# INFLUENCE OF MONITORING AND EVALUATION PLANNING ON PERFORMANCE OF AGRIBUSINESS PROJECTS IN KIAMBU COUNTY, KENYA

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**Abstract:** A lot of funds are spent on the public services by the government, amounting to between 15-45 percent of gross domestic product which has an immense effect on the agribusiness projects. One of the most pressing issues confronting policymakers and those with an interest in the sector is the declining performance of the agribusiness projects in regard to their growth. This study established the relationship between monitoring and evaluation planning and performance of agribusiness projects in Kiambu County, Kenya. The study was underpinned on the resource-based view theory. Descriptive and explanatory research design were adopted. Twenty-eight agribusiness projects in Kiambu County were targeted. Sample size was 82 respondents comprising of the agribusiness projects. Questionnaires were used to obtain primary data whereas data collection sheet was used to collect secondary data. Descriptive statistics, correlation and regression analysis was conducted. Results showed that respondents agreed to a great extent that monitoring and evaluation planning influenced performance of agribusiness projects in Kiambu County, Kenya. Correlation analysis demonstrated a significant positive linear relationship between performance of agribusiness projects and M & E planning. Additionally, regression analysis showed that monitoring and evaluation planning influenced project performance positively and significantly. The study concludes that M & E planning helps in setting project goals and objectives thus improving project performance and recommends that communication and reporting are essential components of project monitoring and evaluation as they help to facilitate information sharing, improve collaboration and supporting decision making.

**Keywords:** Monitoring and evaluation planning, project performance, Kiambu County, Kenya

## 1.0 INTRODUCTION

Monitoring is the methodical assembling and evaluation of statistics to trail the advancement of a project, program, or policy against pre-determined objectives and indicators (Ling, *et al.*, 2009). It provides ongoing feedback to project managers, policymakers, and stakeholders on the performance of the project, enabling them to pinpoint points which can be improved and take corrective actions (Jaszczolt, Potkanski & Stanislaw, 2010). Evaluation involves the methodical examination of the usefulness, efficacy, importance, and sustainability of a project or policy. It provides a more comprehensive analysis of the project's performance and outcomes, including an assessment of its impact and value for money (Nyonje, 2012).

Monitoring and Evaluation (M & E) planning is normally conducted once the planning phase is done and earlier than the project or intervention design phase (John, 2017), however it must be done as soon as possible after project planning (Nyonje, 2012). Phiri (2015) did research and found that M & E as a function of the management function affects performance of project. This is evident in actions like M & E planning whereby before implementing a project, there is identification of proper performance indicators and devising of schedule for data collection.

Globally, in 2010 statistics indicated that slightly above 50% and 45% of agribusiness projects had cost and time overruns exceeding 10% and 25% respectively in United Kingdom (UK) (Burrow, 2011). Kings and other key

leaders were the initiators of agribusiness projects to take on historical projects for the building of names for themselves and their coming generations (Mbatha, 2011). In Australia, using the old and upcoming systems, cost and time overruns accounted for 13-19% and 10 to 69% respectively (Love et al., 2015). Nations such as Canada, UK and United States (US) are key donors supporting third world nations. In the US there is existence of an American Evaluation Association (AEA).

Regionally in Sub-Saharan Africa (SSA), the agribusiness projects performance has been disappointing and lagging behind its growth of population. For instance, the yearly rate of growth of agriculture value-added was only 1.9 percent between 1965–1980 and fell to 1.7% between 1980–1992 whereas the growth rate of population rose from 2.7 percent to 3 percent between 1965–1980 and 1980–1992 respectively (Naidoo, 2010). Similarly, the per capita cereal production reliably increased from 169 kg in 1970, to 140 kg in 1993. As a result of the agribusiness projects poor performance in the region, food insecurity has significantly increased (Haggblade & Hazell, 2010). Agribusiness projects in Nigeria are performing poorly in the last few years. They are mainly facing difficulties in implementing their monitoring and evaluation because of poor policy framework. In order to ensure that projects improve in their performance regulatory framework must be harnessed.

In Kenya, agribusiness projects growth has been a main agenda and there exists an Evaluation Society of Kenya, (ESK), instituted back in 2010. The society objectives are to bring the evaluators together, form an aggressive evaluation team and network and strengthen the skills of evaluators via initiatives that are for capacity building. There is a Monitoring and Evaluation Directorate (MED) based at the Ministry of Devolution and Planning. A closer look at the state affairs however reveals mixed result in terms of funds management and overall ability to repay the loans. In the process of project implementation, there has arose some misunderstanding on different grades and the real actualization on the grass roots (Vermeulen & Cotula, 2010).

Agribusiness projects' performance in Kiambu County is challenged by absence of proficient project managers, political and community requirements. Most of the poor performing and collapsed agribusiness projects were under the management of the government and non-governmental organizations. It is so shameful and disappointing that almost 99% all projects are assessed through a monitoring and evaluation process but just for formality (Omolo & Mose, 2019). There is loss of approximately in excess of Kshs 100 billion caused by absence of project administration skills especially M & E failed projects or postponement in execution of projects is one way that shows poor project administration skills (Nkirote & Mugambi, 2019) and thus the need for this study.

## 2.0 THEORICAL FRAMEWORK

The study was anchored on the resource based view theory. Foundations establishment of this theory was credited to Penrose (Roos & Roos, 1997). The theory argues that a company's matchless bundle of resources and proficiencies gives it a competitive edge in the marketplace. Resources can be defined as anything a firm possesses or controls that can be used to achieve its objectives advantage (Alvarez & Barney, 2010). These can include physical assets, such as property and equipment, as well as intangible assets, such as intellectual property, brand equity, and human capital. Capabilities, on the other hand, are the company's proficiencies to deploy its resources effectively to achieve desired outcomes. Capabilities can be viewed as the firm's routines, processes, and skills that enable it to effectively use its resources (Chandler, Hikino & Chandler, 2009).

The theory argues that these resources and proficiencies are the source of a company's competitiveness and are the primary reason for a firm's superior performance in the marketplace (Alvarez & Barney, 2010). Companies are able to attain sustained competitiveness through controlling their matchless resources and proficiencies for the creation of products or services which are hard for replication by their rivals. RBT highlights the importance of resource heterogeneity and immobility in achieving sustained competitiveness. Resource heterogeneity connotes that varying companies have varying resources and capabilities (Chandler et al., 2009).

Resource immobility connotes that resources and capabilities cannot be easily transferred between firms. These two factors combine to create a situation in which firms can achieve sustained competitiveness by mounting and leveraging matchless resources and proficiencies. The theory also lays emphasis on the significance of the dynamic proficiencies of a company. A firm with strong dynamic capabilities can effectively deploy its resources and capabilities to react to variations in the marketplace and sustain its competitiveness (Chandler et al., 2009).

## 3.0 EMPIRICAL REVIEW

Njiiri (2015) carried out an inquiry on the outcome of M & E systems use on performance of NGOs. Program officers, M & E officers, and field officers working for nonprofit organizations in Murang'a County that were carrying out agribusiness initiatives were targeted. The study discovered that the performance of NGO programs and the availability and use of indicators in projects were negatively associated. By evaluating the outcomes, efficacy, procedures, and performance of the governments and INGOs engaged in a variety of actions, the study sought to assist both governments and non-profit organizations in fostering accountability for the accomplishment of goals.

Titomet (2017) examined the outcome of M & E on the performance of Mwala Water Project. Purposive and simple random sampling were used for the sample selection. Beneficiaries, staff, and the committee of the water project were the primary respondents in this focused study. This study demonstrates why water projects should invest in M & E. Enough support for government agencies, institutions, and donor organizations is needed to decide whether or not to invest in M & E of water projects' performance.

Lekamparish (2017) explored the outcome of M & E on performance in Mombasa –Nairobi Pipeline Construction Project. One hundred and seventy-nine (179) employees were targeted and 124 employees were the participants. The study found that feedback from M & E increases accountability, reduces financial mismanagement, improves making of decisions and makes the project experience more transparent. Project performance is significantly and positively influenced by M & E feedback, training and development, communication and allocation of resources.

## 4.0 METHODOLOGY

Descriptive and explanatory research design were adopted. The target population was twenty-eight agribusiness projects in Kiambu County. Census sampling method was used to select all 28 agribusiness projects. From 28 agribusiness projects, 3 respondents were picked from each project including project coordinators, farmers and project managers and thus the sample size was 82 respondents. Questionnaires were used to obtain primary data and SPSS (Version 25.0) was used for data analysis. Descriptive statistics, correlation and regression analysis was conducted.

The regression model was;
$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$
Where: -
Y= Project Performance
$\beta_0$=constant
$\beta_1$ = regression coefficients
$X_1$= Monitoring and evaluation planning
$\varepsilon$=Error Term

## 5.0 RESULTS AND DISCUSSION

### 5.1 Descriptive Statistics

The means and standard deviations on M and E planning and performance of agribusiness projects in Kiambu County, Kenya was established. The respondents rated the statements on M and E planning as in Table 1.

### Table 1: M & E Planning

| M and E planning statements | N | Min | Max | Mean | Standard deviation |
|---|---|---|---|---|---|
| Scope of M & E | 73 | 1.00 | 5.00 | 3.93 | 1.10 |
| Feasibility of data collection | 73 | 2.00 | 5.00 | 3.66 | 0.73 |
| Critical reflection | 73 | 1.00 | 5.00 | 3.38 | 1.25 |

| | | | | | |
|---|---|---|---|---|---|
| Communication and reporting | 73 | 3.00 | 5.00 | 4.32 | 0.80 |
| Tools and techniques | 73 | 2.00 | 5.00 | 4.15 | 0.95 |
| Coordination | 73 | 3.00 | 5.00 | 4.25 | 0.70 |
| Development of Project M & E log frames | 73 | 2.00 | 5.00 | 3.96 | 1.03 |
| Execution | 73 | 2.00 | 5.00 | 4.07 | 0.92 |
| **Aggregate Mean** | | | | **3.97** | **0.94** |

**Source: Survey data (2023)**

Results in Table 1 showed that communication and reporting had a mean of 4.32 and SD of 0.80. Coordination had a mean of 4.25 and SD of 0.70. Tools and techniques had a mean of 4.15 and SD of 0.95. Execution had a mean of 4.07 and SD of 0.92 while the development of project M & E log frames had a mean of 3.96 and SD of 1.03. Scope of M & E had a mean of 3.93 and SD of 1.10. Critical reflection had a mean of 3.38 and SD of 1.25. Respondents agreed to a great extent that M and E planning influence performance of agribusiness projects in Kiambu County, Kenya with an aggregate mean of 3.97.

Communication and reporting had the highest mean implying the importance of communication and reporting in M & E planning. Effective communication and reporting are crucial in M & E planning as they promote transparency and accountability, facilitate feedback and learning, enable timely decision-making, engage stakeholders, and promote project sustainability (Kohli & Chitkara, 2014). By implementing effective communication and reporting systems, project managers can ensure that their projects are meeting their goals and objectives and delivering sustainable benefits to the target population. Coordination is also crucial in M & E planning in relation to project performance as it ensures consistency, maximizes resources, fosters collaboration, aligns M & E activities with the project's strategy, and enhances credibility (Nyonje, 2012). By coordinating M&E activities effectively, project managers can ensure that their projects are meeting their goals and objectives and that M&E findings are used to inform decision-making and improve project implementation.

## 5.2 Inferential Statistics

### 5.2.1 Correlation Analysis

Pearson correlation was done to establish the linear relationship between the variables. The test results of the study variables are as in Table 2.

**Table 2: Results of Pearson's Linearity Test**

| Performance of agribusiness projects | Pearson's correlation | 1 |
|---|---|---|
| | Sig. (2-tailed) | |
| | N | 73 |
| M & E planning | Pearson's correlation | 0.236* |
| | Sig. (2-tailed) | 0.045 |
| | N | 73 |

**Source: Survey data (2023)**

Findings shown connoted a significant positive linear correlation was found between performance of agribusiness projects and M & E planning at the level significance of P<0.05. An increase in M & E planning increases performance of agribusiness projects positively and significantly.

### 5.2.2 Regression Analysis

Regression model was used to establish the effect of monitoring and evaluation planning on project performance in Kiambu County, Kenya.

**Table 3: Regression coefficients**

| | Unstandardized Coefficients | | Standardized Coefficients | | |
| --- | --- | --- | --- | --- | --- |
| | B | Std. Error | Beta | t | Sig. |
| (Constant) | 1.520 | 0.225 | | 6.762 | 0.000 |
| M & E planning | 0.166 | 0.059 | 0.211 | 2.828 | 0.005 |

As per the results generated, the equation translated to;

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

Project performance = 1.520 + 0.166 (0.059)

Where; Project performance = Constant + M & E planning

Holding all other factors including project M & E constant, project performance of agribusiness projects in Kiambu County is 1.520. M & E planning influence performance of agribusiness projects in Kiambu County, Kenya positively ($\beta = 0.166$) and significantly ($p = 0.005$). The hypothesis that there is no significant M & E planning effect on enhancing performance of agribusiness projects is thus rejected. A study by Lekamparish (2017) which explored the influence of M & E on performance in Mombasa –Nairobi Pipeline Construction Project found out that project performance is significantly and positively influenced by M & E feedback, training and development, communication and allocation of resources which supports the findings of this study. On the contrary, Njiiri (2015) found a negative relationship between the performance of NGO funded projects.

## CONCLUSION AND RECOMMENDATION

Regression analysis results showed that the effect of M & E planning on performance of agribusiness projects was positive and significant. M & E planning helps in setting project goals and objectives, establishing performance indicators, identifying data sources and methods, defining data analysis and reporting requirements, ensuring stakeholder involvement, and improving project performance. The study recommends enhancement of communication and reporting in the agribusiness projects since respondents agreed that communication and reporting influenced project performance in Kiambu County, Kenya. Communication and reporting are essential components of project monitoring and evaluation as they help to facilitate information sharing, improve collaboration, identify problems early, enhance transparency, provide feedback, and support decision making.

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