FACTORs AFFECTING THE TIMELINESS OF COMPLETION OF DONOR-FUNDED PROJECTS IN KENYA: A CASE OF WORLD AGROFORESTRY CENTRE (ICRAF)

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ABSTRACT

Despite the critical importance of project completion timeliness, organization practices today remain inadequate in addressing the persistent problem of project completion tardiness. The completion of donor-funded projects in a timely manner is often a critical factor and measure of project success. However, in many cases, delays plague the delivery of donor-funded projects in many developing countries where such projects are often implemented. This study aimed at investigating this problem within donor-funded projects at the World Agroforestry Centre (ICRAF) and to suggest how such occurrences can be addressed through a project management approach. The educational levels and training of project staff, promptness in release of funds by donors and regularity monitoring of projects were considered. Descriptive research design was used to survey a sample of 51 respondents who were randomly selected from research project leaders, project managers, program assistants and project administrators. Primary data from projects funded between 1st January 2005 and 31st December 2012 was collected using structured questionnaires. All the questionnaires were self-administered. Data was summarized in MS Excel and presented in form of percentages, tables and charts. Descriptive statistics were used to analyze the general information from respondents while inferential statistics were used to describe the extent of the relationship between the variables at the 0.05 level of significance. The study revealed that there is a significant relationship between education level and training of project staff and timeliness of completion of projects in donor-funded organizations in Kenya with a calculated chi-square value of 16.124 and a critical value of 3.84. A correlation coefficient of 0.427 and a level of significance of 0.017 further showed a relationship between the variables. The study also found that the untimely release of funds and inadequate and unpredictable transfer of project funds influences timeliness of completion of projects to a great extent. There was however no significant relationship between promptness in release of funds by donors and completion of projects with a calculated chi—squared value of 4.228 lower than the critical value of 9.49. This showed that even though donor funds are necessary for the implementation of project activities, the significance of its release is not significant. The relationship between regularity in monitoring of projects and timeliness of completion of projects was found to be significant. The Pearson coefficient of correlation at 0.05 confidence level was found to be 0.387 whereas the critical value was found to be 0.031 which also showed that the relationship was significant. This study recommends that donor-funded organizations should put in place a formal policy in their organizations to train project staff on various aspects of project management. Consideration should be given for sending project staff to attend formal structured short courses in institutions where such training is offered. Organizations should create a buffer fund to cushion any possible delay in release of donor funds especially for recurrent expenditure as well as establish a Monitoring & Evaluation (M&E) unit.

Key Words: Donors, Monitoring, Project staff, Timeliness, Training
INTRODUCTION

The completion of projects in a timely manner is often a critical factor and measure of project success. In recent years, there has been an increasing interest in the use of projects as building blocks in the strategic management of organizations (Weiss & Potts, 2012). The success of any project is highly dependent on its completion time from start to delivery of results. This has a direct bearing on management decisions such as budgets, targets and standards (Seddon, 2008). There is available evidence from literature on how to use projects for the management of organizational process to prepare the organization for its competitive future and survival (e.g. Cleland & Ireland, 2007). Today, project management techniques are used as the principal means by which operational and strategic issues are managed in both for-profit and not-for-profit organizations.

In donor-funded organizations, the quality and delivery of the final product to the donor can play a crucial role in improving future funding and long term survival of such organizations. Effective service delivery refers to producing work that is of high quality and recognized as efficient (Cole, 2002). The long-term objective of any organization is to produce high quality projects measured against the traditional measures of time, cost and scope (Basu, 2014). Tools and techniques play an important role in project management. However, the factors that directly affect the timely completion of donor-funded projects are rarely discussed as costs and deliverables often take a lead (Shehu and Akintoye, 2009).

Cookie-Davies (2002) distinguishes between *project management success* (usually measured against time, cost and quality) and *project success* (measured against the objectives of the project). He further distinguishes *success criteria* as the measures against which success or failure of a project is measured while *success factors* are the inputs that lead either directly or indirectly to the success of the project. Ashley *et al.*, (1987) defined project success as results better than expected or normally observed in terms of cost, schedule, quality, safety and participant satisfaction. Their study pioneered an investigation of the factors which were most influential in successfully completing construction projects.

In Africa, the challenge of timely project delivery can take multiple dimensions depending on the project’s environment. In Ghana, Frimpong *et al.*, (2003) identified five factors as the major causes of delays to projects. These include monthly payment difficulties to contractors, poor contract management, material procurement difficulties, poor technical performance and material price escalations. Poor professional management, fluctuation of prices, rising cost of materials and poor site management have also been identified as factors causing a delay in project completion time. In order to forestall the challenge of timely project delivery, Samuel (2008) recommends that project time management be a key priority for the contractors and that the appointment of a registered project manager for each contract should be a mandatory condition of tender.

According to Frimpong *et al.*, (2003) major delay occur during project implementation phase, hence factors such as monthly payment difficulties, poor contractor management, material procurement, poor technical performances and escalation of material prices contributed during construction of groundwater projects in developing countries. Once the delay factors are identified, the opportunities for improving project performance within the donor sector delivery
will be examined. In Kenya, delays of donor-funded projects are rampant especially due to endemic corruption and poor reporting structures among the public sector (DFID, 2013). This study will build on these past studies by investigating the factors that affect the timeliness of completion of donor-funded projects in Kenya and ways of avoiding them so as to improve project performance.

**Literature Review**

Atkinson (1999) noted that project managers appear to accept the ‘iron triangle’ of time, cost and quality but focus more on time and budget delivery as the success criteria of projects. Project managers are likely to appreciate the risk of a project due to its uniqueness, complexity and design features but appear not to prioritize the link between the outcomes of risks with the root causes as a result of project quality (Atkinson, 1999). Hassebet et al., (2011) noted that a project’s success depends on meeting objectives within time and budget limits. As a result of this, there are several projects that are delivered within time and budget but fail to meet the expectations of end users and sponsors in the long term.

Jeselskis and Ashely (1991) designed a predictive model to rate project managers’ level of education and experience to understand project management success. Their model showed that success is dependent on many characteristics relating to the project managers’ capability, experience and authority. These characteristics have a direct relationship with the education level and training of the project manager. The size of the previously managed project also affects the manager’s performance. The level of education and training are therefore an important factors that may affect the quality of pre-project planning hence contributing significantly to its success. A Project manager needs to work with different departments involved in the project to estimate lead times so that they meet the needs of the critical chain (Goldratt, 1997).

Reiss (1993) suggests that a project is a human activity that achieves a clear objective against a time scale and that project management involves a combination of people management and management of change. Turner (1996) further suggested that project management is about converting vision into reality. Thomsen (2008) noted that it is crucial for the team to work together in an efficient and effective manner within a project in order to realize its critical success factors. These factors require day-to-day attention and operate throughout the life of the project and are limited in the number of areas that, if fully addressed, would ensure the successful completion of the project (Shehu and Akintoye, 2009). It is therefore critical that the project team leader ensures that members are aware and remain focused on these factors if the project is to be completed in time.

Neale and Neale (1989) illustrated the relationship between project cost and planning input in the timely completion of construction projects. Essentially, the availability of funds targeted at a particular project activity is a measure of project success, especially for activities in the critical chain. In a study to determine how District hospitals in Ghana cope with the untimely release of funds, Asante et al., (2006) noted that this created serious cash flow problems for the district health managers that disrupted the implementation of health activities and demoralized the district health staff. However, based on their prior knowledge of when funds were likely to be
released, district health managers adopt a range of informal mechanisms to cope with the situation. These mechanisms include obtaining supplies on credit, borrowing cash internally, pre-purchasing materials, and conserving part of the fourth quarter donor-pooled funds for the first quarter of the next year. Although these informal mechanisms have kept the district health system in Ghana running in the face of persistent delays in funding, some of them are open to abuse and could be a potential source of corruption in the health system. The untimely release of funds, particularly during the first phase of the project, is a significant barrier to effective project delivery especially where new project staff must be recruited and pre-requisite field supplies purchased to kick-off project activities. The need for timely releases of funds has also been stressed (Foster, 2000).

According to the British Standard for Project Management BS6079, the planning, monitoring and control of all aspects of a project and the motivation of all those involved are crucial in the achievement of the project objectives on time and to the specified cost, quality and performance. The UK Association of Project Management (APM) (1995) also notes that the planning, organization, monitoring and control of all aspects of a project are crucial to achieve the project objectives safely within agreed time, cost and performance criteria through the project manager. This requires ever increasing control through audits, inspections, performance reviews, studies, and variance reports ensuring people do what they are told to do and ultimately leading to an organizational obsession with reporting and information systems (Seddon, 2008). This creates a false belief that this information is useful for understanding the root causes of performance problems and guiding rational improvement actions.

Shehu and Akintoye (2009) articulate that the traditional approach to success in the construction industry places great emphasis on the ability to plan, monitor and execute projects. In the past, companies completing projects in a timely manner within an established budget and meeting required quality considerations have been considered successful companies. This however minimizes the emphasis on management practices and organizational stability as organizations with a track record of successful project completion have been considered more successful especially in the construction industry (Abraham, 2003). In contrast, focusing more on the management practices of the project such as planning, monitoring and control becomes an essential element of measuring project success.

**Methodology**

This study used a survey design approach (Kothari, 2005) to collect information from the respondents from a pre-determined population among donor-funded projects in the agricultural sector with activities in Kenya. The study employed both primary and secondary data. The primary data collection was through self-administered questionnaires. Descriptive research design (Patton, 2002) was also used to assist the researcher collect data from a population by way of observation, description, recording, analyzing and reporting the conditions operating at that moment (Cooper and Schindler, 2006). Moreover, exploratory research was also conducted on the related areas of literature in order to get a better understanding of the variables under study.
The study then used the formula by Cochran (1977) to determine the number of sample respondents that would provide in-depth information about the factors that affect the timeliness of completion of donor-funded projects in Kenya. A sample size of 51 was then organized as follows; eight Research Project Leaders, twelve Project Managers, one Contract and Grant Manager, twelve Program Assistants and eighteen Project Administrators from ICRAF. The Statistical Package for the Social Sciences (SPSS) (Argyrous, 2011) was used to perform the required statistical analysis at the 0.05 level of significance.

Results and Discussion

A total of thirty one (31) responses were received representing a response rate of 60.78%. This was considered an adequate response rate for making inferences and conclusions (Cooper & Schindler, 2006). 25.81% of the respondents (n = 23) were male while 74.19% were female. 22.58% of them indicated that they were aged below 30 years, 41.94% were aged between 31 and 40 years, 25.81% were aged between 41 and 50 years, 9.68% were aged between 51 and 60 years and none of the respondents was aged above 60 years. Thus the largest number of project staff (41.94%) was in the age bracket of 31 to 40 years. The majority of the project staff (32.26%) currently working at ICRAF are either project managers or project assistants.

According to the results, most of the research projects and support units had one or two respondents (Mean = 3.65; Range = 1-5) with Financial Services Unit having the highest number of respondents comprising of 16.13% of the entire project staff. There was also a significant number (n=3) of respondents from either Programme Development Unit or none of the categorized projects or units. The majority of the project staff in this study (35.48%; n = 11) have managed or involved in research projects between US$ 401,000 and US$ 500,000. Only 6.45% (n=2) have managed projects above US$ 500,000. As an indication of the experience gained, the number of years worked under project management and/or administration was used. Majority of the project staff (45.16%) had worked for less than 5 years, 19.35% had worked for between 5 and 10 years, 25.81% had worked for between 11 and 15 years, none had worked for between 16 and 20 years while 9.68% had worked for more than 20 years in project management and administration.

Influence of Education Level and Training of Project Staff

6.45% of the project staff had Diploma level of education, 38.71% had undergraduate degrees, 45.16% had Master’s degree and 9.68% had PhD level of education. Thus the most common level of education of the project staff was Master’s degree level (45.16%).38.71% of the respondents indicated that they had trained on various aspects of project management before they undertook responsibility for managing projects. Most of the project staff (58.33%) are trained between 2 and 5 years. These findings show that most of the project staff were not trained on any aspects of project management before they undertook their responsibility of managing projects. A study by Todryk (1990) revealed that a well-trained project manager is a key factor linked with project success because as a team builder, he/she can create an effective team.

An overwhelming majority (70.97%) mentioned that project management training would positively influence project timeliness and delivery with only 19.35% indicating that project
management training would not influence project timeliness and delivery. The training aspects with an influence on project timeliness were the policy to train project staff, type of training offered and implementation of learning from training. The respondents indicated with a mean of 4.19 that policy to train project staff influences project management in donor-funded organizations in Kenya to a great extent. In addition, the respondents indicated with a mean of 3.84 that the type of training offered influences project timeliness. These findings agree with Rogers (1990) that training is a key factor in improving organizational performance.

The relationship between training and timeliness of completion of projects was significant with the calculated chi-square test at 16.124 while the critical value was 3.84 at the 0.05 level of significance. Thus at 0.05 level of significance, project management training and timeliness of completion of project have a very significant relationship. Studies conducted elsewhere in Africa established that the lack of training of project team leaders on project management has led to low project completion rates, which is one of the fundamental measures of project management (Rogers, 1990). Other studies revealed that training of key project staff on project management is one of the most significant factors that can increase project success (Thornberry, 1987).

Influence of Promptness in Release of Funds by Donors

Majority (58.06%) of the respondents reported that ICRAF sets aside sufficient funds for the implementation of activities for all its donor-funded activities. Kamau and Ayuo (2014) reported that working capital is crucial for a firm, especially for manufacturing firms, as it directly affect their profitability and liquidity (i.e. performance). Further, 74.19% of the respondents reported that the financial position of ICRAF can influence the way donor-funded activities are implemented in a timely manner. Studies conducted by Asante et al (2006) have shown that financial capacity has an impact on the performance of health institutions in Ghana. The same study reports on the various ways that District hospitals employed to cope with the delay of release of funds from the Central Government including ensuring setting aside buffer funds for the next financial year.

The project staff indicated with a mean of 4.00, 4.23 and 3.94 respectively that the untimely release of funds, inadequate and unpredictable transfer of funds and funds for recurrent expenditures influences timeliness of completion of projects to a great extent. These findings agree with the studies done in Nigeria (Mansfield et al, 1994; Ameh & Osegbo, 2011) which established that the reluctance to release funds by donors, including governments, was a major factor in delaying completion of road construction projects. 75% of them had completed their projects in time as required by the donors.

A cross-tabulation and the chi-squared test revealed that there was no significant relationship between promptness in release of funds by donors and the timeliness of completion of projects in Kenya as defined by the various aspects. The calculated chi—squared value was 4.228 while the critical value at p = 0.05 was 9.49. It can be deduced that although funds are necessary for the implementation of necessary project activities and to mitigate risks of funds delay, the relationship is not significant at the 0.05 level of significance. ICRAF appears to have mechanisms to mitigate any possible delay in release of funds by donors using buffer funds and other prudent financial mechanisms.
Influence of Regularity of Monitoring Projects

70.97% of the respondents reported that there was a Monitoring & Evaluation (M&E) unit in ICRAF with a similar number of respondents reporting that such a unit had a role in ensuring that projects adhere to their timelines. Thus the majority of the project staff felt that having an M&E unit within ICRAF would improve on project timeliness and delivery including negotiating with donors to show impact of their work. This is in agreement with research done by Belout and Gauvreau (2004) that established that monitoring of projects provides timely feedback of comprehensive control information at each stage in the implementation process.

Slightly less than half (48.39%) of the respondents reported that they are aware of the importance of monitoring on timely completion of project activities. These findings agree with Adato and Hoddinott (2009) observations that Conditional Cash Transfer (CCT) programs have increased significantly by 18% due to regular monitoring of children’s growth in CCT programs in rural Colombia, Honduras, Mexico and Nicaragua.

The stated aspects of regular monitoring of projects were milestones and deliverables, project team meetings, donor reporting deadlines to submit technical and financial reports and the establishment of an external and independent Audit team. The project staff indicated with a mean of 4.84, 4.67, 4.43 and 3.92 respectively that milestones and deliverables, project team meetings, donor reporting deadlines to submit technical and financial reports and establishment of an external and independent audit team influences timeliness of completion of projects to a great extent. Basu (2014) noted that performance management is one of the key organization quality dimensions and includes the selection, measurement, monitoring and application of key Performance Indicators. He further noted that quality is conformance to customer expectations where organizational quality is defined by a set of criteria and an acceptable service level so that the conformity of the output can be validated against these criteria.

A cross-tabulation and the chi-squared test were done to determine the relationship between the regularity of monitoring and the timeliness of completion of donor-funded projects. 63% of the respondents who indicated that regular monitoring can influence the timely completion of projects also indicated that their projects were completed in time as required by donors. Further, 61% of the respondents who indicated that regular monitoring did not influence timely completion of projects also indicated that their projects had not been completed in time as required by the donors. The chi-squared critical value at p=0.05 was 1.309 whereas the calculated value was 3.84. This established that the relationship between regular monitoring and timeliness of completion of projects was significant at the 0.05 level of significance. Tullet (1996) suggests that the detail in which a project is planned and subsequently monitored and controlled through its various phases is a factor which is critical to its success.

Correlation Analysis

Karl Pearson correlation analysis was carried out at 0.05 level of significance to further determine the relationships between the variables in this study. From the results, there is a significant positive correlation between the level of education and training of project team leaders and timeliness of completion of projects with a correlation coefficient of 0.427 and a p value of 0.017. There is also a moderately significant positive correlation between regular
monitoring and timeliness of completion of projects with a correlation coefficient of 0.387 and a p value of 0.031. The correlation between promptness in release of funds by donors and timeliness of completion of projects was found not to be significant. Thus the most important factors that influence the timeliness of completion of donor-funded projects in Kenya are the Education level and Training of Project Team leaders and Regularity of Monitoring of projects. This agrees with research conducted by Belout and Gauvreau (2004) that stress the importance of personnel factor in project success and Tullet (1996) which confirmed the impact of regular monitoring on project success. Even though aspects of funding by donors are important, they do not influence project success significantly in donor organizations in Kenya.

Conclusions

The study found that most of the project staff are expected to have the basic training gained from colleges or universities prior to taking over the project leadership and management role. The study also concluded that there is no positive relationship between promptness in release of funds by donors and timeliness of completion of projects in donor-funded organizations in Kenya. Finally, the study concluded that the relationship between regularity of monitoring projects and timeliness of completion of projects was significant at the 0.05 level of significance with majority of the donor-funded organizations having an established Monitoring & Evaluation (M&E) unit to ensure that projects adhere to their timelines.

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References


