Monitoring and Evaluation of Development Projects and Economic Growth in Kenya

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Abstract: This study was conducted to find out the impact of monitoring and evaluation of developments projects on economic growth in Kenya. The emerging and clear picture in the literature reviewed asserts that the concept of monitoring and evaluation is widely used and that its economic importance and value are increasingly being accepted globally. Data for the research was collected from survey questionnaires distributed to the personnel in the Ministry of Devolution and Planning of Kenya. Binary Probit Model was estimated with implementation status of the projects (Economic Growth) being the dependent variable while training of the personnel, amount of money allocated and spent, stakeholders’ participation in implementation, institutional guidelines and political influence on implementation of monitoring and evaluation being explanatory variables. The key recommendations from the results indicate that institution and all development stakeholders dealing with monitoring and evaluation systems should continue to invest in improvement of these systems by research and learning as the overarching theme geared towards the success both in implementation and overall policy development. This will enhance optimal utilization of available resources and thus spur investments for inclusive growth and long term economic growth in Kenya.

Keywords: Monitoring, Evaluation, Development Projects, Economic Policy, Binary, Probit, Model and Confidence Level.

1. INTRODUCTION

Economic agents usually face the problem of limited resources, a wide variety of priorities and a constantly changing world. This gives rise to the basic economic problem which forces economic agents to make choices. Scarce resources have to be allocated efficiently between competing uses and every choice has an opportunity cost. As a result, institutions need to efficiently allocate resources and monitor and evaluate the performance of services vis-à-vis the input costs. Through monitoring and evaluation these institutions are able to make decisions based on the arrived evidence from both successes and failures. It can be contested, that the economic relevance of Monitoring and Evaluation function in performance management and economic policy management has therefore continued to generate extensive interest to economists, planners and institutions worldwide.¹ The main objective of the study is to examine the factors influencing the implementation of monitoring and evaluation of development projects (economic growth) in Kenya.

Monitoring and Evaluation has been a key performance management tool for planning, decision making and economic policy management. Mackay, 2007 asserts that most governments in the world are working towards entrenching Monitoring and Evaluation (M&E) in their economic governance system. As cited by Kibua and Mwabu, the District Focus for Rural Development (DFRD) policy did not succeed because of the absence of an appropriate legal framework to facilitate decision making and to mobilize resources. Evidence from literature point out that in Sub-Saharan Africa substantial M&E achievements on the ground are rare (Casley and Kumar; Chen; UNICEF; UNDP). Furthermore, Nyandemo and Kongere, Nduati argue that the M&E of decentralized development in Kenya was not systematic, failed

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to adopt the M&E requirements and the information generated was not timely and accurate. This points out that all real variables that influence and determine the implementation of M&E framework may not have been identified by these policy measures.

Additionally, with the new devolved structures of county governments and the rising fiscal devolution with respect to development policies, programs and projects in Kenya, there is dire need therefore for an effective national wide M&E framework in Kenya. As revealed in this study, achieving an effective national wide M&E system in Kenya has been a key target of the government for a long period of time. Most government programs have had to run into problems due to reasons that would have been averted had there been proper M&E carried out during implementation. This has continued to affect not only the level of services performance in Kenya but also the feedback and intervention mechanisms optimally required to counter wastage of available scarce resources (Musomba9).

Furthermore, with decentralization of accountability in light of the new governance structure in Kenya, line managers have become more responsible for non-core functions, such as human resource development and equity. The key strategic challenge is to increase public service effectiveness, so that the entire government achieves her desired policy outcomes and strategic objectives. This makes national wide M&E in Kenya critically important. Campo10 acknowledged that it takes time to build an effective M&E system, noting that strengthening of institutions and learning from mistakes plays a key role. M&E has therefore emerged as a key policy development and performance management tool in Economics which is aimed at reducing economic risks and uncertainties to enhance optimal resource utilization. The economic policy makers need the information generated from M&E functions to improve their economic policies while donors and stakeholders need M&E findings to ensure accountability of resources while at the same time improving the overall effectiveness of the policies.

Monitoring and Evaluation system therefore provides the necessary feedback for economic development and policy interventions. This area has not received the much needed attention (Oyugi11). In order to accurately and timely track the development progress made in Kenya and the 47 counties in particular, there is need for an integrated national wide M&E system. The absence of this framework limits effective public service delivery thus constraining the acceleration of economic development in Kenya and therefore impacts negatively on the overall welfare of the citizens. The factors influencing the implementation of M&E of development projects in Kenya therefore need to be timely established to guide the implementation of M&E function and policy development in Kenya. Most studies done in Kenya including Nyabuto,12, Rogito13 and Mogaka14 focuses on specific projects or specific districts and therefore makes it difficult to generalize the results on the entire country. Equally, these studies do not look at a wider cross section of projects being funded by different institutions and this study attempts to fill the gap.

In Kenya the fight against poverty, ignorance and disease has been a major goal of the government since independence. The policy was expressed in the first Kenya national economic blue print: The Sessional Paper No. 10 of 1965: “African Socialism and its Application to Planning in Kenya”. Over the years, Kenya has continued to prepare economic development policies to catalyst economic growth and development and to improve the welfare of her citizens. Another such economic development policy is the current Kenya Vision 2030 blue print. The last Chapter of these economic development plans and policies entails Monitoring and Evaluation (M&E) framework15.

Monitoring and Evaluation has emerged as a Key economic policy development and performance management tool which is aimed at reducing economic risks and uncertainties. Both argue that economic policy makers need the information generated from M&E to improve their economic policies while donors and stakeholders need M&E results to ensure accountability of resources while at the same time improving the overall effectiveness of their policies. In order for a nation to achieve any meaningful economic growth and development, there is need therefore for sound economic policies. To achieve this, the policy making exercise should be both participatory and evidence based. According to Rogers16, evidence based policy making is an approach that people use to make decisions which are well informed about the policies, programs and projects by considering the available evidence from policy development and implementation.

The Evolution of M&E Framework in Kenya is such that it consists of people, entities, rules and systems. The elements of a good framework is composed of clear roles and relationships between actors; rules of operation and adherence to the rules; and accountability to a higher authority. The framework therefore ultimately acts as a means to achieve intended policy outcomes. Historically, the desire for a more integrated M&E framework in Kenya spans less than a decade,
although project and program based M&E has featured in Kenya since 1980s. Early attempts at government wide M&E are generally associated with the Interim Poverty Reduction Strategy Paper (I-PRSP) introduced by the IMF and World Bank in year 2000, although this program was not effectively implemented. As cited by Republic of Kenya\textsuperscript{17} the Kenyan government that took office after the 2002 general election transformed the Poverty Reduction Strategy Paper (PRSP) to align it to its economic Manifesto thus coming up with the Economic Recovery Strategy for Wealth and Employment Creation (ERSWEC).

The ERS document stipulated that the government would undertake M&E to track its policies, programmes and projects. This is how the National Integrated Monitoring and Evaluation System (NIMES), and the Monitoring and Evaluation Directorate (MED) that leads and coordinates the system was created and later adjusted to the requirements of Kenya’s Vision 2030 that replaced ERS in 2008. Centrally executed M&E across government is a relatively recent phenomenon in Kenya, although various projects and programs incorporated notions of M&E since 1980s. A good example was the District Focus for Rural Development (DFRD) which was introduced in 1983 (Republic of Kenya\textsuperscript{18}). Besides this experiment, offices such as that of the Controller of Budget and Auditor-General that evaluate governmental use of budgetary resources have been parts of Kenyan governance before and after independence.

Formalized M&E system was introduced with the approval of Kenya’s Interim Poverty Reduction Strategy Paper (I-PRSP) in August 2000. According to the World Bank, however, I-PRSP was “not submitted formally to the Bank and the Fund on account of the December 2002 elections” (The World Bank). In other words, the anticipated M&E system for supporting I-PRSP did not materialize. In parallel to the ERSWEC the government started to implement performance contracting. Initially utilized to revive two state corporations in the late 1990s, performance contracting was re-introduced as a pilot in 2004 comprising 16 public commercial enterprises before expanding two years later to embrace the whole of Kenya’s public service. From 2006 – 2008 performance contracting fell within the Results for Kenya Program, which was implemented through the Cabinet Office.

This program started to introduce service charters and reinforce a message of customer orientation in government. In the then, Ministry of Finance and National Treasury, Public Expenditure Management (PEM) was being reinforced by a number of reforms aimed at improving transparency and accountability. The Government Financial Management Act, 2004 supported Public Expenditure Management by providing a legal framework for managing public finances. The Act sought to improve in particular preparation, execution and monitoring of the national budget. Financial officers from the Treasury placed in central ministries were an innovation, as was the newly-created function of the National Budget Director. Existing systems to improve financial management and reporting, namely, the Integrated Financial Management Information System (IFMIS) was streamlined and re-enforced.

The next major phase in the evolution of M&E in Kenya was the introduction of the Kenya Vision 2030 in 2008, which replaced the ERS as the country’s development blueprint. Vision 2030 became the principle driver of development in Kenya and therefore the basis for NIMES. When in 2008, Kenya Vision 2030 as the national developmental policy replaced ERS; NIMES was re-oriented to M&E of the implementation of the Vision. According to Republic of Kenya, 2012, the M&E responsibility was at this time, however, divided between MED and a new tailor-made body, within the then, Ministry of Planning responsible for flagship programs and projects in Kenya Vision 2030.

The Kenya Vision 2030 Board and its Secretariat were created for that purpose. NIMES was designed to have a three tier institutional relationship for generating M&E information. At the national level is MED, that provides leadership and coordinates the system by ensuring that two vital sources of M&E information, namely Annual Progress Reports (APRs) on the Medium Term Plan (MTP) of Vision 2030 and Annual Public Expenditure Review (PER) are ably and timely produced. At ministerial level are the Central Project Planning and Monitoring Units (CPPMUs). The CPPMUs produce Ministerial Annual Monitoring and Evaluation Reports (MAMERs), and Ministerial Public Expenditure Reviews (MPERs) which are synthesized into the APR and PER respectively. At sub-national level, the District Development Officers, supervised by the Provincial Directors of Planning, were meant to produce the District Annual Monitoring and Evaluation Reports.

According to Republic of Kenya, 2012 the budget process takes into account the PER which is complemented by the work that goes into preparation of Ministerial Annual Monitoring and Evaluation Reports that subsequently become Annual Progress Reports on the implementation of Vision 2030 from the NIMES system. As one of the flagship products of
Kenya’s M&E information, the Public Expenditure Review is an analysis, which covers vital factors as macro-economic performance, spending trends, and implications for each of Kenya’s socioeconomic and governance sectors. More recently the PER has begun to benchmark Kenya’s economic management against selected peer middle income countries that the country aspires to emulate.

Finally, despite the numerous efforts that have been made under NIMES and through the PER and APR, Kenya’s M&E system still faces challenges. Kenya’s Constitution has fundamentally changed central and devolved governance structures and provides an opportunity for strengthening her M&E system. By underscoring timely and accurate information sharing to support policymaking, the Constitution is calling for a stronger nation-wide M&E system. This provides the greatest strength and opportunity for a national wide M&E system in Kenya for the realization of the Kenya Vision 2030 blue print which is being implemented through successive five-year Medium Term Plans that is aimed at enabling the Kenyan nation to achieve the long-term development goals. Kenya is now in the second medium term plan cycle (2013-2017) whose theme is “Transforming Kenya: Pathways to Devolution, Socio-economic Development, Equity and National Unity” (Republic of Kenya). Table 1 indicates the stages of evolution of Monitoring and Evaluation in Kenya.

Table 1: Stages in the Evolution of Monitoring and Evaluation System in Kenya.

<table>
<thead>
<tr>
<th>Period</th>
<th>Major Driver</th>
<th>Scope of Monitoring and Evaluation</th>
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<tbody>
<tr>
<td>1980-2000</td>
<td>Various projects , programmes eg.DFRD 1983</td>
<td>Ad Hoc M&amp;E</td>
</tr>
<tr>
<td>2000-2002</td>
<td>Poverty Reduction Strategy Paper(PRSP)</td>
<td>Initial attempt at government-wide M&amp;E associated with IMF/ World Bank (although the programme did not take off )</td>
</tr>
<tr>
<td>2004</td>
<td>Improved transparency through the Public Expenditure Management Reforms</td>
<td>Introduction of reforms to improve accountability in the Budget.</td>
</tr>
<tr>
<td>2006-2008</td>
<td>Results for Kenya Programme</td>
<td>Introduction of RBM culture and Performance Contracting in the Cabinet Office</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Creation of Lead Agency: Monitoring and Evaluation Directorate (MED), in Ministry of Planning and National Development.</td>
</tr>
<tr>
<td>2006</td>
<td>Ongoing emphasis on Results Orientation of government</td>
<td>Continued emphasis on a result-oriented government</td>
</tr>
<tr>
<td>2008-2030</td>
<td>Kenya Vision 2030</td>
<td>Assignment of tracking Vision 2030 to NIMES and MED MDGs Other Government projects</td>
</tr>
<tr>
<td>2010</td>
<td>Kenya’s New Constitution</td>
<td>Constitutional demand for capable, accountable and transparent public institutions.</td>
</tr>
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</table>


2. METHODOLOGY

2.1 Conceptual Framework:

To analyze the data, a Binary Probit Model was applied observing that the dependent variable is binary in nature. We chose a simple binary probit model after the assumption that the error term of the model observes a standard normal cumulative distribution. We adopted the Gujarati20 revelation that the estimated coefficients of Probit regression are to be interpreted such that instead of the slope coefficient being rate of change in the dependent variable as the independent variables changes the slope coefficient is interpreted as the rate of change in the probit index as independent variable changes. The dependent has two possible outcomes denoted as 1 if M&E is implemented in development projects and 0 if otherwise, then we also included other vector of repressors’ assumed to influence and determine the outcome of the dependent variable.

We therefore assume that the model takes the following specific form:
Y* = α X' + ε  \hspace{1cm} (1)

The dependent variable was denoted by Y, which we indicated as 1 if M&E is implemented in development projects and 0 if otherwise;

Yi = 1 if M&E is implemented in development projects or, Yi = 0 if otherwise \hspace{1cm} (2)

Assuming that in each of the development project there is a threshold or critical level of I given as (I*i), if Ii exceeds I*i the personnel implementing M&E will then implement M&E or otherwise it will not.

This can be written as;

Yi = 1 if Ii ≥ I*i \hspace{1cm} (3)

Just like Ii, threshold I*i is unobservable. However if we assume that it is normally distributed with the same mean and variance, then it is possible to estimate the parameters in equation 1 and also get some information about the unobserved index itself. The only data that can be observed is Yi and Xi; α can therefore be estimated using the following equation;

Ii = α0 + αiX + Ui \hspace{1cm} (4)

Introducing the dependent variable (Y =1 or Y = 0) and using equation 2 and 3 we get;

Yi = 0 if Ii < I*i \hspace{1cm} (5)

or

Yi = 0 if otherwise.

The expected mean of the error term is Zero (0). \hspace{1cm} E (U) = 0 \hspace{1cm} (6)

2.2 Model Specification and Estimation:

Using the Probit Model, the estimation model becomes;

E (Yi) = α0 + aX + U \hspace{1cm} (7)

The estimation of Yi in equation (5) gives us the probit index and the probability of implementing M&E in the development projects can be predicted as;

Pr (Y=1/X) = Φ (α X') \hspace{1cm} (8)

Where:

Pr denotes the Probability and Φ is the Cumulative Distribution Function (CDF) of the standard normal distribution. The parameters α are typically estimated by maximum likelihood. From the above illustration then it follows that:

M&E implementation status in development projects (Y) is a function of identified explanatory variables (X) as stated by the function (9) drawn below:

Y= α0 T + a1B + a2S + a3G + a4P+...+ ε \hspace{1cm} (9)

Where:

Y is M&E implementation status in development projects

T is the M&E training of the personnel implementing M&E activities in development projects.

B is the amount of money allocated and spent on M&E functions in development projects.

S is the participation of the stakeholders in implementation of M&E in development projects.

G is the institutional guidelines in implementation of M&E activities in development projects.

P is political influence in implementation of M&E activities in development projects.

ε is the error term.
2.3 Data, Variables and Apriori Expectations:

A questionnaire was used to gather primary data. Sixty self administered questionnaires were distributed to the personnel of the Ministry of Devolution and Planning based on the role they play in coordination of M&E function on development projects in Kenya. The data analysis included both quantitative and qualitative methods. Data was tabulated to capture salient details of the questionnaire.

2.3.1 Dependent Variable:

M&E implementation status of development projects was used as a proxy to Economic Growth and refers to whether the personnel conducting M&E function in development projects implemented the M&E function or not. In order to measure this variable, the study assigned a binary response dummy variable of 1 if implemented and 0 if otherwise. If implemented, the economy would grow and if not, the economy would not grow.

2.3.2 Independent Variables:

A number of factors influence the implementation of M&E in development projects. These factors are assumed to determine the status of implementation of the M&E in development projects. The factors identified include the following:

Training of the Personnel on Monitoring and Evaluation: The level of M&E skills of the personnel conducting the M&E implementation is key. These skills were assumed to be obtained through training. The skills were measured on aggregate number of months on M&E training. An increase in training on M&E is assumed to positively influence the M&E implementation status and vice versa.

Amount of Money Allocated on Monitoring and Evaluation: For the system to be an integrated one there should be a budgetary allocation on M&E for every specific development project. M&E budgetary Allocation was assumed to refer to the amount of money in Kenya Shillings (Kshs) budgeted, allocated and spent on the M&E functions in a specific project. An increase in the amount allocated on M&E in projects was assumed to positively influence the system implementation. A decrease is assumed to negatively affect the implementation of the M&E system.

Stakeholders’ Involvement in Monitoring and Evaluation: This refers to whether external stakeholders were involved in implementation of the M&E activities. Stakeholders’ participation is an important aspect of an M&E system implementation and development. The study assumed that enhanced participation of the stakeholders who are not part of the project management in the system implementation will positively affect implementation by enhancing transparency, accountability and system sustainability. To measure this, the study assigned a dummy variable of 1 if stakeholders were involved and 0 if otherwise.

Institutional Guidelines on Monitoring and Evaluation: This refers to whether the personnel conducting the M&E function in development projects followed any guidelines or not when implementing the M&E function. To measure this moderating variable, the paper assigned a dummy variable of 1 if institutional guidelines were followed and 0 if otherwise.

Political Influence on Monitoring and Evaluation: The study assumes that the process of building an M&E system is as political as it is technical. The various actors have interests that need accommodating. This is particularly because the political leaders get elected based on their campaign promises and this forms their social contract with the people. They will therefore endeavor to ensure that their promises to those who elected them are fulfilled. For instance, in the county government framework, the County Integrated Development Plan (CIDP) is the mechanism to ensure that those promises are fulfilled. It thus becomes a negotiated document that seeks to balance the county executive (governor) and the county assembly member’s expectations. This can be a daunting task and can cause delays as politicians may have unrealistic demands based on the constituencies they represent (Institute of Economic Affairs (EA)21.

3. RESULTS AND DISCUSSION

Monitoring and Evaluation of development projects as described in the literature is important since much of the development assistance to Kenya and also a number of specific activities funded by the government, is in form of discrete projects. We conducted the probit regressions and the results are as indicated in Table 2.
Table 2: Probit Regression Results for Monitoring and Evaluation Implementation Status:

<table>
<thead>
<tr>
<th>Variables</th>
<th>Robust Coefficients</th>
<th>Std. Error.</th>
<th>Z-statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training in Months of Personnel on M&amp;E</td>
<td>0.1440491</td>
<td>0.03540</td>
<td>4.07</td>
</tr>
<tr>
<td>Amount of Money Allocated to M&amp;E</td>
<td>0.656939</td>
<td>0.133412</td>
<td>4.92</td>
</tr>
<tr>
<td>Institutional Guidelines on M&amp;E</td>
<td>0.4175257</td>
<td>0.1655532</td>
<td>2.52</td>
</tr>
<tr>
<td>Stakeholders’ Involvement in M&amp;E</td>
<td>-0.1951079</td>
<td>0.0734576</td>
<td>-2.66</td>
</tr>
<tr>
<td>Political Influence on M&amp;E</td>
<td>0.7580368</td>
<td>0.7408852</td>
<td>1.02</td>
</tr>
<tr>
<td>Constant</td>
<td>-2.159467</td>
<td>0.8722683</td>
<td>-2.48</td>
</tr>
<tr>
<td>Number of Observations</td>
<td>29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LR chi2(11)</td>
<td>3.33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prob&gt; chi2</td>
<td>0.0022</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pseudo R²</td>
<td>0.1896</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Log likelihood</td>
<td>17.906196</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Author’s Own Computation.

In order to determine whether the slope coefficients were simultaneously equal to zero, we utilized the log-likelihood chi square test whereby it was revealed from Table 2 that the test statistic of 3.33 with a p-value of 0.000 implied that training of the personnel, stakeholders’ involvement, institutional guidelines, amount of budgetary allocation and political influence significantly explained the status of the implementation of monitoring and evaluation system in development projects in Kenya. We also estimated the marginal effects and average effects for dummy and continuous variables where the marginal effects computed for training of the personnel, stakeholders’ participation, institutional guidelines, budgetary allocation and political influence shows the change in the probability of implementing M&E in development projects. The interpretation of the estimation results depends on the marginal effects of the independent variables on the probability.

Table 3 indicates the results which reveal the probability of implementing monitoring and evaluation in a development project is function of the identified independent variables. We have interpreted the significant variables as shown in table 3.

Table 3: Marginal Effects of the Probability of Implementing M&E in Development Projects

<table>
<thead>
<tr>
<th>Variables</th>
<th>Marginal Effects</th>
<th>Std. Err.</th>
<th>Z</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training in Months of Personnel on M&amp;E</td>
<td>0.0140436</td>
<td>0.0042413*</td>
<td>3.31</td>
</tr>
<tr>
<td>Amount of Money Allocated to M&amp;E</td>
<td>0.1312997</td>
<td>0.0241479*</td>
<td>5.44</td>
</tr>
<tr>
<td>Institutional Guidelines on M&amp;E</td>
<td>0.0834492</td>
<td>0.0324259*</td>
<td>2.57</td>
</tr>
<tr>
<td>Stakeholders’ Involvement in M&amp;E</td>
<td>-0.0389954</td>
<td>0.014302*</td>
<td>-2.73</td>
</tr>
<tr>
<td>Political Influence on M&amp;E</td>
<td>0.2667844</td>
<td>0.2443029</td>
<td>1.09</td>
</tr>
</tbody>
</table>

Source: Author’s Computation. *Significant standard errors (Note: If the Z statistic exceeds the Z critical (1.96), the null hypothesis of non significance is rejected).

The study identified training of the personnel on monitoring and evaluation, stakeholders’ participation, institutional guidelines and amount of budgetary allocation as significant factors determining the implementation of monitoring and evaluation system in development projects in Kenya. It was revealed that only political influence was insignificant in the relationship as clearly indicated in Table 3.

The study found out that there is a positive significant relationship between training of personnel and monitoring and evaluation system implementation in development projects. The probability of implementing monitoring and evaluation in development projects is likely to increase with an additional months of monitoring and evaluation training of the personnel. This implies that for an additional month of M&E training, the probability of implementing monitoring and evaluation in development projects increases significantly by 1.4% holding other factors constant. This was in agreement with the intended theorized outcome of the study.
The amount of budgetary allocation for monitoring and evaluation was also found to be a positively significant determinant of M&E system implementation in development projects. An additional amount of budgetary allocation on monitoring and evaluation in development project is likely to increase the probability of M&E system implementation significantly by 13.13% holding other factors constant. This implies that an extra amount of money allocated for project M&E leads to an increase in the likelihood of M&E system implementation in development projects. This was in line with the objectives of the study.

Institutional guidelines were found to raise the probability of M&E system implementation in development projects. It was revealed that presence of institutional guidelines is likely to increase the probability of implementing M&E significantly by 8.34% holding other factors constant. In other words, as institution possess set guidelines, the likelihood of M&E system implementation in development projects increases as well.

On the other hand, political influence as suggested by the literature increases the probability of implementing M&E in development projects by 26.7% holding other factors constant. However, from this study it is revealed that this positive relationship was statistically insignificant. This was contrary to the study expectation. This implies that the probability of implementing monitoring and evaluation function in development projects may be insensitive to small changes in the explanatory variables.

Lastly, unlike other factors which significantly raised the probability of implementing monitoring and evaluation function in development projects, this study revealed that stakeholders’ involvement in monitoring and evaluation reduces the probability of M&E system implementation in development projects. Involving stakeholders in M&E is likely to decrease this probability significantly by 3.89% holding other factors constant. This was contrary to the expectation of the study. However, this could imply that engagement of stakeholders require to be managed with care, both from stakeholders’ analysis, selection and actual engagement. Too much stakeholders’ involvement could lead to undue influence on M&E functions and thus reduce the likelihood of M&E system implementation. Equally, there could also be issues regarding to measuring objectively their active participation and involvement roles with regard to M&E tasks implementation within the set of the team of personnel executing monitoring and evaluation functions.

4. CONCLUSIONS AND POLICY IMPLICATIONS

The study used Binary Probit Model to appreciate the data enabling the study to avoid violating the assumptions of the Ordinary Least Squares (OLS). The research findings outlines the factors influencing the implementation of M&E of development projects that can be used to explain the predicted probability of development projects implementing M&E activities in Kenya. Training of M&E personnel, Amount of money allocated to M&E in projects, Institutional guidelines and Stakeholders’ participation in M&E had a statistical significant effect on M&E implementation at 95% confidence level where by all of them increased the likelihood except stakeholders’ participation.

Training of the personnel charged with the responsibility of conducting M&E in development projects had a positive relation with probability of implementing M&E. Training is part of skills development and the higher the level of skills in M&E the higher the probability of implementing M&E function in development projects. Amount allocated to M&E functions was found to be directly related to the probability of implementing M&E in development projects. This implies that projects which have allocated M&E budget have higher probability of implementing M&E functions. Availability of M&E finances therefore implies that project management will be able to carry out the M&E functions.

Institutional guidelines revealed a positive relation with the likelihood of implementing M&E functions implying that availability of the NIMES guidelines in Kenya increases the probability of implementing the M&E functions in development projects in Ministries, Departments and Agencies (MDAs) as well as other government institutions.

The results indicated that stakeholders’ participation in implementation of M&E in development projects had a negative effect in the short run. This was in contrast with the study expectation. This could imply that engagement of stakeholders require to be managed with care, both from stakeholders’ analysis, selection and involvement. Too much stakeholders’ involvement could lead to undue influence on M&E functions and thus reduce the likelihood of M&E system implementation. This could be established through conducting further research in M&E and specifically targeting the associations and significance of a diverse range of M&E stakeholders in implementation of M&E in development projects.
Finally, the results showed that the relation between political influences on probability of implementing M&E in development projects was insignificant. This was contrary to the study expectation. This implies that the probability of M&E may be insensitive to small changes in the explanatory variables.

From the results, some policy recommendations can be suggested. The policies recommended in this paper are aimed at improving M&E functions for the development projects in Kenya with respect to economic policy development and management to ensure optimal utilization of the available scarce resources. The following recommendations are therefore suggested:

Firstly, government investment in human capital and especially personnel training on M&E functions in development projects will enhance the skills development which will result in higher level of M&E functions in MDAs and other institutions. It will also ease on the integration of the M&E system both at the National level and the 47 Counties in Kenya. The paper therefore recommends the government and institutions to maximize on this valuable course.

Secondly, there is need also for the government and institutions to address M&E budgetary allocation in development projects. This is based on the importance and value of M&E budget and probability of implementing M&E functions in development projects. This can be done by ensuring that every project is allocated funds for M&E activities. It is therefore instrumental to factor sufficient M&E budgetary allocation in MDAs budgets to enhance implementation of M&E functions in Kenya. Funds for M&E functions including pre feasibility and feasibility studies, midterm evaluation, ex post evaluation, ex ante evaluation, terminal (summative) evaluation as well as impact evaluation should be adequately factored in the budgets of development projects with the aim of enhancing efficiency and success in the implementation of development projects in Kenya.

Thirdly, there is great need for promotion of programmes geared towards dissemination of institutional guidelines including NIMES by both government and institutions. Sensitization and publicity programmes need to be rolled appropriately on the ground to maximize on this critical factor in enhancing capacity in implementation of M&E functions in development projects. Particularly, the study revealed the need to cascade the NIMES guidelines beyond economists to other professionals and non professionals within the government structure. This will enhance their capacities with regard to M&E appreciation and subsequent implementation.

Fourthly, there is need for promotion of programmes geared towards identifying high level political champions to lend political weight for national wide M&E system uptake and increase funding to support M&E operations particularly in the context of the constitution of Kenya 2010. Further, appropriate programmes aimed at fast tracking the enactment of a legal policy framework to guide the M&E framework in Kenya will be instrumental.

5. SURVEY QUESTIONNAIRE

1.0 BACKGROUND INFORMATION:

1.1 Questionnaire Number {   }
1.2 Gender:
   i) Male {   }
   ii) Female {   }
1.3 Age in Years:
   i) Below 20 {   }
   ii) 21-30 {   }
   iii) 31-40 {   }
   iv) 41-50 {   }
   v) 51-60 {   }
   vi) Above 60 {   }
1.3 Position:
1.4 Organization / Ministry:
1.6 Years in Current Organization: [ ]

1.7 Date of Interview:

**2.0 PROJECT / PROGRAMME DETAILS:**

2.1 Have you been involved in conducting monitoring and evaluation of any development project in Kenya?
   i) Yes [ ]
   ii) No [ ]

2.2 If YES, Name of the project/ programme type……………………………………………………………e.g.  
   i. Education
   ii. Roads
   iii. Youth
   iv. Water v. Health vi. Other please specify

2.3 Which year was the project started?

2.4 What is (was) the project main source of funding?
   i) GOK
   ii) CDF
   iii) Community
   iv) Donor/ Sponsor
   v) Other (specify)

2.5 What was the total amount in Kenya shillings allocated specifically for M&E activities in the project that you were involved in? Kshs………………………………………………………………………………………………..

**3.0 DETAILS ON MONITORING AND EVALUATION**

3.1 How well do you understand the term Monitoring and Evaluation?
   i) Excellent [ ]
   ii) Average [ ]

3.2 How would you assess the M&E skills of the staff conducting M&E in government Ministries, Departments and Agencies in Kenya?
   i) Good
   ii) Fair

3.3 In financial year 2013/2014 were you involved in conducting M&E in development projects?
   i) Yes [ ]
   ii) No [ ] If No please explain the main reason

3.4 If YES, Where did you submit your M&E reports?
   i) Donor / Sponsor [ ]
   ii) Community [ ]
   iii) NIMES [ ]
iv) Ministry { }  
v) Other (specify) { }  

3.5 During your M&E field work, did you follow any institutional guidelines?  
i) Yes { }  
ii) No { }  

3.6 If YES please Tick appropriately:  
i) NIMES { }  
ii) Ministry { }  
iii) Donor / Sponsor { }  
iv) Other (Specify) { }  

3.7 Other than the GOK officers and the project management committees, did you involve other (External) stakeholders in the M&E activities?  
i) Yes { }  
ii) No { }  

3.8 Is there any M&E committee for projects and programmes?  
i) Yes { }  
ii) No { }  

3.9 What level of M&E skills do you have?  
i) None { }  
ii) Trained in seminars & workshops { }  
iii) Certificate { }  
iv) Diploma { }  
v) Degree { }  
vi) Other (specify) { }  

4.0 On aggregate how many months of training on monitoring and evaluation have you undergone…………………………………………………..  

4.1 Does your programme / project have a component or unit specifically for M&E?  
i) Yes { }  
ii) No { }  

4.2 How can you rate the performance of the project in terms M&E level of achievement of the project objectives?  
i) Fully Achieved { }  
ii) Partially Achieved { }  

4.3 Are you aware of National Integrated Monitoring and Evaluation System (NIMES) in Kenya?  
i) Yes { }  
ii) No { }  
If yes, please explain  

4.4 Do you consider the Kenyan political influence (input) positive in the implementation of M&E in development projects in Kenya?  
i) Yes { }  
ii) No { }
REFERENCES


