



INFLUENCE OF LEADERSHIP STYLES ON DONOR FUNDED PROJECTS PERFORMANCE. A CASE OF MERU COUNTY, KENYA

Makena, R., & Muchelule, Y.

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Makena, R.,^{*1} & Muchelule, Y.²

^{*1} Msc. Scholar, Jomo Kenya University of Agriculture & Technology [JKUAT], Nairobi, Kenya

² Ph.D, Lecturer, Jomo Kenya University of Agriculture & Technology [JKUAT], Nairobi, Kenya

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ABSTRACT

In today's world Leaders help to direct, guide and help their followers (employees) towards achieving their personal and organizational goals and objectives for the organizational and personal benefits. Key priority of the donor agencies is to improve the living standards among the people in line with the Millennium Development Goals (MGDs). This study examined the influence of leadership style on donor funded projects performance in Meru County, Kenya. Data was analyzed using descriptive statistics and Statistical Package for Social Sciences (SPSS) version 23 aided in generation of results. The inferential statistics included a regression model which established the relationship between variables. From the findings, it was concluded that transactional leadership influences donor funded project performance. Many of the respondents thought there should be more strategic leadership support on the issue of factors influencing leadership styles on donor funded projects performance in the County. The study recommended that for an effective donor funded projects there should be Training on importance of donor funded projects performance to be continuous as while as there should be incentive to those who practice leadership styles to encourage donor funded projects performance. For further research, the researcher dealt with only the above factor that practice leadership styles to encourage donor funded projects performance in Meru County. There need to be more areas to be looked and relooked in Meru County and Kenya as a whole. There is need to use other methods of study to see whether the same results can be realized and last not the least this research was concentrated in Meru County, there is need to have a wider research on the topic covering a wider area to compare the findings.

Key words: Leadership Styles, Transactional Leadership, Donor Funded, Projects Performance

INTRODUCTION

The success of an organization is highly dependent on employee commitment, job satisfaction and performance in terms of achieving its goals, customer satisfaction and maximization of profits (Abasilim, 2014). In the current business environment, one of the challenges organizations are facing is to select an appropriate leadership. The necessity of the competitive and dynamic business environment requires an increased focus on the most critical organizational element, which is leadership (ElKordy, 2013).

Meru County covers an area of 6936 km of dry land. The county is situated in the Eastern part of Kenya and borders Isiolo to the north, Nyeri to the south west, Tharaka-Nithi to the south west and Laikipia to the west. Administratively, the county is divided into seven divisions, eighteen locations and thirty sub-locations. The county is politically divided into 9 constituencies and 45 electoral wards. The county's population going by the 2009 census was 1,365,301 in 2009 and has an estimated growth rate of 2.6% per annum. Currently the population is estimated to have grown over 2,040,941. The County is metropolitan in nature and houses residents from almost all other counties in Kenya. Unemployment at the county is estimated at 37.6% by the Kenya Integrated Household Budget Survey (KIHBS) of 2013 (Republic of Kenya, 2013). Victor (2014) reveals that the financial situation of the county government of Meru, though on an upward trajectory, is one that is still in need of dire reforms. Having this in mind, this study seeks to examine transformational stewardship on community ownership on donor funded projects in the County Government of Meru.

Statement of the Problem

Leadership styles on performance towards the projects have been identified as among the most critical success factors of project. Munns and Bjeirmi, (2006). It would therefore be expected

that leadership styles influence the success on donor funded project performance projects in Kenya. Due to the gaps identified in previous research and lack of consensus in findings from previous studies, the need for further study in this area was wanting. This study therefore sought to fill the existing research gap by examining Influence of leadership style on donor funded projects performance in Kenya: A case of Meru County, Kenya, with transactional leadership as a specific area of study.

LITERATURE REVIEW

Leadership Trait Theories

Trait theory represented the first systematic effort in the study of leadership. The trait perspective was based on an early psychological focus that argued that people were born with inherited traits or characteristics (Yukl, 2006). The focus was on studying successful leaders so that those traits could be identified. Once the traits were identified, it was assumed that people with similar traits could also become great leaders (Yukl, 2006).

Behavioral Leadership Theories

The next major shift in research into leadership dealt with examining the types of behaviours leaders exhibited in an effort to assess what leaders do to be effective. This focus on a leader's action was different from the trait approach which centered on a person's physical and personality characteristics. Researchers studying the

Situational Theory

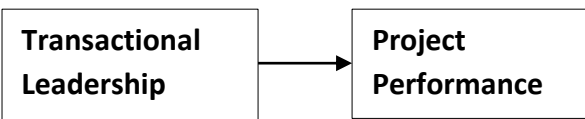
The situational/contingency approach to leadership examined how leadership changes from situation to situation. The contingency leadership theories attempt to explain that the appropriate leadership style is based on the leader, followers and situation (Lussier & Achua, 2011). According to this model, effective leaders diagnose the situation, identify the leadership

style that was most effective and then determine whether they can implement the required style (Mullins, 1999; Swanepoel, Erasmus, Van Wyk & Schen, 2000).

Neo-charismatic Theory

As a result of organizations and their environments having changed rapidly over the past years, a new style of leadership, one that is less bureaucratic and more democratic, was needed in order to ensure the survival of organizations (Johnson, 2005). Consequently, in the mid-to- late 1970s, there was a shift to the integrative, to tie the theories together or neo-charismatic theory. Neo-charismatic theories attempt to combine the trait, behavioral and contingency theories to explain successful, influencing leader-follower relationships. New theories of leadership evolved so as to ensure the survival of organizations and to overcome limitations of the trait, behavioral and contingency theories of the past. Transactional leadership and transformational leadership are the main representatives of neo-charismatic theories (Bass & Avolio, 2000).

Conceptual Framework



Independent Variable Dependent Variable

Figure 1: Conceptual Framework

Source: Author (2018)

Transactional Leadership Style

Transactional leader emphasizes on achieving project goals at all cost. Bass (2000) identified the transactional leadership style that focuses on the achievement of project team’s tasks. The members of the project team are motivated through contingent rewards for meeting targets,

mistakes are also punished by withholding rewards. Transactional leaders also apply the principals of management by exception by taking corrective actions when tasks do not follow the planned critical path. Some forms of transactional leadership can lead to mediocrity especially when the leader applies a lot of passive management by exception and only intervenes when processes and standards for completing tasks are not followed.

In project management, Keegan and Den Hartog (2004) model prefers transformational leaders over transactional leaders, but were unable to find any significant link between transformational leadership style and performance of projects. Aga (2016) in his study on transactional leadership and performance of projects on 224 development projects in

METHODOLOGY

Gall and Borg (2007) defines population as a large collection of individuals or objects that is main focus of a scientific query and have similar characteristics. Population is the entire set of units for which the findings of the study are meant to generalize (Churchill and Iacobucci 2005).The study used simple random study since it focused on donor funded projects in Meru County. The target population of this study comprised of 187 respondents in Meru County.

The justification why that specific target population was chosen was for the researcher to have as many people as possible participate. This enabled the researcher to collect vital data that was very useful in the study. The target respondents included Project Chief Advisors, Committee members, community project managers, review team leaders and programme coordinators .The target population of the study was highlighted as below:-

Table 1: Target Population

Category	Population
Project Chief Advisors	24
Committee Members	43
Community project Managers	28
Review Team Leaders	32
Programme Coordinators	60
Total	187

Data: County of Meru 2017

Basing Yamane formula (1967).

$$N = \frac{N}{1 + Ne^2}$$

N= target population (187)

e = margin error of 10%

In the proposed study, the sample size were calculated at precision level of 10% (e = 0.1)

Sample size in this is

$$N = 187$$

$$1 + (187 + 0.1)^2$$

$$N = \frac{187}{2.87}$$

$$2.87$$

$$N = 65$$

Therefore the sample size was 65 respondents

depended variable Influence of leadership styles on donor funded projects performance: A case of Meru County, Kenya was accounted. The results showed intellectual stimulation, inspiration motivation and individualized consideration had a significant effect on Influence of leadership styles on donor funded projects performance. The table below showed that there was a linear relationship between intellectual stimulation, inspiration motivation and individualized consideration on one side and Influence of leadership styles on donor funded projects performance, on the other side. The equation for this model is:

Influence of leadership styles on donor funded projects performance=1.923+0.266*intellectual stimulation+0.342* individualized consideration.

RESULTS

Regression was executed with Transformational Leadership (the independent variable), on the

Table 2: Regression coefficients on Transactional Leadership and of Influence of leadership styles on donor funded projects performance

Model	Unstandardized Coefficients		Standardized Coefficients		T	Sig.
	Beta	Std. Error	Beta			
intellectual stimulation	0.342	0.066	0.573		2.979	0
individualized consideration	0.266	0.082	0.266		-1.364	0.003

Source: Calculated with the researcher's survey data (2018)

*The R square value states that 30.9% of influence of leadership styles on donor funded projects performance can be credited to transactional leadership consideration. The adjusted R square value was 0.254.

Table 3: Model Summary Transactional Leadership and of Influence of leadership styles on donor funded projects performance

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.556 ^a	0.309	0.254	0.59166

Source: Calculated with the researcher’s survey data (2018)

SUMMARY

On the question, how does transactional leadership style influence donor funded projects performance in Meru County?, Ninety-five percent of the respondents were of the view that transactional leadership was essential in Influencing donor funded projects performance of these respondents 70% were those who run these enterprises while 30% were policy makers that gave direction to these enterprises. Clearly, the data showed that donor funded projects performance was greatly influenced by transactional leadership of change and adaptability to changing trends in governance.

CONCLUSIONS

From the findings mentioned earlier, it was concluded that transactional leadership influenced donor funded project performance. Many of the respondents thought there should be more strategic leadership support on the issue of factors influencing leadership styles on donor funded projects performance: A case of Meru County, Kenya.

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RECOMMENDATIONS

For effective donor funded projects performance in Meru County the following recommendations were deduced.

- Training on importance of donor funded projects performance to be continuous
- There should be incentive to those who practice leadership styles to encourage donor funded projects performance

Recommendations for further research

- The researcher dealt with only the above four factors that practice leadership styles to encourage donor funded projects performance in Meru County there need to be more areas to be looked and relooked in Meru County and in Kenya wholly
- There is need to use other methods of study to see whether the same result can be realized.
- This research was concentrated in Meru County, there is need to have a wider research on the topic covering a wider area to compare the findings.

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