

# Determinants of Sustainability of Donor Funded Projects in Kenya. A Case Study of Donor Funded Projects in Turkana County

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**Abstract:** Sustainability is one of the key focus of any donor funded projects. However, achievement of sustainability of such projects from economic, social and environmental aspects has been a great challenge. The effort to ensure sustainable projects by donors has been hindered by complex procedures they have to undergo to register with the authority, the donor policies, misappropriation of the resources allocated as well as lack of community ownership to the project. Hence there is a need to carry out a study on influence of management accountability and donor policies and regulations as main determinants for sustainable of donor funded projects with a case study of Turkana County. Explanatory research design was adopted. The target population was 36 donor funded projects in Turkana County. Since the study geographical area is small, census was carried out to include all the 36 projects. The potential respondents were 43 households which were direct beneficiaries of the donor funded projects in Turkana County, 10 religious' leaders through who donors channeled the resources for projects and 36 project leader whose projects were handed to by donor or are in charge of the donor funded projects in Turkana County. This gives a total of 89 respondents. Questionnaire was used to collect the data. Quantitative data was analysed using descriptive statistics (means and standard deviation) and inferential statistics (regression and correlation models). The study established that management accountability and donor policies and regulations had positive significant correlation with the sustainability of Donor Funded Project ( $r=0.654$ ;  $p\leq 0.05$  and  $r=0.587$ ;  $p\leq 0.00$ ). From the regression model, R squared calculated was 0.723 meaning variability of the study variables explained 72.3% of the variation in the project sustainability. The study recommends leadership accountability and auditing of the project management in order to ensure that the beneficiaries and all stakeholders are satisfied with the implementation of the project as well as creating sense of ownership of the project sustainability.

**Terms:** Donor funded projects, accountability, management, sustainability, donor policies and regulations

## I. INTRODUCTION

Donor-funded Projects are externally-funded activities in which a formal written agreement, such as a grant, contract, or cooperative agreement, is entered into between the recipient and the donor (Kremer, 2009). Any donor of a development project funds a project which a recipient has: a specified statement of work, clear project deliverables, detailed financial accounting and budget specifying direct and indirect cost (Kagwathii, 2014). Mostly, donors would support

the interventions in vulnerable communities with rampant ethnic strife, facing natural disasters, struck with repeated draught and have limited access to clean water and education.

A development project is said to be sustainable when it meets environmental challenges, responds to social and cultural demands and delivers economic improvement (Karlsen, 2008). The fundamental concept of sustainable development is to deliver long term affordability, quality and efficiency, value to clients and users, whilst decreasing negative environmental impacts and increasing the economic sustainability. The social aspect is seen in reforms of in people way of life - a new approach to how to build, to achieve development that meets the economic, social and environmental needs of future generations.

Although, various donors funded projects have been initiate in various countries. However, most projects are non-sustainable in that the intended impacts have not been felt. For instance, a study done by Pringle and Lipschutz (2005) indicated that the government of France funded an irrigation project dubbed 'Office du Niger', an irrigation project funded by government of France, with the aim of irrigating 2.47 million acres to grow cotton and rice and develop hydropower in the Mali desert at a cost of \$300 million, have become unsustainable. Some of the issues which were mentioned to cause the unsustainable include poor community participation; lack of resource accountability and lack of continues funding of project. Additionally, a study by Baumgartner (2009) indicated that 'Roll Back Malaria, across Africa' which was funded by multiple donors to end the malaria pandemic in Africa by year 2010, impact analysis indicated that malaria infection rate had increased by 12 percent. According to Ika (2012) out of projects funded by World Bank in Africa, only half of them succeed. He attributed most of the failures to imperfect project design, poor stakeholder management, delays between project identification and start-up, delays during project implementation, cost overruns, coordination failure.

Ahsan (2010) suggested that the implementation model of most of donors poses a challenge in and an outcome of a project. Many donor projects are overly ambitious project in design, the donor dominated within the model and there is evidence of limited local counterpart capacity. Consequently,

the fact that most donor-funded projects are not sufficiently flexible to apply proven principles of community development, build local ownership and allow adequate time to build counterpart knowledge and skills threatens the ideals of development. It is problematic that very little is done by development agencies to ensure that stakeholder's capacity is built to be able to manage the projects after the donor transitions. This is a gap that this study seeks to fill by reviewing the sustainability of donor funded projects.

A study by World Bank, (2010) reveals that most projects hardly make deliberate efforts to ensure participation and involvement of the community members in development projects. Another aspect that is very paramount to the sustainability of donor funded projects is the management accountability of the projects, which in most cases, is never materialized. Scarce studies have been done on the same, and no efforts have been carried out, since once the donors withdraw, projects end up dying at the expense of the management while the community has no authority to question. The present study therefore seeks to establish the influence of management accountability and donor policies on the sustainability of donor funded projects.

#### *Specific Objectives*

The objectives of the study were as follows;

- a) To establish the influence of management accountability on the sustainability of donor funded projects in Kenya.
- b) To determine the influence of donor policies on the sustainability of donor-funded projects in Kenya.

## II. LITERATURE REVIEW

### *Theoretical Literature Review*

#### *Sustainability Theory*

Sustainability Theory (Eckhardt, 1994) is the anchor theory for this study. Sustainability describes a form of economy and society that is lasting and can be lived on a global scale. Sustainability directs practical attention to the complex mutuality of human and ecological systems (Willis and Jenkins, 2009). Economic health, ecological integrity, social justice, and responsibility for the future must be integrated to address multiple global problems within a coherent, durable, and moral, social vision. That inclusive scope and prospective vision make sustainability ideologically absorptive and politically popular. Sustainability is used to argue for and against climate treaties, for and against free markets, for and against social spending, and for and against environmental preservation. Finding a standard definition seems elusive. Some critics have therefore dismissed sustainability as conceptually meaningless, or at least too susceptible to competing ideas to be politically useful. But as long as the disagreements generally recognize mutual feedback between human and ecological systems, they reflect substantive differences about what to sustain over time. So sustainability

produces a significant discursive arena for a new kind of moral and political debate. Precisely because those considerations are so urgent and important, we should expect diversity of opinion and conceptual disagreement (Willis and Jenkins, 2009).

#### *Empirical Review*

##### *Management Accountability and Project Sustainability*

The notion of accountability has a range of connotations. It can refer to 'giving an account' to another party who has a stake in what has been done, or 'being held to account', that is being held responsible for others (Cornwall *et al.*, 2000). NPA (2008) defines accountability as responsibility, reliability, confidence and transparency in the context of development cooperation; associated specifically with financial issues, but includes all relevant matters of development concern and collaboration between partners.

Study by (NPA, 2008) found out that accountability by management contributed to firm's growth by 30 %, when all other factors were controlled for. A distinction can be made between political, administrative and social accountability (Narayan, 2002). In His studies on the influence of political, administrative and social accountability on project management process, he found that 80% of the managers related project sustainability to administration, 54 percent also related it to social accountability and 38% to political accountability. While political accountability takes place through elections, administrative accountability is ensured through internal accountability mechanisms both within and between agencies. Social accountability, which is by definition of vertical mechanism, holds agencies and elected officials accountable to citizens (Reuben, 2003). Participatory methods can be used to guarantee the inclusion of all the stakeholders, the establishment of agreements between them, and the provision of appropriate information at each level and for different purposes. Information is a crucial ingredient for accountability because it is clear only when people know what resources are available, how they are being channeled, and how decisions are being made, that they can hold project's staff to account (Sen, 2009). On the other hand, a report by Cornwall *et al.* (2000) revealed that when primary stakeholders hold other stakeholders accountable, power shifts to them and they are able to contribute to the achievement of project goals by over 30%. Thus, the objective of improving accountability and empowerment are strongly related to each other, and according findings on accountability of managers, donors were more likely to fund projects with exhaustive records of accountability in a community.

Stein (2013) posits that accountability provides an opportunity to establish new habits of control, reporting and joint responsibility in development interventions. The people's participation also helps for an improved understanding of the role of the several stakeholders involved and the limitation of technical and financial resources that exists to address the problems of the poor and that an effective accountability

enhancing people's participation is likely to improve firm's performance by 40 %.

Accountability issues on donor funded projects by management in Kenya have also not received the necessary attention they deserve as the foregoing review on the same can reveal. Thus, this is another knowledge gap that the present study seeks to bridge. A research study conducted on level of accountability in sustainability of project initiated by community-based organizations in Made any Division, revealed that managerial accountability encourages the community to learn and make informed decision on the implementation of the projects, so accountability contributes to the sustainability of the projects initiated by the CBOs and NGOs by over 50 %. It also found that accountability in CBO projects is stimulated by some characteristics of CBO and involve them differently at different stages of project management. The levels of accountability were also found to be different depending on the perception of the community and the nature of projects being implemented (Lusih, 2009), and very high levels of accountability contributed to donor confidence in funding by 80% and was able to enhance beneficiary attitude towards the projects by 89%.

As argued by Brett (1993) quoted in Johnson (2001), beneficiaries are clearly disadvantaged in exchanges with NGOs; they come as supplicants rather than equals and have little information about the NGOs' resources or actions. They are aware of the services that the NGOs provide in their immediate area, but not of the costs involved; the way decisions are arrived at or what is happening elsewhere. According to FAO and Trocaire (2012) through their study in Mwingi district in Eastern province Kenya about giving voice to disaster affected communities in East Africa in June (2012). The study was to find out the impact on the delivery of services to the community affected by the NGOs. People spoke about a local NGO called NGOCAP that introduced greenhouses to grow vegetables in their community. However, the NGO did not involve the community but only a few individuals. The NGO is now selling vegetables to the community at high prices. People feel angry about this. Participants in the field teams thought that this was more an income generating activity than the work of an NGO.

The finding was that communities are aware of what motivates NGOs and whether they are doing things right and doing the right thing. And the recommendation was community led accountability that challenges agency practice, separate from agency complaints procedures and agency led external evaluations. In addition, other findings were the youth are marginalized and alienated from participating on issues that impact on them. This because they were not given a chance to have their voices heard. The youths felt particularly marginalized by local authorities and the political interference forces them to withdraw from community development work. They felt unrecognized by the chief and the local government.

As noted by Beattie (2011), in the humanitarian exchange

magazine, a study was done focusing on NGO accountability to the people humanitarians aim to assist in Southern Sudan. The research looks at the gap between theory and practice and draws on learning from the literature. The findings of the research did not show a clear link between the implementation of accountability mechanisms and the quality of the services delivered. While the accountability mechanisms provided the community with information, and avenues for feedback and complaints ensured that responses were given, the community did not link these to improvements in services.

According to Kilby (2004), NGOs are seen to be ideally placed to perform the task; given their relatively closer proximity to the poor communities they serve, however, their accountability particularly the downward accountability to their constituents the beneficiaries of their work can affect their role as empowerment. The dilemma that NGOs is first, they are generally not required by law to be accountable to their constituents and as consequence there is a risk that they any processes of accountability they adopt would not provide their constituency the necessary control that is required for genuine. On the other hand, a weakness of NGOs' and their public benefits role is that they lack a defined accountability path to their constituency that a representative structure would provide. That is while NGOs purport to represent the interests of their constituency, at broader level there is no clearly defined path by which they can be held to account by that constituency in representing those interests.

The community-led initiative is one that originates from community members and is managed by community members. Also, they believe that community mobilization is the process of building community capacity to identify their own priorities, resources, needs, and solutions in such a way as to promote representative participation, good governance, accountability and peaceful change. But some communities' faces or experiences a major shock that overturn the social and economic system and people find themselves in unfamiliar new reality. Involving community members in a way that promotes their ownership over decision-making and skills to carry out those decisions is a complex task to many NGOs. And in 1997, Mongolian NGOs were introduced to a very simple model of directors and staff. However, with such a structure it is possible for NGOs to be held hostage by their boards. Consequently, it is easy to find NGOs that are not necessarily bad in their program implementation, but may simply have a weak accountability structure. Accountability mechanism, through which NGOs can demonstrate their capacity and ability, is a working process that is important for NGOs to build up their legitimacy (Corps, 2008).

As noted in World Vision article written by (Wood, 2011), there are a comprehensive list of complaints channels mechanisms that are currently being used by NGOs and have contributed to the growth of donor funded projects by 50%

according to the report from the complaints. These include suggestion/complaints boxes used by Tearfund, Kenya, WV in Georgia and CARE International in Cambodia (CARE, 2006); village committees for addressing complaints (CARE International Cambodia); student committees (OFADEC, Senegal); beneficiary reference groups Tearfund; camp committees (WV, Haiti); village development forums; community meetings; community help desks; daily complaint hour; face-to-face meetings with NGO staff; information centers; visits to programme offices; e-mails; SMS, phone calls, letters and petitions; complaints sheets (provided with products such as latrines and used to record any problems with installation and service); Facebook; radio calls; theatre groups child-focused; Children Ombudspersons (Save the Children, Sweden); reports from third parties; and complaints picked up through media such as radio and news (006). All these mechanisms are advised to be used by NGOs to aid in the community accountability by getting the information and communicating to them freely, but they are not being used effectively by NGOs. Due to the fact that there is a lack of accountability in donor funded projects, the study seeks to find out the influence of management accountability on the sustainability of donor-funded projects.

#### *Donor Policies and Sustainability of Projects*

Donor policies and regulations are vital in the sustainability of their funded projects. The level of influence can affect the period of survival of a given project. One of the related issues is the issue of funding. This issue becomes even more complex when an NGO operates across national borders, at which point the need for NGO transparency and accountability becomes most clear. It is often almost impossible to track accurately the funding of NGOs based outside the United States, Europe, Japan, and Australia. Most non-governmental organizations in the developed world have at least achieved financial transparency as a result of a mix of public and private oversight, regulation, and accreditation. Every NGO in the United States, for example, must file its finances annually with the Internal Revenue Service (IRS), the federal agency in charge of taxation. Once filed and processed, these reports are accessible to the public. In addition, every U.S. NGO must register with the state in which it is resident and is required to publish an annual report.

In the past two decades, the development field has been experiencing an increase in donor-driven standardization of planning, reporting and accountability practices (Mawdsley, Townsend, Porter and Oakley, 2002; Wallace, Bornstein, and Chapman, 2006). Funded by Northern-based donor agencies, NGOs in countries of the global South (SNGOs) carry out community-based work to alleviate poverty, provide social services, develop civil society and democratic processes, and advocate for the poor and marginalized. However, these procedures, presumably designed to increase accountability and transparency, and secure against the misappropriation of funds, in many cases have shifted SNGO focus away from their most meaningful work (Wallace *et al.*, 2006).

Cruz, Hoelman and Munoz (2008) states that regarding NGO sustainability, like other countries Mongolia also experiences the problem of a lack of funding for institutional support, such as office rental, electricity, which was averted by implementing a report that suggested adherence to donor regulations. At least 50% of the projects were prolonged when these regulations were adhered to and it was estimated that this accounted for 60% of the growth in the projects. This is a major sustainability issue. The refusal of donors to provide administrative support has spurred NGOs into pushing for their own accountability, and Mongolian NGOs are now looking to the government to produce state regulations ensuring NGO sustainability.

According to Lister (2003) quoted in Rauh (2010), within the global NGO community, legitimacy is established through performance and accountability, but also through the strength of an organization's connections with the poor "on the ground". While Northern funders provide funding to their Southern partners, SNGOs provide Northern funders legitimating local knowledge and the link with program beneficiaries (Brehm, 2001). However, Southern organizations are more dependent on resources from Northern organizations than the other way around and this has led to slow growth rate of their projects, at least 2% drop every year (Lister, 2000).

Coercion goes hand in hand with the dependent organization's consent to the conditions on funding. Because donors have control over the financing and can decide to withdraw their contribution, coercion may include force. However, it is often a result of the acceptance of norms that are rarely questioned or challenged because they are seen as the standardized or "correct" way to do development work. On other words, coercion may be direct or indirect through the adoption of norms held within the NGO field (Wallace, 2006). Leen (2006), states that in the humanitarian field both NGOs and the donor's official are collaborating to set standards that better serves their constituents. Indeed, it is in the arena of humanitarian action that most attention has been paid to the need to regulate NGO behavior. For instance, a group of NGOs in the UK have been exploring the option of creating the office of the humanitarian ombudsman.

According to Munoz (2008), the challenge of donor standards and the minimum requirement of NGOs accountability have allegedly contributed to undermining not only NGO's sustainability but accountability as well. Tight regulations regarding the donor's finances, for instance, often prevent them from providing funds to improve an NGO's institutional system of accountability, and this was found by Leen (2006) report to contribute to the failure of many projects by 80%. This often creates tension between competing priorities of pursuing a project that produce a result and improving the organization capacity of NGO to ensure its accountability. It is, therefore, important for NGOs to set their own agendas for development. In addition, there is also no consensus among donor and internal NGOs on how to address the need for

accountability and sustainability. Due to strict standards of the donors NGOs accountability can only be established by experienced or well-established NGOs, but not well by smaller or new ones. In general donor organizations are run by hired professionals, while NGOs are usually run by young people who simply have the ambitions to help people and are not as concerned about accountability.

Imbalance relationship between donors and NGOs recipients has grown over the years. In some ways, it minimizes the ability of NGOs to become sustainable in the long term. But the general condition of donor NGO relationships does not necessarily reflect this imbalance. In post-conflict environments, for instance, the highest paid jobs are in NGO. This has led to suspicion that NGOs are in fact for profit organization, which has resulted in turn governments regulating and standardizing NGOs (Munoz, 2008). Ebrahim (2003) explain that beyond the reputation cost, accountability, when narrowly defined as external oversight, can also result in stringent directives imposed by donors stifling experimentation, innovation and flexibility to respond to the needs of a constituency that an NGO serves. A second cost lies in 'goal deflection' whereby the donor agency frame of the problem prevails over the needs of the constituency This cost must be taken into account by donors and other who have the power to regulate or coerce changes in NGOs. According to Makoba (2002), the weakening financial situation of Uganda and Kenya, like that of other African countries, is due to a combination of huge external debts, corruption and the effects of structural adjustment programs imposed by the International Monetary Fund (IMF).

In particular, the structural adjustment programs have "strained the ability of the African states to provide services and has attracted more NGOs to cushion the adverse short-term effects of adjustment programs, such as by providing affordable health care services."30 Given the prevailing political and economic conditions in Uganda and Kenya, as well as elsewhere in Africa, the role and contribution of NGOs to the development process are expected to increase. Also, despite donor interest in channeling development aid through NGOs, critics contend that funds from such powerful donors as the World Bank or USAID are likely "to compromise the independence and effectiveness of NGOs in achieving their social goals.

Among the many dangers that involved in NGOs, operations are that they become more like the bodies from which they draw their legitimacy (Kamat, 2003). Such issues all serve to blur the distinction between NGOs and Non-NGOs (Bebington, 2005). Ebrahim (2004), points out that NGOs and donors faces twin challenges of demonstrating effectiveness in their work and accountability in their relationships with various stakeholders. On one hand, donors are especially concerned about the accountability of NGOs in the efficient and effective delivery of services. NGOs on the other hand, are deeply concerned that accountability to donors could overshadow and overwhelm their accountability to the

communities and to their own mission.

Ebrahim (2004) continues to argue that for a sector that views itself as largely mission driven, there is an urgent need for the international development community to take performance assessment seriously in order to justify activities with substantiated evidence rather than by anecdote for rhetoric. Funders and regulators also bear responsibilities in this regard. A greater emphasis by donors building up the internal capacity of NGOs to develop their own long-term assessment tools rather than receiving regular reports of a pre-specified nature might go a long way toward internationalizing performance assessment in NGOs. On the other hand (Ebrahim, 2003) notes that external evaluations, including those funded by official donors, can improve NGOs accountability not merely by assessing performance but analysis of failure as means of learning.

According to NGO Monitor Report (2013) a number of NGOs have received US government funds in multiple years and from multiple funding frameworks the evidence suggest that officials involved in administering the funding do not have the information necessary to assess the overall activities and verify claims in the NGO submissions and reports. As the holders of the valuable resources on which SNGOs are largely dependent, donors are in a position of power and often put conditions on how aid is used and how programs are implemented (Chambers and Pettit, 2004). The problem is that Northern funding agencies often create program objectives in very different contexts than where they will be implemented, and therefore, these programs often do not suit the cultures that receive them (Lindenberg, 2001). On the other hand, northern funders often impose their own norms and values, and their priorities often fluctuate toward areas of development that are currently popular (Degnbol and Engberg, 2003).

Win (2004) states that both SNGOs and their funders agree that accountability is important and both Northern and Southern organizations are made up of people who are deeply committed to making positive change and empowering the poor in developing countries. Yet donor requirements and upward accountability procedures often undermine many aspects of the partnerships that NGOs seek out and crave to develop with southern agencies (Wallace, 2006). The time used to meet donor conditions takes time away from engaging the local community and developing alternative ways of conceptualizing and accounting for their work (Wallace, 2006). However, Mawdsley and her colleagues (2002) point out that although local participation is essential, SNGOs may not always have the best solutions, and Northern NGOs still have a role to play in assisting SNGOs with technical and information abilities (Rauh, 2010).

#### *2.4 Conceptual Framework*

##### *Independent Variables*

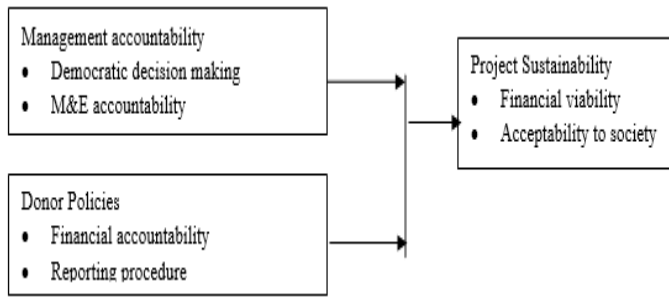


Figure 2.1: Conceptual Framework

### Hypothesis of the Study

From the above literature, the study was guided by two hypotheses

$H_{01}$ : There is no significant relationship between management accountability and the sustainability of donor funded projects in Kenya.

$H_{02}$ : There is no significant relationship between donor policies and regulations and the sustainability of donor-funded projects in Kenya.

### III. RESEARCH METHODOLOGY

The study adopted an explanatory research design to enable quantitative approach to data collection, analysis and reporting (Kothari, 2003). The design is chosen because it ensures complete explanatory of the situation, making sure that there is minimum bias in the collection of data and allows data collection from sizeable population in an economical way (Cooper and Schindler, 2008). The study targeted 36 donor funded projects in Turkana County. Since the population was small census all the projects were considered. The respondents included 43 households which were direct beneficiaries of the donor funded projects in Turkana County, 10 faith-based leaders through who donors channeled the resources for projects and 36 project leader whose projects were handed to by donor or are in charge of the donor funded projects in Turkana County. This gives a total of 89 respondents.

Data was collected using closed and open-ended questionnaires. The questionnaires were administered with the help of research assistants to the respondents on a drop and collect later basis. The pilot study was carried out in nine donor funded projects in Wajir County. The results obtained were used to test the reliability of the research instruments. Cronbach Alpha was used in reliability testing and the results are as shown in table 4.1. To test the validity, research instruments were carefully examined by experts to assess the relevance of the items in relation to the objectives of the study. The main items which were checked to ensure accuracy are clarity, length of each item, ambiguous items and organizations of the instruments.

The data was analysed using descriptive statistics (mean and standard deviations). Multiple regression analysis technique

was used to test the hypotheses. The following regression equation, according to the general model was used to represent the relationship between the dependent variable (Y) as a linear function of the independent variables (Xs), with  $\epsilon$  representing the error term (Cooper and Schindler, 2006):

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \epsilon$$

Where:

Y = Sustainability of donor funded projects

$X_1$  = Management accountability

$X_2$  = Donor policies and regulations

$\beta_0$  = Constant of Regression which is the value of the dependent variable when the independent variable is 0.

$\beta_{1,2}$  is the regression co-efficient and indicate the change in dependent variable as a result of unit change in  $X_1$  and  $X_2$ .

$\epsilon$  = Error Term of prediction

The researcher also assured that responses from the respondents was purely used for academic purposes only where anonymity was advocated for.

### IV. DATA ANALYSIS AND DISCUSSION

For social science studies, a response rate of at least 60% is considered adequate to generalize the results obtained from the sample to the population without threatening the external validity and statistical conclusion validity of inferences made in research using questionnaires (Johnson and Owen, 1962). Response rate was 95.5% hence was sufficient for data analysis.

In order to establish the characteristics of the sample respondents, as a determinant of the richness of the views obtained and biasness elimination, demographic data of the respondents and projects was obtained and analysed. Majority of the respondents were male (46 percent) while female were 54 percent. This indicates relatively equal gender representative among the respondents. In terms of age group, majority were aged between 26 to 30 years (55 percent), followed by those aged between 31 and 35 years (27 percent) and 11 percent were aged above 35 years. This indicate a workforce of donor funded projects who are mostly youth. In terms of highest education level, 49 percent had done up to secondary level, 31 percent had attained a diploma qualification, 18 percent had bachelor's qualification and 2 percent had master's qualification. This is an indication energetic workforce capable of steering projects towards sustainability.

#### Descriptive Statistics

##### Sustainability of Donor Funded Projects

Using a five points likert scale, the opinion was sought out using various statement on the extent to which donor funded projects are sustainable. The specific statements were borrowed from related literature which sought to find out the project sustainability. Descriptive statistics was run on SPSS

to determine the mean and standard deviations. The average mean in relation to aspects which measured project financial viability and project level of acceptability to the society was 3.2. This indicated that respondents viewed the variable indicators as being important in explain the project sustainability. The overall value for standard deviation was 0.62. the low values of standard deviation indicate that respondents had similar opinions in relation to the study variables.

*Management Accountability*

The study sought to determine the influence of management accountability through various statements where respondents were to give their opinion and indicate in a five-point Likert scale. The results obtained were analyzed and the descriptive statistics included: on briefs on financial matters to community by project managers (Mean=2.8; SD=0.96); inclusion of community in decision making (Mean=3.2; SD = 0.23). High values of mean indicate the respondents weights they put on the management accountability as a variable in this study, whereas low values of standard deviations indicate that respondents have same opinion in relation to the indicators used in explaining the management accountability.

*Donor Policies*

In order to find out the influence of donor policies participants were asked to share their views on a variety of elements that encompassed donor policies. The elements considered included donor flexibility, and whether they were easy, regulations in the project and whether they are favorable, ability of donors to release money in the event that there is failure to account for the present money, and finally, donor consultations and procedures. The negative statements were reverse coded to reflect the true meaning that the feedback gave. The overall mean obtained was 2.6 and standard deviation was 0.33. High values of mean indicate the respondents weights they put on the donor policies as a variable in this study, whereas low values of standard deviations indicate that respondents have same opinion in relation to the indicators used in explaining the donor accountability.

*Regression analysis*

A multiple regression model was conducted to establish the significance in which the independent variables influenced the sustainability of Millennium Village in Siaya County. The model was calculated at 95% confidence interval.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.809	.654	.598	.05648

a. Predictors: (Constant) Management accountability, Donor Policies  
Source: Survey data (2020)

From the model summary, it can be observed that the calculated R Square was 0.654, which means that

Management accountability and Donor Policies had a combined effect of 65.4% on the sustainability of donor funded Project. The study further shows that other factors beyond the scope of this study influenced sustainability of the project by 34.6%.

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	113.541	4	28.385	46.305	.000 <sup>b</sup>
	Residual	87.650	143	0.613		
	Total	201.191	147			

a. Dependent Variable: sustainability  
b. Predictors: (Constant) Management accountability, Donor Policies.  
Source: Survey data (2020)

The ANOVA table shows that Management accountability and Donor Policies significantly influenced sustainability of donor funded (p=0.000<0.05). It is therefore not by chance that these factors are linked to sustainability of these projects. The findings further show that the regression model was well defined and that variables were well selected.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.452	1.528		6.185	.000
	Management accountability	.276	.094	.285	2.948	.004
	Donor Policies	.722	.071	.718	10.210	.000

a. Dependent Variable: Sustainability of donor funded projects

Source: Survey data (2020)

The model would be;

$$Y = 9.452 + 0.276X_1 + 0.722X_2$$

The results indicate that holding the study variables constant, project sustainability will be 9.452; management accountability uniquely contributed to the sustainability of donor funded projects (β=0.276, p<.05) thus implying that a unit change in managerial accountability would increase project sustainability by 0.276 units. Cornwall *et al.* (2000) revealed that when primary stakeholders hold other stakeholders accountable, power shifts to them and they are able to contribute to the achievement of project goals by over 30%. As noted in World Vision article written by (Wood, 2011), there are a comprehensive list of complaints channels mechanisms that are currently being used by NGOs and have contributed to the growth of donor funded projects by 50%. These channels included: suggestion/complaints boxes, student committees, beneficiary reference groups and village development forums among others. A unit change in donor policies would increase project sustainability by 0.722

( $p < .01$ ). Leen (2006) report that tight regulations regarding the donor's finances often prevent them from providing funds to improve an NGO's institutional system of accountability which contribute to the failure of many projects by 80%.

## V. DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

### *Discussion*

Management accountability accounted for 2.76% change in the sustainability of project. According to standard gauge, this percentage is low, especially management accountability being one of the main factors that are expected to influence sustainability of donor funded projects. However, it is still deemed significant and therefore cannot be neglected. Its unique influence is also significant, such that if viewed in terms of scale measurement, then one-unit change in the management accountability would lead to a quarter unit change in the project sustainability, which is not theoretical but practical. According to Kilby (2004), NGOs are seen to be ideally placed to perform the task; given their relatively closer proximity to the poor communities they serve, however, their accountability particularly the downward accountability to their constituents the beneficiaries of their work can affect their role as empowerment. The dilemma that NGOs is first, they are generally not required by law to be accountable to their constituents and as consequence there is a risk that they any processes of accountability they adopt would not provide their constituency the necessary control that is required for genuine.

Donor policies reflected a mean below 3.0, which is low. However, there was a great alignment between the donor policies and the sustainability of donor funded projects, thus leading to a high correlation with the sustainability of projects. The percentage that was accounted for was very high, (65.4%), more than any of the other variables that were tested. This implies that the donor policies must be streamlined in order to help the sustainability in a positive way. The presentment relationship and influence could also be based on a number of factors. First, the alignment, and second, the low extends of rating of donor policies. Donor funding therefore can be reflected, or perceived in different forms. For instance, Cruz, Hoelman and Munoz (2008) states that regarding NGO sustainability, like other countries Mongolia also experiences the problem of a lack of funding for institutional support, such as office rental, electricity, which was averted by implementing a report that suggested adherence to donor policies. At least 50% of the projects were prolonged when these regulations were adhered to and it was estimated that this accounted for 60% of the growth in the projects. This is a major sustainability issue. The refusal of donors to provide administrative support has spurred NGOs into pushing for their own accountability, and Mongolian NGOs are now looking to the government to produce state regulations ensuring NGO sustainability. This is a common situation in Kenya and the present findings also reflect the same.

### *Conclusion*

The management of the projects did not account for the activities and the resources both to the community and to the donors. This is perceived as dangerous since the resultant effect is the termination of the projects, which may demoralize the donors. The low accountability does also not motivate the community and this may lead to disputes between the community and the management.

Donor policies are either very strict, or does not favor the sustainability of their projects. Donors also find it difficult to fund projects that are not fully accountable to the funds they give. It is therefore a big blow to the sustainability of the projects, which is the main aim of starting those projects. Even if they have a big influence to the sustainability of those projects, it is relational and therefore there are no efforts to boost the change in their procedures and policies, which may lead to complete death of the projects or loss to the donors.

### *Recommendations*

Since there is no management accountability, in order to ensure the sustainability of these projects, which will in turn boost the economic growth of the country, the government donors should employ the right leaders to carry out the tasks. This can be achieved if they can approach the right human resources to accomplish this.

The study recommends an adjustment to the donor policies. This can be achieved if the government can come up with general rules that donors must follow before providing their funds to the communities in order to favor the sustainability of the projects.

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