

CHALLENGES IN MANAGEMENT OF OLDER PERSONS CASH TRANSFER PROGRAMME IN KENYA. CASE STUDY OF MINISTRY OF LABOUR, SOCIAL SECURITY AND SERVICES

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# CHALLENGES IN MANAGEMENT OF OLDER PERSONS CASH TRANSFER PROGRAMME IN KENYA. CASE STUDY OF MINISTRY OF LABOUR, SOCIAL SECURITY AND SERVICES

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## **ABSTRACT**

The implementation cash transfer programs depend on country systems. Having sufficient control and accountability mechanisms which in most cases are missing is critical to minimize and manage political risks as well as to ensure effective implementation and sustainability of these programs. The programs face a number of challenges in terms of coverage, fragmentation, coordination, predictability, reliability, transparency and coordination. Further, the programme is vulnerable to error and fraud. For example, it is estimated that around Ksh.3.3 billion or about 3% of the total value of benefit payments is lost through customer error, official error and fraud in roughly equal measure each year. There are notable cases in other developing countries where programmes have failed due to inadequate controls. Within the context of these arguments, the purpose of the study is to establish the challenges in the management of older person's cash transfer programmes in Kenya with reference to Ministry Of Labour, Social Security and Services. A descriptive research design was used in this study. The target population was 1403 employees of Ministry of Labour, Social Security and Services (Department of Social Development). Stratified proportionate random sampling technique was used to select the sample. The researcher used primary data for this study and was collected using questionnaires. The questionnaire was administered using a drop and pick later method to the sampled respondents. The quantitative data in this research was analyzed by descriptive statistics using statistical package for social sciences version 21. Completeness of qualitative data collected was checked for and cleaned ready for data analysis. Content analysis was used in processing of this data and results presented in prose form. In addition, a multivariate regression model was applied to determine the relative importance of each of the five variables with respect to successful cash transfer projects. Data was presented in tables, charts and graphs. The study found out that infrastructure/ implementing tools, government financing and donor funding affect the management of older persons' cash transfer to a great extent. The study also found out that factors of staff capacity including staff competency, administrative capacity to carry out targeting (and payment), training strategies and communication strategies affect the management of older persons cash transfer programmes in Kenya to a great extent. The study concluded that that infrastructure/ implementing tools, government financing and donor funding affect the management of older persons' cash transfer programmes in Kenya. The recommended that the government should increase the funding of older persons' cash transfer programs to avoid delays in the program because of relying on donor funding. The study also recommended that institutions should engage in training of staff to increase competency and ensure there is administrative capacity to carry out targeting and paying of the older persons' cash transfer programs. Another study should be carried out to determine the factors affecting the management of older person's cash transfer programmes in Kenya.

**Key Words:** Cash Transfer, Sustainability

#### **INTRODUCTION**

In the past decade, cash transfers have gained in popularity as a preferred strategy for poverty reduction in different parts of the world. Some have even argued that it can become the solution to the problem of poverty. Some analysts have described cash transfers as not only "the most necessary, obvious and imperative strategy for poverty alleviation" but even suggested "that these should replace a great deal of other government activity". Cash transfers have been either Conditional (i.e. subject to the beneficiaries meeting certain pre-specified conditions such as older persons attending school, families visiting health clinics for check-ups, or immunizing older persons as per the prescribed schedule or Unconditional, often to certain categories (such as pensions for older people or elderly people support grants). While there are examples of universal cash transfers, they are usually targeted to a certain section of the population meeting particular criteria, typically those described as poor (Holzmann & Hinz, 2005). There are diverse actors implementing Cash Transfer Programme for the elderly ranging from the traditional social institutions to state actors, Non-Governmental Organizations international NGOs (INGOs) and bilateral donors.

Cash Transfer Programmes were first designed and implemented in Latin America. Mexico's Progresa (Progress) programme was the first CT experience. Launched in 2011, Progresa had two primary goals: to improve elderly people education and healthcare and to transfer resources to the country's poor. It replaced food subsidy and other poverty programmes that proved costly and rather ineffective in alleviating poverty. After the successful Mexican experience, other Latin American countries started to develop their own CT programmes. One of the countries that most closely followed the Progresa model is Colombia, whose Familias en Acción (Families in Action) programme shares goals Progresa's of human capital development and poverty alleviation. Since its creation, the programme has shown to increase families' basic consumption by more than 15%. Other programme achievements

include reducing elderly people malnutrition and elderly people labour, and increasing school attendance, especially among secondary school students (Turner et al, 2010).

The impact of the global financial crisis and economic downturn has reduced prospects for growth, exports, foreign direct investments (FDI) and private transfers in 2009. In addition, poverty has remained high and is likely to increase due to the impact of the crisis. In this context, the role for effective and efficient social safety nets takes on increasing importance. Safety nets are part of a broader poverty reduction strategy - interacting with social insurance, health, education, financial services, and other policies aimed at reducing poverty and managing risk. Safety nets have both short-run roles in alleviating immediate poverty and inequality, and long-run impacts by enabling households to make better investments for their future. The Government recognized the fact that the impacts on human capital and reduction in the intergenerational transmission of poverty can be particularly powerful when safety net programs are directly linked to incentives for investing in education and health through conditional cash transfers (Schubert, 2010).

Because of the perceived success of these transfers in Latin America, cash transfers, both conditional and unconditional, have proliferated in countries of other developing regions. In Africa, for example social transfers are gaining momentum following the growing evidence that regular transfers have more impact with respect to reducing vulnerability, poverty and social risks. For instance, the large scale cash transfer programs in Southern Africa have contributed to the reduction in poverty gap; in Lesotho, the Old Age Pension scheme, benefitting persons aged 70 years and above has had ripple effects in the immediate community through job creation and also led to a reduction in the rates of dependency (Help Age, 2006 and Waterhouse & Lauriciano, 2009). In Zambia, there is evidence of increasing asset accumulation and investment in productive activities beneficiaries of social Cash Transfer Schemes. In Malawi, Cash Transfers have recorded a double impact in the local economy with a regional multiplier effect of 2.02 to 2.45 (Davies & Davey, 2008).

Kenya has a long history of investing in social protection and has a number of wellestablished social insurance schemes and safety net programmes, but their coverage has tended to be low and their effectiveness limited. To strengthen Kenya's social implementation, the National protection Social Protection Policy was drafted in 2011 and ratified by the Cabinet in May 2012. This builds on the commitments laid out in Vision 2030 and the new Constitution. Constitution of Kenya clearly outline's the Government responsibility to provide support to vulnerable people; "The State shall provide appropriate social security to persons who are unable to support themselves and their dependents" (Article 43, 3). Building on this, Vision 2030 envisages an equitable society to which social protection is a key pillar (Government of Kenya, 2013).

The OPCT is one of the four cash transfer programmes being implemented by the Government of Kenya through the Ministry of Labour, Social Security and Services, Department of Social Development being the only institution mandated to carry out the programmes on behalf of the Government. OPCT focuses on providing cash transfers to poor households who have at least one member above the age of 65 years (Government of Kenya, 2009).

# **Problem Statement**

The implementations of CT programs depend on country systems. Having sufficient control and accountability mechanisms which in most cases are missing is critical to minimize and manage political risks as well as to ensure effective implementation and sustainability of these programs. Schubert (2010) indicated that the programs face a number of challenges in terms of coverage, fragmentation, coordination, predictability, reliability, transparency and coordination.

The 2010/2012 Kenya Integrated Household Budget Survey (KIHBS) established that 46.7 percent of the population lives below the poverty line (less than 1.25 US\$ a day) while

19 percent lives in extreme poverty, being unable to meet its basic food requirements. There were 1,904,925 OVC (49.9% women), 50,880 people with disability (52.8% women) and older people 143,021 (49.7% women). The high poverty levels are a result of several factors including natural disasters, environmental degradation, the HIV/AIDS pandemic, unemployment and a lack of income in old age.

The implications of coming up with these substantial amounts of information and the magnitude of activities involved have posed a great challenge to the department of social development in the process of implementing the program as it has had to contend with shortage of staff both at the headquarters and field offices for instance there are currently 4 desk oficers, 4 office coordinators and 14 data clerks on short term contract managing the data from 290 constituencies. Inadequate resources interms of qualified trained personnel to manage the management information system (MIS), vehicles, equipment (computers, laptops, desks, backup tapes for external storage of data) and funds to hire external data clerks, facilitate field officers to reach the deserving groups in various geographical areas and for administrative purposes (Ministry of Labour, Social Security and Services, 2013). Ensuring sustainability of the program is also a challenge as its survival will depend on the political good will by the government and availability of funds.

Further, the programme is vulnerable to error and fraud. For example, it is estimated that around Ksh3.3 billion or about 3% of the total value of benefit payments is lost through customer error, official error and fraud in roughly equal measure each year. There are notable cases in other developing countries where programmes have failed due to inadequate controls (e.g. Mozambique cash payments to war-displaced urban destitute households, known as GAPVU). Within the context of these arguments, the study therefore seeks to explore the challenges faced by the Ministry in the management and implementation of the Older Persons Cash Transfer program.

# **Objectives of the Study**

The purpose of the study was to establish the challenges in the management of older person's cash transfer programmes in Kenya with reference to Ministry of Labour, Social Security and Services. the other objectives were to determine the extent to which resource adequacy affect the management of older persons cash transfer programmes in Kenya and to establish how staff capacity affect the management of older persons cash transfer programmes in Kenya

# **Research Questions**

- i. To what extent does resource adequacy affect the management of older persons cash transfer programmes in Kenya?
- ii. How dos staff capacity affect the management of older persons cash transfer programmes in Kenya?

#### THEORETICAL REVIEW

This section looks at the theoretical underpinning of the study by specifically reviewing the theory of policy diffusion, stakeholder theory and agency theory.

## **Stakeholder Theory**

In defining Stakeholder Theory Clarkson (1994) states that a firm is a system of stake holders operating within the larger system of the host society that provides the necessary legal and market infrastructure for the firm's activities. The purpose of the firm is to create wealth or value for its stake holders by converting their stakes into goods and services'. This view is supported by Blair (2012) who proposes that the goal of directors and management should be maximizing total wealth creation by the firm. The key to achieving this is to enhance the voice of and provide ownership-like incentives to those participants in the firm who contribute or control critical, specialized inputs (firm specific human capital) and to align the interests of these critical stakeholders with the interests of outside, passive shareholders.

Consistent with this view by Blair to provide 'voice' and 'ownership-like incentives' to

'critical stakeholders'. Porter (1992)recommended to US policy makers that they 'encourage long-term employee should ownership' and 'encourage board representation by significant customers, suppliers, financial advisers, employees, and community representatives'. Porter (1992) also recommended that corporations 'seek long-term owners and give them a direct voice in governance' (i.e. relationship investors) and to 'nominate significant owners, customers, suppliers. employees. and community representatives to the board of directors'.

All these recommendations would help establish the sort of business alliances, trade related networks and strategic associations which Hollingsworth and Lindberg (1985) noted had not evolved as much in the US as they had in continental Europe and Japan. In other words, Porter is suggesting that competitiveness can be improved by using all four institutional modes for governing transactions rather than just markets and hierarchy. This supports the need to expand the theory of the firm as suggested by Turnbull (1994a).

This theory is adopted since one of the main challenges in the management of older persons cash transfer programmes is resource adequacy. Decomposing the cash down to the lowest hierarchical level requisite for detailed analysis consumes large quantities of human and monetary resources. Thus the staff should also be adequate and competent. Further, the theory postulate that the key to achieving success is to enhance the voice of and provide ownership-like incentives to those participants in the firm who contribute or control critical, specialized inputs (firm specific human capital) and to align the interests of these critical stakeholders with the interests of outside, passive shareholders.

# **Agency Theory**

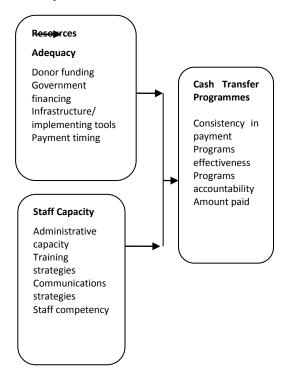
Anthony and Govindarajan (2007) defined the agency relationship as a contract under which one party (the principal) engages another party (the agent) to perform some service on their behalf. As part of this arrangement, the principal delegates some or all of the decision-making authority to the agent. In practice, shareholders from most corporations delegate

the decision-making authority to the board of directors (BOD). In turn, the BOD delegates power to the chief executive officers (CEO). The agency problems arise because of the impossibility of perfectly contracting for every possible action of an agent whose decisions affect both his own welfare and the welfare of the principal.

The agency theory argues that an agency relationship exists when shareholders (principals) hire managers (agents) as the decision makers of the corporations. The agency problems arise because managers will not solely act to maximize the shareholders' wealth; they may protect their own interests or seek the goal of maximizing companies' growth instead of earnings while making decisions. Jensen and Meckling (1976)suggested that the inefficiency may be reduced as managerial incentives to take value maximizing decisions increased. Agency costs are arising from divergence of interests shareholders and between company managers. "Agency costs" are defined by Jensen and Meckling as the sum of monitoring costs, bonding costs and residual loss.

Since Jensen and Meckling (1976) proposed a theory of the firm (Agency Theory) based upon conflicts of interest between various contracting parties – shareholders, company managers and debt holders – a vast literature has been developed in explaining both aspects of these conflicts. Jensen and Meckling (1976) further specified the existence of "agency costs" which arise owing to the conflicts either between managers and shareholders (agency costs of equity) or between shareholders and debt holders (agency costs of debt). Financial markets capture these agency costs as a value loss to shareholders.

# **Conceptual Framework**



**Independent Variable** 

**Dependent Variable** 

# **Empirical Review**

# **Resources Adequacy**

The Government recognizes that the success of the Social Protection programme would depend on the general infrastructure and other social economic indicators. Infrastructure is a good motivator for the supply of goods and services (Government of Kenya, 2013). Roads, telephones, banking, and postal infrastructure open up areas to the outside world and facilitate the exchange of information, goods and services. Without accessible financial institutions and passable roads it would be difficult to deliver cash transfers and other forms of Social Protection reliably and at all times.

The middle income countries in which CTs were first introduced are characterized by reasonable public sector operational capacity, a relatively strong and technocratically oriented civil service bureaucracy, and a network of institutions at the level of central and local government that was capable of successfully implementing an administratively demanding program of CTs. Under their current, common design, even the basic functions of a CT program require a series of

administratively complex activities, from accurate beneficiary identification and registry, to effective communications campaigns regarding program goals and rules, to strong monitoring capacity to verify conditionalities, to effective financial services for transferring money to beneficiaries on a predictable, timely basis (Jones et al, 2009).

As a demand-side solution to the problem of low levels of human development among poor families, CTs complement but do not substitute for broader social provisioning. There is a consensus in the literature that CT programs will not be able to affect long-term human development without qualityenhancing supply-side reforms (Johannsen, 2009). CT programs are likely to be most effective as part of a comprehensive social policy strategy that involves infrastructure development, job generating economic equitable strategies, and well-financed, programs in health and education (Teichman, 2007). Especially in locations where social services do not exist or are of poor quality, complementary support is necessary for CT programs to have any long-term impact (Teichman, 2007).

It seems, then, that a cash transfer in sub-Saharan Africa might sensibly target 50% of the population throughout the country but that this could be a prohibitive cost for most countries if the cash transfer was to retain the cash amounts that are prevalent in current pilots - let alone amounts that would substantially dent poverty and inequality. Many donors are nevertheless pursuing this agenda, and governments are accepting their help. Current programmes are usually financed by donors, targeted quite narrowly (geographically or otherwise), and often implemented by civil society organisations. Scaled up and sustainable cash transfer programmes targeted on poverty organized by governments (as found in Latin America) would require sustainable sources of finance, substantial administrative capacity to carry out targeting (and payment), and political support (Barrientos & Claudio, 2009).

Strategies to enable the supply of services to keep up with heightened demand took various forms. Nevertheless, the success of programs in five lower-income countries in Central and South America (Nicaragua, Honduras, El Salvador, Paraguay, and Bolivia) demonstrates that it is not necessary to wait until supply infrastructure is available to begin to implement demand-side transfers. Certainly, in a region without the necessary services, attaching conditions to a cash transfer would prevent any family from being able to receive the benefit (Schubert, 2010).

The Kenyan situation differs, with the government currently contributing 30% of the costs of the Elderly people Benefit programme (\$3.9 million), and planning to maintain contributions of up to 20% in the coming years as coverage increases, maintaining support in the face of the financial crisis, and extending its funding to cash transfers for the elderly (\$7.2 million), funded wholly from domestic resources. This reflects Kenya's concern to promote policy stability by limiting reliance on donor funding which is subject to shifts in donor preferences, thereby safe Donor Sustainability Resources and of Programmes. Although vibrant public debate on Kenya's CT programme has been limited, the programme"s sustainability has been an issue of concern in the limited debate that has taken place (Government of Kenya, 2013).

# Staff Capacity

Another major constraint on targeting in sub-Saharan Africa is administrative capacity (Johannsen, 2009). Currently, many cash transfer programmes outside middle income South Africa are implemented by civil society organisations (with the exceptions of Lesotho and Swaziland and the OVC cash transfer programme in Kenya which are implemented by governments) who are able to devote specialized staff and intensive training and outreach to effective targeting. Scaled up programmes implemented by the government can often struggle to achieve the same levels of quality, and implementation and dynamic errors may tend to increase (Minujín, Alejandra & Enrique, 2007).

Training and communications strategies are key to CT programs. At registration, for example, beneficiaries are trained on their rights and responsibilities, including benefit amounts, frequency of payment, and coresponsibilities. Service providers, local governments, and program staff are trained in aspects such as management of payments, monitoring of co-responsibilities, and handling of complaints (Hanlon, Barrientos & Hulme, 2010).

The important effects on human development of CT programs and their massive popularity in Latin America warrant an examination of their chief characteristics. CT program designs raise many interesting questions about social assistance in the developing world. To answer these questions, it is important to challenge the conventional wisdom that targeted programs are always more cost effective than universal ones; that need should be assessed on the basis of income rather than on the of non-monetary measures unsatisfied basic needs; and that conditional cash transfers are invariably better than unconditional cash transfers at reducing poverty in the long run (Deaton, 2011).

Communications strategies complement Together, training. training and communication extend outreach and encourage buy-in from society in general. In many ways, the central function of managing a CT program is to provide a "switch"—that is, to manage the databases that link and reconcile information on beneficiary eligibility, fulfillment of co-responsibilities, information to and from payment providers (Hunter & Sugiyama, 2009). The government needs to employ more staff to deal with the expansion of the program and better equip the current staff by capacity building.

# Critique of the Existing Literature Relevant to the Study

Ellis (2007) indicated that currently, many cash transfer programmes outside middle income South Africa are implemented by civil society organisations (with the exceptions of Lesotho and Swaziland) who are able to devote specialized staff and intensive training and outreach to effective targeting. There may also be costs to other programmes, as government staffs are diverted from their duties on other programmes. However, this is not the case in the Kenyan context where the

cash transfer program for the old people is implemented by government. In the cash transfer program for the old people programme, targeting is conducted by village chiefs, elders, and specially elected committee members, who are not paid for their work and who have other duties and activities, and targeting suffered because of these low resources.

Barrientos and Hulme (2010)Hanlon, observed that communications strategies complement training. Together, training and communication extend outreach encourage buy-in from society in general. They indicated that beneficiaries are trained on their rights and responsibilities, including benefit amounts, frequency of payment, and co-responsibilities. Service providers, local governments, and program staff are trained in aspects such as management of payments, monitoring of co-responsibilities, and handling of complaints. However, this rarely happens in the real sense when it comes to the cash transfer program for the old people.

# **Research Gaps**

A cash transfer in sub-Saharan Africa might sensibly target 50% of the population throughout the country but that this could be a prohibitive cost for most countries if the cash transfer was to retain the cash amounts that are prevalent in current pilots. This is more so in Kenya where the proportion targeted is very low. Further, most of the studies reviewed in this chapter are from developed countries whose strategic approach and financial footing is different from that of Kenya. There is therefore a literature gap on the challenges in management of older persons cash transfer programme in Kenya which this study seeks to fill in reference to the Ministry Of Labour, Social Security And Services.

#### **RESEARCH METHODOLOGY**

## **Research Design**

Research design refers to the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in the

procedure (Babbie, 2010). In addition Kothari (2004) observed that research design is a blue print which facilitates the smooth sailing of the various research operations, thereby making research as efficient as possible hence yielding maximum information with minimal expenditure of effort, time and money. A descriptive research design was used this study. The design was chosen since it is more precise and accurate since it involves description of events in a carefully planned way (Babbie, 2010). Kothari (2004) states that descriptive studies are those concerned with specific predictions, with narration on facts and characteristics concerning individuals, groups or situations. This research design also portrays the characteristics of a population fully (Chandran, 2004).

# **Target Population**

According to Ngechu (2004), a population is a well defined or set of people, services, elements, events, group of things or households that are being investigated. Mugenda and Mugenda (2010) explain that the target population should have some observable characteristics, to which the researcher intends to generalize the results of the study. The target population was 1403 employees of ministry of Labour, Social Security and Services

**Table 1 Target Population** 

Management level	Number employees	of	Percentage
Senior level	26		1.9
Middle level	556		39.6
Lower level	821		58.5
Total	1403		100.0

# **Sample and Sampling Technique**

From the population frame the required number of subjects, respondents, elements or firms was selected in order to make a sample. Stratified proportionate random sampling technique was used to select the sample. According to Oso (2009), stratified proportionate random sampling technique produce estimates of overall population parameters with greater precision and ensures a more representative sample is

derived from a relatively homogeneous population. Stratification aims to reduce standard error by providing some control over variance.

The study grouped the population into three strata i.e. top, middle and low level managers. From each stratum the study used simple random sampling to select 301 respondents. Stratified random sampling technique was used since population of interest was not homogeneous and could be subdivided into groups or strata to obtain a representative sample. The study also randomly sampled 50 eldery people from Kakamega County to provide confirmatory information. Statistically, in order for generalization to take place, a sample of at least 30 elements (respondents) must exist (Cooper & Schindler, 2003). Saunders, Lewis and Thornhill (2007) argue that if well chosen, samples of about 10% of a population can often give reliable data. The selection was as follows.

**Table 1: Sampling Frame** 

Management level	Number of employees	Ratio	Sample size
Senior Middle level	26	0.21	6
Middle level	556	0.21	119
Lower level	821	0.21	176
Total	1403		301

# **Research Instruments**

Primary data according to Kothari (2004) is the data collected a fresh for the first time while secondary data is that data that has already been collected and passed through statistical process. Andre (2004) explains that primary data is data that is used for a scientific purpose for which it was collected. The researcher used primary data for this study which was collected using questionnaires; the questionnaires included closed and open ended questions. Closed ended questions were used in an effort to conserve time and money as well as to facilitate an easier analysis as they are in immediate usable form; while the open ended questions were used as they encouraged the respondent to give an indepth and felt response without feeling held back in revealing of any information. With open ended questions, a respondent's response gives an insight to his or her feelings, background, hidden motivation, interests and decisions.

# **Data Processing and Analysis**

After data collection data analysis was done. This is a process is important as it makes data sensible. Data analysis tool used is dependent on the type of data to be analyzed depending whether the data qualitative or quantitative. The quantitative data in this research was analyzed by descriptive statistics using statistical package for social sciences (SPPS) version 21. This version was used since it is the most recent version of SPSS and hence it has got advanced features. Descriptive statistics includes mean, frequency, standard deviation and percentages to profile sample characteristics and major patterns emerging from the data. In addition to measures of central tendencies, measures of dispersion and graphical representations were used to tabulate the information. To facilitate this Likert Scale was used which enables easier presentation and interpretation of data. Content analysis was used in processing of data collected qualitative and results presented in prose form. Quantitative data was presented in tables, charts and graphs. In addition, a multivariate regression model was applied to determine the relative importance of each of the two variables with respect to successful cash transfer projects. The regression model was as follows:

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

Where:

Y = Successful Cash Transfer Programmes

 $\beta_0$  = Constant Term

X<sub>1</sub>= Resources Adequacy

X<sub>2</sub>= Staff Capacity

 $\varepsilon$  = Error term

#### **FINDING AND DISCUSSION**

# **Response Rate**

The study targeted a sample size of 301 respondents from which 254 filled in and returned the questionnaires making a response rate of 84.4%. This response rate was good and representative and conforms to Mugenda and Mugenda (1999) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent.

# **Reliability Analysis**

A pilot study was carried out to determine reliability of the questionnaires. The pilot study involved 25 respondents. Reliability analysis was subsequently done using Cronbach's Alpha which measures the internal consistency by establishing if certain items within a scale measure the same construct.

**Table 3 Reliability Statistics** 

	Cronbach's Alpha
Resources adequacy	0.785
Staff capacity	0.791

The findings illustrate that all the two scales were reliable with an average reliability alpha value of 0.791 which exceeded the prescribed threshold of 0.7 (Mugenda, 2008). This therefore depicts that the research instrument was reliable and therefore required no amendments.

# **Demographic Characteristics**

The study sought to establish the gender of the respondents, age bracket, highest level of education and the working experience of the respondents in their departments. The results are as follows:

According to the findings, majority of the respondents (56.3%) were male while 43.7% of the respondents were female.

The findings also indicated that majority of the respondents (33.5%) were aged 41-44 years, 22.8% were aged 35-40 years, 18.1% were aged 31-34 years, 12.6% were aged 45-50 years, 7.1% were aged over 51 years, 4.7% were aged 25-30 years and 1.2% were below 24 years.

Also the findings showed that, majority of the respondents (49.2%) had a bachelor's degree, 24.8% had a diploma/certificate, 15.0% had a postgraduate degree and 11% had a secondary certificate.

Lastly the findings indicated that majority of the respondents (66.5%) had worked in their departments for more than five years, 24.4% had worked for 2-4 years and 9.1% had worked for 1-2 years.

# **Resource Adequacy**

The study sought to establish the extent to which resource adequacy affect the management of older persons cash transfer programmes in Kenya. The results are as shown in Table 4.

Table 4: Extent to which resource adequacy affect the management of older persons cash transfer programmes in Kenya.

	Ministry sta	aff	Elderly pers	sons
	Frequenc	Percentag	Frequenc	Percentag
	у	e	у	e
Very great extent	52	20.5	23	48.9
Great extent	145	57.1	14	29.8
Moderate extent	45	17.7	3	6.4
Little extent	12	4.7	6	12.8
Not at all	0	0.0	1	2.1
Total	254	100.0	47	100.0

According to the findings, majority of the respondents from the ministry (57.1%) indicated that resource adequacy affect the management of older persons cash transfer programmes in Kenya to a great extent, 20.5% to a very great extent, 17.7 % to a moderate extent and 4.7% to a little extent.

This was confirmed by almost half (48.9%) of the elderly person who said resource adequacy affect the access of older persons cash transfer programmes in Kakamega County to a very great extent, 29.8% said to a great extent, 12.8% said to a little extent, 6.4% said to a moderate extent while only 2.1% said it does not affect at all.

The study also sought to establish to what extent various factors of resources adequacy affect the management of older persons' cash transfer programmes in Kenya. The findings are represented in Table 4.7.

Table 5: Extent to which various factors of resources adequacy affect the management of older persons' cash transfer programmes in Kenya.

	Mea	Standard
	n	Deviation
Infrastructure/ implementing		
tools	4.216	0.6134
Government financing	4.117	0.7698
Donor funding	3.982	0.5721
Payment timeliness	3.295	0.9753

The findings in Table 5 indicate that infrastructure/ implementing tools, government financing and donor funding affect the management of older persons' cash transfer to a great extent as expressed by a mean score of 4.216, 4.117 and 3.982 respectively. Payment timeliness affects the management of older persons' cash transfer to a moderate extent as expressed by a mean score of 3.295.

Table 6: Extent that aspects of resource allocation affect the access of older persons cash transfer programmes in Kakamega County

	Mean	Standard Deviation
Amount allocated	4.456	0.726
Hidden costs in		
obtaining the fund	4.421	1.075
Perceived value for		
money	4.354	1.118
Amount administered		
(corruption)	4.222	0.833
Physical resources for		
the programme	3.667	1.323

The study found that the aspects of resource allocation that affect the access of older persons cash transfer programmes Kakamega County to a great extent include amount allocated as shown by a mean score of 4.456, hidden costs in obtaining the fund as shown by a mean score of 4.421, perceived value for money as shown by a mean score of 4.354, amount administered (corruption) as shown by a mean score of 4.222 and physical resources for the programme as shown by a mean score of 3.667. On how resource allocation can improve the access of older persons cash transfer programmes Kakamega County, the respondents indicated that if improved it will guarantee them money monthly without delay.

# **Staff Capacity**

The study sought to find out the extent to which that staff capacity affect the management of older persons cash transfer programmes in Kenya. The findings are as shown in Table 4.9.

Table 7: Extent to which staff capacity affect the management of older persons cash transfer programmes in Kenya.

	Frequency	Percentage
Very great extent	49	19.3
Great extent	152	59.8
Moderate extent	45	17.7
Little extent	8	3.1
Not at all	0	0.0
Total	254	100.0

According to the findings in Table 4.9, majority of the respondents (59.8%) indicated that staff capacity affect the management of older persons cash transfer programmes in Kenya to a great extent, 19.3% to a very great extent, 17.7% to a moderate extent and 3.1% to a little extent.

The study also sought to find out does various factors of staff capacity affect the management of older persons cash transfer programmes in Kenya. The findings are as shown in Table 4.10.

Table 8: Extent to which various factors of staff capacity affect the management of older persons cash transfer programmes in Kenya.

	Mean	Standard Deviation
Staff competency Administrative capacity to carry	3.781	0.6782
out targeting (and payment)	3.658	0.7155
Training strategies	3.557	0.8754
Communications strategies	3.503	0.9752

The findings indicate that factors of staff capacity including staff competency, administrative capacity to carry out targeting (and payment), training strategies and communication strategies affect the management of older persons cash transfer programmes in Kenya to a great extent as expressed by a mean score of 3.781, 3.658, 3.557 and 3.503 respectively.

Table 9: Extent that identification of beneficiaries (targeting) affect the access of older persons cash transfer programmes in Kakamega County

	Frequency	Percent
Very great extent	30	30.6
Great extent	52	53.1
Moderate extent	16	16.3
Total	98	100.0

According to the findings, majority of the respondents (53.1%) indicated that identification of beneficiaries (targeting) affect the access of older persons cash transfer programmes in Kakamega County to a great extent, 30.6% to a very great extent while 16.3% indicated to a moderate extent.

The study deduced that the types of identification of beneficiaries (targeting) that affect the access of older persons cash transfer programmes in Kakamega County to a great extent include community baraza targeting as expressed by a mean score of 3.908, targeting through a neighbour as expressed by a mean score of 3.888, targeting through local administration as expressed by a mean score of 3.876, referral targeting as expressed by a mean score of 3.601 and self-targeting as expressed by a mean score of 3.571.

On how the identification of beneficiaries (targeting) can be done to enhance the access of older persons cash transfer programmes in Kakamega County, the respondents intimated that all widowed and have attained age 70 plus should be considered, they should set age limit (70 and above). They also said that this can be improved by visiting house to house identifying each and everyone's need.

Regression Analysis of the Relationship between Success of Cash Transfer Programmes and the two Predictive Variables

Table 10: Model Summary of the relationship between Success of cash transfer programmes and the four predictive variables

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.858	0.735	0.731	0.412

The adjusted R<sup>2</sup>, also called the coefficient of multiple determinations, is the percent of the variance in the dependent explained uniquely or jointly by the independent variables. 73.1% of the changes in the success of cash transfer programmes could be attributed to the combined effect of resources adequacy and staff capacity.

Table 11: Summary of One-Way ANOVA results

M	lodel	Sum of Squares	fdf	Mean Square	F	Sig.
1	Regression	119.223	4	29.806	13.095	0.000
	Residual	42.876	249			
				0.172		
	Total	162.099	253			

The probability value of 1.15E-7 indicates that the regression relationship was highly significant in predicting how resources adequacy and staff capacity, influenced success of cash transfer programmes. The F calculated at 5% level of significance was 13.095 since F calculated is greater than the F critical (value = 2.46), this shows that the overall model was significant.

Table 12: Regression coefficients of the relationship between Success of cash transfer programmes and the four predictive variables

		Unstandardiz ed Coefficients		Standar dized Coeffici ents		
Model B Std. Er		Std. Error	Beta	t	Sig.	
1	(Constant)	1.6 41	0.328		5.003	0.000
	Resources adequacy	0.6 79	0.196	0.426	3.464	0.001
	Staff capacity	0.7 72	0.188	0.621	4.106	0.000

As per the SPSS generated table above, the equation ( $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \epsilon$ ) becomes:  $Y = 1.641 + 0.679 X_1 + 0.772 X_2$ 

The regression equation above has established that taking all factors into account (resources adequacy and staff capacity) constant at zero success of cash transfer programmes will be 1.641. The findings presented also show that taking all other independent variables at zero, a unit increase in the resources adequacy would lead to a 0.679 increase in the scores of success of cash transfer programmes and a unit increase in the scores of staff capacity would lead to a 0.772 increase in the scores of success of cash transfer programmes. At 5% level of significance and 95% level of confidence, resources adequacy had a 0.001 level of significance and Staff capacity showed 0.000 level of significance,

Overall, staff capacity had the greatest effect on the success of cash transfer programmes, followed by resource adequacy. All the variables were significant (p<0.05).

## SUMMARY OF FINDINGS

The study sought to to establish the challenges in the management of older person's cash transfer programmes in Kenya with reference to Ministry of Labour, Social Security and Services.

## **Resource Adequacy**

The study revealed that resource adequacy affects the management of older persons cash transfer programmes in Kenya to a great extent. The study also revealed that that infrastructure/ implementing tools, government financing and donor funding affect the management of older persons' cash transfer to a great extent. This is in line with Government of Kenya (2013) which posits that infrastructure is a good motivator for the supply of goods and services. telephones, banking, and postal infrastructure open up areas to the outside world and facilitate the exchange of information, goods and services. Without accessible financial institutions and passable roads it would be difficult to deliver cash transfers and other forms of Social Protection reliably and at all times.

The findings also correlate Holzmann and Hinz (2005) who state that heavy reliance on donor funding for the continued operation and extension of cash transfer programmes means that national programme design is likely to match donor priorities, be consistent with the funding criteria of international bodies such as PEPFAR, and be influenced by the agendas of agencies, such as UNICEF, which channel funds to recipient countries. In addition Turner et al (2010) state that Cash transfer provision in Malawi and Zambia is 'affordable' and 'sustainable' only as long as donor support continues, and any extension of provision is wholly contingent on increased donor allocations.

# **Staff Capacity**

The study found out that staff capacity affect the management of older persons cash transfer programmes in Kenya to a great extent. The study also found out that factors of staff capacity including staff competency, administrative capacity to carry out targeting payment), training strategies communication strategies affect the management of older persons cash transfer programmes in Kenya to a great extent. These findings are in line with Hanlon, Barrientos and Hulme (2010) who posit that training and communications strategies are key to CT programs. At registration, for example, beneficiaries are trained on their rights and responsibilities, including benefit amounts, frequency of payment, and co-responsibilities. Service providers, local governments, and program staff are trained in aspects such as management of payments, monitoring of coresponsibilities, and handling of complaints.

The findings also correlate with Hunter and Sugiyama (2009)who state that communications strategies complement Together, and training. training extend outreach and communication encourage buy-in from society in general. In

many ways, the central function of managing a CT program is to provide a "switch"—that is, to manage the databases that link and reconcile information on beneficiary eligibility, fulfillment of co-responsibilities, and information to and from payment providers.

## **Conclusions**

The study concludes that that infrastructure/ implementing tools, government financing and donor funding affect the management of older persons' cash transfer programmes in Kenva.

The study also conclude that staff competency, administrative capacity to carry out targeting (and payment), training strategies and communication strategies affect the management of older persons cash transfer programmes in Kenya.

## Recommendations

The recommends that the government should increase the funding of older persons' cash transfer programs to avoid delays in the program because of relying on donor funding. The study also recommends that institutions should engage in training of staff to increase competency and ensure there is administrative capacity to carry out targeting and paying of the older persons' cash transfer programs.

# **Suggestions for Further Studies**

The study focused on the challenges in the management of older person's cash transfer programmes in Kenya with reference to Ministry of Labour, Social Security and Services. Another study should be carried out to determine the factors affecting the management of older person's cash transfer programmes in Kenya. This study focused on the ministry of Labour, the same study should be done in other ministries to find out whether it will yield results.

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