

## MANAGEMENT ASPECTS THAT INFLUENCE EFFECTIVENESS OF THE CASH TRANSFER PROGRAMME FOR OLDER PERSONS IN POVERTY REDUCTION: THE CASE OF SIAYA COUNTY, KENYA

**Charles M. Rambo**

School of Continuing and Distance Learning

University of Nairobi

E-mail: [crambo@uonbi.ac.ke](mailto:crambo@uonbi.ac.ke)

### ABSTRACT

Cash transfer to poor and vulnerable older persons is a key element of social protection, which has demonstrated a huge potential in poverty reduction initiatives, first in developed nations, and now gaining acceptance in developing countries. In Kenya, the cash transfer programme for older persons was pilot-tested in 2006 and rolled out in 2008. Anecdotal literature suggests that most beneficiaries remain poor and vulnerable ten years down the line, which casts aspersions on various aspects, including management systems and practices. This study aimed at determining the effect of various management aspects on the programme's effectiveness in poverty reduction among older persons. The cross-sectional survey design was applied and primary data sourced in mid-2016 from 184 participants, including 148 beneficiaries, 27 coordination committee members and 9 programme staff. Analysis techniques included independent samples t-test, one-way analysis of variance and multiple linear regression. The results show that location of payment centres emerged the most important factor undermining the programme's effectiveness (Beta = -0.291,  $t = -4.450$  &  $\rho = 0.000$ ); followed by payment schedule (Beta = -0.274,  $t = -4.198$  &  $\rho = 0.000$ ); administrative budget (Beta = -0.221,  $t = -3.068$  &  $\rho = 0.002$ ); and communication from management to beneficiaries (Beta = -0.165,  $t = -2.252$  &  $\rho = 0.020$ ). All the management aspects included in the analysis negatively affected the programme's effectiveness in poverty reduction; however, only the effect of location of payment centres, payment schedule, administrative budget, and communication to beneficiaries that were statistically significant. Strengthening the programme should involve decentralisation of payment services to rural areas through mobile outlets and mobile phone money transfers; filing returns in time, sensitisation of donors on the need for early disbursements, improving the administrative budget as well as establishing a bulk text messages system for relaying strategic messages to beneficiaries.

**Keywords:** Management aspects, cash transfer, poverty reduction, older persons, Siaya County.