skills training to acquire more knowledge about projects development and role that is associated therewith.

The current training programs should be enhanced. The training programs should be tailored to fit the kind of projects found in Kilifi County.

Extend coverage to both full- and part-time workers and to employees in small businesses. Paid family leave is a basic labor protection, and as with other labor protections like the minimum wage, part-time workers and small business employees also need access to the right to leave for major family events, such as the birth of a baby or a family member's serious illness. Thus, this will boost the sustainability of so many income-generating projects.

### **Financial management**

Management of finances should be strengthened. The current manner in which finances are managed does not seem to enhance sustainability. The financial systems should be digitized. Every project should put in place mechanisms of ensuring that they have in place sources of funding that will drive the project towards independence from the current financiers.

Funding must not be given without proper monitoring systems in place. It is therefore suggested that comprehensive management training that will focus on financial management, developing simple financial recording systems and procedures be ensured in all projects committees.

Income generating activities are considered those activities likely to directly result in the creation of income through the sale of goods and services. Thus, the researcher recommends that income-generating projects must be able to generate a specific income even if it is little and there must be financial records of income generated.

During the planning stage of the project, it is recommended that projects must have a structure in place to deal with issues. For instance, the community or project members to select representatives and for the representatives to be able to discuss important matters with the project members.

## **Monitoring and Evaluation**

There is no shortcut to the process of learning from mistakes in income generation. Achieving positive impacts with income generation depends on an extraordinary good knowledge of the economic environment as well as people's capacity to handle the projects. Both dimensions can and should be explored by means of a robust monitoring and evaluation (M& E) system.

M& E teaches us what can be expected from income generation activities within a given context. It thus helps to establish realistic programme objectives in terms of business performance and household impact. It is therefore, critical to monitor possible reactions within host communities or among local authorities in order to be able to address these in a timely and appropriate manner.

Monitoring and evaluation should be made more effective. The frequency of monitoring should be improved. The data obtained from the monitoring and evaluation should be used to make financial and non-financial decisions for the projects. Effective financial management will ensure the projects become sustainable.

A proper repayment-monitoring system (including a Monitoring Information System between field staff and management) is imperative to ensure repayment enforcement and to manage the overall financial portfolio.

Indicators for monitoring outputs and impacts should be developed with participation of all stakeholders and be revised as necessary during the programme period.

Monitoring and evaluation plan should be designed at the time of the initiation or formulation stage to measure performance, identify gaps and action required, and feed back to improve future predictions. In a nutshell, it should be ongoing activity in line with the progress of the project to ensure sustainability of the project.

Developing performance indicators at different levels within the organization of the project is paramount. The indicators must be specific, measurable, achievable, realistic and time bound. Indicators should reflect the business realities, values and culture of the organization.

## **5.6 Suggestions for Further Research**

- i. This study was carried out in one county only. A similar study could be carried out in the other Counties and the whole Country at large.
- ii. A research can be done in the county to determine the socio-cultural factors influencing the sustainability of income generating projects.
- iii. A study can also be done with special focus on the sustainability of community based projects only.
- iv. Finally a study can be done to re-evaluate this research since the area was not effectively covered due to constraints of time and resources.



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## **APPENDICES**

### **Appendix A: Letter of Introduction**

**Melcent Nely Okwach**

**P.O Box.....**

**Mombasa.**

**Tel: 0703454731**

**Email: nellyokwach@gmail.com**

**Dear participant,**

My name is Melcent Nely Okwach and I am a student undertaking a Master of Arts Degree in Project Planning and Management at the University of Nairobi, Mombasa Campus. To fulfill the completion of this course, am conducting research titled, “Management Practices and Their Role on Sustainability of Income Generating Projects”; The Case of Bamba project in Kilifi County - Kenya. Since this issue that affects the whole community, I am inviting you to participate in this research study by completing the attached questionnaire and sincerely giving information as per question.

If you choose to participate in this research, please answer all questions as honestly as possible. Participation is strictly voluntary and you may decline to participate at any time. In order to ensure that all the information will remain confidential, you do not have to include your name. The data collected will be for academic purposes only.

Thank you.

Yours faithfully,

**Melcent Nely Okwach**

## Appendix B: Questionnaire

Serial No.....

The questionnaire is meant to collect information on whether management practices affect sustainability of income generating projects in Kilifi County in Kenya: The case of Bamba project. Kindly answer all the questions by writing a brief statement or ticking the options that apply in the boxes provided, as applicable. There is no right or wrong answer. Your opinion is the most important. The information provided will be treated with utmost confidentiality and at no instance will your name be mentioned in this research.

### SECTION A: DEMOGRAPHIC INFORMATION

1. Gender of the respondent?

i) Male ☐ ii) Female ☐

2. Respondents position:

Project Manager

Administrator

Accountant

System Administrator

other (specify)

3. How long,in years, have you been working on this project?

1-3years, 3-6years, 6-9 years, 9-12 years,

\_\_\_\_\_ Years

4. What is your highest level of education?

Primary

Secondary

Tertiary College

Undergraduate

Postgraduate

Other (specify)

## SECTION TWO: LEADERSHIP PRACTICES

1. In your own opinion, do you think that leadership has an influence in the sustainability of projects in the county? Yes ( ) No ( ).
2. Give reasons for your answer in 1  
above.....  
.....  
.....
3. To what extent do you agree that the following affect sustainability of the project you work for?

**1-strongly disagree    2-Disagree    3-Undecided    4-Agree    5-Strongly Agree**

**1   2   3   4   5**

The leadership of the project allows for participative decision Making

Leaders are fully committed to the project

Leaders are keen of achievement of targets of the project

This project is fully owned by the target beneficiaries of the project

## SECTION TWO: FINANCIAL MANAGEMENT

4. Do you think that financial management is an issue in the sustainability of income generating projects in the Kilifi?
5. With relevant examples, give some reasons as per your support of the above from any project you  
know.....



.....  
.....

6. To what extent do you agree that the following affect sustainability of the project you work for?

**1-strongly disagree    2-Disagree    3-Undecided    4-Agree    5-Strongly Agree**

**1   2   3   4   5**

You strictly follow the Generally Accepted Accounting Principles

The books of accounts for this project are always audited

Strict financial monitoring procedures are followed

Performance data routinely used in financial decisions

### **SECTION FHREE: TRAINING PRACTICES**

7. Do support the idea that training has an influence in the sustainability of income projects in the area? Yes (    )    No (    ).

8. Support your answer from relevant projects.-----  
-----  
-----

9. To what extent do you agree that the following affect sustainability of the project you work for?

**1-strongly disagree    2-Disagree    3-Undecided    4-Agree    5-Strongly Agree**

**1   2   3   4   5**

Only competent staff work in this project

There is a clear policy on who can take over if key staff leave

Training focuses on empowering employees

Training is extensive enough to cover key aspect of project

#### **FOUR: MONITSECTION ORING AND EVALUATION**

10. In your own opinion, do you think that the project you are involved in is doing enough in relation to monitoring and evaluation?    Yes (    )    No(    )    Not Sure (    )

11. What are the possible reasons for your answer above? -----  
-----

12. To what extent do you agree that the following affect sustainability of the project you work for?

**1-strongly disagree    2-Disagree    3-Undecided    4-Agree    5-Strongly Agree**

**1   2   3   4   5**

Monitoring and evaluation is frequently done in your in your project

Monitoring and evaluation reports are always reported

Key information about the project is easily accessible

Biodiversity impact assessment of the project is keenly observed

**THANK YOU FOR YOUR RESPONSES**