INFLUENCE OF PUBLIC PRIVATE PARTNERSHIP MODEL ON COMPLETION OF WATER PROJECTS IN UASIN GISHU COUNTY, KENYA.

BY

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2016
DECLARATION

This project is my original work and has not been presented to any other examination body.

Signature: _____________________________   Date: ______________

Michael OtienoOwuor

L50/79555/2015

This research project report has been submitted with my approval as supervisor.

Signature: _____________________________   Date: ______________

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DEDICATION

This project is dedicated to my dear Mother Mrs. Grace Owuor for her encouragement and continuous prayers while undertaking the course; fiancée Adlight Mudanya, Siblings Millicent Akinyi, Tony Odhiambo, Fred Omondi, Felix Okoth, Steve Biko, Millicent Akinyi, Betty Atieno and Ruth Mwajuma,. May the almighty God bless them in a special way.
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<td>Build Own Operate</td>
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<td>BOT</td>
<td>Build Operate Transfer</td>
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<td>CBI</td>
<td>Confederation of British Industry</td>
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<td>CCPPP</td>
<td>Canadian Council of Partnership Private Partnership</td>
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<td>CP</td>
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<td>DBFO</td>
<td>Design Build Finance Operate</td>
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<td>GHWA</td>
<td>Global Health Workforce Alliance</td>
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<td>ROI</td>
<td>Return on Investments</td>
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<td>SME</td>
<td>Small and Medium Enterprises</td>
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<td>UN</td>
<td>United Nations</td>
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ABSTRACT

Completion of the project is considered as a source of concern to both public and private sector clients. Project implementation varies among various options. In all the implementation options, various factors will play out to determine if the project will be implemented successfully. The purpose of the study was to investigate the influence of public private partnership on completion of water project in UasinGishu County, Kenya. The study specific objectives were to determine how financial support by public private partnership model influences completion of water project, establish how technical expertise by public private partnership model influence completion of water project. Ascertain how budgetary plan by public private partnership model influence completion of water project and establish how community support by public private partnership model influence completion of water project. The study was informed by transactional cost theory and stakeholders’ Theory. Descriptive survey research design was employed in the study. From the target population of 395 employees the study used simple random sampling technique to select a sample size of 198. The study used five point structured questionnaires and document analysis as the main tools for collecting data. Cronbach Alpha Coefficient indicator was used to test internal consistency of the items. Data was analysed using both descriptive and inferential analysis. Descriptive methods such as frequencies mean and standard deviation were used to provide general trends of the data. Inferential statistics included Pearson correlations to show the relationship between variables. Results were interpreted and required recommendations made at the end of the study. It was found that financial support as a component of PPP model, the study revealed that partners assist in connecting the potential donors for funding. The partners also ensure that no operation is affected by inadequate funds. They assist in the management of funds and ensure that utilization of funds is monitored by both partners, technical expertise provided within PPP model showed that employees with expertise are provided by the partners, budgetary plan revealed that all partners participate in the budgeting process. Also, their partners’ explanations are provided when the budget is revised. Free discussions between partners on the budget are increased and contribution from partners to the budget is viewed importantly. Additionally, communication of
details of budget policy and guidelines to people responsible of preparation of budget is often made. There is however doubt if proposals relating to the budget are challenged before development of budget. Finally, community support revealed that the community participates in project planning. It does this by providing a human force. Additionally, free discussions between partners on community are encouraged. The contribution from the community is viewed importantly hence the project partners allow community opinions and views. As well, the community provides technical assistance to the project. Recommendations for the study were financial support is key in enhancing project performance. As a result, there is need for public private partnerships in water projects so that no operation is affected by inadequate funds. Technical expertise is instrumental in enhancing project performance. Consequently, there is need for partners to provide employees with the needed expertise to lead the project to a success. Budget planning, it is utmost necessary for all partners to participate in the budgeting process. This study focused on the influence of public private partnership on completion of water project in UasinGishu County, Kenya, furtherance can be replicated with a larger, more representative sample. Furthermore, it would be interesting to know whether the observed findings hold for other Counties as well.
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Completion of the project is considered as a source of concern to both public and private sector clients. Kumaraswamy (2002) remarked that project completion measurement include time, budget, safety, quality and overall client satisfaction. The need for public-private partnerships arose against the backdrop of inadequacies on the part of the public sector to provide public good on their own, in an efficient and effective manner, owing to lack of resources and management issues. These considerations led to the evolution of a range of interface arrangements that brought together organizations with the mandate to offer public good on one hand, and those that could facilitate this goal through the provision of resources, technical expertise or outreach, on the other (Nishtar, 2004).

Public-private partnerships have been explored as a mechanism through which additional resources and support can be mobilized for health activities, particularly in under resourced developing countries. Over 80 such partnerships exist, many focusing on combating neglected diseases (Wemos, 2004). The UN and its agencies have been at the forefront of engaging with the private sector in an attempt to foster collaboration that would deliver more resources for health in poorer countries (Buse and Waxman, 2001).

PPPs have been implemented broadly around the world. In the 1980s, the United Kingdom pioneered the development of a particular form of PPPs, creating the Private Finance Initiative (PFI) in 1992 to further promote PPP agreements (Iossa, Spagnolo, &Vellez, 2007). According to the World Bank’s Private Participation in Infrastructure (PPI) database, PPP agreements in developing countries have grown steadily since the 1990s; 2,750 infrastructure projects for capital value of US$ 786 billion have been implemented in 1990-2003. This database notes that private activity in road projects in developing countries has undergone a resurgence in the past four years. Investment
commitments to road projects with private participation have grown from US$7 billion in 2005 to US$167 billion in 2008, reaching a new peak.

In United States, Emerging works suggest that partnerships have indeed led to substantial gains (Caines 2005; Buse and Tanaka 2011) and contributed to addressing these pressing global problems. Yet evidence on whether PPPs are truly “win-win” solutions, succeeding where both states and markets have failed, is far from clear. The cumulative positive impact of partnerships is neither established nor properly tested (Biermann et al. 2007b). Given their diverse nature and ranging focuses, more needs to be done to systematically study the impact of these unique collaborative institutions.

In Asia, government such as China and India are left with a choice not between a PPP and a conventional procurement project but with a choice between a project and no project at all as a government is unable to finance the project from its own funds (Robinson, 2000; Shaoul, 2005). The problem of such a preference for PPPs is that there is a high degree of possibility for approval of projects that do not generate better value for money but are accepted for the financial resources only – getting a project procured while having debt off government’s balance sheet (Maski&Tirole, 2008).

In developing nations, Involvement of the private sector is, in part, linked to the wider belief that public sector bureaucracies are inefficient and unresponsive and that market mechanisms will promote efficiency and ensure cost effective, good quality services (WHO, 2000). Another perspective on this debate is linked to the notion that the public sector must reorient its dual role of financing and provision of services because of its increasing inability on both fronts (Mitchell, 2001). Under partnerships, public and private sectors can play innovative roles in financing and providing health care service.

In Ghana, partnership has significant potentialities for achieving efficient and effective high quality health services. It aims to establish a functional integration and sustained operation of a pluralistic health care delivery system by optimizing the equitable use of the available resources and investing in comparative advantages of the partners. It ensures the utilization of the potentials of both the public and private sectors
(Barakat, 2003). The need to provide and improve the efficiency of the health system delivery has been gaining attention worldwide (Jamison et al, 2006). Many countries have introduced reforms with the goal of making health care more effective (Mattke et al., 2006).

In Uganda a study carried out by Ssengoba et al, (2007) on the healthcare sector total funding to the PNFP sub sector amounted to just 0.5 percent of the total health sector budget in 1997/98, and this had grown to 7 percent by the year 2002/03 (Ssengoba et al, 2007). This funding made a considerable contribution to the financial sustainability of the PNFP health units hence recorded an improvement in service delivery. For example, in the year 2001/02, government funding from the PNFP conditional grant constituted nearly 30 percent of the budgetary requirements of the PNFP health units which led a long way to improved health care services (Bataringaya&Lochoro, 2002).

Trevor Manuel (2006) pronounced that PPPs in South Africa are an important service delivery mechanism because they can facilitate rapid infrastructure delivery as envisaged under the Accelerated and Shared Growth Initiative for South. As the PPP market grows in South Africa, it is clear that the public sector needs to improve its understanding of PPPs and in which sectors they should be pursued, to complement traditional procurement practices (National Treasury PPP Unit, 2007). According to (Akintoye) 2005 it is imperative that the public and private sectors move towards a greater shared vision of the role that PPPs can play in delivering infrastructure and services in South Africa

The GOK has hence over the past been committed to improving and strengthening the environment for private sector participation and has passed or amended a number of legislations to accommodate private sector participation in various sectors. Such initiatives include the Privatization Act of 2005 and the Public Procurement and Disposal (Public Private Partnerships) Regulations, 2009 under Legal Notice N0. 38, anchored to the Public Procurement and Disposal Act of 2005. This Act established the PPP Steering Committee to spearhead the PPP process and a PPP Secretariat within the Ministry of Finance to support and act as secretariat to the Steering Committee. Also, in an effort to
improve the PPP investment climate, the GOK adopted a PPP policy to articulate its commitment to PPPs and to provide a basis for the enactment of a PPP Law. Most recently, the PPP Bill 2012 was tabled in Parliament on 9th May, 2012.

1.2 Statement of the Problem

A project will be considered totally successful if it gets completed on time, within budget and performs exactly to the designer’s specifications. But this is a tall order and many projects would not meet these requirements (Choudhury, 2002). Project implementation varies among various options. In all the implementation options, various factors will play out to determine if the project will be implemented successfully. Most popular determinants of projects successes accepted by research community are-project mission, top management support, partnership (Munns and Bjeirmi, 2010). Quality can be assured by identifying and eliminating the factors that cause poor project performance. It is however established that investors have an interest in project being completed in a timely way and according to the budget and that it will meet quality expectations.

Like other Private –Not- For- Profit projects in Kenya, UasinGishu County water projects are faced financial and human resource challenges resulting from increased cost of goods, staffing, and budget. In spite of the government financial and human resources support through the Public Private Partnership strategy, this projects management is not certain if the community has gained substantial improvement in their livelihood with regard to service delivery especially water services. Failure to appreciate positive effects of PPP on community livelihood may jeopardize future government support to the private -not -for -profit institutions and thus negating the aims for which the partnership was established. Thus, this study therefore sought to investigate the influence of public-private partnership on the completion of water project in UasinGishu County.

1.3 Purpose of the Study

The purpose of the study was to investigate the influence of public private partnership on completion of water project in UasinGishu County, Kenya
1.4 Objectives of the Study

1. To determine how financial support as a component of PPP model influences completion of water projects in UasinGishu.
2. To establish how technical expertise provided within PPP model influences completion of water projects in UasinGishu county.
3. To determine how budgetary plan as a component of PPP model influences completion of water projects in UasinGishu.
4. To establish how community support as a component of PPP model influence completion of water projects in UasinGishu.

1.5 Research Questions

1. How does financial support by public private partnership model influence completion of water project in UasinGishu County?
2. How does technical expertise provided within PPP model influences completion of water projects in UasinGishu County?
3. How does budgetary plan as a component of PPP model do influences completion of water projects in UasinGishu?
4. How does community support by public private partnership model influence completion of water project in UasinGishu County?

1.6 Significance of the Study

Little is known about how the financial and human resource support through the PPP has influenced completion of project ability to transform the inputs into service delivery outputs. Measuring the efficiency in delivery of services will help to understand some of the disparities in performance as well as providing some guide in the reallocation of resources in the bid to close the inequity gap in service provision. Furthermore, the findings from this study, may guide health policy makers and planners in developing
more effective strategies for efficient allocation of resources in government supported facilities

The study will generate first hand data on the issue of PPP based on local experiences, meanings and perceptions. With the information that will be generated, it is hoped that the lessons learnt shall be transferred into hospital plans and strategies for effective action. The second one is associated with exploratory nature of this study. The study will fill in the knowledge gap and add intellectual knowledge to the research fraternity and particularly those who may wish to conduct a wider study. This is because the themes, subthemes and categories that will be developed will act as pattern variables to direct a much wider national study later on.

1.7 Delimitations of the Study

The study delimited itself to PPP in water projects in UasinGishu County. The variables used in the study were only PPP financial support, PPP technical expertise, PPP budgetary plan and PPP community support. The study only targeted employees of the PPP projects.

1.8 Limitations of the Study

Some respondents refused to answer questions others may give exaggerated information. Researcher convinced them with a promise to keep all information confidential. The other limitation of the study was dealing with the busy managers and employees, some of whom did not have time to fill questionnaires. It was difficult to obtain sufficient information from such people. However, most of the respondents who were busy or did not fill the questionnaire; they requested their representatives to fill the questionnaires on their behalf.

1.9 Basic assumptions of the Study

The study assumed that respondents were involved in the PPP and were
1. Well aware on the private partnership investigated in the study will be involved in PPP in one way or the other.
2. It also assumes most of the respondents will be in organizations during the time of data collection
3. Managers will allow employees to respond to the researcher freely

1.10 Definition of Significant Terms used in the Study

**PPP Financial Support** is financial services provided to make projects possible through government and private partnership.

**Private Public Partnership** is a government projects or private projects which is funded and operated through a partnership of government and one or more private sector companies.

**Completion of Water Projects** refers to successful end result of water projects within the specified time, cost and client satisfaction.

**Technical expertise** refers to external support offered in terms of skills and experience.

**Budgetary plan** refers to the provision and allocation of funds and resources towards completion of a project

**Community support** refers to the extra effort offered by the people from surrounding environment
1.11 Organization of the Study

Chapter one represents background of the study, statement of the problem, purpose of the study, research objectives, research questions, delimitation and limitation of the study, significance of the study, research organization and definition of operational terms as used in the study. Chapter two reviews related literature on PPP financial support, PPP human resource support, PPP procurement support and PPP managerial support on service delivery and also theoretical framework followed by conceptual framework. Chapter three describes research methodology of the study. This methodology comprises of research design, target population, sample size and sampling techniques, Research instruments reliability and validity of research instruments, pilot testing and data collection procedures. Chapter four gives detailed analysis, interpretations and discussions of the study findings. Chapter five reviews the whole study summary, recommendations and conclusions based on the study finding.
CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter intends to acquaint the reader with existing studies carried out to determine the effect of public private partnership on service delivery. The chapter also entailed theories of the study and the conceptual framework.

2.1 Concept of Public Private Partnership

Regan (2005) defines Public Private Partnership as the arrangements for the procurement of goods and services utilizing, franchising and similar arrangements with the private sector; the private sector is contracted to provide public goods and services on behalf of government. Similarly, Grout (2003) and Ahadzi (2004) opined that fundamentally, the private entity becomes the long-term provider of services while government becomes the purchaser of the services.

PPP schemes are built on the expertise of each partner that best meets clearly defined public needs through the appropriate allocation of resources, risks and rewards (CCPPP, 2004). Similarly, Van and Koppenjan (2001) define PPP as cooperation of some sort of durability between public and private actors in which they jointly develop products and services and share risks, costs, and resources which are connected with these products’ through an institutional lens. This definition has several features. First, it underlines cooperation of some durability, where collaboration cannot only take place in short-term contracts. This collaborative feature is supported by Broadbent and Leaughlin (2003) and Bovaird (2004). Secondly, it emphasizes risk-sharing as a vital component. Both parties in a partnership together have to bear parts of the risks involved. Third, they jointly produce something a product or a service and, perhaps implicitly, both stand to gain from mutual effort.
According to Smith, (2009) a PPP can be broadly defined as a contractual agreement between the Government and a private firm targeted towards financing, designing, implementing and operating infrastructure facilities and services that were traditionally provided by the public sector. It embodies optimal risk allocation between the parties minimizing cost while realizing project developmental objectives. Thus, the project is to be structured in such a way that the private sector gets a reasonable rate of return on its investment.

Babiak, (2008) argues that PPP offers monetary and non-monetary advantages for the public sector. It addresses the limited funding resources for local infrastructure or development projects of the public sector thereby allowing the allocation of public funds for other local priorities. It is a mechanism to distribute project risks to both public and private sector. PPP is geared for both sectors to gain improved efficiency and project implementation processes in delivering services to the public. Most importantly, PPP emphasizes Value for Money focusing on reduced costs, better risk allocation, faster implementation, improved services and possible generation of additional revenue.

The main stakeholders involved in a standard PPP include the public authority, which is responsible for the design, tender, and management of the PPP contract; the PPP contractor, which is responsible for the development of the project in the terms specified by the public authority; the financial agents, who are responsible for providing the financial resources; and the funding agents, who are responsible for payment and the provision of the income stream (Ferris, 2013).

Some of the variables may include the degree of involvement of the public authority in the funding and financing of the scheme, the length and nature of the contract between the public authority and the PPP contractor, risk sharing between the private and public parties, tasks included, financial schemes, or mix of green-field projects and takeover projects. The most typical example of PPP schemes is the BOT (Build, Operate, and Transfer). Nevertheless, the basic BOT principle can be extended to include additional clauses that may include subsidies during operation, initial contributions, or
loans from the public authority. Other usual types of PPP include DBFO with shadow tolls or finance by contractor (Williams, 2013).

Eschenfelder, (2011) argues that the advantages of PPP include the incorporation of the private sector’s capital and expertise, the facilitation of conditions for a life cycle optimization of the project, a more customer-oriented service, and the development of new business opportunities. The most relevant disadvantages include higher financial and transaction costs, the negative public perception of tolls, and the complex contractual structure.

According to Harris, (2011) a successful PPP requires a structure that is suited to the particular conditions of the project, clear and effective risk allocation, stability for the contractual and legal framework, as well as a transparent bidding process. In addition, the public authority should have clear objectives and avoid placing unreasonable expectations on the private party. A public–private partnership (PPP) is a government service or private business venture which is funded and operated through a partnership of government and one or more sector companies. These schemes are sometimes referred to as PPP, P3 or P3.

There are usually two fundamental drivers for PPPs. Firstly, PPPs are claimed to enable the public sector to harness the expertise and efficiencies that the private sector can bring to the delivery of certain facilities and services traditionally procured and delivered by the public sector. Secondly, a PPP is structured so that the public sector body seeking to make a capital investment does not incur any borrowing. Rather, the PPP borrowing is incurred by the private sector vehicle implementing the project. On PPP projects where the cost of using the service is intended to be borne exclusively by the end user, the PPP is, from the public sector's perspective, an off-balance sheet method of financing the delivery of new or refurbished public sector assets. On PPP projects where the public sector intends to compensate the private sector through availability payments once the facility is established or renewed, the financing is, from the public sector's perspective, on-balance sheet; however, the public sector will regularly benefit from significantly deferred cash flows (Babiak, 2008).
2.2 Financial Support by Public Private Partnership Model Support on Project Completion

In a study conducted by Bloomfield, (2006) on the challenging business of long-term public-private partnerships using on a random sample of 5 county governments using regression analysis, he concluded that growing financial support from government grants and improvements in management efficiency have enabled many of the facilities to adjust their user fees down ward thus efficient service delivery.

In another Ugandan study carried out by Ssengoba et al, (2007) on the healthcare sector total funding to the PNFP sub sector amounted to just 0.5 percent of the total health sector budget in 1997/98, and this had grown to 7 percent by the year 2002/03 (Ssengoba et al, 2007). This funding made a considerable contribution to the financial sustainability of the PNFP health units hence recorded an improvement in service delivery. For example, in the year 2001/02, government funding from the PNFP conditional grant constituted nearly 30 percent of the budgetary requirements of the PNFP health units which led a long way to improved health care services (Bataringaya&Lochoro, 2002).

According to Green (1999), a financing system may have negative influences on the way delivery of health services is provided. Litvack&Bodart (1993) in Cameroon and Gertler&Molyneaux (1997) in Indonesia found that price increases without compensatory improvements in quality discourage utilization of health services for the poor. The broad definition of PPP encompasses the collaborations and relationships between participating entities, however the basic approach to, and implementation of, PPP are respectively a “finance-based approach” and a “service-based approach” (Gaffey, 2010).

The finance-based approach uses private finance for the funding of public infrastructure construction and operation, which relies heavily on user fee charges and societal patronage for the capital costs recovery. Finance-based PPPs include build-
operate-transfer (BOT), build-transfer-operate (BTO), and build-ownoperate (BOO) arrangements

The main aim of a PPP at the early stage of its development in the United Kingdom was to finance the public infrastructure projects (Grimsey & Lewis, 2004; IMF, 2006; Meidute & Paliulis, 2011). The issue at that time consisted of a growing need for public infrastructure development (as it also is the case in Hong Kong (Cheung, Chan, & Kajewski, 2009)) and a lack of available public funds to finance this need. As a result, a new initiative took place – Private Finance Initiative (PFI) – with the purpose to provide additional funds for public infrastructure projects.

A PPP can be led by the private contractor performing the services (the United Kingdom model) or the financial institution responsible for the project’s finance (Australian model) (Grimsey and Lewis, 2005; OECD, 2008) bidding for the project.

Wright, (2013) in his study argues that PPPs can allow the government and government entities to undertake projects that are affordable in terms of the overall inter-temporal budget constraint of government, but cannot be undertaken through traditional procurement because of the existence of budgetary limits, fiscal rules or limits to the budgetary allocations of entities from a central budget. In such a case, value for money is not the only thing that a government or government entity should consider when deciding whether or not to take the PPP route. This should be taken into careful consideration in order to ensure efficient service delivery.

In a study done by Barlow, (2013) on the Private Financing Initiatives (PFI), he argued that the PFI which normally involve a concession contract, have evolved in practice as a distinct means of funding major capital investments in the health sector through financing provided by private partners thus have led to improved service delivery. In the United Kingdom's PFI, which is probably the best known example, private consortia enter into long-term contracts with the government to finance, build, and, less frequently, manage new projects e.g., a consortium may finance construction of health facilities that are then leased by public partners thus ensuring efficient service
delivery. PFIs have been a subject of an ongoing cost benefit debate, their applicability and use need to be evaluated carefully both as a matter of policy and on a case-by-case basis e.g., by assessing the need for the project overall, using up-to-date public comparator methodology.

A key motivation for governments considering public private partnerships is the possibility of bringing in new sources of financing for funding public infrastructure and service needs in order to improve service delivery. It is important to understand the main mechanisms for infrastructure projects, the principal investors in developing countries, sources of finance limited recourse, debt, equity, etc., the typical project finance structure, and key issues arising from developing project financed transactions. Some governments utilize a public for calculating the financial benefit of a public private partnership (Agere, 2000).

2.3 Technical Expertise Provided Within PPP Model on Completion of Water Projects

What is known is that PPP is a contractual agreement between a government and the private sector, which allows private participation in the delivery of public infrastructure projects (Deloitte, 2006). It is a long-term collaborative arrangement allowing for the combination of complementary skills and expertise of each partner, with interest in improving the quality of services and value for money to taxpayers (CBI, 2007).

Bowen, (2004) concluded that technical expertise from PPP is not just the people working in an organization. It’s a broad combination of their experience, attitudes, abilities, culture etc. For more than three decades researchers from the areas of HRM have been interested in finding the relationship between human capital which includes education, knowledge, experience, and skills and the success of a project. A Number of researches suggests positive relationships between human capital and success of a
project. The human capital which consists of current task-related knowledge and skills has a positive relationship with the success of a project (Edward, 2007).

According to Adhazi, (2004) when it comes to the technical expertise aspects of the health sector challenges in service delivery, all countries are equally concerned. The severe and acute shortage of personnel has been profusely documented through reports and papers by prominent figures of the health development world such as WHO, GHWA, and numerous international organizations, think tanks, institutions and civil society representatives. The shortage of personnel leads to low delivery of health services.

There are many issues in implementation; however, of central importance is technical expertise. Technical expertise can be viewed as a function of education and experience. If these are deficient, there is a high probability that a project mission will be inappropriately specified from the outset, with the result that time, cost and quality targets will be compromised from the beginning. If this is the case, it is highly improbable that the resource base will be organised and mobilised to deliver time, cost and quality targets successfully (Nubi, 2001).

Evaluating the knowledge and skill attributes of individuals and of organisations is an area addressed by human capital (HC) theory. HC theory addresses the worth of an organization’s human resource base in the context of project performance. HC focuses on the value that is added to an organization’s business, ultimately in terms of profitability, solely by its stock of human resources (Thomas, 2002).

Gibson, (2001) argues that a project’s performance will be influenced by its human capital is not a new concept. In theory, the higher a firm’s stock of human capital, the more successful the project will be and the greater its competitive advantage over its rivals will be, and vice versa. The strategic importance of HC in terms of achieving enhanced performance is now becoming increasingly recognized. However, despite this, a precise understanding of how significant HC’s role is in determining performance, remains unclear, and is the subject of much research in various industries.
Other resources must be managed, but people represent the primary resource directly influenced by the activities of PM. If people are to be managed successfully, the project manager must rely on knowledge and experience. Working with people involves personal judgment and decision making that is not easily learned and cannot be solely based on systems or tools. A project manager needs to be more socially orientated than functional (Carmelli, 2009).

Health personnel shortage remains the key component of a massive health sector crisis suffered in many areas whether emerging or in development which leads to low service delivery. Its acute effects are entangled with the shortage of health staff faced by developed countries. This global context of free movement of workers and resources can impair health sector empowerment strategies at national level. Alternative analysis stress that this is only the tree hiding the forest: continuous underinvestment in public health systems, a weak economic growth context, appalling work conditions and infrastructures, deterrent salaries are to be closely looked at while a trend of skilled personnel migration towards more satisfactory and stimulating work and life environments is overwhelming all countries. This is a sensible concern that fuels an already robust debate about strategies coherence and legitimacy of external pressures. These push factors sometimes outweigh efforts that are made to strengthen the whole systems (Chen, 2002).

Human resource components represent potential areas where partnerships can enhance the whole system’s outcomes provided that coherence, efficiency and cost-effectiveness objectives have been drawn up and integrated in a strategic framework beforehand thus improving efficient service delivery. As seen previously, triggers of this crisis are well identified. HR shortage in health lies at the heart of the health sector strengthening policy agenda. The bottom line argument is that if no sustainable investments are made one way or another, retaining health staff in appalling work conditions within systems that fail to deliver their services in an effective manner is going to be extremely difficult. More attractive work elements can easily been looked for in other countries (Beck, 2003).
2.4 Budgetary Plan by Public Private Partnership Model on Project Completion

According to Austin, (2000) bidding for PPP projects procurement is expensive. Often, the largest component of bid costs is design, which can account for 50-60% of the total up from approximately 40% in 2005. Legal fees on the other hand have become less significant, dropping from 40% in 2005 to 10-12% currently. The efficiency of the budgetary process can significantly impact on efficient project performance because services are offered when needed.

There is the likelihood that managers may be tempted not to plan for future operations because of day to day pressures and operating challenges. The budgeting planning process ensures that managers do plan for future operations, and that they consider how conditions in the next year might change and what steps they should take now to respond to these changed conditions (Julia, 2010). The planning slack measures the differences between the subordinate’s performance capability and the corresponding planning budget and thus, is an ex ante measure of the planning error.

By setting a planning budget which is observable for the subordinate, the superior can signal to the subordinate which performance they expect. Goal-setting theory suggests that the planning budget can have a supporting effect on motivation. However, if the goal is too high or too low, as it will be with positive probability due to the information asymmetry, the planning budget may have a negative effect because it undermines goal acceptance (Arnold and Gillenkirch, 2009). Moreover, setting a challenging goal that is achievable in less than 50% of the cases is not compatible with the optimal planning budget that should be set to the expected performance capability. Consequently, the role of the planning budget as a second goal for the subordinates is unclear, and we do not provide a prediction.
The planning task may have a behavioral effect on the budget negotiation if the planning task draws the superiors’ attention more strongly towards the subordinates’ average performance capability.

Wijewardena and De Zoysa (2001) in their study found a positive and significant relationship between budgeting planning and sales growth, and between budgeting planning and return on investment; however, they also found insignificant relationship between budgeting planning and ROI. In addition, Fonseka and Perera (2004) similarly found the same results of positive and significant relationship between budgeting planning and return on investment.

Yang Qi (2010) showed that that the formal budgeting planning and the formal budgetary control show different patterns in terms of their effect on financial performance. The formal budgeting planning has a stronger impact on the growth of sales of SMEs, compared to the formal budgetary control.

When setting a budget, members of the organization are supposed to participate in defining explicit budgetary goals and to be involved in subsequent revision to these goals with the management (Chalos & Poon, 2000) and when budget variance (s) occurs, participation and discussion among different levels of management facilitate and enable accurately identifying the possible reasons for such variance(s) and also the corresponding corrective actions to be taken. Therefore, budgetary participation refers to the involvement of managers in the budgetary process and their influence in the setting of budgetary targets (Subramaniam & Ashkanasy, 2001).

Joshi, et.al (2003), however, examine budgeting planning, control, and performance evaluation practices in a developing country. He conducts a questionnaire survey of 54 medium and large-sized firms including both the listed and non-listed firms located in Bahrain. His research finds that most of the firms prepare long-range plans and operating budgets, and use budget variances to measure a manager’s performance, for ‘timely recognition of problems, and to improve the next period’s budget’. Additionally, there has been some discussion in the academic literature on the
relationship between strategic planning and performance of SMEs (Arm & Cowen, 1990; Hillidge, 1990; Knight, 1993), but researchers have not paid considerable attention to the possible relationship between budgeting process and performance in SMEs (Wijewardena & De Zoysa, 2001). So the process of budgeting and its relationship with performance in SMEs are still unclear. Merchant (2002) points out that the budgeting process is adopted differently in forms which differ in diversity of organizational system. Accordingly, due to diversity, budgeting process may differ. The issue of how budgeting in SMEs impacts their performance is, therefore, certainly worthwhile to be explored.

2.5 Community Supports by Public Private Partnership Model on Project Completion

Community members are stakeholders in community projects therefore it is important to involve them in projects activity from the start. Stakeholder’s theory argues that every legitimate person or group participating in the activities of a firm or organization, do so obtain benefits, and that the priority of the interest of all legitimate stakeholders is not self-evident (Donaldson, and Preston, 1995). Stakeholder Theory pays equal credence to both internal and external stakeholders; employees, managers and owners as well as financiers, customers, suppliers, governments, community and special interest groups. Community participation enhances social cohesion as they recognize the value of working in partnership with each other and organizations. It also adds economic value both through the mobilization of voluntary contributions to deliver regeneration and through skills development, which enhances the opportunities for employment and an increase in community wealth, gives residents the opportunity to develop the skills and networks that are needed to address social exclusion.

To enhance successful CP in community water projects, adequate strengthening by external support is needed prior to assumption of full community control of water supply systems and assumption of responsibilities should be pursued gradually. In addition, Jiménez and Pérez-Foguet (2011) observed that capacity building, construction supervision and providing support to the community water project management
committees during the first year of implementation are recommended for maintaining long term community participation in community water projects. Rural communities in developing countries should take full responsibility for sustainability of water projects in their regions. The community should manage the operation, maintenance and repairs of all water projects provided in their communities. This paradigm allocates responsibility for the continual operation of community water projects from government and donor agencies to rural communities (Burgi and Rydbeck, 2010; World Vision Ghana, 2003). Other factors affecting the performance of community water projects apart from community participation are; lack of regulations, lack of legal status and authority of the water committees, absence of liaison with local government institutions and inability to replace most of capital items (Whittington et. al., 2009).

For many years, Community Participation (CP) has been considered vital for efficiency and effectiveness of community water projects. As observed by IWSC (2003), in rural sector CP has achieved widespread acceptance and some rural water supply and sanitation projects from all over the world are applying it. CP as a demand driven community-led approach incorporates participatory method and decentralization strategy to deliver rural water supply services better than supply driven government-led models. Community water projects tend to be more effective and sustainable when they adopt a participatory approach.

Indeed, USAID (2009) observed that water and sanitation systems become sustainable if they act in response to genuine demand, builds capacity for operation and maintenance, enhances sharing of costs, involve community members directly in all key decisions and if they develop a sense of communal ownership of the projects. CP help projects meet their targets within planned budget and enhance sustainability of rural water supply management. Active CP in various borehole project’s activities is recommended to enhance their positive impact to smaller rural communities. Developing countries tend to adopt CP initiatives as they help in creating a sense of ownership, settle internal differences, increase technical knowledge and management experiences of the beneficiaries of community water projects (Doe and Khan, 2004; Lockwood, 2004; Opare, 2011).
2.6 Theoretical Framework

According to Coase, (1937) stipulates that organizations evaluate the relative costs of alternative governance structures such as spot market transactions, short term contracts, long-term contracts, vertical integration for managing transactions. The transactional cost theory asserts that contractual agreements are costly yet costs have to be borne in order to negotiate and write the terms of the arrangements, to monitor the performance of the contracting party, and to enforce the contracts. New forms of organizations or firms emerge as a way of economizing on transaction costs in a world of uncertainty, where contractual arrangements are too expensive.

Building on the transactional theory, Williamson (1971) enriched the transactional theory with the introduction of the concepts of bounded rationality and opportunism. The former underlines that human beings have limited cognitive competencies. If it is not possible to foresee the future contingency, all contracts turn out to be in some way incomplete. The latter is defined as self-interest with guile and is particularly important in small number bargaining situations. Where it is possible to choose among many firms, opportunism is not an important problem. If, on the other side, one contracting party has undertaken some specific investments in view of the future trade with a downstream or upstream firm, it is locked into that particular relationship: the ex-ante competitive situation shifts towards an ex-post bilateral-monopoly. The firm which doesn’t own any specific asset may extract the so called quasi-rents (Klein, Crawford & Alchian, 1978).

Transaction costs are relevant when relationships are frequent, uncertain and if specific assets are involved. Consequently, the exchange relationship may be one-time, occasional or recurrent; a frequent transaction especially in the presence of specific assets is more likely to be internalized (Williamson, 1979), since expected damages from opportunistic behavior are higher. Similarly in the event of uncertainty, complete contracts cannot be foreseen and the firm making the specific investment is disadvantaged when future contingencies impose to re-negotiate the contract terms. This is known as the hold-up problem. Transaction cost theory individualizes two kinds of uncertainty environmental uncertainty, that is unpredictability of future contingencies,
and behavioral uncertainty, that is the possibility of monitoring the behavior of the contracting party. Williamson further argued that different types of asset specificity have been detected: physical capital specificity such as when some particular machinery, used to produce components specific to the buyer, cannot be converted without costs to manufacture inputs for alternative buyers; human capital specificity such as when some workers of the upstream firms obtain a specific knowledge of the technology and of the productive process of the buyer; site specificity such as when downstream plants are located close to upstream plants for lowering transportation costs or improving technical efficiency (Langlois, 1992).

The asset specificity may be dedicated assets such as when some non-specific investments, made in view of the relationship, lead to excess capacity after the latter has been broken, design specificity such as when inputs are specifically designed for the particular manufactures of the downstream firm, temporal specificity like when timely performance is critical, and the failure to supply a particular input on schedule can cause interruptions of the production process. However, the Transactional cost theory has been criticized for ignoring power relations (Perrow 1986), trust, and other forms of social embeddedness (Granovetter, 1985); and overlooked evolutionary considerations such as changes in the market processes necessitating make or buy decisions in outsourcing (Langlois, 1992).

2.6.1 Stakeholders’ Theory

Stakeholders’ theory by Freeman (1984) which identifies four major stakeholder groups to include main shareholders, employees, customers, and the general public. The 'stakeholders' are those groups without their support, the organization would cease to exist and it may equally mean any group or individual that can affect, or is affected by, the achievement of the organization’s purpose. While building on this theory, Jones & Wicks (1999) identified and put forward three forms of stakeholders’ approaches namely descriptive, normative, and instrumental stakeholder approaches.

According to Jones and Wicks (1999), the descriptive approach emphasizes understanding the relationship between an organization and its stakeholders while the
normative approach emphasizes that organizations should take all stakeholders into consideration, as a moral responsibility. Since the 1990s, this theory has gradually improved and has even provided a theoretical framework to identify and analyze the influence of organizational behavior. It has been extensively applied in business management, investment program analysis, program management and so on. It has even evolved into a popular analysis tool in the field of development.

Ke and Wang (2009) assert that it is helpful to introduce the stakeholder theory to the public private partnership project, and to use it as a basis to choose decision-making criteria. Specifically, it helps analyze demands of different stakeholders, ensures that profits are proportional to investments and risks. To some extent, it stimulates stakeholders to actively cooperate with each other, especially in public investment programs aimed at offering government public service, all of which should be directed by the stakeholder theory. One of the critics of stakeholders theory is that it does not make a clear distinction between enterprise and corporation but just dramatically overstates the separation of ownership and control, generalizing from corporations to all enterprises (Donaldson and Preston, 1995) without clearly providing best practices in harnessing and harmonizing the different stakeholders interest with harm to stakeholders interest and project time lines. It is therefore difficult to identity which stakeholders’ interest should take precedent especially for an economic project like hydro-electricity generation, with adverse implications on’ Mother Nature,’ the environment.

2.7 Conceptual Framework

This is a model presentation where a research represents the relationship between variables for example independent variables and dependent variables. The relationship is shown either diagrammatically or graphically. Figure 1.1 below shows the relationship between the independent variable (private public partnership model ) and dependent variable (project performance
Independent Variables

PPP financial support
- Funds available
- Return on investment
- Management of funds

Technical expertise
- Training providing
- Decision making
- Skills
- Experience

Budgetary plan
- Amount involved
- Market dynamics
- Risk

Community support
- Attitudes
- Roles
- Resource provisions

Dependent Variables

Project completion
- Timely project completion
- Reduced service delivery time

- Culture
- Religion

Figure 2.1 Conceptual Framework
2.8 Summary of the Literature and Research Gap

The above studies have discussed various concept of private public partnership in relation service delivery. However, the above scholars did not address private public partnership in developing nations like Kenya. Further, previous studies did not conceptualize their variables into PPP financial support, PPP technical expertise, PPP budgetary plan, PPP community support against water project completion in county governments.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This Chapter presents research design and sampling approach for the study that provides the strategic framework for the study. Subsequently, the data collection and data analysis methods, techniques and tools to be used in the study are explored.

3.2 Research Design

Descriptive survey research design was employed in the study. Descriptive research is designed to clearly describe a situation or behavior at a particular time (Diem, 2002). A descriptive research gives a thorough and accurate description survey by determining the “how” or “why” the phenomena came into being and also what is involved in the situation (Robson, 2002).

3.3 Target Population

The target population was 395 persons drawn from the management staff and the community of the 4 water projects in UasinGishu County.
Table 3.1 Target Population

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project A</td>
<td>65</td>
</tr>
<tr>
<td>Project B</td>
<td>57</td>
</tr>
<tr>
<td>Project C</td>
<td>44</td>
</tr>
<tr>
<td>Project D</td>
<td>63</td>
</tr>
<tr>
<td>Project E</td>
<td>43</td>
</tr>
<tr>
<td>Project F</td>
<td>55</td>
</tr>
<tr>
<td>Project G</td>
<td>68</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>395</strong></td>
</tr>
</tbody>
</table>

(Source: ministry of water 2015)

3.4 Sampling Procedure

3.4.1 Sample Size

From the target population of 395 employees, Yamane (1967:886) sample size formula and modified by Kent (2008) was used to select a sample size of 114 employees as shown below

\[ n = \frac{N}{1 + Ne^2} \]

Where:

\( n \) = Sample size

\( N \) = Population size

\( e \) = the error of Sampling

This study allowed the error of sampling on 0.05. Thus, sample size was as follows:
$198 = \frac{395}{1} + 395_{0.05}^2$

Table 3.2 Sample Size

<table>
<thead>
<tr>
<th></th>
<th>Total Number of employees</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Project A</td>
<td>65</td>
</tr>
<tr>
<td>2</td>
<td>Project B</td>
<td>57</td>
</tr>
<tr>
<td>3</td>
<td>Project C</td>
<td>44</td>
</tr>
<tr>
<td>4</td>
<td>Project D</td>
<td>63</td>
</tr>
<tr>
<td>5</td>
<td>Project E</td>
<td>43</td>
</tr>
<tr>
<td>6</td>
<td>Project F</td>
<td>55</td>
</tr>
<tr>
<td>7</td>
<td>Project G</td>
<td>68</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>395</td>
</tr>
</tbody>
</table>

Source: Researcher (2016)

3.4.2 Sampling Procedure

The study used random sampling technique to select the members from each project. Therefore, groups were stratified into 4 strata where the sample size was distributed according to Neyman allocation formula. The purpose of the method was to maximize survey precision, given a fixed sample size. With Neyman allocation, the best sample size for stratum $h$ was:

\[ n_h = \left( \frac{N_h}{N} \right) n \]

Where,

$N_h$ - The population size for stratum $h$,

$n$ - Total sample size,
Hence, distribution was as follows; the respondents were selected using simple random sampling which was generated from Statistical Packages of Social Science version 20.

### 3.5 Research Instruments

The study used five point structured questionnaires and document analysis as the main tools for collecting data. Descriptive data was collected by open ended and closed ended questions in questionnaires (Gay 1996). Self-administered questionnaire was used in this study to collect data. The survey method was appropriate for this study as it provided a quantitative description of attitudes, experiences and opinions of the ample population (Creswell 2003). It was an efficient way of gathering data using a standard set of questions. In order to increase the response rate, research assistants were present to clarify any arising issues during the filling of questionnaires by the respondents. This construct was measured from respondents ‘questionnaire where they were asked to indicate the extent of agreement or disagreement with six statements each concerning statements. Giving their response anchored with Likert- scale

#### 3.5.1 Piloting of the Instrument

A pilot study was conducted in six departments not included in the study; a total of 20 questionnaires were administered. The purpose of this was to validate data collection instrument; it was a replica of rehearsal of the main survey. This brought into light the weaknesses of a questionnaire and the survey technique which in turn improved on the data collection instrument.

Pre-testing must be done before the main data collection exercise, this is the assessment of questions and instruments before the start of a study, there are several reasons for pre-testing individual questions and questionnaires such as; discovering ways to increase participant interest, increasing likely hood that participants remain engaged on the completion of the survey, discovering question content, wording and sequence
problems, discovering target questions groups where researcher training is needed and exploring ways to improve the overall quality of survey data. Pre-testing was very useful in training the research team. (Kothari, 2009)

3.5.2 Validity of the Research Instruments

According to O’Leary (2009) validity is premised on the assumption that what is being studied can be measured and captured. It is thus the extent to which a research instrument is able to measure what was intended to measure. The researcher ensured that the items were prepared according to the objectives of the study. Apart from undertaking an extensive literature review to identify relevant content areas, the researcher in this case sought for suggestions from educational experts, colleagues and supervisors to analyze the validity of the instruments. The items in the questionnaires and interview schedule were availed to the supervisors to rate the ability of each item and its relevancy to the study.

3.5.3 Reliability of the Instrument

Adams, et al (2007) defines reliability as the degree to which an instrument measures the same way each time it is used under the same conditions. It is therefore a measure of how consistent the results from a test are. Reliability of the instruments was assessed by checking the stability of the instrument by conducting a pilot study.

Split-Halves method was employed as it was less costly in determining the reliability of the data measuring instruments. Data set was split randomly into two (the odd numbered items to one half and even numbered items to the other half of the test) and a correlation taken between the two halves. Cronbach Alpha Coefficient indicator was used to test internal consistency of the items. In this case a score obtained from one item was correlated with scores obtained from other items in the instrument. Cronbach Alpha Coefficient was then computed to determine how items in the instrument correlate.

A value of Cronbach alpha above 0.70 was used as a reasonable test of scale reliability, (Gaur and Gaur 2009). A high value of the Cronbach coefficient suggested that items that made up the scale hang together and there was a consistency among the
items in measuring the underlying concept of interest. Items that were found to be unclear or open to misinterpretation were reviewed and corrected according to comments given.

3.6 Data Collection Procedures

The study used primary data. Primary data are information collected by a researcher specifically for a research assignment. In other words, primary data are information that a study must gather because no one has compiled and published the information in a forum accessible to the public. Primary data are the data which the researcher collects through questionnaires.

The researcher used questionnaires as a tool for data collection and the questionnaires only consisted of only closed ended questionnaires because they were easier to administer and analyze since each item was followed by an alternative answer. A questionnaire consists of a number of questions printed and typed in a definite order on a form or set forms. The questionnaires for this study were designed by examining the research objectives, questions, literature review and conceptual framework.

In section (A) the questions were developed, rephrased and selected to suit the context of the study to represent the variables in the research. Moreover the questionnaires were calibrated with a five point Likert Scale, with anchors ranging from ‘strongly agree’ (SA) to ‘strongly disagree’ (SD). Likert scale/summated scale consisted of statements that expressed either a favorable or unfavorable attitude towards the object of interest. The participant was asked to agree or disagree with each statement and each response was given a numerical score to reflect its degree of attitudinal favorableness and the scores are summed to show the participants overall attitude.

The main advantage of questionnaire over other data collection techniques was that it was relatively inexpensive, requires less skills to administer, assures the respondents anonymity, can be administered to a large number of respondents simultaneously, it enabled standardization and uniformity(Pizam, 1999).
The questionnaires were administered on the basis of ‘drop and pick later’ or picked immediately depending on the availability of the respondents to ensure high rate of returns. The researcher administered the questionnaires in person since there was need for more explanation to the respondents owing to nature and sensitivity of this research.

3.7 Data Analysis Techniques

Questionnaires received were checked for completeness with repeat calls being made for incomplete questionnaires to maintain the number of respondents. Categorization and coding was done and data entered into SPSS for analysis. Data was analysed using both descriptive and inferential analysis. Descriptive methods such as frequencies mean and standard deviation were used to provide general trends of the data while inferential statistics included Pearson correlations to show the relationship between variables.

3.8 Research Ethical Considerations

This research conforms to the ethical standards of conduct of both education and research. This study falls within the exempt category regarding the possibility of harm to the participants. The methods used to carry out this research was not deceptive to the respondents, but was as honest as possible. The researcher observed confidentiality by keeping information from the respondent confidential. The names and any form of identification that can be associated with the respondents were not being sought because such information was not included in the report. Moreover prior to volunteering information, the respondents were given enough information regarding the study which was for academic reasons and their participation was voluntary. The researcher sought permission from relevant authorities before embarking on research. This included seeking permission from the University of Nairobi, the Kenya National Council of Science and technology. This enabled them to provide the required information without any fear.
CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.0 Introduction

This chapter provides a presentation of research findings collected through the methodology discussed in chapter three. It provides findings of the empirical research on the influence of public private partnership on completion of water project in UasinGishu County, Kenya. This chapter opens with a section on the demographic description of participants who were involved in data collection. This was followed by reporting of data pertaining to the research objectives posed in this study and correlation and regression analysis.

4.1 Questionnaires Return Rate

A total of one hundred and fifty nine respondents were selected for the study. From the data collected, out of the 159 questionnaires administered to the respondents, 107 were filled and returned translating to a response rate of 67.3%. The response rates facilitated gathering sufficient data that could be generalized to determine the influence of public private partnership on completion of water project. This was in line with Orodho (2009) that a response rate above 50% contributes towards gathering of sufficient data that could be generalized to represent the opinions of respondents about the study problem in the target population.
4.2 Demographic Information

Table 4.1 Demographic Information

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>69</td>
<td>64.5</td>
</tr>
<tr>
<td>Female</td>
<td>38</td>
<td>35.5</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
</tr>
<tr>
<td>Age bracket</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Below 20 Yrs</td>
<td>15</td>
<td>11</td>
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<tr>
<td>21-35yrs</td>
<td>45</td>
<td>42.1</td>
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<tr>
<td>Above 35yrs</td>
<td>47</td>
<td>43.9</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
</tr>
<tr>
<td>highest level of education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary School</td>
<td>6</td>
<td>5.6</td>
</tr>
<tr>
<td>Secondary School</td>
<td>20</td>
<td>18.7</td>
</tr>
<tr>
<td>Certificate</td>
<td>21</td>
<td>19.6</td>
</tr>
<tr>
<td>Diploma</td>
<td>59</td>
<td>55.1</td>
</tr>
<tr>
<td>Degree</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
</tr>
<tr>
<td>Years you in the projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-5</td>
<td>42</td>
<td>39.3</td>
</tr>
<tr>
<td>6-10</td>
<td>38</td>
<td>35.5</td>
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<tr>
<td>11-20</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Above 21</td>
<td>12</td>
<td>11.2</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
</tr>
</tbody>
</table>

The study takes into consideration the respondents personal characteristics to give general information about respondents and to assist the researcher understanding on the findings. Variables included here are gender, age bracket, highest level of education and years in the project.

The study put into account the gender of the respondents. From the results, 35.5% (38) of the respondents were female and 64.5% (69) of them were male. The results indicate that male respondents comprise the majority.

The study settled three age groups, from which, respondents were asked to identify their group. The groups were: - below 20 years old, 21 to 35 years old and above 35 years. The data collected revealed that 43.9% of the respondents are over 35 years, 42.1% aged between 21 to 35 years and 11% were below 20 years old. These findings
suggest that, the study was dominated by people over 35 years, as this class appears to be the model class of the age groups.

The study put five variables to depict the education attained by the respondents. The variables were Primary, Secondary, Certificate, Diploma and Degree. The findings were Primary 5.6%, secondary were 18.7%, Certificate were 19.6%, Diploma were 55.1% and those with degree were 0.9%. These findings implied that most of the respondents were qualified to understand the nature of the study problem and had technical knowledge and skills on the study problem and thus provided the study with reliable information on influence of public private partnership on completion of water projects.

The years in the project was also sought by the study. From the findings, 39.3% (42) of the respondents have been in the project for 1 to 5 years, 35.5% (38) 6 to 10 years, 14% (15) 11 to 20 years and 11.2% (12) of them for over 21 years. From the foregoing, the respondents had high working experience and were relied upon to provide reliable data on the study problem.

4.3 Financial Support

<table>
<thead>
<tr>
<th>Table 4.2 Financial Support</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Most of operations are funded by our partners</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Our partners assist in connecting the potential donors for funding</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Our partners ensure no operations is affected by inadequate funds</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>the utilization of funds are monitored by both partners</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>our partners assists in the</td>
</tr>
</tbody>
</table>
This section focused on financial support as a component of PPP model. The findings are as presented in table 4.2. The respondents were asked whether most of their operations are funded by their partners. The results from the study revealed that, of the total respondents, 0.9% (1) strongly agreed that most of their operations are funded by their partners, 55.1% (59) of them agreed, 18.7% (20) disagreed, 5.6% (6) strongly disagreed while 19.6% (21) of the respondents were neutral. The mean value was 3.27 and standard deviation 0.0967 implying that there is still uncertainty as to whether most of the operations are funded by their partners. The findings of this study agrees with a study conducted by Bloomfield, (2006) on the challenging business of long-term public-private partnerships using on a random sample of 5 county governments using regression analysis, he concluded that growing financial support from government grants and improvements in management efficiency have enabled many of the facilities to adjust their user fees downward thus efficient service delivery.

In determining whether their partners assist in connecting the potential donors for funding, the study revealed that; 29% (31) of the respondents strongly agreed, 41.1% (44) of them agreed, 6.5% (7) while 23.4% (25) of the respondents were neutral. The results summed up to a mean of 3.93 and standard deviation of 0.887.154. It can therefore be inferred that their partners assist in connecting the potential donors for funding. The results are in agreement with (Gaffey, 2010) who argues that the broad definition of PPP encompasses the collaborations and relationships between participating entities, however the basic approach to, and implementation of, PPP are respectively a “finance-based approach” and a “service-based approach. The finance-based approach uses private finance for the funding of public infrastructure construction and operation, which relies heavily on user fee charges and societal patronage for the capital costs recovery. Finance-based PPPs include build-operate-transfer (BOT), build-transfer-operate (BTO), and build-own-operate (BOO) arrangements.

In a related question of whether partners ensure no operations is affected by inadequate funds, results from the study revealed that, the question had a mean of 3.95
and standard deviation of 0.805. This was a result of 27.1% (29) of the respondents strongly agreeing, 43.9% (47) agreeing, 2.8% (3) disagreeing, and 26.2% (28) being uncertain. This finding confirms that indeed no operations is affected by inadequate funds. The study findings supports Green (1999) who found that financing system may have negative influences on the way delivery of health services is provided. Litvack & Bodart (1993) in Cameroon and Gertler & Molyneaux (1997) in Indonesia found that price increases without compensatory improvements in quality discourage utilization of health services for the poor. The broad definition of PPP encompasses the collaborations and relationships between participating entities, however the basic approach to, and implementation of, PPP are respectively a “finance-based approach” and a “service-based approach” (Gaffey, 2010).

In order to find out whether, the utilization of funds are monitored by both partners, respondents were asked to state the degree to which they concurred with the above. Of the total respondents, 4.7% (5) of the respondents strongly agreed, 50.5% (54) of them agreed, 11.2% (12) disagreed, while 33.6% (36) of them were neutral. The results summed up to a mean of 3.49 and standard deviation of 0.757 meaning that the respondents were in agreement that the utilization of funds are monitored by both partners. This agrees with a study done by Barlow, (2013) on the Private Financing Initiatives (PFI), he argued that the PFI which normally involve a concession contract, have evolved in practice as a distinct means of funding major capital investments in the health sector through financing provided by private partners thus have led to improved service delivery. In the United Kingdom’s PFI, which is probably the best known example, private consortia enter into long-term contracts with the government to finance, build, and, less frequently, manage new projects e.g., a consortium may finance construction of health facilities that are then leased by public partners thus ensuring efficient service delivery. PFIs have been a subject of an ongoing cost benefit debate, their applicability and use need to be evaluated carefully both as a matter of policy and on a case-by-case basis e.g., by assessing the need for the project overall, using up-to-date public comparator methodology.
The study further enquired from the respondents whether partners assist in the management of funds. The results revealed that 5.6% (6) of the respondents strongly agreed that their partners assist in the management of funds, 52.6% (56) of them agreed, 4.7% (5) disagreed, 1.9% (2) strongly disagreed while 35.5% (38) of the respondents were neutral. The results summed up to a mean of 3.55 and standard deviation of 0.755. This means that agrees that in most projects, partners assist in the management of funds. The study is supported by Wright, (2013) who argues that PPPs can allow the government and government entities to undertake projects that are affordable in terms of the overall inter-temporal budget constraint of government, but cannot be undertaken through traditional procurement because of the existence of budgetary limits, fiscal rules or limits to the budgetary allocations of entities from a central budget. In such a case, value for money is not the only thing that a government or government entity should consider when deciding whether or not to take the PPP route. This should be taken into careful consideration in order to ensure efficient service delivery.

4.4 Technical Expertise

Table 4.3 Technical Expertise

<table>
<thead>
<tr>
<th>We have been given employees with expertise by our partners</th>
<th>Freq.</th>
<th>0</th>
<th>6</th>
<th>31</th>
<th>49</th>
<th>21</th>
<th>3.79</th>
<th>0.821</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>0</td>
<td>5.6</td>
<td>29</td>
<td>45.8</td>
<td>19.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our partners provided our employees with necessary skills they need</td>
<td>Freq.</td>
<td>0</td>
<td>18</td>
<td>32</td>
<td>50</td>
<td>7</td>
<td>3.43</td>
<td>0.848</td>
</tr>
<tr>
<td>%</td>
<td>0</td>
<td>16.8</td>
<td>29.9</td>
<td>46.7</td>
<td>6.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most of our employees receive allowances from our partners</td>
<td>Freq.</td>
<td>0</td>
<td>3</td>
<td>28</td>
<td>41</td>
<td>35</td>
<td>4.01</td>
<td>0.841</td>
</tr>
<tr>
<td>%</td>
<td>0</td>
<td>2.8</td>
<td>26.2</td>
<td>38.3</td>
<td>32.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our partners motivate our employees</td>
<td>Freq.</td>
<td>0</td>
<td>4</td>
<td>37</td>
<td>49</td>
<td>17</td>
<td>3.74</td>
<td>0.769</td>
</tr>
<tr>
<td>%</td>
<td>0</td>
<td>3.7</td>
<td>34.6</td>
<td>45.8</td>
<td>15.9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees in the projects feel appreciated and recognized by our partners</td>
<td>Freq.</td>
<td>0</td>
<td>2</td>
<td>35</td>
<td>43</td>
<td>27</td>
<td>3.89</td>
<td>0.805</td>
</tr>
</tbody>
</table>
The study sought to find out the technical expertise provided within PPP model. The results are as presented in table 4.3. From the findings, 19.6% (21) of the respondents strongly agreed that they have been given employees with expertise by their partners, 45.8% (49) of them agreed, 19.6% (21) strongly agreed, 5.6% (6) of them disagreed while 29% (31) of the respondents were neutral. The mean value of 3.79 was confirmation that the partners provide employees with expertise while the standard deviation of 0.821 further revealed less degree of variation in the responses. The study findings agrees with (Carmelli, 2009) who observed that other resources must be managed, but people represent the primary resource directly influenced by the activities of PM. If people are to be managed successfully, the project manager must rely on knowledge and experience. Working with people involves personal judgment and decision making that is not easily learned and cannot be solely based on systems or tools. A project manager needs to be more socially orientated than functional.

In a bid to establish if the partners provide employees with the necessary skills needed, the respondents were asked to respond accordingly. 6.5% (7) of the respondents strongly agreed, 46.7% (50) of them agreed, 16.8% (18) disagreed and 29.9% (32) of the respondents were neutral. The item realized a mean of 3.43 and standard deviation of 0.848 revealing that there was still doubt whether the partners provided employees with the necessary skills needed. The study findings was supported by Gibson, (2001) argues that a project’s performance will be influenced by its human capital is not a new concept. In theory, the higher a firm’s stock of human capital, the more successful the project will be and the greater its competitive advantage over its rivals will be, and *vice versa*. The strategic importance of HC in terms of achieving enhanced performance is now becoming increasingly recognized. However, despite this, a precise understanding of how significant HC’s role is in determining performance, remains unclear, and is the subject of much research in various industries.

To establish whether most of their employees receive allowances from their partners, respondents were requested for their opinion and the results were such that,
32.7% (35) of the respondents strongly agreed, 38.3% (41) of them agreed, 2.8% (3) of them disagreed while 26.2% (28) of the respondents were neutral. The results summed up to a mean of 4.01 and standard deviation of 0.841 an indication that their employees received allowances from their partners.

In order to ascertain whether their partners motivate their employees, results revealed that, 45.8% (49) of them agreed that their partners motivate their employees, 15.9% (17) of them strongly agreed, 3.7% (4) of them disagreed and 34.6% (37) of the respondents were neutral. This summed up to a mean of 3.74 and standard deviation of 0.769. This findings on the whole confirms that their partners motivated their employees. The study findings is in agreement with a research done by (Chen. 2002) who said that health personnel shortage remains the key component of a massive health sector crisis suffered in many areas whether emerging or in development which leads to low service delivery. Its acute effects are entangled with the shortage of health staff faced by developed countries. This global context of free movement of workers and resources can impair health sector empowerment strategies at national level. Alternative analysis stress that this is only the tree hiding the forest: continuous underinvestment in public health systems, a weak economic growth context, appalling work conditions and infrastructures, deterrent salaries are to be closely looked at while a trend of skilled personnel migration towards more satisfactory and stimulating work and life environments is overwhelming all countries. This is a sensible concern that fuels an already robust debate about strategies coherence and legitimacy of external pressures. These push factors sometimes outweigh efforts that are made to strengthen the whole systems.

In order to find out if employees in the project feel appreciated and recognized by their partners, the respondents were asked for their views on this and the results showed that 25.2% (27) of the respondents strongly agreed, 40.2% (43) of them strongly agreed, 1.9% (2) disagreed and 32.7% (35) of the respondents were neutral. The item realized a mean of 3.89 and a standard deviation of 0.805. It can therefore be inferred that employees in the project feel appreciated and recognized by their partners. These results are in agreement with (Beck, 2003) who said that human resource components represent potential areas where partnerships can enhance the whole system’s outcomes provided
that coherence, efficiency and cost-effectiveness objectives have been drawn up and integrated in a strategic framework beforehand thus improving efficient service delivery. As seen previously, triggers of this crisis are well identified. HR shortage in health lies at the heart of the health sector strengthening policy agenda. The bottom line argument is that if no sustainable investments are made one way or another, retaining health staff in appalling work conditions within systems that fail to deliver their services in an effective manner is going to be extremely difficult. More attractive work elements can easily been looked for in other countries.

### 4.5 Budgetary Plan

**Table 4.4  Budgetary Plan**

<table>
<thead>
<tr>
<th>Description</th>
<th>Freq.</th>
<th>%</th>
<th>sd</th>
<th>d</th>
<th>n</th>
<th>a</th>
<th>sa</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>All partners to participate in the budgeting process.</td>
<td>0</td>
<td>10.3</td>
<td>11</td>
<td>27</td>
<td>46</td>
<td>23</td>
<td></td>
<td>3.76</td>
<td>0.91</td>
</tr>
<tr>
<td>Our partners are explanation provided when budget is revised.</td>
<td>0</td>
<td>8.4</td>
<td>9</td>
<td>10</td>
<td>68</td>
<td>20</td>
<td></td>
<td>3.93</td>
<td>0.785</td>
</tr>
<tr>
<td>Free discussions between partners on budget encouraged</td>
<td>0</td>
<td>6.5</td>
<td>7</td>
<td>22</td>
<td>57</td>
<td>21</td>
<td></td>
<td>3.86</td>
<td>0.806</td>
</tr>
<tr>
<td>Contribution from partners to the budget viewed importantly.</td>
<td>0</td>
<td>3.7</td>
<td>4</td>
<td>33</td>
<td>48</td>
<td>22</td>
<td></td>
<td>3.82</td>
<td>0.799</td>
</tr>
<tr>
<td>Opinions and / or proposals relating to the budget challenged before development of budget</td>
<td>0</td>
<td>16.8</td>
<td>18</td>
<td>35</td>
<td>40</td>
<td>14</td>
<td></td>
<td>3.47</td>
<td>0.925</td>
</tr>
<tr>
<td>Communication of details of budget policy and guidelines to people responsible of preparation of budgets often made.</td>
<td>0</td>
<td>10.3</td>
<td>11</td>
<td>29</td>
<td>40</td>
<td>27</td>
<td></td>
<td>3.78</td>
<td>0.945</td>
</tr>
</tbody>
</table>

The researcher also found it necessary to establish the budgetary plan. The findings are presented in table 4.4. In regards to whether all partners participate in the budgeting process, of the total respondents, 21.5% (23) of the respondents strongly agreed that they participate in the budgeting process, 43% (46) of them agreed, 10.3%
disagreed while 25.2% (27) of the respondents were neutral. The results summed up to a mean of 3.76 and standard deviation of 0.91 meaning that majority of the partners participated in the budgeting process. The study is in agreement with several researchers (Arnold and Gillenkirch, 2009) who examined by setting a planning budget which is observable for the subordinate, the superior can signal to the subordinate which performance they expect. Goal-setting theory suggests that the planning budget can have a supporting effect on motivation. However, if the goal is too high or too low, as it will be with positive probability due to the information asymmetry, the planning budget may have a negative effect because it undermines goal acceptance. Moreover, setting a challenging goal that is achievable in less than 50% of the cases is not compatible with the optimal planning budget that should be set to the expected performance capability. Consequently, the role of the planning budget as a second goal for the subordinates is unclear, and we do not provide a prediction.

The study further enquired from the respondents whether their partners’ explanations are provided when budget is revised. The results revealed that 18.7% (20) of the respondents strongly agreed that their partners’ explanations are provided when budget is revised, 63.6% (68) of them agreed, and 8.4% (9) disagreed while 9.3% (10) of the respondents were neutral. The results summed up to a mean of 3.93 and standard deviation of 0.785. This implies that their partners’ explanations are provided when the budget is revised.

In relation to whether free discussions between partners on the budget is encouraged, the results were positive with 53.3% (57) of the respondents in agreement, 19.6% (21) in agreement, 6.5% (7) disagreement while 20.6% (22) of them were neutral. The item realized a mean of 3.86 and standard deviation of 0.806. This findings imply that free discussions and sharing vital information between partners on the budget is encouraged. The study is in agreement with several researchers (Subramaniam & Ashkanasy, 2001) who found that when budget variance(s) occurs, participation and discussion among different levels of management facilitate and enable accurately identifying the possible reasons for such variance(s) and also the corresponding corrective actions to be taken. Therefore, budgetary participation refers to
the involvement of managers in the budgetary process and their influence in the setting of budgetary targets

Further, respondents were asked whether contribution from partners to the budget viewed importantly. The results showed that 20.6% (22) of the respondents strongly agreed, 44.9% (48) of the respondents agreed, 3.7% (4) of them disagreed while 30.8% (33) of the respondents were neutral. The results indicate that contribution from partners to the budget is viewed as important. The study is in agreement with several researchers (Chalos & Poon, 2000) who observed when setting a budget, members of the organization are supposed to participate in defining explicit budgetary goals and to be involved in subsequent revision to these goals with the management.

The respondents were also asked whether opinions and/or proposals relating to the budget are challenged before development of budget, the results indicated that 13.1% (14) of them strongly agreed that opinions and/or proposals relating to the budget are challenged before development of budget, 37.4% (40) of them agreed, 16.8% (18) disagreed while 32.7% (35) of the respondents were neutral. This means that it has not been fully established if opinions and/or proposals relating to the budget are challenged before development of budget. The study is in agreement with Merchant (2002) who points out that the budgeting process is adopted differently in forms which differ in diversity of organizational system. Accordingly, due to diversity, budgeting process may differ. The issue of how budgeting in SMEs impacts their performance is, therefore, certainly worthwhile to be explored.

Finally, the study sought to find out if communication of details of budget policy and guidelines to people responsible of preparation of budget is often made. Results indicated that 25.2% (27) of the respondents strongly agreed, 37.4% (40) of them agreed, 10.3% (11) disagreed while 27.1% (29) of the respondents were neutral. The results summed up to a mean of 3.78 and standard deviation of 0.945 indicating that there is communication of details of budget policy and guidelines to those responsible. The study is in agreement with Joshi, et al (2003) who examined budgeting planning, control, and performance evaluation practices in a developing country. He conducts a questionnaire
survey of 54 medium and large–sized firms including both the listed and non-listed firms located in Bahrain. His research finds that most of the firms prepare long-range plans and operating budgets, and use budget variances to measure a manager’s performance, for timely recognition of problems, and to improve the next period’s budget.

4.6 Community Support

Table 4.5 Community Support

<table>
<thead>
<tr>
<th></th>
<th>sd</th>
<th>d</th>
<th>n</th>
<th>a</th>
<th>sa</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>All community participate project planning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freq.</td>
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<td>23</td>
<td>45</td>
<td>25</td>
<td>3.76</td>
<td>0.96</td>
</tr>
<tr>
<td>%</td>
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<td>21.5</td>
<td>42.1</td>
<td>23.4</td>
<td></td>
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<td>Community provide human force</td>
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<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freq.</td>
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<td>35</td>
<td>34</td>
<td>27</td>
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<td>0.96</td>
</tr>
<tr>
<td>%</td>
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<td>10.3</td>
<td>32.7</td>
<td>31.8</td>
<td>25.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free discussions between partners on community encouraged</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freq.</td>
<td>0</td>
<td>14</td>
<td>5</td>
<td>58</td>
<td>30</td>
<td>3.97</td>
<td>0.926</td>
</tr>
<tr>
<td>%</td>
<td>0</td>
<td>13.1</td>
<td>4.7</td>
<td>54.2</td>
<td>28</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution from community to the budget viewed importantly.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freq.</td>
<td>0</td>
<td>9</td>
<td>10</td>
<td>48</td>
<td>40</td>
<td>4.11</td>
<td>0.894</td>
</tr>
<tr>
<td>%</td>
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<td>8.4</td>
<td>9.3</td>
<td>44.9</td>
<td>37.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The project partners allow community opinion and views</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freq.</td>
<td>0</td>
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<td>8</td>
<td>50</td>
<td>27</td>
<td>3.77</td>
<td>1.051</td>
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<tr>
<td>%</td>
<td>0</td>
<td>20.6</td>
<td>7.5</td>
<td>46.7</td>
<td>25.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community provide technical assistances to the project.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freq.</td>
<td>7</td>
<td>17</td>
<td>0</td>
<td>54</td>
<td>29</td>
<td>3.92</td>
<td>1.011</td>
</tr>
<tr>
<td>%</td>
<td>6.5</td>
<td>15.9</td>
<td>0</td>
<td>50.5</td>
<td>27.1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This section sought to establish the community support. The results are as presented in table 4.5. The study sought to establish if the community as a whole participate in project planning. The results from the study indicated that 23.4% (25) of the respondents strongly agreed that the whole community participates in project planning, 42.1% (45) agreed, 13.1% (14) disagreed and 21.5% (23) of the respondents were neutral. The item reported a mean of 3.76 meaning that the community participates in project
planning. This study is in line with researchers (Burgi and Rydbeck, 2010; World Vision Ghana, 2003) who suggested rural communities in developing countries should take full responsibility for sustainability of water projects in their regions. The community should manage the operation, maintenance and repairs of all water projects provided in their communities. This paradigm allocates responsibility for the continual operation of community water projects from government and donor agencies to rural communities.

In regards to whether the community provides human force. Of the total respondents, 25.2% (27) of the respondents strongly agreed, 31.8% (34) of them agreed, 10.3% (11) disagreed, and 32.7% (35) of the respondents were neutral. This position was further confirmed by the 3.72 mean and standard deviation of 0.96 meaning the community is in the forefront in providing human capital. This study is in line with researchers Jiménez and Pérez-Foguet (2011) who observed that capacity building, construction supervision and providing support to the community water project management committees during the first year of implementation are recommended for maintaining long term community participation in community water projects.

In relation to whether free discussions between partners on community encouraged, the results indicated that 28% (30) of the respondents strongly agreed, 54.2% (58) of the respondents agreed, and 13.1% (14) of them disagreed while 4.7% (5) of the respondents were neutral. The results summed up to a mean of 3.97 and standard deviation of 0.926 indicating that free discussions between partners and the community are encouraged. According to IWSC (2003), in rural sector Community participation has achieved widespread acceptance and some rural water supply and sanitation projects from all over the world are applying it. Community participation as a demand driven community-led approach incorporates participatory method and decentralization strategy to deliver rural water supply services better than supply driven government-led models. Community water projects tend to be more effective and sustainable when they adopt a participatory approach.

Further, the study sought to find out if contribution from the community to the budget is viewed importantly. Results indicated that 37.4% (40) of the respondents...
strongly agreed, 44.9% (48) of them agreed, 8.4% (9) disagreed while 9.3% (10) of the respondents were neutral. The results summed up to a mean of 4.11 and standard deviation of 0.894 meaning that the contribution of the community to the budget is of utmost importance. This study findings is in agreement with USAID (2009) who observed that water and sanitation systems become sustainable if they act in response to genuine demand, builds capacity for operation and maintenance, enhances sharing of costs, involve community members directly in all key decisions and if they develop a sense of communal ownership of the projects. CP help projects meet their targets within planned budget and enhance sustainability of rural water supply management. Active CP in various borehole project’s activities is recommended to enhance their positive impact to smaller rural communities.

Moreover, the respondents were asked whether the project partners allow community opinions and views, the results indicated that, 25.2% (27) of them strongly agreed that project partners allow community opinions and views, 46.7% (50) of them agreed, 20.6% (22) disagreed while 7.5% (8) of the respondents were neutral. This means that the project planners allow community views and opinions. This study is in agreement with researchers (Donaldson, and Preston, 1995) who said Community members are stakeholders in community projects therefore it is important to involve them in projects activity from the start. Stakeholder’s theory argues that every legitimate person or group participating in the activities of a firm or organization, do so obtain benefits and that the priority of the interest of all legitimate stakeholders is not self-evident.

Finally, the study sought to find out if the community provides technical assistance to the project. Results indicated that 27.1% (29) of the respondents strongly agreed, 50.5% (54) of them agreed, 15.9% (17) disagreed and 6.5% (7) of them strongly disagreed. The results summed up to a mean of 3.92 and standard deviation of 1.011 indicating that the community provides technical assistance. This study is in line with researchers (Doe and Khan, 2004; Lockwood, 2004; Opare, 2011) who found out developing countries tend to adopt community participation initiatives as they help in creating a sense of ownership, settle internal differences, increase technical knowledge and management experiences of the beneficiaries of community water projects.
4.7 Project Performance

Table 4.6  Project Performance

<table>
<thead>
<tr>
<th></th>
<th>Freq.</th>
<th>7</th>
<th>11</th>
<th>27</th>
<th>49</th>
<th>13</th>
<th>3.47</th>
<th>1.049</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project was completed within the</td>
<td>sd</td>
<td>d</td>
<td>N</td>
<td>a</td>
<td>sa</td>
<td>Mean</td>
<td>Std. Deviation</td>
<td></td>
</tr>
<tr>
<td>time</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.5</td>
<td>10.3</td>
<td>25.2</td>
<td>45.8</td>
<td>12.1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project can now service it purpose</td>
<td>Freq.</td>
<td>0</td>
<td>25</td>
<td>9</td>
<td>49</td>
<td>24</td>
<td>3.67</td>
<td>1.071</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>0</td>
<td>23.4</td>
<td>8.4</td>
<td>45.8</td>
<td>22.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most of our employees are always</td>
<td>Freq.</td>
<td>0</td>
<td>26</td>
<td>20</td>
<td>40</td>
<td>21</td>
<td>3.52</td>
<td>1.067</td>
</tr>
<tr>
<td>willing to serve</td>
<td>%</td>
<td>0</td>
<td>24.3</td>
<td>18.7</td>
<td>37.4</td>
<td>19.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees can promptly response to</td>
<td>Freq.</td>
<td>7</td>
<td>31</td>
<td>54</td>
<td>15</td>
<td>15</td>
<td>3.65</td>
<td>0.953</td>
</tr>
<tr>
<td>our requests even when they are busy</td>
<td>%</td>
<td>6.5</td>
<td>29</td>
<td>50.5</td>
<td>14</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.6 presents the results on project performance. In relation to whether the project was completed in time, 12.1% (13) of the respondents strongly agreed that the project was completed in time, 45.8% (49) agreed, 10.3% (11) disagreed, 6.5% (7) strongly disagreed and 25.2% (27) of the respondents were neutral. This finding imply that there is still uncertainty as to whether projects are completed on time, the item reported a mean of 3.47 meaning that the project was completed in time.

The study further enquired from the respondents whether the project can now service its purpose. The results revealed that 22.4% (24) of the respondents strongly agreed that the project can now service its purpose, 45.8% (49) of them agreed, and 23.4% (25) disagreed while 8.4% (9) of the respondents were neutral. The results summed up to a mean of 3.67 and standard deviation of 1.071. This implies that the project can now service its purpose.

To establish whether most of their employees are always willing to serve, respondents were requested for their opinion and the results were such that, 19.6% (21) of
the respondents strongly agreed, 37.4% (40) of them agreed, 24.3% (26) of them disagreed while 18.7% (20) of the respondents were neutral. The results summed up to a mean of 3.52 and standard deviation of 1.067 an indication that their employees are willing to serve.

In order to ascertain whether employees can promptly respond to request even when busy, results revealed that, 14% (15) of them agreed, 29% (31) of them disagreed, 6.5% (7) strongly disagreed and 50.5% (54) of the respondents were neutral. This summed up to a mean of 3.65 and standard deviation of 0.953. Generally, the employees respond promptly even when they are busy.

4.8 Correlation Results

Table 4.7 Correlation Results

<table>
<thead>
<tr>
<th></th>
<th>project performance</th>
<th>financial support</th>
<th>technical support</th>
<th>budget plan</th>
<th>community support</th>
</tr>
</thead>
<tbody>
<tr>
<td>project performance</td>
<td>Pearson Correlation</td>
<td>.626**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>financial support</td>
<td>Pearson Correlation</td>
<td>.335**</td>
<td>.345**</td>
<td>.588**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>technical support</td>
<td>Pearson Correlation</td>
<td>.588**</td>
<td>.545**</td>
<td>0.124</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>community support</td>
<td>Pearson Correlation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
The study used Pearson Product Moment correlation analysis to assess the nature of the relationship between the independent variables and the dependent variable as well as the relationships among the independent variables (Wong & Hiew, 2005; Jahangir & Begum 2008). Wong and Hiew (2005) further posit that the correlation coefficient value \( r \) ranging from 0.10 to 0.29 is considered weak; from 0.30 to 0.49 is considered medium, and from 0.50 to 1.0 is considered strong. There was a strong relationship between financial support and project performance \( (r = 0.626, p\text{-value} < .01) \). Also, the study exhibited a strong relationship between budget plan and project performance \( (r = 0.588, p\text{-value} < .01) \). Additionally, there was a medium relationship between community support and project performance \( (r = 0.436, p\text{-value} < .01) \) as well as technical support and project performance \( (r = 0.335, p\text{-value} < .01) \). (See Table 4.7).

### 4.9 Model Summary

**Table 4.8 Model Summary**

<table>
<thead>
<tr>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>.717a</td>
<td>0.513</td>
<td>0.494</td>
<td>0.57816</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), community support, technical support, financial support, budget plan

Table 4.8 illustrates the model summary of multiple regression model, the results showed that all the four predictors (community support, technical support, financial support, budget plan) explained 51.3 percent variation of project performance \( (R \text{ squared} = 0.513) \).
4.10 Regression results.

**Table 4.9  Coefficient of Estimate**

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>(Constant)</td>
<td>-0.966</td>
<td>0.558</td>
</tr>
<tr>
<td>financial support</td>
<td>0.409</td>
<td>0.102</td>
</tr>
<tr>
<td>technical support</td>
<td>0.288</td>
<td>0.119</td>
</tr>
<tr>
<td>budget plan</td>
<td>0.38</td>
<td>0.122</td>
</tr>
<tr>
<td>community support</td>
<td>0.171</td>
<td>0.11</td>
</tr>
</tbody>
</table>

*a Dependent Variable: project performance*

Findings showed that financial support had coefficients of estimate which was significant basing on $\beta_1 = 0.102$ (p-value = 0.000 which is less than $\alpha = 0.05$) hence we reject the null hypothesis, and conclude that financial support has significant effect on project performance. This implies that for each unit increase in financial support, there is up to 0.102 unit increase in project performance. Also the effect of financial support is shown by the t-test value of 2.415 which implies that the effect of financial support surpasses that of the error. Cognate to the results, a study conducted by Bloomfield, (2006) revealed that growing financial support from government grants and improvements in management efficient have made it possible for many of the facilities to adjust their user fees down hence efficient service delivery. As well, a study carried out by Ssengoba et al, (2007) on the healthcare sector total funding to the PNFP sub sector revealed that the funding made a considerable contribution to the financial sustainability of the PNFP health units which in turn improved the service delivery. However, Green (1999) elucidates that a financing system may have negative influences on the way delivery of health services is provided.

Furthermore, study findings showed that technical support had coefficients of estimate which was significant basing on $\beta_2 = 0.181$ (p-value = 0.017 which is less than $\alpha = 0.05$) hence we fail to accept the hypothesis and conclude that technical support has a
significant effect on project performance. This indicates that for each unit increase in technical support, there is up to 0.181 units increase in project performance. The effect of technical support is stated by the t-test value = 2.415 which point out that the effect of technical support is twice that of the error associated with it. In line with the results, findings by CBI, (2007) indicate that PPP is a long collaborative arrangement allowing for the combination of complementary skills and expertise of each partner, with interest in improving the quality of services. In direct support to the study findings, Edward, (2007) elucidates that the human capital which consists of current task-related knowledge and skills has a positive relationship with the success of a project. On the same note, Gibson, (2001) argues that a project’s performance will be influenced by its human capital.

Findings showed that budget plan had coefficients of estimate which was significant basing on $\beta_3= 0.294$ (p-value = 0.002 which is less than $\alpha = 0.05$) thus we fail to accept the hypothesis and conclude that budget plan has a significant effect on project performance. This suggests that there is up to 0.294 unit increase in project performance for each unit increase in budget plan. The effect of budget plan is more than the effect attributed to the error, this is indicated by the t-test value = 3.111. In conformity with the results, Julia, (2010) echoes that budgeting planning process ensures that managers do plan for future operations, and that they consider how conditions in the next year might change and the necessary steps to be taken to counter the changed conditions. The results are also in tally with a study by Wijewardena and De Zoysa (2001) indicating that there is a positive and significant relationship budgeting planning and sales growth, and between budgeting planning and return on investment. Further support to the study findings is by Fonseka and Perera (2004) who also found positive and significant relationship between budgeting planning and return on investment.

Finally, research findings showed that community support had no significant effect on project performance basing on $\beta_4= 0.135$ (p-value = 0.123 which is more than $\alpha = 0.05$) implying that we accept the null hypothesis stating that community support has no significant effect on project performance. Furthermore, the effect of community support was stated by the t-test value = 1.55 which implies that the standard error
associated with the parameter is more than the effect of the parameter. As opposed to the study findings, IWSC (2003) observes that community participation is considered key for efficiency and effectiveness of community water projects. Similarly, USAID (2009) observed that water and sanitation systems become sustainable if they act in response to genuine demand, builds capacity for operation and maintenance and involve community members. On the same note, community participation helps project meet their targets within planned budget and enhance sustainability of rural water supply management.(Doe and Khan, 2004; Lockwood, 2004; Opare, 2011). The study findings are therefore inconsistent with the extant literature which gives room for further research on the same.
CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of findings, conclusion, recommendations and further research recommendations that are deemed important for the extension of the research.

5.2 Summary of Findings

The study established a number of findings, the summary of the findings are outlined here under;

5.2.1 Summary on Demographic Information

According to the respondents’ demographics, it was revealed that most of the respondents were male. The findings also revealed that most of the respondents were over 35 years and have degree as their highest educational level. Moreover, most of the respondents have been in the project for 1 to 5 years.

5.2.2 Summary on Study Objectives

In regards to financial support as a component of PPP model, the study revealed that partners assist in connecting the potential donors for funding. The partners also ensure that no operation is affected by inadequate funds. They assist in the management of funds and ensure that utilization of funds is monitored by both partners. However, it has not been fully established if most of the operations are funded by their partners.

The results on the technical expertise provided within PPP model showed that employees with expertise are provided by the partners. There is however doubt whether
the employees provided by the partners have the necessary skills needed. Despite this, the employees receive allowances from their partners and are motivated. Besides, the employees in the projects feel appreciated and recognized by their partners.

Further results on the budgetary plan revealed that all partners participate in the budgeting process. Also, their partners’ explanations are provided when the budget is revised. Free discussions between partners on the budget are increased and contribution from partners to the budget is viewed importantly. Additionally, communication of details of budget policy and guidelines to people responsible of preparation of budget is often made. There is however doubt if proposals relating to the budget are challenged before development of budget.

Finally, the results on community support revealed that the community participates in project planning. It does this by providing a human force. Additionally, free discussions between partners on community are encouraged. The contribution from the community is viewed importantly hence the project partners allow community opinions and views. As well, the community provides technical assistance to the project.

5.3 Conclusion

The study is indicative of a positive and significant effect of financial support on project performance. Through financial support, the government is able to finance, build as well as manage water projects thus ensuring efficient service delivery. It can therefore be deduced that financial support as a component of PPP model has the advantage of bringing in new resources for funding public infrastructure and service needs in order to improve project performance.

Technical expertise which is a function of education and experience has a positive and significant effect on the project performance. As such, the provision of employees with expertise by partners is more likely to lead to the success of the project. Therefore,
the human capital represents potential areas where partnerships can enhance the overall project performance by ensuring that the employees have the requisite skills needed.

Additionally, budget plan has a significant effect on efficient project performance. This is due to the fact that services are offered when needed. Through budget planning, there is communication of details of budget policy and guidelines to the individuals responsible of preparation of the budget. The partners can therefore signal to them which performance they expect. Consequently, there is participation of all members in defining the budgetary goals.

Finally, community support in water projects is considered crucial since it enhances social cohesion and adds economic value through the mobilization of voluntary contributions. The study is however indicative of an insignificant effect between community support and project performance. There is therefore need for further research on the same in order to validate this concept.

5.4 Recommendations

Based on study findings, financial support is key in enhancing project performance. As a result, there is need for public private partnerships in water projects so that no operation is affected by inadequate funds. Moreover, it is utmost necessary for both partners to assist in the management of funds and ensure that the utilization of funds are monitored by both partners.

The study has established that technical expertise is instrumental in enhancing project performance. Consequently, there is need for partners to provide employees with the needed expertise to lead the project to a success. Besides, it is important for partners to motivate the employees and make them feel appreciated and recognized. There is also need for employees to receive allowances from their partners.

With respect to budget planning, it is utmost necessary for all partners to participate in the budgeting process. Partners’ explanations need to be provided when the budget is revised. There is also need for free discussions between partners and
communication of details of budget policy and guidelines to those responsible of preparation of budget. Most importantly, the contribution from partners to the budget needs to be viewed importantly.

5.5 Further Research Recommendations

This study focused on the influence of public private partnership on completion of water project in UasinGishu County, Kenya. It can be replicated with a larger, more representative sample. Furthermore, it would be interesting to know whether the observed findings hold for other Counties as well. More research is needed in this subject area to fully establish the effect of community support on project performance since the study exhibited no significant effect. Major contextual and settings to be considered in future researches should consider insights from this study influencing project performance including the three factors: 1) financial support; 2) technical expertise and budget planning as playing an important role in enhancing project performance.
REFERENCES


Barakat (2003): IMC-EU, presenter in Egypt, —The Jordanian Experience in Investment Promotion and Enterprise Development


Paris France Havard school of Public health, Boston. MA. University of North Carolina Chapel Hill. NC USA.


APPENDICES

APPENDIX 1: LETTER OF TRANSMITTAL

Cell No. +254723283555

RE: REQUEST TO PARTICIPATE IN RESEARCH

My name is Mike. I am a student at the University of Nairobi. I am carrying out a study on the "Influence of Public Private Partnership Model on completion of water projects in UasinGishu County, Kenya" and you have been identified as one of the people who can be of assistance to me.

The information you will provide will be entirely for academic purposes and will be treated with utmost confidentiality. Your name is not required on the questionnaire and your identity will not be disclosed in any way.

For us to proceed with this exercise, kindly sign the section below.

Thank you,
APPENDIX II

QUESTIONNAIRE FOR RESPONDENTS

Dear respondents,
I am a student of Masters of Arts in Project Planning and Management at the University of Nairobi. I am currently doing a research influence of public private partnership model on completion of water projects in UasinGishu country, Kenya. As a respondent you have been identified as a potential respondent in this research. The information you provide will help understand some of the disparities in performance as well as providing some guide in the re allocation of resources in the bid to close the inequity gap in service provision. This information will be treated as confidential. Kindly provide the information that is well known to you. DO NOT WRITE YOUR NAME ON THIS QUESTIONNAIRE. Your support and cooperation will be very important and will be highly appreciated.

Thank you.
<table>
<thead>
<tr>
<th></th>
<th>Gender</th>
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<tr>
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<td>21-35 years</td>
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<td>above 35 years</td>
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<td>3</td>
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<td>Select one the current one</td>
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<tr>
<td>4</td>
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<td>[ ]</td>
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<tr>
<td></td>
<td>How long have you in the projects</td>
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<td>[ ]</td>
<td>[ ]</td>
<td>Select one</td>
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<td></td>
<td>6 – 10 years</td>
<td>[ ]</td>
<td>[ ]</td>
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<td></td>
<td>11– 20 years</td>
<td>[ ]</td>
<td>[ ]</td>
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<td></td>
<td>Above 21 years</td>
<td>[ ]</td>
<td>[ ]</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
SECTION B: FINANCIAL SUPPORT

Please mark the number that best reflects your level of agreement in the following statements.

KEY: SA- Strongly Agree, A: Agree, UD-Undecided, D: Disagree, SD: Strongly Disagree

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most of operations are funded by our partners</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our partners assist in connecting the potential donors for funding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our partners ensure no operations is affected by inadequate funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the utilization of funds are monitored by both partners</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>our partners assists in the management of funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SECTION C: TECHNICAL EXPERTISE

Please mark the number that best reflects your level of agreement in the following statements.

KEY: SA- Strongly Agree, A: Agree, UD-Undecided, D: Disagree, SD: Strongly Disagree

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>We have been give employees with expertise by our partners</td>
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</tr>
<tr>
<td>Our partners provided our employees with necessary skills they need</td>
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</tr>
<tr>
<td>Most of our employees receive allowances from our partners</td>
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<td>1</td>
</tr>
<tr>
<td>Our partners motivate our employees</td>
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</tr>
<tr>
<td>Employees in the projects feel appreciated and recognized by our partners</td>
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<td>1</td>
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</tbody>
</table>
SECTION D: BUDGETARY PLAN

Please mark the number that best reflects your level of agreement in the following statements.

KEY: SA- Strongly Agree, A: Agree, UD-Undecided, D: Disagree, SD: Strongly Disagree

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>All partners to participate in the budgeting process.</td>
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<td>Our partners are explanation provided when budget is revised.</td>
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<tr>
<td>Free discussions between partners on budget encouraged</td>
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<tr>
<td>Contribution from partners to the budget viewed importantly.</td>
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<tr>
<td>Opinions and / or proposals relating to the budget challenged before development of budget</td>
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<tr>
<td>Communication of details of budget policy and guidelines to people responsible of preparation of budgets often made.</td>
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</tbody>
</table>
SECTION E: COMMUNITY SUPPORT

Please mark the number that best reflects your level of agreement in the following statements.

KEY: SA- Strongly Agree, A: Agree, UD-Undecided, D: Disagree, SD: Strongly Disagree

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>All community participates in the budgeting process.</td>
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<tr>
<td>Community provides human force.</td>
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<tr>
<td>Free discussions between partners on community encouraged</td>
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<tr>
<td>Contribution from community to the budget viewed importantly.</td>
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<tr>
<td>The Project partners allow community opinion and views</td>
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<tr>
<td>Community provides technical assistance to the project</td>
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</tbody>
</table>

SECTION F: PROJECT COMPLETION
Please mark the number that best reflects your level of agreement in the following statements.

**KEY:** SA- Strongly Agree, A: Agree, UD-Undecided, D: Disagree, SD: Strongly Disagree

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project was completed within the time</td>
<td>1</td>
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<tr>
<td>Project can now service its purpose</td>
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<tr>
<td>Most of our employees are always willing to serve</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees can promptly respond to our requests even when they are busy</td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

*Thank you for taking your time to participate in this study. God bless*