

**FACTORS INFLUENCING COMMUNITY
PARTICIPATION IN PUBLIC FINANCE MANAGEMENT:
A CASE OF MAKUENI COUNTY, KENYA**

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**A Research Project Report Submitted in Partial Fulfillment of the
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Project Planning and Management, of the University of Nairobi**

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DECLARATION

This research project report is my original work and has not been presented for any award in any other university.

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DEDICATION

I dedicate this project to my beloved late father Mr. Flavian Kioko Kisenga, my mother Mrs. Leah Katumbi Kioko and my dear wife Rosalia Muthoki. Their encouragement has kept me motivated to reach the highest levels attainable.

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ABBREVIATIONS AND ACRONYMS

CBEF: County Budget and Economic Forum

CBROP: County Budget Review and Outlook Paper

CDF: Constituency Development Fund

CIC: Commission for the Implementation of the Constitution

COK: Constitution of Kenya

CIFA: Country Integrated Fiduciary Assessment

CIPAC: Cities in Partnership with Communities

DFRD: District Focus for Rural Development

GOK: Government of Kenya

GOMC: Government of Makueni County

HDI: Human Development Index

IAP2: International Association for Public Participation

PEM: Public Expenditure Management

PFM: Public Finance Management

ABSTRACT

This study examines factors that influence community participation in public finance management in Makueni County. Specifically this study was designed to address the following research questions; (a) What are the regulatory framework that influence community participation in public finance management? (b) How do socio - economic factors influence community participation in public finance management? (c) How do social attitude and trust influence community participation in the public finance management processes? The sample population consisted of 132 participants. This sample was drawn from a population of 198 participants who took part in past (2015/2016) Makueni County public finance management processes. The participants were drawn from six sub counties namely Kilome, Kaiti, Mbooni, Makueni, Kibwezi West and Kibwezi East Sub counties. The sample was selected using purposive and simple random sampling. Data collection was done using a structured questionnaire. Descriptive statistics was used to analyse data for frequencies and percentages distribution tables and mean. Data analysis was performed using inferential statistics mainly correlation and linear regression. Data collected was coded and analysed using STATA software. The findings of the study established that there is a significant relationship between community participation and the regulatory framework structure (represented by citizen power, tokenisms and non-participation). Tokenism was represented by a negative association while citizen power was represented by significant positive association. The findings on the extent to which Socio economic factors influence community participation in the public finance management processes, indicated that socio economic factors influence community participation. The findings from descriptive analysis indicated that social attitude and trust influence community participation and the most outstanding factor for social attitude was that people with positive attitude towards county government do participate more effectively while the most outstanding factor for the social trust was that people with higher trust on public finance management process participate more effectively. This study recommends that the County government of Makueni should enhance the policy framework on community participation to ensure proper community engagement in decision making on needs identification and implementation of projects. On social economic factors this study recommends that the county government includes people with high education level (Diploma level and above) for purposes of enriching debates on public finance management. Additionally the county government should also offer basic trainings on public finance management processes in order to equip individuals participating in these processes with essential skills. The county government should also ensure adequate gender representation in all forums. On social attitude and trust, this study recommends that the county government should implement the views of the public that were suggested in earlier community participation forum in order to sustain public trust. Public officials should also ensure that the public resources are managed in transparent manner in order to inspire trust among the public.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Public Finance Management (PFM) refers to the set of laws, rules, systems and processes used by countries and their sub-national governments to mobilise revenue, allocate public funds, undertake public spending, and account for funds and audit results. Public Finance Management addresses the effects of government spending, taxation, and borrowing on households, businesses, and the economy citing rules that should apply to the conduct of such activity. It deals with voluntary exchange vs. government-mandated provision of goods and services, cost-benefit analysis of government activity, the role of government in influencing income distribution through taxes as well as government spending on goods and transfer payments. PFM also deals with the effects of different kinds of taxes on income or consumption, fiscal politics, modelling public spending and taxation and other government finance related functions (Mugambi, 2006).

Decision making on government revenues and expenditures has historically been the preserve of the Treasury, Central Bank officials, the tax administrator, and a few selected technocrats and is often shrouded in mystery and secrecy. Previously, Parliament's interface with public finances has been by and large restricted. However, in recent years, interest and action with regard to public participation and accountability in fiscal decision making has increased. (ICPAK, 2015)

Community participation and accountability in public finance management in Kenya can be traced back to Kenya's various regulatory framework initiatives. These include the District Focus for Rural Development (DFRD) initiatives of the 1980s to the onset of many decentralized funds in Kenya. This trend begun in the late 1990s and continues to date. The CDF Act 2003 provided for participation of communities through project identification at the location and constituency levels. The CDF Act, 2003 has since been amended to align to the Constitution of Kenya 2010. (ICPAK, 2015)

Kenya has undergone a radical shift in management of its political, social and economic endeavors that has seen a transition from a centralized government to the devolved system

of government. This has resulted in the establishment of the national government and county government units as distinct but interdependent governance entities. Devolution is perceived as an important a vehicle for addressing the historical regional disparities in the country. It has been claimed that devolution presents an opportunity to address the delivery of local needs, choices and constraints in Kenya (World Bank 2012). Most Kenyans are optimistic that counties will effectively offer public participation spaces and eventually deliver services for the overall improvement of their welfare (ICPAK, 2015)

The Constitution and the PFM Act, 2012 provide a distinct opportunity to enhance the role of citizens in public financial management processes in Kenya. Chapter Twelve of the Constitution deals with Public Finance. Specifically, Article 201 introduces principles of public finance, among them being, openness and accountability including community participation in financial matters. It has been envisaged that if these principles are strictly adhered to it would strengthen policy formulation and management of public resources for the improved livelihoods of many Kenyans (World Bank 2012).

Similarly, community participation in planning, budgeting and oversight at both the national and county levels of government is expressly provided for by the Constitution of Kenya 2010 and the PFM Act, 2012. Specifically, sections 35(1) and 125 of the PFM Act, 2012 elaborately outline the stages in the budget process at the national and county government levels respectively in any financial year.

Despite these avenues, citizens may not effectively participate in fiscal decision making due to a number of reasons. Public Expenditure Management (PEM) in Kenya has been cited to be weak hence a huge gap between the original printed budget estimate and the actual expenditures that have more often than not left huge stock of expenditure arrears. As a result, the budget is an ineffective instrument for strategic linking of resources and spending. However, budget support is the preferred form of donor assistance for Government of Kenya (GoK) and the government is taking actions to create the conditions for direct budget support, e.g. in revising the budget cycle/process. (William, 2005). In the County Public Participation Guidelines, The Chair of the Council of Governors of Kenya explains that although devolution came in with quick wins, it also presents challenges such

as insufficient public access to information and participatory processes. He indicates that capacity challenges at the level of National and county governments, civil society and the citizens, must be quickly addressed to support issue based, people centered engagement, on the supply and demand side (CPPG, 2016)

Kenya's Public Financial Management (PFM) systems have been regularly assessed since 2003 using the sixteen standard benchmarks established under the Process Execution Management (PEM) framework. A Country Integrated Fiduciary Assessment (CIFA) confirms that GoK meets five of these sixteen standard benchmarks. The procurement systems benchmark has not been met. The PEM assessments and the CIFA have focused on public finance management, execution, reporting and procurement. GoK is updating the Enhanced Financial Management Action Plan in the context of the PEM update which was undertaken by development partners in collaboration with GoK. The Public Procurement and Disposal Bill has been amended to further strengthen the provisions relating to security and defense purchases. It was signed by the President in early November 2005 (Mugambi, 2006).

As is the case with most market economies, the Kenyan fiscal policy is largely designed to: mitigate the effects of market failures, promote economic stability, encourage efficient allocation of resources, promote savings and investments, and reduce income inequalities and disparities. For fiscal policy to achieve these goals and objectives, it is necessary to keep it focused on outcomes and results. This requires an effective policy and expenditure tracking system to follow the flow of resources to the target groups and areas. The system must be managed in a transparent and accountable manner, and should possess a mechanism to tackle problems as they arise (Harlow, 2002).

Past reforms on public expenditure management have not worked well as the executive arm of the government has consistently failed to act on various recommendations of the watchdog institutions on the mismanagement of public funds. Similarly, the clamp down of corruption, which is rampant in the public expenditure management, is yet to be won mainly due to legal technicalities encountered in trying to establish an effective and independent anti-corruption authority. There is therefore need for a thorough examination

of the fiscal systems with a view to formulating pragmatic remedial measures (Baumol, 2003).

A study undertaken by the Institute of Economic Affairs (IEA) found out that the Makueni County public participation mechanisms was established soon after the County Government was formed. The top leadership of the County having had a good understanding and background in civic education and public participation are were keen to establish a mechanisms and institutional arrangement in line with the provisions of the Constitution and other legislation upon which devolution was founded. To develop the civic education and public participation mechanisms and institutional frameworks, the County Government organised a number of meetings that were attended by representatives selected to ensure good representation of the public from the village level up through the Ward level to the county level and involvement of , interest groups, civil society, and government officials, amongst others. A framework for public participation was developed complete with a training manual. The end product was a Handbook on Civic Education. The handbook covers content on civic education and public participation and acts as a guide book for the county.

The study established that the civic education and community participation role was assigned to the County Executive Committee (CEC) member responsible for Devolution and Public Service. Under the CEC there is established the Public Participation Office which is headed by the Public Participation Coordinator (PPC). This office ensures that community participation is well organised and coordinated across the various departments; and that communities are well educated and organised to effectively participate. Under the Public Participation Coordinator, there are six Sub - County Civic Education Coordinators (SCEC), one per sub-county. The SCEC work with the Ward Public Participation Facilitators (WPPF) who are based at the Ward level. The SCECs are formally employed while the WPPF are provided with short term contracts of three months or less depending on the demand and need for civic education, training and mobilisation for community participation. (IEA, 2015)

Makueni County has established three core mechanisms for community participation. Firstly, the general public as well as interest groups including professional associations are provided opportunity to participate in decision making with regard to county identification and prioritization of development projects and allocations of budget to the prioritized projects. The second mechanism for participation established by the county government is through the Project Management Committees (PMC). Every project has an oversight PMC whose members would be selected or elected at a public forum at the inception of every project. For every project construction project, the Bills of Quantity would be availed at a public place for the public to scrutinize. When the project is completed the PMC is required to give a report to express their satisfaction before payments are made. The third component of community participation involves giving the first opportunity for the locals to provide the needed goods or services. For instance, locals are encouraged to provide material such as sand, stones instead of these services being contracted to outsiders. The county government ensures that the contractors and suppliers come from that area where the project is being implemented. During the procurement process, the county government also ensures women and youth participate and are given priority in supplying goods and services.

Due to the above established mechanisms, the County Government was applauded by the World Bank for the model that allows local people in Makueni County decide which development project to embark on and then manage these projects once they are commissioned. It noted that Makueni's model of community participation includes, not only identification of projects, but also the full involvement of residents during implementation and utilization thereafter. This novel model is recognized in a study commissioned by World Bank, 'Kenya Accountable Devolution Programme.'(World Bank, 2016)

Makueni County is one of the counties that lies in the former Eastern Province of Kenya with Wote as its capital. It is located in the South Eastern part of Kenya and borders four counties with Kitui to the east, Taita Taveta to the south, Kajiado to the west and Machakos to the north. The County has a population of 884,527 and an area of 8,008.9 km². It has six constituencies: Mbooni, Kilome, Kaiti, Makueni, Kibwezi West and

Kibwezi East Constituency. The county has 6 sub-counties (Makueni, Kaiti, Kilome, Kibwezi East, Kibwezi West and Mbooni), 25 divisions and 30 electoral wards (KNBS, 2011). Makueni is characterized by a rapidly growing population, water scarcity, falling food production, and low resilience to climate change. Makueni County performs poorly on most socio-economic indicators. The county scores a 0.56 on the Human Development Index (HDI)—a composite measure of development that combines indicators of life expectancy, educational attainment and income. Agriculture is the predominant economic activity in Makueni (KNBS and UNICEF, 2009). The County has a total arable land of 5042.69Km² which is 74% of the total area. Most of the land is used for agricultural purposes as most people depend on agriculture and livestock for their livelihood. Horticulture and dairy farming is mostly practiced in the hilly parts of Kilungu and Mbooni West sub counties. The lowlands which include Kathonzweni, Mbooni East, Nzaui and Makueni sub counties are mainly involved in livestock keeping, cotton and fruit production (KNBS and SID, 2013).

With the adoption of the new constitution in 2010 and subsequent elections of 2013 which ushered in the devolved system of governance, the County elected its first Governor who is the Executive authority in the County and his deputy, its first Senator to represent the County at the Senate and through affirmation of women and youth rights, the first Woman Representative to represent the County's women and youth issues at the National Assembly.

With the constitution and county governance, community participation became a constitutional requirement. Specifically, Article 1 states that sovereign power belongs to the people and Article 10 (2) (a) and the Fourth Schedule Part 2 (14) of the Constitution of Kenya and community participation is stipulated as a function of the County Government. Sections 87 to 92 and 115 of the County Governments Act, 2012 outline the principles of community participation and the imperative for facilitating community participation in the work of the County government. Community participation is a structured way of consulting with persons, groups and entities before decisions are made. It is designed to give a voice to the voiceless and cements the concept of agency to the County Government, that is, the County government becomes an agent of the people. Community

participation is not meant to convey decisions already made, but to generate and confirm decisions. It is not a political process but a non-partisan process that involves the agent going to 'take instruction and direction' from the people (Government of Kenya, 2012).

The Government of Makueni County (GOMC) will seek to utilize the various levels of participation, that is, the government is committed to the promotion of consultation, placation, and partnership and citizen control models of participation. The County government will promote and ensure people-centered and people-driven development as anticipated by the constitution. The government will continuously strive to create an enabling environment for citizens to be involved in and participate in the development of policies from the initial stages (Government of Kenya, 2010). As a result the county governments adopts a number of community participation models including: informing the public by providing information to help them understand the issues, options and solutions; consulting with the public to obtain their feedback on alternatives or decisions; involving the public to ensure their concerns are considered throughout the decision making process particularly in the development of decision criteria and options; collaborating with the public to develop decision criteria and alternatives and identify the preferred solutions; and, empowering the public by placing final decision making authority in their hands.

1.2 Statement of the Problem

Public finance management practices have been characterized by problems in revenue mobilization and lack of transparency and accountability in the management of revenue. There is also evidence of increasing income disparities as reflected by the rise in poverty levels and inequalities in the income distribution among the Kenyans and across the regions. These developments have contributed to persistent increases in budget deficits and public debts, and also the poor performance of the economy (Shah, 2006).

The (2003) Public Expenditure Review identified a number of problems. It observed that allocations do not reflect policy priorities, since political influence determines how public funds are distributed to various government projects. Despite the Government's commitment to transparency and controlling corruption, the Public finance management

continues to be faced by corruption problems; this has led to loss of huge amount of public funds (Boradwa, 2005).

At the institutional level, public finance management process is hampered by the absence of an institutionally recognized annual public expenditure management system that is integrated into the budget timetable to provide more bottom- up analytical inputs. More generally, coordination problems between key departments in the County of Makueni and the Ministry of Planning and National Development highlight the need for more decisive leadership in establishing and managing the budget timetable. (World Bank, 2003)

A study conducted by the World Bank noted that Makueni County has established a community participation model that allows local people in Makueni County to decide which development project to embark on and then manage these projects once they are commissioned. The study noted that Makueni's model of community participation includes, not only identification of projects, but also the full involvement of residents during implementation. This novel model is recognized in a study commissioned by World Bank, named 'Kenya Accountable Devolution Programme.'(World Bank, 2016)

Despite the recognition of the existence of a functional community participation model, community participation in Makueni County is still faced with many challenges. A recent report by the Kenya Monitor cites one of the key challenges as the existing networks on various issues that prevent better service delivery. The political gatekeepers on issues such as sand harvesting determine whether sand will be harvested in a certain area, who will harvest it, why and when. "We said we want Uhuru, then Africanization, then Constitution, then devolution, now it is community participation and the next will be revolution, which will not spare people," Prof. Kivutha Kibwana, the Governor of Makueni County is quoted in the report. (Monitor, 2017)

This proposed study was undertaken to highlight and provide a solution to the experienced public finance management challenges while exploring different researcher's opinions and draw critical remarks from the gathered literature on past approaches of dealing with public finance management practices. The main objective of the study is therefore to find

out the factors influencing community participation in public finance management and give recommendations on such participation in public finance management.

1.3 Purpose of the study

The purpose of the study is to establish the factors influencing community participation in public finance management in Kenya focusing on Makueni County.

1.4 Objectives of the study

The main objective of the study is to establish the factors influencing community participation in public finance management in Kenya focusing on Makueni County. The study will specifically seek to;

- i. To find out how regulatory framework influence community participation in public finance management in Makueni County
- ii. To establish how socio economic factors influence community participation in public finance management in Makueni County
- iii. To determine how social behaviours influence community participation in public finance management in Makueni County

1.5 Research Questions

- i. What is the influence of regulatory framework on community participation in public finance management in Makueni County
- ii. How do socio economic factors influence community participation in public finance management in Makueni County
- iii. How does social behaviours influence community participation in public finance management in Makueni County

This study was guided by the following four null hypotheses which are based on the study objectives;

Hypotheses H₀₁: Regulatory framework has no significant influence on community participation in public finance management.

Hypotheses H₀₂: Socio economic factors have no significant influence on community participation in public finance management.

Hypotheses H₀₃: Social behaviors have no significant influence on community participation in public finance management.

1.6 Significance of the Study

The study is of significance to the County of Makueni since its findings will expose the nature of the challenges frequently faced by the government when executing various public finance management functions. The challenges highlighted by many respondents will make the County to be well informed about the most critical aspects that negatively affects public finance management practices. The County will therefore be in position to identify all public finance management challenges and work towards implementation of the study recommendations in order to get rid of the experienced challenges.

The study is of significance to the government since the documented report will contain essential information that government can rely on when designing and planning various fiscal management policies in the country. This will help the government to come with a legislation that protects public finance management practices from being manipulated by politicians and other personalities that leads to misuse of public funds.

The study is of significance to the donors and various agencies of international development like World Bank since it will reflect how public finance management practices are conducted in Kenya. This will act as a platform through which pressure will be put to the county to apply effective public finance management policies in order to qualify for international borrowing and donors support.

To the general public, the study is important because proper implementation of the study recommendations will result to sound public finance management policies and this will contribute to availability of enough funds for financing various development projects in the country. Better roads, hospitals and other public services will therefore be made available to the citizens.

The study is of great significance to future researchers since it acts as a source of information on public finance management practices in Kenya. This will enrich the

literature review of future studies and future researchers will therefore find the study report resourceful when covering other areas that were not explored by this study. The report will act as source of reference and stimulate the interest among academicians and thereby encouraging further researches on public finance management challenges.

1.7 Delimitation of the study

The study was on the factors influencing community participation in public finance management. The study was carried out in Makueni County in a period of three months. It focused on the influence of regulatory factors, social economic factors and social behavioural factors on community participation in public finance management. The respondents were community members who had participated in public finance management processes.

1.8 Limitations of the Study

Confidentiality and sensitivity of the research objectives is a major limitation that might have denied the study the ability to freely gather information from the County. However, an introduction letter obtained from the university detailing the academic purpose of the study was presented to allay any fears of unethical behaviour. Since answering of the questionnaires was voluntary, the study encountered cases of uncooperative respondents who were not willing to answer the questionnaires. To overcome these, the study engaged the respondents in a brief interview which enhanced the response rates.

The other limitation was that the study was based in Makueni County owing to the amount of time and resources available. This study therefore suffered from generalizability of the results in the rest of Kenya. In addition, the findings of this study are limited to the extent to which the respondents were willing to provide accurate and reliable information. To mitigate this, the researcher checked for consistency and tested the reliability of the data collected

1.9 Basic Assumptions of the Study

This study was guided by the following assumptions; that the selected sample would represent the population in all the variables of interest and that respondents would

willing to give the information freely without fear. It was also assumed that all the questionnaires would be returned on time and that those to be interviewed were available and willing to participate and provide honest, accurate, complete answers. Finally, the study assumed that the authorities in Makueni County would grant the required cooperation for smooth data collection from the respondents.

1.10 Definition of Significant Terms Used in the Study

Policy:	Refers in general to a purposive course of action that an individual or group consistently follow in dealing with a problem.
Community Participation:	The process by which an organization consults with interested or affected individuals, organizations and government entities, before making a decision.
Public Finance Management:	Refers to the set of laws, rules, systems and processes used by countries and their sub-national governments to mobilise revenue, allocate public funds, and undertake public spending, account for funds and audit results
Regulatory Framework:	Refers to the laws, acts or policies guiding Public Finance Management
Public:	The general public includes the community to be served by the county government.

1.11 Organization of the Study

This research report is made up of chapters one, two, three, four and five. The preliminary pages are the Declaration, Dedication, Acknowledgement, Abstract, Abbreviations and Acronyms. Chapter one contains the background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, significance of the study, delimitation, limitations and basic assumptions of the study as well as the definition of significant terms used in the study. Chapter two contains a review of literature and relevant research associated with the problem addressed in the study, giving theoretical foundations of the study and conceptual framework. Chapter three contains the methodology and procedures that were used for data collection and analysis. Chapter four is the data analysis of the study as well as

the presentation and interpretation of data and chapter five caps it all with the report summary, discussions, conclusions and recommendations. The report concludes with references and appendices that include a questionnaire, introduction letter, the public finance management processes calendar, and regression tables.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter contains review of literature on factors influencing community participation in public finance management in Kenya. The review depends on theoretical literature that was books, research papers, magazines and information from the internet. The chapter starts by providing a basic definition of participation after which two of the most prominent frameworks for community participation are explored in line with the context of the study. In the review of the frameworks it is noted they represent simplifications of a far more complex reality including the dimensions of power, the processes and the capacity to participate as well as the nature of the communities. The chapter concludes by presenting a conceptual framework that researcher was used to analyze the relationship between dependent and independent variables.

Public finance began as the study of how government could raise revenue for three purposes: to supply the basic services needed to maintain market economy, to supply particular services and to enrich the sovereign nation. On the other hand, various theories of community participation have received considerable academic attention from many scholars especially from the early 1990's but the debating have been ranging on over the years. This chapter on literature review is intended to provide a basis on the key theories on the subject matter under study. The chapter will discuss some of the most prominent theories which have been put forward as a means of understanding and appraising community participation structures and practices. The review provides a theoretical context within which the various approaches to community participation in public finance management in Makueni was discussed.

2.2 Factors Influencing Community Participation in PFM

This section contains the factors influencing community participation in public finance management as presented by various authors and researchers.

2.3 Regulatory Framework and Community Participation in PFM

Meaningful citizen participation in governance is a key ingredient for public reforms that were instituted by the Constitution of Kenya (CoK) 2010. Article 1 (1) of the Constitution vests all sovereign power to the people of Kenya. This power can be expressed through direct participation or indirectly through elected representatives. In addition, various pieces of legislations anchoring devolution highlight the principles of citizen participation. Together, these constitutional and legislative provisions avail various platforms for citizen participation in devolved governance. Citizen participation is one of the national values and is also one of the principles of public service as articulated in the Constitution in Articles 10 (2,a) and Article 232 (1).

Public participation is a principle that has been given prominence in the Constitution of Kenya 2010. The people's sovereign power can be expressed through direct participation or indirectly through elected representatives. Article 10 (2) of the Constitution provides that community participation is a national value and principle of governance. The principle of community participation is echoed across the Constitution. The public is expected to participate and be involved in the legislative and other business of Parliament and its committees. One of the objects of devolution is to give powers of self-governance to the people and enhance the participation of the people in the exercise of the powers of the State and in making decisions affecting them. Devolution may lead to the translation of national government bureaucracies, poor utilization of resources, rent seeking and lack of accountability to the sub-national units. With the foregoing therefore, policies to support new, flexible approaches to ensuring a greater degree or active participation by citizens' are necessary and captured in the Constitution and legislative framework.

Effective community participation requires enabling conditions such as clear mechanism for participation and communication channels between citizens and government, and that the actors, private individuals and organizations, need to have an understanding and knowledge of the issues and public processes to engage meaningfully. In essence, while the supply side of participation requires that enabling systems, mechanisms and frameworks are in place, the extent to which participation

achieves its intended objectives largely depends on how the demand side (the public) is organised and informed on the issues they seek to influence.

On economic issues, the Public Finance Management Act 2012 provides for the establishment of a County Budget and Economic Forum (CBEF) in each county. The CBEFs are intended to provide a platform for the county and public to consult on areas such as preparation of a County Fiscal Strategy Paper, preparation the County Budget Review and Outlook Paper (BROP) and other matters relating to budgeting, the economy and financial management at the county level. The CBEF is specifically designed to ensure participation of the public in the county's budgeting process. They were to be instituted in each county to ensure community participation in public finances.

Yash Pal Ghai (Katiba lobby group Director) in (Nation, 26 February 2015) and the Commission for Implementation of the Constitution (CIC) have supported the court ruling on the implementation of the CDF projects. They have supported the court ruling that the MPs were overstepping their roles by managing the funds. Further they have viewed the CDF as unconstitutional since one of the roles of MPs is to make budgetary laws and not managing roles. Most of the MPs have been accused of mismanagement of the funds. The management of CDF by MPs has been viewed as a trespass in the roles of the county governments since majority of the projects they are implementing with CDF are the constitutionally the roles of the county governments. Lack of co-ordination between the MPs and governors has been cited and has been blamed for duplication of duties at the grassroots.

2.4 Socio economic Factors and Community Participation in PFM

The following discussion is on the social economic factors that influence community participation in public finance management.

2.4.1 Gender and Community Participation

The limited inclusion of women in politics and other public decision-making organs and structures is a global phenomenon. Throughout history, men have monopolized

and dominated strategic decision making positions and organs. Despite the achievement of universal suffrage, increased education and incomes for women, and efforts to increase participation of women in public life, women everywhere have continued to remain in the back seat and under-represented in most areas of public life where important decisions and policies are made. (ADRRRI)

The concepts of 'participation' and 'gender' have been a part of the clamor for equal representation for a number of years now. Proponents of the discourse of these concepts have claimed that there should be representation of the most marginalized groups - women and the poor (Akerkar, 2001). Various studies of historical, philosophical, political contexts have shown "women have been kept away from the mainstream politics as most of the political thinkers and philosophers such as Plato, Aristotle, Rousseau, John Lock, Thomas Hobbes and Hegel considered women fit only for domestic roles in the private sphere and maintained that there was no place for women in politics because of their suitability in carrying out their roles as mothers and wives" (Bari, 2005).

According to Doorpersad (2014), to be able to save women from this situation and ensure that they fully participate in democratization processes, then it is critical to review and revise existing constitutional, political, legislative and regulatory frameworks, including electoral systems, to remove provisions that hinder women's equal participation in the decision-making processes. Studies undertaken in Africa by Baah - Ennumh, et al, Karpowitz et al (2012) Zaman (2007) Agbalajobi (2010), Ihmeje (2013) and Omodia et al (2013) have argued that women participation in governance in Africa face many challenges including religious and cultural beliefs, economic incapability, lack of effective means of implementing affirmative action and male dominance of political power and influence. Other factors include relatively low education levels of women, multiple roles of women in the family setup, women attitude to the process of governance, lack of confidence on the part of women. Ihemeje (2013) has further argued that marginalization of women in local governance is another indication of male dominance in all political affairs. As such, this historical perspective of a back seat taken by women has resulted in diminishing of the chances

of women to having more political representation at the various decision making structures.

Mukhopadhyay (2005), points out that devolution of democratic principles is critical for women not only because of the proximity of local government to their lives but because- they are often excluded from government key decision-making at the national level. Contrary to views that local government is the level that women can easily break into and thus serve as springboard to national politics, the hierarchical and embedded nature of local government in local social structures make it difficult for women to break in as independent political actors. While supporting this position, Goetz (2002) argues that where women are given the opportunity to participate in local government, the terms of their inclusion often determine the sustainability of their representation.

On her part, Zaman (2007) argues that in order to involve women in local bodies and for their active participation in local and national decisions, they have to be mobilized and organized at various levels through the equal representation of gender in all its forms and structures. To achieve this, women must also learn how to make the local government more responsive and accountable to them.

2.4.2 Age and Community Participation

The demographic characteristic of age can be sub divided into two categories of Youth and Non Youth. Youth can play a very important role in any development program. They are indeed critical resources to any society, because their keen motivation, capabilities, and innovativeness often act as a catalyst for achieving excellence in set goals and objectives. Opportunities to the youth to engage in governance and participate in political decision making processes depend largely on the political, socio economic and cultural contexts where social norms in many parts of the world result in multiple forms of discrimination against the youth (UNDP and IPU 2012). There is strong evidence that participation of young people in formal, institutional, political processes is relatively low when compared to older citizens the world over. This challenges the representativeness of the political system and leads to disenfranchisement of young people (UNDP 2012). In a survey conducted by UN

IANYD (2012) in 186 countries, it was highlighted that the main challenge for youth were limited opportunities for effective participation in decision making processes. With limited opportunities and exposure to meaningfully participate in inclusive decision making processes, young men and women feel excluded and marginalized in their societies and communities. The need for participatory structures and greater trust between youth and institutions were also stressed.

2.4.3 Education and Community Participation

The demand for increased community participation in the affairs of government is generally influenced by a better educated, more articulate and more demanding citizenry, many of whom are the ones who express a declining level of trust in their politicians and the political institutions as has been put by Pharr & Putnam (2000), and Edwards (2005). This belief is usually expressed in demands for more engagement of citizens with meaningful exchanges with government beyond the traditional democratic processes of three or four year elections cycles. According to John, (2009), education level of the citizenry has a significant correlation in the level of community participation. Education often enhances citizen's awareness of governance programs and how to engage the governance system (Ahmad, et al 2005). Bratton et al, conducted a research in six Sub-Saharan countries to determine whether education levels has a correlation with the level of community participation in decentralized units. In their findings, the more a community and its citizenry became educated, the more they engaged in community participation duties like public finance management. Further, Joshi and Houtzager (2012), have argued that education has a high positive correlation with community engagement especially in local government structures.

Similarly, Pasek et al (2008) has pointed out that level of education often raises the bar of citizen's ability to participate in public functions that require a level of technical skills and knowledge. They contend that the reason the public doesn't have the keen interest to participate in forums like public finance management, projects identification and implementation is that they feel inadequately informed or educated to be of value in the process. On the same subject matter, Finkel, et al,(2012), conducted a research in South Africa and Dominican Republic to determine how engaged the public was on

issues of devolved governance and budgetary processes. In their findings, education as well as the ability to articulate petitions and to understand technical budgetary jargon enabled citizens to engage more actively and effectively not only in the budgetary formulation, but in other civic duties like needs identification and project implementation. Pasek et al, (2008), agrees with Finkel et al, (2012) findings, and further argues that positive education levels raises the public's stakes, awareness, and desire to participate in charting the kind of future that want through decision making processes like public finance management.

The Kenya Human Rights Commission, points out that higher levels of education are critical in entrenching democratic principles and ideals of community participation of the governed (KHRC. 2010). More community participation often excites the desire for efficiency and effectiveness in utilization of public resources. According to John, (2009). Lower levels of education in devolved units negatively correlates with community participation. KHRC(2010) report on community participation highlights the reality of education in civic process that informs community participation. The report findings argues that citizens without education, lacks ability to assimilate information, therefore, can rarely formulate interests in civic duties like public finance management. Mboga (2009), draws the correlation to the impact levels of education have in community participation in Kenya. He argues that education expands the ability of the public to appropriate desires, interests, and have their voice heard in logical concise and organized process like public finance managements.

Moreover, Mwenda (2010) links levels of education to the public's ability to express their interests in self-determining governance of the people and by the people, but argues that lack of sufficient education -particularly in marginalized communities, hinders information dissemination, hence, low levels of participation. Oyugi and Kibua (2008) have similarly argue that public citizens who sit on development and planning board for county governments on volunteer basis are all educated. Joshi and Houtzager (2012) significantly correlate education, information, and community participation. Further, they argues that the ability to coherently articulate policy issues within the budgetary planning forums favor those with higher levels of education. Mwenda

(2010) further argues that merely seating in budgetary forums, by those who are educated does not constituted participation. Oyugi and Kibua, (2008) contends that in as much as education increases the level of understanding, and major opportunities to engage in budgetary formulation.

In the case of participation by representation in public finance management, the citizenry of a constituency usually engage persons with educational and engaging skills to effectively represent their views (Michels, 2012). Most people who attend public forums on county public finance management engagements consist largely of the educated with self-interest, instead of that of the public according to Mboga (2009).

According to Michels (2012), devolution and democratization is supposed to enhance the concept of self-governance through actual participation in decision making on how to be governed. Joshi and Houtzager, (2012), argues that to enhance community participation in public finance management processes, then each devolved unit should consider empowering the citizenry through adequate education, and not just civic education or public forums that are reactionary. Various other researchers like Oyugi and Kibua (2008). Joshi and Houtzager, (2012), and. Mwenda (2010) argue that there exists a significant positive correlation between levels of education and community participation.

2.4.4 Income Levels and Community Participation

A positive relationship between income and political activity has been likened to the pleasure to be derived from participation that provides intrinsic satisfaction just like a hobby. Barrels, (2003) & Verba et al. (1995) have argued that the wealthy segments of society and those who are more highly educated take a greater role in community participation. This is because they have greater stakes in the affairs of government because they understand and appreciate political and social life better. The authors argue that the higher income segments are more likely to be interested and engaged in political and civic engagement activity. Bartels (2003) & Verba et al. (1995) further note that the higher segments of society are usually interested in whom to contact, and how to make their voices heard.

Further, Brady (2003) argues that given that political and civic process is also a form of participation, in much the same way as market/economic participation which takes place in the market place, it seems that known models of economic participation may provide insights into the relationships between income, income inequality, and political and civic participation. Brady (2003) further observes that for labor force and marketplace participation, a change in income affect the amount of participation.

Weber (2000) agrees with this idea and further argues that citizen participation committees and forums are usually crowded with members of the highest socioeconomic group. The lack of low-income level participants is illustrated in a developing world context by scholars such as Russell and Vidler (2000), who have argued that such citizen participants are difficult to engage in civic activities because their main priorities are to fend for and to provide basic commodities such as food for their families, and not spend time in meetings. Abel and Stephan (2000) while agreeing with this argument, further cautions that although many scholars promote community participation as means of 'incorporating community values into decision making process that might otherwise be dominated by a small elite', it appears that, a non-elected small elite can dominate the community participation process.

2.5 Social Behavioural Factors Influence on Community Participation in PFM

This section contains a review of literature on social attitude and trust and their influence on community participation in public finance management.

2.5.1 Social Attitude and Community Participation

A social attitude has been defined as "a behavior pattern, anticipatory set or tendency, predisposition to specific adjustment or more simply, a conditioned response to social stimuli" (Dockery & Bedeian, 1989, p. 11).

There has been a general agreement among many scholars, about which attitude toward local government is regarded as effective factor to citizen's participation in local governance. Some scholars generally agree that a positive attitude towards a local

government influences citizens' participation in local government matters. (Kosecik & Sagbas, 2004, Suzanne et al, 2007). As local governments become increasingly significant and important in citizens' everyday lives, the investigation of public attitude toward local government becomes vital for success of future local government projects, programs and activities.

According to Aldashev (2003), participation is considered a social behavior, while Rishi (2003) adds that attitude is a central element in social behavior and argues that it is imperative for making any change of behavior. According to Rishi (2003) people's social actions or their personal program are directed by their attitudes. Rishi further declares that if people's attitude toward an event or an action is positive, it is more likely, that they would divert their behavior in more meaningful ways (Rishi, 2003). Similarly, if citizen have positive attitude towards their local government, it is more likely that they would support the local government initiatives as well as participating more in local government programs.

Ledingham (2001) further adds that citizens tend to participate in local government activities, when they perceive that the local government is providing some benefits for local people or acting in the best interest of local people, and/ or dedicating resources to support matters of importance to the citizens in the exchange relationship between the people and local government. Ledingham adds that citizens expect mutual interactions with local government and they seek a balance between the social costs of interaction with their local government. Ledingham & Bruning (2001) concluded that to be effective, relationships need to be seen as mutually beneficial, to the parties in question based on mutual interest. This argument assumes therefore that people cannot be expected to demonstrate positive attitude toward local government if they do not perceive that the benefits and costs from the local government are reciprocated.

There is a positive relationship between citizens' attitude toward local government and their level of participation in the affairs of local government as argued by Kosecik & Sagbas (2004). Moreover, Stevenson (2007) agrees that people with a positive attitude toward local government are more likely to participate in local government affairs and

programs. Rishi (2003) points out that understanding of people's attitudes is one of the central concerns in social life and is relatively crucial in influencing the desired change in the peoples' behavior.

Kosecik & Sagbas (2004) have argued that a positive attitude toward local government can influence local people to be more active and eager to participate in local government activities and programs. Hickey and Seligson (2003) demonstrates that performance of local government or council affect citizen attitude toward the government. It is therefore unlikely that the performance of local government would affect citizen attitude but does not have an influence on their level of participation. Community participation in local decision making and policy making can also be influenced by their attitude and perception on their ability to influence government decisions, and limited knowledge of, government. Studies by the World Bank (2009) in Bosnia and Herzegovina established that even though a large number of citizens were not satisfied with their representation in municipal or local authorities' activities, a small minority were willing to participate in such activities. Their participation in local government was limited largely because citizens did not believe they can influence local decision making. As a result, community participation was more reactive than proactive.

Further, Aspden and Brich (2005) have pointed that there are a number of factors and issues that influence community attitude towards participation in local government affairs and decision-making processes. These include community satisfaction for their involvement, their interest and understanding of local government, their trust of the local government and its officials as well as previous experience on such engagements. (Aspden and Brich, 2005). Lowndes, et al (2001) further argue that better understanding of citizen attitude is necessary if public officials are to address and correct the very real problems of apathy among citizens that hinder community participation, if they are to maximize the impact and effectiveness of participation (Lowndes, et.al, 2001).

A study conducted in Torbat, Iran on the influence of attitude on citizen participation, by Mohammadi et. al (2010), found out that there is a linear relationship between level of participation and citizen attitude. The study concluded that it is important for government to focus on measures which are believed to positively influence citizen attitudes toward local government. These conclusions are further supported by other scholars including one carried out in the UK to analyse citizen's attitude towards e-government, Kolsaker and Lee – Kelley (2008) have concluded that improved citizens' perceptions of e-government and e-governance depend on whether decision-making in government is much more transparent and whether outcomes are meaningful.

Nam (2011) while conducting a study on citizen attitude toward e – government argues that if a government should care about its citizen's attitudes, then it is crucial to identify and study what shapes citizen perceived value of government. He also argues that trust in the government influences citizen attitude towards the government and its programmes.

2.5.2 Social Trust and Community Participation

Sociologist and political scientist Robert Putnam (1995) argues about the necessity for organisations and institutions to socialize their members by teaching them trust, solidarity and cooperation. Putnam argued that trust characterizes people's willingness to accept and fulfill the decisions made by the state. According to Putman (1995), an individual's involvement in political processes largely depends on the motivation to get involved and the understanding that his/her action will be profitable, beneficial, or useful otherwise. Many scholars have acknowledged the need to build trust towards local governance to ensure community participation in this decisions that affect them. (Fordham et al., 2009). Dasgupta (2000) on his part, believes that 'trust is central to all transactions' while Giddens (1990) argues that some basic form of trust is a requirement necessary in order for us to maintain our 'ontological security'. Generally, the diminishing amount of public trust in governments has been a problem in the last decade, which has attracted a lot of attention by public administration and social

researchers throughout the world. This explicit decrease of public trust in governments has been observed in some developed democracies such as the USA, Canada, Sweden, Great Britain, France and other EU member states. The increase of public trust is therefore an urgent question for many countries (Seinuskane & Voroslava 2013)

According to Inglehart (1999), trust ensures authorities' legitimacy. Putnam (1995) declares that trust establishes individual's willingness and readiness to realize and adopt decisions taken by state authority. Putnam held that political participation and activity depended on the roles and obligations an individual assumes, by taking part in a political organization. He further argues that whether an individual takes part in any processes or activity related to politics is dependent on their motivation.

XiaoHu Wang (2007) further argues that trust formation in the public sector is influenced by behavioural factors of two main behavioural characteristics of public administrators. First, participation influences trust when participation produces quality services that the public desire, and second, enhanced ethical behavior on the part of public administration is another key reason that participation leads to trust. Their conclusion is that public trust tends to increase when public officials demonstrate characters such as integrity, high moral leadership, honesty, and when ethical values are institutionalized in government processes through the process of participation.

2.6 Politics and Community Participation in PFM

Community participation is one of the foundational principles of democracy. Democracy is premised on the idea that all citizens are equally entitled to have a say in decisions affecting their lives and citizens' participating in government decision making is fundamental to the functioning of a democratic system of governance. Participation is not limited to citizens' political activities such as voting, campaigning, and lobbying by special interest groups. It also includes involvement in administrative processes such as policy and law making, and planning.

Through community participation, the public determines its development objectives and it is the role the leaders including representatives and bureaucratic staff to get the people there. The public ends (goals and objectives) should be chosen democratically

even though the means (or strategies) for achieving these may be chosen by the State and public officials.

An important factor for the sustainability of projects is the sincere involvement of the beneficiaries as dynamic members and identical allies whose anxieties and know-how are core to the project's success. The level of public support regulates whether a project becomes implemented, how fast and effectively it merges, and how it rejoins and familiarizes to meet varying wants. It is therefore vital that including indigenous people commences at the design stage, when choices are being made about what kind of project is essential (Stargakis, 2010). According to Stargakis 2010 project sustainability can be assured by involving the local stakeholders, accountability and ownership. The engagement of opinion leaders and champions of the project who may continue with the project after the financier stops the support is very crucial. Projects funded by NGOs and other donors have failed after the funding is withdrawn. These failures are brought about due to lack of training of the community. The project managers also fail to involve the beneficiaries or don't identify the right stakeholders. A major contributing factor to failure of project sustainability is lack of donor involvement with communities on all levels of project cycle. More often than not foreign donors have viewed local public as obstacles to implementation of projects hence the isolation.

According to IFAD the sustainability of any specific project will hinge on its whole influence on sharing households and communities, rather than simply on the quantity of the results of specific actions. Implementation in addition to the primary design, the way a project is executed can have substantial impact on its long-term sustainability. For instance, by promoting participatory approaches, remaining flexible in the look of unavoidable hindrances, and firming the ability of shareholders to plan and administer forth coming activities.

The community should be involved in monitoring and evaluation of projects and this should be emphasized during and after implementation of the projects. Effective monitoring and evaluation of projects supports sustainability in various ways. Firstly, it

recognizes strengths and weaknesses in project implementation, which can lead desirable changes. Secondly, it can pinpoint possible linkages among single project constituents that boost the general effect of programme intercessions. Finally, it can create dependable indicators of project sustainability, which is a grave pace in judging improvement towards key yardsticks and formulating actual withdrawal policies. (IFAD, 2007)

Monitoring and evaluation is a vital constituent of sustainability in two ways. First, it is usually inside the monitoring and evaluation structure that sustainability values are recognized and processes for measurement defined. Second, the M&E structure should be the basis of information for those who wish to assess the level towards sustainable results. (IFAD, Portfolio Performance report, Vol. 1, 2007) The Standish Group Project Chaos Report 2005 has identified lack of project monitoring and evaluation as a major contributor to failure. (Chaos, 2005). According to UNDP 2002 the success and sustainability of projects hinge on continuous feedbacks on a project.

In the view of the above it is vital for County projects to embrace monitoring and evaluation of all implemented projects for sustainability. This is because M&E will ensure that problems are identified early and corrective measures taken. It will also ensure that all necessary adjustments are put in place.

A baseline survey that was done on inclusive governance project by Cities in Partnership with Communities (CIPAC) in July 2009 referred to the weakening accountability by the community in executing this communal and moral role of being the government's exchequer. The study was done to analyze the rate of community participation in local governance systems and it was established that 74.6% of the persons that were interviewed had never made individual energies to resolve the hitches facing them including poverty, lack of information, and involvement in government centered public initiatives. 88.9% of the persons had information of the generally disseminated CDF, LATF, CBEF and women development fund but had very little information on the other fund structures, and only 7.1% of the people had involved individual initiative to institute whether the disabused moneys were intended

and used in the concern of the community. According to the CIPAC baseline survey, although devolved system requires community participation on national matters which are preferably meant to support the common people close to 90% of the respondents cross-examined in the survey agreed that they had never met or communicated their area District Commissioner, and 85% said that they had never met a political party official or official of any government ministry, the reality of the figures could not have been farther away from the truth (Kenyan Verdict: Action Report Card on the Constituency Development Fund, 2014)

According to Rono and Mwimali (2010), the public has been disappointed by the way leaders are appointed into the decentralized structures because this has led to formation of white elephant projects which are abused by politicians. For instance the appointments of the Constituency Development Fund Committee members are never elected by the community members. As such the members of parliament use their power in the appointment of people to the committees. Many people are unaware of the decentralized funds let alone participating in the devolved projects, there is need to sufficiently empower communities on various aspects of their rights such as partaking in local self-governing structures, monitoring and evaluation of projects, civic activities, political and economic development.

In view of the above state of affairs, it is evident that communities have not been allowed to be partakers in most CDF projects. If people involvement commences right from the design stage of the project through its execution and at the end of the project, then the CDF and county funded projects will be sustained.

2.7 Theoretical Framework

Many studies recommend the need for public sector institutions to ensure good management of public finance. Some studies have shown how lacks of strong government monitoring institutions have hindered lack of good public finance management in Kenya's Public Sector (ADF 2006). The Australian Government while identifying factors leading to East Asian Economic crisis⁷ acknowledged that public finance management problems manifest themselves in many ways among them in

countries that have good policies but lack strong institutions to carry them out. World Bank's vice president (2004) also acknowledged that factors hindering good public finance management in developing countries necessitate institutional checks and balances within the government system.

2.7.1 Arnstein's theory on the ladder of participation

One of the most important theoretical work on the subject of community participation was by Arnstein (1969). The particular importance of Arnstein's work is based on the explicit recognition that there are different levels of participation, right from manipulation of citizens, through to consultation, and to what has been viewed as genuine participation, i.e. the levels of partnership and citizen control (see figure 1).

Various limitations of Arnstein's framework have been noted. One of the shortcomings of the framework is the fact that each of the steps represents a very broad category, within which there are likely to be a wide range of experiences. For instance, at the level of 'informing' there could be significant differences in the type and quality of the information being conveyed. Realistically therefore, levels of participation are likely to represent a more complex continuum than a simple series of steps presented by Arnstein.

Another shortcoming of the framework is that the use of a ladder also implies that more control is always better than less control. However, increased control may not always be desired by the community and increased control without the necessary support may result in failure.

After Arnstein work, more increasingly complex theories of participation have been advanced and new terminology added. In particular, there has been a shift towards understanding participation in terms of the empowerment of individuals and communities. This has its basis on the growing prominence of the idea of the citizen as consumer, where choice among alternatives is seen as a means of access to power. Under this model, people are expected to be responsible for themselves and should,

therefore, be active in public service decision-making. In this context, Burns et al (1994) modified Arnstein's ladder of participation and proposed a ladder of citizen power.

Burns ladder of citizen power is more comprehensive than Arnstein's ladder as it presents a further and more qualitative breakdown of some of the different levels. For instance, a distinction is drawn between 'cynical' and 'genuine' consultation, and between 'entrusted' and 'independent' citizen control. The phenomena of 'civic hype', was increasingly recognized during the 1990s (Harvey, 1989), and is incorporated at the bottom rung of the ladder. This essentially treats community participation as a marketing exercise, in which the desired end result is 'sold' to the community.

A further development of this concept of a ladder of participation was done by Wilcox (Wilcox, 1999) who identified five interconnected levels of community participation. Wilcox's work reflects a philosophical progression on the thoughts around participation. It indicates that different 'levels' of participation are acceptable in differing context and settings, hence this progression recognises that power is not always transferred in apparently participative processes, but that the processes still have value. As opposed to the common interpretation of Arnstien, that bring the thought that it is only acceptable to be striving towards citizen control. Within some contexts this move in philosophy has been further developed to describe levels of involvement as a continuum.

2.8 Summary of literature review

This chapter reviewed literature that examines the factors that influence community participation in the public finance management processes in Kenya and elsewhere in the world. The study focused on regulatory framework, socio economic factors and social attitude and trust behaviours and the extent to which they influence community participation in public finance management processes. The examined literature indicates that these factors influence community participation to different extents with some of

these factors either enhance or hindering community participation in public finance management.

2.8 Research Gap

The literature review discussed has indicated that various scholars have undertaken studies and written extensively on community participation and public finance management. The findings from those studies have indicated that the concepts are still largely unexplored more so given the advent of decentralisation in many areas across the world. In Kenya, the effects of decentralisation from a central government to counties remain largely unknown as there have been few studies in this area. From the literature reviewed, there has been no comprehensive study in Makueni County on community participation in public finance management processes. This study seeks to fill the study gap and enhance knowledge in this domain.

2.9 Conceptual Framework

In this section an analysis of the relationship between dependent and independent variables that have had an influence on community participation on public finance management in the County of Makueni was done.

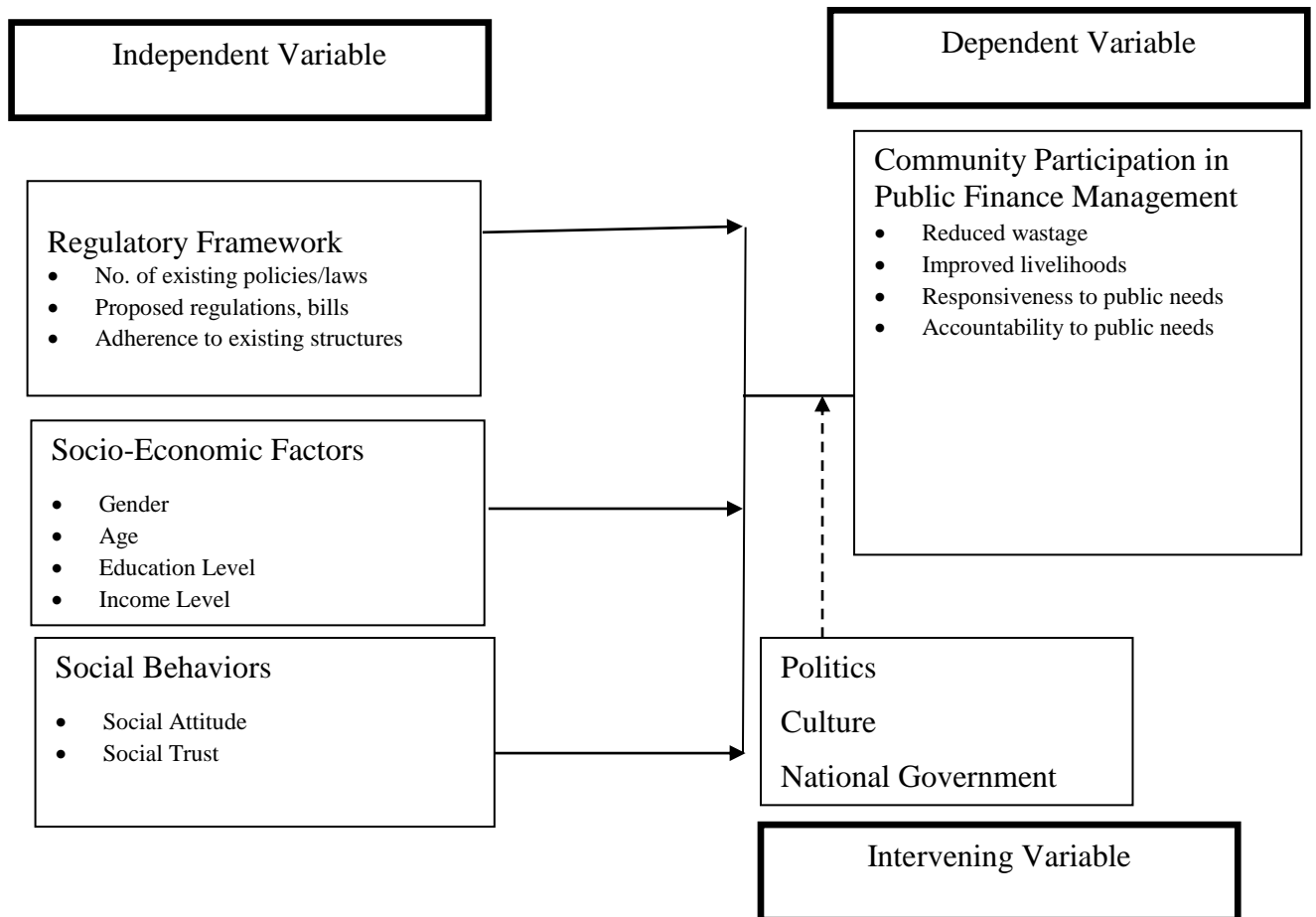


Figure 1: Conceptual Framework

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter is a blueprint of the methodology that was used to find answers to the research question. This chapter explains research design, target population, sampling procedures, data collection instruments, data collection and analysis.

3.2 Research Design

Donald (2006) notes that a research design is the structure of the research, it is the ‘glue’ that holds all the elements in a research project together. Further, Orodho (2003) defines a research design as the scheme, outline or plan that is used to generate answers to research problems. Given the research problem and research objectives as outlined in Chapter one, the study used a quantitative analytical approach in an attempt to empirically determine the relationship between the variables of interest by applying appropriate statistical data techniques (Hirschheim, 1985). The use of descriptive research design helped in describing the phenomenon under study which is establishing factors influencing community participation in public finance management. The research design was selected because besides collecting and describing the relevant data for the study, the descriptive design also explores the relationship between the variables. According to Cooper and Schidler (2003) descriptive study is concerned with finding out who, what, when and how the variables relate which is the concern of this research. The design was used appropriate for this study since descriptive research design produces quality statistical information about aspects of the study that may interest policy makers, industry players and academicians (Shuttleworth, 2008)

3.3 Target Population

The target population will compose of the people residing in Makueni County who have taken part in community participation forum conducted within the County in the financial year 2015/16. The study population comprised 198 participants of the public finance management process in six different sub counties of Makueni County during the 2015/16 financial year.

Table 3.1 Population Distribution

Sub County	Participants
Kaiti	27
Makueni	43
Kibwezi West	37
Kibwezi East	30
Mbooni	41
Kilome	20
Total	198

Source (Planning and Budgeting office, Government of Makueni County, 2016)

3.4 Sample Size and Sampling Procedures

The study used stratified sampling technique. The sampling technique was chosen based on the target population being heterogeneous (different category of peoples, all of which must be represented in the sample). Orodho, (2003) states that stratified sampling are applicable if a population from which a sample is to be drawn does not constitute a homogeneous group. Stratified random sampling technique was used as it ensured that all the different categories are represented. According to Mugenda (2008), stratified technique is advantageous as it samples each subpopulation (stratum) independently by grouping members of the population into relatively homogeneous subgroups before sampling. This improves the representativeness of the sample by reducing sampling error. The target population was stratified into the six sub counties. Simple random sampling technique was used to select samples from the stratum (individual categories).

3.4.1 Sample Size

The sample of this research is calculated by using Taro Yamane (Yamane, 1973) formula with 95% confidence level.

The calculation of sample size using the formula of Taro Yamane is presented as follows;

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n= sample size required

N = number of people in the population

e = Margin error (%)

$$\text{Thus; } n = N / (1 + N (e)^2)$$

$$n = 198 / (1 + 198 (0.05)^2)$$

$$n = 132$$

The study therefore selected 132 respondents from the entire county. The sample size of 132 was distributed proportionately to size across the six sub counties. That is Kaiti (18), Makueni (29), Kibwezi West (25), Kibwezi East (20), Mbooni (27), and Kilome (13).

3.4.2 Sampling Procedures

Structured questionnaires were used as the main instrument of data collection. The questionnaire was both self-administered and also sent to respondents. Open questions were used to provide room for in depth discovery of issues studied while closed ended answers were used to elicit specific responses. List questions were used to offer alternative of quick responses. This method saves time and cost, it is easy to analyse and administer, and also limits bias as one has no reference material and confidentiality is reinforced. The questionnaires were administered after permission was sought from the relevant authorities. This helped in clarifying any difficult questions, saved time and ensured quick responses.

3.5 Research Instruments

The main tools of data collection for this study were questionnaires. The questionnaire was used for data collection because it offers considerable advantages in the administration. It also presents an even stimulus potentially to large numbers of people simultaneously and provides the investigation with an easy accumulation of data. Gay (1992) maintains that questionnaires give respondents freedom to express their views or opinion and also to make suggestions. It is also anonymous. Anonymity helps to produce more candid answers than is possible in an interview. The questionnaire had

two sections with a demographics section coming before the section on study objectives. The questionnaire had both close-ended and open-ended items.

3.6 Pilot Testing

Before the actual data was collected, a pre-testing was conducted to ascertain the correctness of the instruments, and to familiarize with the administration of the questionnaires therefore improving the instruments and procedures.

A pilot study was conducted in Wote town, the County headquarters. Questionnaires were administered on 10 randomly selected representative sample group from residents of Wote town that were not be used in the actual study. This pilot study was done to check whether items used were valid and reliable and was used to correct any misunderstandings as well as check any language ambiguity.

3.7 Validity of the Research Instruments

Validity is defined as the accuracy and meaningfulness of inferences, which are based on the research results (Mugenda & Mugenda, 1999). In other words, validity is the degree to which results obtained from the analysis of the data actually represents the phenomena under study. Validity, according to Borg and Gall (1989) is the degree to which a test measures what it purports to measure. All assessments of validity are subjective opinions based on the judgment of the researcher (Wiersma, 1995). The pilot study helped to improve face validity of the instruments. According to Borg and Gall (1989) content validity of an instrument is improved through expert judgment. As such, assistance of supervisors, who as experts in research, was sought and this helped improve content validity of the instrument. (Omamo, 1995).

3.8 Reliability of the Research Instruments

Mugenda and Mugenda (2003) defines reliability as a measure of the degree to which a research instrument yields consistent results or data after repeated trial. The pilot study ensured that an assessment of the clarity of the questionnaire items was done so that those items found to be inadequate or vague were modified to improve the quality of the research instrument thus increasing its reliability. Split-Half technique of reliability

testing was employed, whereby the pilot questionnaires were divided into two equivalent halves and then a correlation coefficient for the two halves computed using the Spearman Brown Prophecy formula. The coefficient indicates the degree to which the two halves of the test provide the same results and hence describe the internal consistency of the test. According to Mugenda and Mugenda (2003), a reliability coefficient of 0.8 and above shows that the instruments are reliable.

3.9 Data Collection Procedures

A research permit was obtained from the National Commission for Science, Technology and Innovation after approval by the university. Thereafter, the offices at Makueni County headquarters was contacted before the start of the study. Appointments were booked with potential respondents and questionnaires were administered accordingly. Some of the questionnaires were also channeled through the ward administrators after which the filled-in questionnaires were collected.

3.10 Data Analysis Techniques

According to Cooper and Schindler (Cooper and Schindler 2011), the purpose of data analysis was to reduce accumulated data to a manageable size, develop summaries, look for patterns, and apply statistical techniques. The completed questionnaires were perused as well as the document analysis recording sheets. Quantitative data collected was analyzed by the use of descriptive statistics and presented through percentages, means, standard deviations and frequencies. The data collected from the closed-ended items of the questionnaire was assigned numerical values (coded), checked for any errors and finally analysed by use of a computer package, STATA. Qualitative data was organised and analysed through themes. The information was displayed by use of bar charts, graphs and pie charts and in prose-form. This was done by tallying up responses, computing percentages of variations in response as well as describing and interpreting the data in line with the study objectives. Content analysis was used to test data that is qualitative in nature or aspect of the data collected from the open ended questions. The inferential tests were Pearson correlation and multiple linear regression analysis. The multiple linear regressions was of the form:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Whereby Y is the Community Participation in Public Finance Management; β_0 is model's intercept; β_1 to β_4 are regression coefficient denoting the slope of the independent variables; X_1 is Regulatory Framework; X_2 is Socio-Economic factors; X_3 is Social Attitude and Trust; X_4 is Politics; and, ε is model error term.

3.11 Ethical Considerations

According to (Perle, 2004) ethics have been defined as moral philosophy from the major branch of philosophy, as the study of values and customs of a person or group. Like any other profession, ethical behavior was observed while carrying out the research. The respondents were also assured that all information given would be treated with confidentiality and shall not be revealed or exposed to unauthorized third parties. A research permit was obtained from the National Commission for Science, Technology and Innovation (NACOSTI) after clearance from the University as this is a prerequisite for any research to be carried out in the country.

3.12 Operationalization of variables

The operational definition of a variable presents the specific way in which variables were measured in this particular study. The Indicators are presented along with the main variables under the study to ensure that they are measurable. The operationalization of variables is presented in Table 3.2.

Table 3.2: Operationalization of variables

Research Objective	Variable	Indicators	Measurement scale	Tools of Analysis	Analysis Techniques
To find out how regulatory framework influence community participation in public finance management in Makueni County	Regulatory framework availability	<ul style="list-style-type: none"> No. of existing policies Proposed regulations 	Nominal	SPSS	Percentages, frequencies and measures of central tendency
To establish how socio-economic factors influence community participation in public finance management in Makueni County	Gender Age Education Level Income Level	<ul style="list-style-type: none"> Awareness of PFM procedures Participation in PFM Fora Forums held 	Nominal	SPSS	Percentages, frequencies and measures of central tendency
To determine how social attitude and trust influence community participation in public finance management in Makueni County	Social Attitude Social Trust	<ul style="list-style-type: none"> Perceptions Opinions 	Nominal	SPSS	Percentages, frequencies and measures of central tendency

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS

4.1 Introduction

This chapter discusses the findings carried out on the factors that influence community participation in public finance management in Makueni County. In section one; the chapter contains descriptive analysis of the demographic data from the respondents. The other sections in the chapter are organized according to the research questions. The first section relate to regulatory framework related factors that influence community participation. The second section analyzes the influence of socio economic factors on community participation and the findings on social attitude and trust factors that influence community participation are presented in section three of this chapter.

4.2 Questionnaire Return Rate

Out of the 132 questionnaires distributed to respondents who participated in Makueni County budget for the year 2014/15, the study collected 120 filled questionnaires. This represented a response rate of 91%. This is illustrated in table 4.1.

Response Rate, N=120	Frequency	Percentage
Responded	120	91
Non Response	11	9
Total	132	100.00

Table 4.1: Response Rate

4.3 Background Information

In Section A of the questionnaire, the respondents were asked some questions on basic information on the subject matter especially on demographic characteristics. The results are presented in the following discussion.

4.3.1 Distribution of Respondents by Gender

The data in table 4.1 shows the number of responses by gender. From the table shown, 51.31% of the respondents were female while 48.69% were male an indication that gender bias is not an issue in community participation in public finance management process.

Table 4.2 Distribution of Respondents by Gender

Respondents Gender, N=120	Frequency	Percentage
Male	58	48.69
Female	62	51.31
Total	120	100.00

4.3.2 Distribution of Respondents by Age

The information in figure 4.2 shows the number of responses by age. From the figure, majority of the respondents were in the age groups between 26-35 years and 36-45 years which accounted for 28.65% and 31.85% respectively. Overall, the finding indicates that majority of the respondent at 60.5% are between 26 years to 45 years.

Table 4.3 Distribution of the respondents by age

Respondent Age(Years), N=120	Frequency	Percentage
18-25	14	11.52
26-35	34	28.65
36-45	38	31.85
46-55	25	20.46
Over 56	9	7.52
Total	120	100.00

4.3.3 Distribution of Respondents by Level of Education

The result in Table 4.4 shows the number of responses by levels of education. From the findings shown, most of the respondents held college diploma which accounted for 38.65% of the total respondents. Secondary school certificates followed with 28.30%. This indicates that the majority of the respondents either understand or are competent enough to address or provide credible information related to the research questions by virtue of their education level.

Table 4.4 Distribution of the respondents by levels of education

Respondent Education Level, N=120	Frequency	Percentage
Primary certificate	14	11.80
Secondary certificate	34	28.30
Dip/College Certificate	46	38.65
University Degree	26	21.25
Total	120	100.00

4.3.4 Distribution of Respondents by Monthly Income

The respondents were expected to indicate their monthly incomes range in order to establish their monthly income brackets. The result in table 4.2 shows the number of respondent and their respective monthly incomes. The findings indicate that 60% of the respondents were earning less than Ksh 25,000 while 35% were earning between Ksh 25,001 and Ksh. 50,000 per month. Only 5% were earning above Ksh. 50,000.

Table 4.5: Distribution of Respondents by Monthly Income

Monthly Income (Ksh), N=120	Frequency	Percentage
Under 25,000	72	60.00
25,001 - 50,000	42	35.00
50,001 - 100,000	5	4.17
Over 101,000	1	0.83
Total	120	100.00

4.3.5 Distribution of the Respondents by Employment Status

To establish their respective employment status, the respondents were expected to indicate their status from among the provided options. The result in table 4.6 shows the number of responses by their respective employment status. From the findings 22.50% were employed, 42.50 were self employed and 35.0% were unemployed

Table 4.6: Distribution of Respondents by Employment Status

Respondent Employment Status, N=120	Frequency	Percentage
Employed	27	22.50
Unemployed	42	35.00
Self Employed	51	42.50
Total	120	100.00

4.3.5 Distribution of the Respondents by Sub County

The respondents were expected to indicate the respective Sub Counties where they resided. The result in table 4.5 shows the number of respondents from the different sub counties in Makueni County. From the findings 22.50% of the respondents were from the Makueni Sub County which is the County Headquarters. Kilome sub County had the least number of respondents at 10 per cent. There are no major differences from the number of respondents from one Sub County to another.

Table 4.7: Distribution of respondents by Sub County

Sub County,	Frequency	Percentage
N=120		
Kaiti	17	14.17
Makueni	27	22.50
Kibwezi West	22	18.33
Kibwezi East	18	15.00
Mbooni	24	20.00
Kilome	12	10.00
Total	120	100.00

4.4 Factors Influencing Community Participation in PFM

This section contains the descriptive analysis of the three community participation dimensions of interest namely regulatory framework related factors, socio economic factors and social behavioural factors.

To determine the indicators of Community participation in PFM, the respondents were asked to rank the extent to which they agreed on various statements relating to community participation in PFM processes on a scale of 1 to 5. The scale respectively represented the attributes: Very little extent, Little extent, Average, Large extent, Very large extent

The data was analyzed using descriptive statistics through use of frequencies and percentages and the findings are shown in Table 4.4

Table 4.8: Aspects of community participation in public finance management

Aspects of community participation in public finance management	n (%)				
	VSE	SE	A	LE	VLE
You understand the concept of community participation in public finance management processes	7 (5.83)	14 (11.67)	3 (2.50)	74 (61.67)	22 (18.33)
In the last two years, you have participated in public finance management at your Sub County	7 (5.83)	16 (13.33)	2 (1.67)	77 (64.17)	18 (15.00)
The constitution provides for mechanisms for public participation in budget formulation	3 (2.50)	11 (9.17)	6 (5.00)	68 (56.67)	32 (26.67)
Given a chance, I would participate (again) in public finance management in my sub county	8 (6.67)	25 (20.83)	2 (1.67)	48 (40.00)	37 (30.83)

Key: VSE-Very Small Extent, SE- Small Extent, A-Average, LE -Large extent, VLE-Very large extent

The by respondents acknowledged that they understood the concept of community participation in the public finance management in the sub county with 80% indicating they understood the concept. Further, 79.17% of the respondents indicated that they had participated in the public finance management processes in the last two years. Most of the respondents also acknowledged that the constitution had provided mechanism for community participation which was the highest attribute at 83.33%. 70.83% of the

respondents indicated that given a chance, they would participate again in public finance management at their constituency.

Table 4.9: Rating Community participation

Rating of community participation in public finance management processes	n (%)				
	VB	B	DK	G	VG
How would you rate community participation in your sub county	5 (4.17)	12 (10.00)	3 (2.50)	78 (65.00)	22 (18.33)

Key: VB=Very Bad, B=Bad, DK=Don't Know, G=Good, VG=Very Good

In line with the recorded responses on good understanding of community participation and their willingness to participate in future public finance management forums, most respondent rated community participation in their sub county as good. This stood at 65%. 18.33% rated the process as very good. Some of the respondents who rated it as bad which stood at 10% said that their views on previous participation forums had not been included in the budget and some cited projects pending implementation.

4.4.1 Influence of Regulatory Framework on Community Participation in PFM

In determining the indicators of regulatory structures influencing community participation in public finance management, the respondents were asked to rank their participation level (regulatory framework) according to their level of knowledge on how these policies and laws influenced the community participation in public finance management on a scale of 1 to 5. The scale respectively represent: Strongly Disagree, Disagree, Neutral, Agree and Strongly Agree. The data were analyzed using descriptive statistics - frequencies and percentages and the findings are shown in Table 4.6

Table 4.10 Aspects of regulatory framework influencing community participation in public finance management

Aspects of regulatory framework/policies	SD	D	n (%) N	A	SA
Non-participation My participation in public finance management at my constituency is just a formality	23 (19.17)	73 (60.83)	5 (4.17)	14 (11.67)	5 (4.17)
Tokenism I am usually given an opportunity to air my views in	5 (4.17)	12 (10.00)	2 (1.67)	81 (67.50)	20 (16.67)
Citizen power I normally negotiate tradeoffs with budget officials on items to be included in budget	1 (0.83)	5 (4.17)	6 (5.00)	74 (61.67)	34 (28.33)

Key: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

Participation in public finance management processes is real and has given a chance for the community to input into the processes (Citizen Power). This was the most outstanding aspect on policy and regulatory framework in place with 90% of the respondents acknowledging this. Participation in finance management processes is not a formality (Non –participation). 80% of the respondents disagreed and a further 84.17% of the respondents acknowledged that they are usually given the opportunity to air their views (Tokenism).

4.4.2 Influence of Socio Economic Factors on Community Participation in PFM

In determining the indicators of socio economic factors influencing community participation in public finance management, the respondents were asked to rank the socio economic measures according to their level of knowledge on how the socio economic factors would influence the community participation in public finance management on a scale of 1 to 5. The scale respectively represent: Strongly Disagree, Disagree, Neutral, Agree and Strongly Agree. The data were analyzed using descriptive statistics -frequencies and percentages and the findings are shown in Table 4.7

Table 4.11(a) Aspects of social economic factors influencing community participation in public finance management

Aspects of social economic factors	n (%)				
	SD	D	N	A	SA
Gender					
I participate in public finance management because I am a woman/ man.	34 (28.33)	53 (44.17)	7 (5.83)	20 1(6.67)	6 (5.00)
Being a woman/ Man influenced my choice of participating in PFM forums	36 (30.00)	45 (37.50)	5 (4.17)	20 (16.67)	14 (11.67)
Women/ men have equal opportunities to participate in PFM processes	8 (6.67)	27 (22.50)	9 (7.50)	44 (36.67)	32 (26.67)
Being a man enables one to participate better	35 (29.17)	39 (32.50)	9 (7.50)	22 (18.33)	15 (12.50)
Being a Woman enables one to participate better	43 (35.83)	51 (42.50)	9 (7.50)	9 (7.50)	8 (6.67)
Age					
My age influences my ability to participate in the PFM processes effectively	26 (21.67)	49 (40.83)	5 (4.17)	21 (17.50)	19 (15.83)
My age does not influence how effectively I participate PFM processes	13 (10.83)	24 (20.00)	7 (5.83)	49 (40.83)	27 (22.50)
Younger (the youth) people participate more effectively	18 (15.00)	45 (37.50)	5 (4.17)	24 (20.00)	28 (23.33)
Older people participate more effectively	16 (13.33)	27 (22.50)	11 (9.17)	44 (36.67)	22 (18.33)
Key: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree,					

Table 4.11(b) Aspects of social economic factors influencing community participation in PFM

Aspects of social economic factors	n (%)				
	SD	D	N	A	SA
Education Levels	9	32	8	43	28
My education level influences the degree to which I participate in public finance management	(7.50)	(26.67)	(6.67)	(35.83)	(23.33)
My education level does not influence the degree to which I participate in public finance management	25	45	9	27	14
	(20.83)	(37.50)	(7.50)	(22.50)	(11.67)
People who have higher education level participate more effectively	8	23	5	53	31
	(6.67)	(19.17)	(4.17)	(44.17)	(25.83)
People who have lower education level participate more effectively	29	61	4	15	11
	(24.17)	(50.83)	(3.33)	(12.50)	(9.17)

Key: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

The findings indicate that the most outstanding variable for gender was that women and men participate irrespective of their gender in public finance management. This was acknowledged by 78.33% of the respondents.

For the age aspect, the most outstanding finding for age was that age does not affect participation in public finance management processes. This was acknowledged by 63.33% of the respondents. The most outstanding finding for education levels was that people with higher education levels participate more effectively. This was represented by 75% of the respondents. Further, 58.33% of the respondents disagreed that their education level influenced their participation in public finance management.

Table 4.12: Aspects of economic factors influencing community participation in PFM

Aspects of economic factors	n (%)				
	SD	D	N	A	SA
Level of income					
My income level influences my level of participation in public finance management.	36 (37.89)	36 (37.89)	6 (6.32)	14 (14.74)	3 (3.16)
My income level does not influences my level of	18 (18.95)	24 (25.26)	4 (4.21)	28 (29.47)	21 (22.11)
People of higher income level participate more effectively.	27 (28.42)	32 (33.68)	13 (13.68)	15 (15.79)	8 (8.42)
People of lower income levels participate more effectively	27 (28.42)	43 (45.26)	14 (14.74)	8 (8.42)	3 (3.16)

Key: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

The most outstanding finding is that 70% of the respondents disagree that the level of income influences participation in public finance management. Further, 63.33% of the respondents disagree that people with higher incomes participate more effectively in public finance management.

4.4.4 Influence of Social Behavioral Factors on Community Participation in PFM

In determining the indicators of social behavioral factors influencing community participation in public finance management, the respondents were asked to rank, on a scale of 1 to 5, how such behavioral factors would influence the community participation in public finance management processes. The scale respectively represent: Strongly Disagree, Disagree, Neutral, Agree and Strongly Agree. The data were analyzed using descriptive statistics -frequencies and percentages and the findings are shown in Table 4.9

Table 4.13: Aspects of social factors influencing community participation in public finance management

Aspects of Social behavioral factors	n (%)				
	SD	D	N	A	SA
Social attitude					
Generally, I have a positive attitude towards participation in PFM	7 (5.83)	22 (18.33)	4 (3.33)	58 (48.33)	29 (24.17)
Generally, I have a negative attitude towards participation in PFM.	29 (24.17)	62 (51.67)	8 (6.67)	12 (10.00)	9 (7.50)
People with positive attitude towards the county government participate more effectively	7 (5.83)	9 (7.50)	9 (7.50)	59 (49.17)	36 (30.00)
People with negative attitude towards the county government participate more effectively.	40 (33.33)	69 (57.50)	6 (5.00)	2 (1.67)	3 (2.50)
Social trust					
I have trust in the PFM	15 (12.50)	37 (30.83)	6 (5.00)	35 (29.17)	27 (22.50)
I don't have trust in the PFM processes	20 (16.67)	41 (34.17)	4 (3.33)	37 (30.83)	18 (15.00)
People with higher trust on the PFM participate more effectively.	3 (2.50)	10 (8.33)	4 (3.33)	68 (56.67)	35 (29.17)
People with lower trust on the PFM process participate more effectively.	39 (32.50)	67 (55.83)	9 (7.50)	3 (2.50)	2 (1.67)

Key: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

The findings indicate that the most outstanding aspect for social attitude was that people with positive attitude towards county government do participate more effectively at 79.17%. On the other hand, the most outstanding factor for the social trust was that people with higher trust on public finance management process participate more effectively at 85.83%. The study findings indicated that 51.67% of the study respondents have trust in the public finance management processes.

4.5 Inferential Statistics

This section contains correlation analysis results.

4.5.1 Correlation Analysis

Correlation analysis was done to ascertain the most related attributes.

Table 4.14: Correlation Analysis

		1	2	3	4	5	6	7	8	9	10
community_part	Pearson Correlation	1									
	Sig. (2-tailed)										
	N	120									
non_part	Pearson Correlation		1								
	Sig. (2-tailed)	.007									
	N	120	120								
Tokenism	Pearson Correlation	.161		1							
	Sig. (2-tailed)	.001	.000								
	N	120	120	120							
citizen_power	Pearson Correlation	.090		-.291**	1						
	Sig. (2-tailed)	.387	.000	.004							
	N	120	120	120	120						
Gender	Pearson Correlation	.109	-.063	.203*	.19	1					
	Sig. (2-tailed)	.295	.541	.049	.06						
	N	120	120	120	120	120					
Age	Pearson Correlation	.024	-.027	.108		-.292**	1				
	Sig. (2-tailed)	.814	.799	.296	.46	.004					
	N	120	120	120	120	120	120				
educ_level	Pearson Correlation	.033	.068	-.036	.17	.201	.215*	1			
	Sig. (2-tailed)	.754	.511	.727	.08	.050	.037				
	N	120	120	120	120	120	120	120			
Income	Pearson Correlation	-.054	-.119	.043	.20	.243*	.210*	.16	1		
	Sig. (2-tailed)	.607	.251	.677	.05	.018	.041	.10			
	N	120	120	120	120	120	120	120	120		
public_attitude	Pearson Correlation	.158	-.135	.202*	.15	.219*	.287**	.15	.192	1	
	Sig. (2-tailed)	.125	.193	.050	.12	.033	.005	.13	.062		
	N	120	120	120	120	120	120	120	120	120	
public_trust	Pearson Correlation	.046	-.120	.173	.09	.066	-.056	.07	.246	.17	1
	Sig. (2-tailed)	.659	.247	.093	.34	.525	.591	.48	.016	.08	

** . Correlation is significant at the 0.01 level (2-tailed). * . Correlation is significant at the 0.05 level (2-tailed).

There was a significant negative association between community participation and non-participation ($r=-0.263$, $p\text{-value}=0.007$). The other remaining factors were not significantly associated with community participation process.

4.5.2 Regression Analysis

Regression analysis was done to determine the significant factors affecting community participation in public finance management processes.

4.5.2.1 Influence of Regulatory Framework on Community Participation

A regression analysis was done with community participation being the dependent variable while citizen power, tokenism and non-participation being the independent variable to determine the regulatory framework factors affecting public finance management.

The coefficient table 4.15 shows the value of R-squared to be 0.1062, this shows that the amount of variation accounted for by the citizen power, tokenisms and non-participation is 10.62%. Therefore, 10.62% of the variation in Community participation is as a result of the variation in regulatory framework structure adopted by the county government. This indicate that there is a significant relationship between community participation and the regulatory framework structure (represented by citizen power, tokenisms and non-participation)

Table 4.15: Regulatory Framework Factors Regression Coefficients
Coefficients^a

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	3.400	.469		7.245	.000
non_part	-.040	.069	-.088	-.581	.563
1	.133	.068	.275	1.945	.055
citizen_power	-.028	.108	-.029	-.260	.795
R = 0.326	R ² = 0.106		Adjusted R ² = 0.083		

The values of non-participation, tokenism and citizen power are all not statistically significant ($p > 0.05$). The regression model explaining the results in the table 4.15 is given by:

$$\text{Community Participation} = 3.3 - 0.041 \times \text{Non-participation} + 0.133 \times \text{Tokenism} - 0.027 \times \text{Citizen Power}$$

The model shows that tokenism positively and significantly affects the community participation in public finance management, i.e. holding other factors constant, an increase in mean index tokenism increases the community participation in public finance management by a positive unit mean index value of 0.133.

Non-participation and citizen power reduces participation in public finance management by 0.041 and 0.027 respectively.

4.5.2.2 Influence of Socio Economic Factors on Community participation

A regression analysis was done with community participation being the dependent variable while socio-economic factors (income, education level, age and gender) being the independent variable to determine the socio economic factors affecting community participation in public finance management. The table in appendix three shows the value of R-squared to be 0.018. This indicates that the amount of variation accounted for by the Socio economic factors (education level, age and gender) is 1.8%. Therefore, 1.8% of the variation in Community participation is as a result of the

variation in socio economic status. This indicate that there is no significant relationship between community participation and Socio economic factors (income, education levels, age and gender)

As per appendix three, the values of gender, age, education levels and income are all not statistically significant ($p = 0.782 > 0.05$). The regression model explaining the results in the table 4.15 is given by:

$$\text{Community Participation} = 3.383 + 0.131 \times \text{Gender} + 0.002 \times \text{Age} + 0.027 \times \text{Education} - 0.095 \times \text{Income}$$

The model shows that gender, age and education levels positively affects the community participation in public finance management, i.e. holding other factors constant, an increase in mean index of gender, age and education levels increases the community participation in public finance management by a positive unit mean index value of 0.131, 0.002 and 0.027 respectively. However, income levels reduces participation in public finance management by 0.095

4.5.2.3 Influence of Social Behavioral Factors on Community Participation

A regression analysis was done with community participation being the dependent variable while Social behavioral factors (social attitude and social trust) being the independent variable to determine the behavioral factors affecting community participation in public finance management.

The coefficient table in appendix four shows that the value of R-squared to be 0.025. This indicates that the amount of variation accounted for in the model by the public trust and public attitude is 2.5 %. Therefore, 2.5% of the variation in community participation is as a result of the variation in behavioral factors. This indicate that there is a no significant relationship between community participation and behavioral factors (public trust and public attitude).

The values of public attitude and public trust are all not statistically significant ($p > 0.05$).

The regression model explaining the results in the table 4.15 is given by:

$$\text{Community Participation} = 2.66 + 0.288 \times \text{Social Attitude} + 0.041 \times \text{Social Trust}$$

The model shows that social attitude and social trust positively affects the community participation in public finance management, i.e. holding other factors constant, an increase in mean index of public attitude and public trust increases the community participation in public finance management by a positive unit mean index value of 0.288 and 0.041 respectively.

CHAPTER FIVE
SUMMARY OF THE FINDINGS, DISCUSSIONS, CONCLUSIONS AND
RECOMMENDATIONS

5.1 Introduction

The aim of this chapter is to discuss the findings reported in chapter 4 with a view of making conclusions about the research and finally recommendations on how community participation in public finance management can be improved in Makueni County. This section consists of four sections namely summary, discussions, conclusions and recommendations. The first section provides a summary of the important elements of the study which include the research objectives, methodology and findings. The second section discusses the major findings in light of the specific objectives (research questions). The third section discusses the conclusions based on the specific objectives and results obtained in chapter four of this study.

5.2 Summary of the Findings

The general objective of the study was to establish the factors which influence community participation in public finance management in Makueni County. The specific objectives were to determine the regulatory framework structures that influence community participation in public finance management, to determine how socio economic factors influence community participation in public finance management and to determine how social behavioural factors influence community participation in public finance management. The research design employed a case study of Makueni County in which a structured questionnaire was used to collect data from past participants of public budgeting forums. The total population of the participants was 198. A sample size of 132 was selected. A total of 120 questionnaires were returned which represented 91% return rate. A fact sheet was used to summarize the data before it was cleaned, coded and edited for completeness and accuracy. Data was analysed using STATA software to obtain descriptive statistics. The data collected was analysed using descriptive statistics namely frequencies and measures of central tendencies such as means. Inferential statistics techniques

such as correlation and regression analysis were also used. Data was presented in tables, pie charts and graphs.

In determining what regulatory framework structure influences community participation in budget formulation, the study established that there is a significant relationship between public participation and the regulatory framework structure (represented by citizen power, tokenisms and non-participation) (F-value=3.830, p-value=0.012<0.05). Among the different levels of Community participation, participation in public finance management process (Citizen Power) stood to be the most outstanding regulatory framework indicator that influences community participation represented by 90% of the respondents. However, there was a significant negative association between community participation and non-participation ($r=-0.272$, p-value=0.008). There was also a significant positive weak association between community participation and tokenism ($r=0.330$, p-value=0.01). Citizen power was not significantly associated with community participation in public finance management processes. This implies that although regulatory framework factors influence community participation, only non - participation has a significant association.

In establishing how the Socio economic factors have positive influence on community participation in the budgeting process, it was established that socio economic factors influence community participation. However there is no significant association between socio economic factors and community participation as illustrated by (F-value=0.437, pvalue=0.782>0.05). Findings from descriptive analysis indicates that women and men have equal opportunities to participate in public finance management. This was acknowledged by 78.33% of the respondents. The most outstanding variables for age does not affect participation in public finance management. This was acknowledged by 78.33% of the respondents. The most outstanding variables for education levels was people with higher education levels participate more effectively. This was represented by 75% of the respondents. However, 58.33% of the respondents disagreed that their education level influenced their participation in public finance management.

In determining how social behavioral factors influence participation, the findings from descriptive analysis indicated that social behavioral factors influence community participation and the most outstanding factor for social attitude was that people with positive attitude towards county government do participate more effectively representing 79.17% while the most outstanding factor for the social trust was that people with higher trust on public finance management process participate more effectively representing 85.83%. However, there was no significant relationship between community participation and social behavioral factors (public trust and public attitude) as illustrated by F-value=1.200; p-value=0.306>0.05).

5.3 Discussion of Findings

From the findings contained in chapter four, the discussion on the influence of regulatory framework, Social Economic and behavioural factors on community participation is outlined in this section.

5.3.1 Regulatory Framework Factors and Community participation

The study revealed that regulatory framework factors influence community participation in Makueni County. This was evidenced by a positive significant relationship between regulatory framework factors and community participation. Citizen power, (in which the public acknowledge that ‘I normally negotiate tradeoffs with budget officials on items to be included in budget) was identified by 90% of respondents as the regulatory framework level that they participate identify with. These findings are consistent with a number of studies. Ostrom (2009), DeCaro and Stokes (2008) and Andrade and Rhodes (2012); Stringer, et al.,(2006) all of whom argue that there is a significant association between the level of community participation and the degree of citizen participation. This finding affirms that indeed the county government has entrenched effective and meaningful participation mechanisms at the county level. Citizens are participating in public finance management processes to fulfill their legal and constitutional requirements and to foster their wellbeing. Another study by Economic and Social Rights Center (2013) examined community

participation in Kenya and established that effective citizen participation in budgeting is faced by a myriad challenges including inadequate transparency of budget information and a lack of structured mechanism for participation.

A huge majority, 90% of the respondents agreed that they normally negotiate tradeoffs with budget officials on items to be included in the public finance management process (citizen power). This demonstrates that meaningful participation that empowers the public and allows them to have a voice, influence budget allocation and contribute to the identification of priorities and negotiate trade-offs. According to Institute of Economic Affairs, (2012) although the funds have presented the best effort at community participation so far, the actual participation of the public in the management of the funds is piece meal and falls short of the requirement. National Tax payers Association (2013) also highlight glaring limitations of community participation in the budgeting process. According to the institution, effective community participation is yet to fully take root in Kenya. The case for Makueni County is one that can guide other counties in effective public participation. These concerns are further confirmed by County Government of Makueni (2013) which affirms that the County government has not yet developed a definite threshold and policy for community participation in the budget process.

5.3.2 Socio Economic Factors and Community participation

On the socio economic factors, findings from the study revealed that education had the highest influence on citizen participation relative to other socio economic factors with 75% of the respondents acknowledging this. The findings however showed that there was no significant association between socio economic factors and community participation. Mwenda (2010) links education to the publics' ability to express their interest in self-determining governance of the people by the people and argues that lack of sufficient educational attainment hampers information dissemination hence lower the quality of community participation. Mboga (2009), draws a correlation that higher education attainment has on community participation in Kenya. He argues

that education expands the ability of citizens to appropriate their desires and interests and have their voices heard in a logical and organised manner.

Indeed other studies conducted by other scholars have concluded that a unit increase in the number of years in school leads to increased community participation. This also applies to other civil engagement activities that citizens participate in such as voting. According to Milligana, Morreti & Oreopoulos (2004) an extra year in schooling in the UK had small but significant influence on probability of voting. According to them, for registered voters who finished attending school at the age of 18 years or later, the voting rate is 88% against 87%, 83% and 85% for those who finished school at age of 17, 16 and 15 respectively. Additionally, related findings from studies conducted in the US by Dee (2004) found that college education attainment was associated with up to 22% point increase in voter participation. Results from study suggested that educational attainment has high and statistically significant association on voter participation by 17% to 22%. The report also established that additional schooling appear to increase the quality of community participation and civic knowledge.

Some contradictions to this argument have been noted especially in some of the countries in the industrialized West where higher educational attainment has actually led to a reduction in citizen participation in civic engagement such as budget process or electoral process. This has been noted in the United States and other countries (Franklin, 2004).

According to the findings of this study, another dimension of Socio economic factors influencing community participation was that men and women have equal opportunity in participating in public finance management forums. This was indicated by 63.34% of the respondents. This shows that the process of selecting participants to participate in the public finance management process was fair and representative for both genders. This contradicts arguments that women have largely been left out in civil engagement and political processes. Akerkar (2001), ADRII (2014), IHEMEJE (2013).

Income levels were found to have minimal influence on participation in public finance management as represented by 75.78% of the respondents. This finding seems to contradict other studies conducted by Verba et al. (1995), who argues that richer people tend to have more stakes in the political process because they understand political and social life better. Bartels (2003), argue that wealthier people are usually interested in their voices being heard while Weber (2010) and Russell & Vidler (2000) who argue that the wealthier members of the public tend to participate more effectively because lower income segments are usually concerned especially in the developing world are more concerned about other priorities such as fending for their families.

5.3.3 Behavioral Factors and Community Participation

Findings from the study revealed that behavioral factors namely social attitude and trust influence community participation. This was indicated by 79.17% and 85.84% of the respondents respectively. However it was revealed that there is no significant association between behavioral factors and community participation. The findings from the descriptive statistics are in line with those of Rishi (2003) and Hiskey & Seligson (2003) who established that citizens' social behavior such as attitude towards the local government influences their level of participation in local government affairs. According to Rishi (2003) since people's social actions or their personal programs are directed by their attitudes, if their attitude is positive toward an event or an action, it is more likely that they would divert their behavior towards such action in more meaningful way.

Studies by Mohammadi, Norazizan & Ahmad (2010) conducted in Malaysia concluded that indeed citizen attitudes influence community participation in the activities of government. However, these studies also concluded that there was a significant positive association between public attitude and community participation. The findings, which sought to establish how attitude is influenced by the level of participation revealed that two level of ladder participation (Tokenism and Citizen-

power) have positive and significant relationship with attitude, while Non-participation level of ladder has negative significant relationship with attitude. It is important to note that the sample size in this study was 132. This may also have had an influence on the results of the study.

Kosecik & Sagbas (2004) and Stevenson (2007) also argue that there is a linear relationship between citizen attitude toward local government and their participation in the affairs of government. However, studies carried out in Bosnia and Herzegovina by the World Bank (2009) suggest that there are instances where people still participate in local government affairs despite their low trust and negative attitude towards the local government and when they know that they have a lower likelihood of influencing the government decisions. These studies however indicated that in such cases, the participation of the public was more of a reactive participation as opposed to proactive one.

The argument that trust influences the degree and quality of community participation is supported by several scholars. Tsang (2009), Gilson (2003), Putman (1995) and Inglehart (1999) all argue that trust is an important factor that influences community participation. However, scholars like Xiao Wang (2007) contend that trust formation is largely influenced by whether participation produces the quality that the public desires. Seismuskane & Vorslava (2011) differentiate the level of community participation where trust seems to have an influence. They argue that at the local level, citizen participation has a very strong link to trust. They however argue that at the national level, the influence of trust in participation is not absolute. They therefore concluded that participation in at the national level is also influenced by other factors as well and not largely by trust. Aitken (2012) in his comprehensive analysis of the role of trust in community participation argue that any research on the role of trust in community participation need to consider both the object of trust and the subject of trust. He argues that research which only considers stakeholders' (such as the public) trust without looking that of the object (such as state officials) the role of trust in influencing community participation is likely to be inconclusive.

5.4 Conclusion

The study concludes that a majority of citizen in Makueni County participate in public finance management at the at a higher empowerment level which had a significant and positive correlation $\alpha=0.10$ and tokenism which had a positive and significant correlation at $\alpha=0.05$. This is evidenced by a positive significant relationship that exists between participation and community participation. From the responses, it appears that community participation is has taken some root and ingoing to meaningful participation on the part of the public. This conclusion is further strengthened by a huge majority of respondents (90%) who agreed that their participation in public finance management allows them to negotiate trade-offs with budget officials. This is partly as a result of an effective participation modalities and clear model that defines the framework within which participation of the public in public finance management is to be done.

The study further, concludes that education attainment is the social factor that has the highest influence on the effectiveness of community participation. This is however inconclusive since there was no significant association between education and participation. This may be due to the sample size of 132 respondents that this research used. The study also concludes that age and gender have no influence to community participation in public finance management.

Finally, the study concludes that indeed behavioural factors (social attitude and trust) influence community participation in public finance management. Citizens who have a high level of trust and a positive attitude toward the government are likely to participate more effectively. However, this is inconclusive as there was no significant association between behavioural factors and community participation. This is likely to be the case due to the sample size used or the fact that the study focussed on the government at the county level as opposed to the sub county level which the respondents interact with more frequently.

5.5 Recommendations

The study recommends that the County Government in Makueni puts in a place a well-defined policy under the existing participation framework that will guide future community participation forums with view to ensure that the public is meaningfully engaged and contributes effectively to the process of public finance management. It is important to ensure that the public is meaningfully involved in identifying community needs through the budgeting process and ultimately in the implementation process. Budget priorities based on their felt needs and assisted by technical teams to develop viable projects. This can be done by allowing public needs to make decisions and negotiate trade offs in the public finance management processes. This will address their concerns that they may just be used as rubber stamps to the process or to provide information that is not necessarily used by decision makers.

Based on the results of this study it is further recommended that the county government considers including people with diploma level of education and above for purposes of enriching the debates on public finance management. For those who do not have this level of education, it is our suggestion that county government provides basic training on public finance management processes so that the individual acquire basic skills that are necessary to contribute meaningfully to the various public finance management processes. It is also our considered view that the county government needs to ensure adequate gender representation in future public finance management processes.

Finally, it is recommended that the county government should implement the views of the public that were shared in previous budgeting process in order to sustain public trust. County officials should also ensure that county resources are managed in transparent manner and that all previously planned projects are implemented to their successful completion and use to the benefit the intended beneficiaries.

5.6 Recommendation for Further Study

An acknowledgement to the fact that the study was limited to a case study in Makueni and not the entire country is made and therefore recommended that further studies be conducted to establish the factors that influence community participation in other counties. Further studies should also be conducted on other factors that influence community participation beyond policy factors, socio economic factors and social behavioural factors. Future research, should consider a bigger sample size.

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APPENDICES

APPENDIX I: LETTER OF INTRODUCTION

Date: 2018.

Dear Respondent,

Dear Sir/Madam,

RE: DATA COLLECTION

I am a post graduate student at the University of Nairobi currently undertaking a research study to fulfill the requirements of the Award of Master of Project Planning and Management. I am conducting a research study titled “*Factors influencing community participation in Public Finance Management; A case of Makueni County.*”

You have been selected to form part of the study, kindly assist by filling in the attached questionnaire. The information given will be treated in strict confidence, and will be purely used for academic purposes. Do not indicate your name or unwanted details on the questionnaire.

Your assistance and cooperation will be highly appreciated.

Yours sincerely,

Ndambuki Kioko

L50/76524/2014, Researcher

APPENDIX II: QUESTIONNAIRE

Introduction

This research is meant for academic purpose. It will try to find out the “*factors influencing community participation in Public Finance Management; A case of Makueni County*”. You are kindly requested to provide answers to these questions as honestly and precisely as possible. Responses to these questions will be treated as confidential. Please do not write your name anywhere on this questionnaire. Please tick [] where appropriate or fill in the required information on the spaces provided.

SECTION A: DEMOGRAPHICS

1. Your gender: [] Male
[] Female

2. Age: [] 18-25 Years
[] 26-35 Years
[] 36-45 Years
[] 46-55 Years
[] over 56 Years

3. Highest level of education
[] Primary certificate
[] Secondary certificate
[] Dip/College Certificate
[] University Degree

4. Monthly Income (Kshs):
[] Under 25,000
[] 25,001 - 50,000
[] 50,001- 100,000
[] Over 101,000

5. What is your employment status?
- Employed
 - Unemployed
 - Self-Employed

6. In which sub county do you reside in?
- Kilome
 - Kaiti
 - Mbooni
 - Makueni
 - Kbwezi West
 - Kibwezi East

SECTION B: RESEARCH TOPIC

FACTORS INFLUENCING COMMUNITY PARTICIPATION IN PUBLIC FINANCE MANAGEMENT

In your opinion, to what extent do you think the following statements on community participation in public finance management (revenue mobilization, fund allocation, spending and accountability) in Makueni County apply? Please provide your response by ticking (✓) on the provided space for each item.

(Very little extent=**1**, Little extent =**2**, Average =**3**, Large extent =**4**, Very large extent =**5**)

Statement	Please tick (✓) appropriately				
	Very little extent	Little extent	Average	Large extent	Very large extent
7. You understand the concept of community participation in public finance management (revenue mobilization, fund allocation, spending and accountability)					
8. In the last two years, you have participated in public finance management at your Sub County level					
9. The constitution provides for mechanisms for community participation in public finance management					
10. Given a chance, I would participate (again) in public finance management at my sub county					

	Very Bad	Bad	Don't Know	Good	Very Good
11(a). How would you rate community participation in your sub county					

11(b). Please provide any other additional information with regard to your understanding of community participation in public finance management

.....

.....

.....

.....

Regulatory frameworks/policy influence on Community Participation in Public Finance Management.

Tick (✓) only ONE statement that best describes your level of participation in Public Finance Management (PFM) processes (revenue mobilization, fund allocation, spending and accountability)

Non –Participation	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
12) My participation in public finance management at my sub county is just a mere formality					
Tokenism					
13). Normally I am given an opportunity to give my views in public finance management forums					
Citizen Power					
14. I usually give in through tradeoffs and negotiations with budgeting and planning officials on items to be included in budget and implemented as projects in my sub county.					

15. Please provide any other additional information with regard to regulatory framework/policies

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Socio - economic Factors Influencing Community Participation in Public Finance Management

Social Factors

A) Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
16) I participate in public finance management because I am a woman/man.					
17) Being a Man/Woman influenced my choice of participating in public finance management forums					
18) Women/men have and equal opportunity to participate in public finance management					
19) Being a man enables one to participate better					
20) Being a Woman enables one to participate better					
A) Age	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
21) My age influences my ability to effectively participate in public finance management					
22) My age does not influence how effectively I participate in the public finance management					
23) Younger (the youth) people participate more effectively.					
24) Older people participate more effectively					
C) Education Level					

25) My education level influences the degree to which I participate in public finance management					
26). My education level does not influence the degree to which I participate in public finance management					
27) People who have higher educated level participate more effectively					
28) People who have lower education level participate more effectively					

Economic Factors

B Income Level	Strongly	Disagree	Neutral	Agree	Strongly
29) My income level influences my level of participation in public finance management.					
30) My income level does not influence my level of participation in public finance management.					
31) People of higher income level participate more effectively.					
32) People of lower income levels participate more effectively					

33. Please provide any other additional information with regard to socio economic factors

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Social Attitude and Trust Influence Community Participation in Public Finance Management

A) Social Attitude	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
33) Generally, I have a positive attitude towards participation in public finance management.					
34) Generally, I have a negative attitude towards participation in public finance management.					
35) People with positive attitude towards the county government participate more effectively.					
36) People with negative attitude towards the county government participate more effectively.					
B) Social Trust	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
37) I have trust in the public finance management process					
38) I don't have trust in the public finance management processes					
39) People with higher trust on the public finance management processes participate more effectively.					
40) People with lower trust on the public finance management processes participate more effectively.					

41. Please provide any other additional information with regard to Social attitude and trust

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Thank you very much for finding time to fill in the form and to take part in this research.

APPENDIX III. COEFFICIENT SOCIAL ECONOMIC FACTORS

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.384	.533		6.351	.000
1 Gender	.132	.119	.125	1.116	.267
Age	.002	.152	.002	.016	.988
educ_level	.027	.137	.022	.199	.842
Income	-.095	.118	-.088	-.803	.424

R = 0.138

R² = 0.019

Adjusted R² = -0.025

APPENDIX IV: COEFFICIENT BEHAVIOURAL FACTORS

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.607	.813		3.206	.002
1 public_attitude	.288	.194	.155	1.484	.141
public_trust	.041	.233	.018	.175	.861

R = 0.159

R² = 0.025

Adjusted R² = 0.004

**APPENDIX V: COUNTY PUBLIC FINANCE MANAGEMENT PROCESSES
CALENDAR**

Table A2 outlines the County Public Finance Management Processes calendar.

Timeline (Deadline)	Activity
01st July	County Budget Cycle begins
31st July	Q4 Implementation Report from previous
30 th August	County Executive Committee Member for Finance (CECF) issues budget circulars to all county entities and spending units
1st September	Integrated Development Plan submitted to County Assembly for approval by CECF
21 st October	County Budget Review and Outlook Paper (CBROP) is tabled in Assembly and published as soon as practicable County Treasury prepares County Fiscal Strategy Paper (CFSP) taking into account the views of CRA, the public, interested persons and any form established by legislation. Must be aligned to policy objectives in the national BPS. CFSP is submitted to the County Executive Committee for approval
31 st October	Q1 implementation reports published
31 st December	Auditor General releases report from the previous year
31 st January	Q2 implementation reports published
28 th February	County Fiscal Strategy paper (CFSP) is submitted to the County Assembly

14 th March (within 14 days after CFSP being submitted)	County Assembly adopts CFSP with or without amendments
30 th April	CECF submits budget estimates for the following year. Must be in line with Assembly resolutions on the CFSP.. Budget documents to include detailed list of entities that will receive appropriated money, shown by economic classification and vote. Should also include a summary, statement of how the estimates comply with fiscal responsibility principles and financial objectives, and how CFSP resolutions have been taken into account Q3 implementation reports published
As soon as practicable after presentation to the Assembly	County Executive Committee of Finance (CECF) publishes and publicizes budget estimates for the following year Relevant County Assembly Committee meets to consider the estimates and make recommendations to the County Assembly. It must take into account the views of the CECF
	County Assembly considers estimates and approves with or without amendment, in sufficient time for the county appropriation law to be passed By 30 th June
	After estimates are approved, CECF submits County Appropriation Bill to the County Assembly
15 th June	County government must submit annual cash flow projections to the Controller of Budget
30 th June	Appropriation Bill must be passed by the County Assembly CECF makes a public announcement of the proposed revenue measures. Finance Bill is tabled in the County Assembly at the same time.

Assembly committee considers the Finance Bill and may amend, provided total revenue is consistent with the Fiscal Framework and County Allocation of Revenue Act and taking into account recommendations of the CECF

90 days after
Appropriation Law
is passed

County Assembly considers the Finance Bill and approves with or without amendments