Deutscher Tropentag 2002

Witzenhausen, October 9-11, 2002

Conference on International Agricultural Research for Development

On Targeting and Outreach of NGDO Safety Net Programmes: Evidence from Rural Kenya

Charity Irungu[1] and Manfred Zeller[2]

Institute of Rural Development, Georg-August-University, Goettingen, Waldweg 26, 37073, Goettingen, Email Addresses: [1]cirungu@gwdg.de, [2]m.zeller@agr.uni-goettingen.de

Abstract

Targeting limited resources in the context of poverty alleviation to a subgroup of the population who need them most remains a challenge to most development agencies and policy-makers. Though widely recognised as an attempt to reach the poorest of the poor, targeting is however not always straight forward to implement and a poorly targeted intervention could end up being more costly and less effective than one that is randomly allocated or made available to all households. Due to limited resources and the small scale of operations, most Non Governmental Development Organisations' (NGDOs) practice targeting to limit access to the interventions to only a select group of individuals considered to be most in need.

This paper examines the targeting performance and depth of outreach of two child-safety net programmes in rural Kenya that are funded by Christian Children's Fund/Kenya and Compassion International/Kenya. Targeting in both NGDOs is done at two levels. Geographical targeting is used to locate a programme area and household-level targeting is done on the basis of local community knowledge. Data for this paper was collected through a household survey of 120 randomly selected households, stratified equally into participants and non-participants, in which a detailed questionnaire was used. In addition, data from an in-depth study of the two NGDO programmes is used to complement the household survey. To analyse the depth of outreach, a relative household poverty index developed from a set of selected relative poverty indicators using Principal Component Analysis (PCA) is used. An econometric model is specified to identify the determinants of participation. Results show the importance of the human, physical and social types of capital in enhancing selection. The role of the local socio-political power structure is also evident in the selection process.

Key words: Poverty, Targeting, Outreach, NGDOs, Kenya

1. Introduction

In the last two decades, the Non Governmental Development Organisations (NGDOs) have become increasingly important players in the field of international development. Their growth has been prolific over the period particularly in many of the developing countries (Clarke, 1998). In Kenya, the numbers of registered NGDOs grew from about 124 in 1975 to about 3000 in 1999. With the reduction of state support in the provision of social services following the implementation of the structural adjustment programmes, NGDOs in the country are active in many of the service roles carried out by governments in the developed world (Ndegwa 1996; Daily Nation, 1999).

One of the major strengths of NGDOs mentioned in literature is their ability to reach the poor and marginalised members of the society. This fact has made them gain credibility in the eyes of the donors resulting in a trend of donor shift from governments in favour of NGDOs. In Africa, for example, the total Official Development Assistance (ODA) fell from US$ 17.3 to 15.1 billion between 1993 and 1997, while funds flowing through NGDOs rose from less than US$1 billion dollars in 1990 to over US$ 3.5 billion in 1999 (Chege, 1999). A number of criticisms have however been raised with respect to the NGDOs effectiveness in reaching the poorest members of the society. Vivian and Maseko (1994) point out in their study that few NGDOs in Zimbabwe ever target the poorest of the rural poor. This could result from a number of factors. For one, reaching the poorest and particularly those in some remote poor locations is more resource intensive compared to reaching those who are marginally poor and the non-poor as well as those located in more strategic locations. Secondly, most NGDOs in the South depend totally on donor funds, where performance is a key determinant of continued funding. In such cases, NGDOs and other development agencies are therefore likely to work with a clientele that is easily accessible and that has some resources that would enhance programme impact and quicker results.

However, despite this general picture, there are particular NGDO programmes that are tailor-made for the poorest, such as the child development programmes. Many large international NGDOs are involved in these activities, but there has been little research done on their outreach performance to the poorest beyond the rhetoric. This study therefore seeks to contribute to the existing knowledge of the performance of NGDOs, with special respect to outreach performance of two child development programmes in Kenya. The specific objectives are:

(a) To analyse the relative poverty levels of the client households of two child safety nets programmes in rural Kenya
(b) To determine the depth of outreach of the case study NGDOs
(c) To identify and analyse factors that influence households' participation in these programmes

2. Conceptual and Empirical Issues: Targeting, Depth of Outreach and Participation

Targeting is defined as 'the practice of limiting access to an intervention to a select group of individuals' (Hoddinott, 2001: p. 89) and is justified as a policy measure by budgetary constraints, that is, if it maximises gains to the poor for a given budgetary cost. There are basically two main targeting strategies: administrative targeting and self–targeting. The former refers to the application of targeting criteria in such a way that participation includes some individuals but effectively excludes others while in self-targeting, the intervention is available to all but is fashioned in such a way that it is less attractive to certain groups of people. Targeting is however involves costs, which range from administrative costs such those of identifying, reaching and monitoring the poor, to social and economic costs accruing to the participation households and community as whole. The latter costs may include those associated with moral hazards encouraged by the programmes and loss of stigma for those targeted. Targeting could also lead to undermining of the local political base of the programme if the affluent feel left out (World Bank, 2002).

Identifying the poor, and hence targeting them is complicated by the fact that poverty is multi-faceted and is measured or expressed in a variety of ways. In administrative targeting, the target group is defined by use of means-testing, use of indicators, use of an external evaluator or community-based information. Conventionally, means testing is frequently used in most poverty analyses, in which case either household income or consumption data is collected. Indictor-based poverty assessment and hence targeting is often used since means testing is very costly and has certain limitations which make it not entirely accurate. It is thus assumed that there are identifiable characteristics that correlate with poverty and that data on these is relatively easier to obtain that with the intensive household expenditure surveys. In this paper, a poverty index is created using Principal Component Analysis (PCA) following the work of Zeller et al, (2001). Poverty is thus assessed in relative terms whereby comparison is made between the lowest tercile of a population against the upper terciles. This methodology was preferred bearing in mind the resource constraints to do a comprehensive means-testing household survey as well as the fact that NGDOs usually work intensively in small geographical areas and therefore use of local indicators would have a more direct relevance to them.

Depth of outreach refers to how deep in the pool of the poor a programme has been able to reach (Navajas et al, 2000). In this paper it is assessed as the percentage of the poorest households participating in the programme who are as poor as the poorest one third of the general population. Thus a programme with a deeper outreach is expected to have more of the clients in the poorest group compared to the general population. Depth of outreach is conceptualised as a function of supply and demand. Supply is influenced by the conduct of an organisation, being itself a result of its structure and its external environment. Demand is influenced by clientele-related variables

as well as the external environment, which conditions the demand for the services of the offered by the NGDOs.

Studies on the determinants of household participation in rural development programs identify a number of household characteristics as potential determinants. These include: age and gender, household status, education level, social divisions (heterogeneity in the community), occupation, income level and sources, length of residence and distance of resident from project, land tenure and employment status (Cohen and Uphoff, 1977; Evans et al, 1999; Zeller et al, 2001). In addition, a strong relationship is expected between targeting indicators and approaches and participation. In self targeted programs, the rational choice model of participation is often applied where a households is taken to decide to participate or not after considerations of immediate and future long term benefits, and costs associated with it. In case of administratively targeted programmes this approach would be unsuitable since the intervention is not made available to all households.

3. Research Methodology

3.1 Data

The data used in this paper was collected in parts of Eastern Kenya between August and December 2000. Data from a household survey is complemented with information gathered through detailed interview of key informants and from an in-depth study of the Christian Children Fund (CCF/K) and Compassion International, Kenya (CIK), the two NGDOs used as case studies. The household survey involved a standardised questionnaire covering household socio-economic profile, participation in community level development activities and organisations, and participation in the case study NGDOs. The sample consisted of 120 randomly selected households stratified equally into participants and non-participants. Relative poverty analysis is done at the household level. The fundamental rationale behind the choice of a household as a unit of analysis is the assumption of sharing of resources and joint decision making by the adult members within households.

3.2 Description of the case study programmes

The two child safety net development programmes used in this study are supported by Christian Children Fund (CCF/K) and Compassion International, Kenya (CIK). Both implement projects through local partners that manage the programmes on the ground, while the NGDOs provide technical and financial support. The two NGDOs have a long history of working in Kenya having started their operations in the 1960 and 1980 for CCF/K and CIK respectively. Both programmes are child based safety net programmes in that they are intended to support poor children though individual sponsorship and help to give them a better chance in life than what they would have otherwise had. They do this mainly through formal education and health programmes, and other programmes that each NGDO considers important in the survival, development, and protection of

children. The CCF/K project at Mutonga had about 790 registered children at the time of the survey. CIK on the other hand, supports 15-child development centres (CDCs) in Mbeere Diocese, each with its own committee and staff. However, only three such CDCs with about 800 sponsored children were included in the survey. Both programmes operate with locally recruited staff that is accountable to the committees, and which is not considered part of the NGDOs staff. In as far as targeting is concerned both program explicitly state in their targeting policies, that their target group are the children from the poorest families.

In this paper, it is appreciated that the two case study programmes are limited to the specific local partners in the areas selected, that is, Mutonga development project and Anglican Diocese of Mbeere for the CCF/K and CIK respectively. However, for the purpose of analysis and in recognition of the NGDOs as the superior partners, names symbolising both partners will be adopted, as follows: CCF-Mutonga and CIK-Mbeere for the CCF/K and CIK programmes respectively.

4. Data analysis

4.1 Relative Poverty Assessment

Relative poverty is analysed using a poverty index developed using Principal Component Analysis (PCA) from a set of selected relative poverty indicators including household demographics and human capital, dwelling indicators, types and number of meals served over a seven day period, and type and value of assets. Depending on the relative poverty level, each household is assigned a score, in which the lower the score the poorer the household is in relation to the others. Based on this index, households are classified into three relative poverty groups. Non participants, representing the general population are used to define the groups. Chi square cross tabulations are then used to describe the resulting distribution and from these the depth of depth of outreach is analysed.

4.2 Econometric Analysis

Participation in the programme is modelled as a binary variable PART which takes a value if 1 if household is a participant and 0 if otherwise. To determine the probability to participate it is assumed that participation is a function of household characteristics, spatial location of the household and programme characteristics. This could be expressed as follows:

$$Y = \alpha + \beta X_i + \mu_i \qquad (i)$$

Where $Y = 1$ if a household is a participant and 0 otherwise, X_i is the vector for response variables for the i^{th} household and μ is the disturbance term. The specific variables meaning, descriptive data and hypothesis are presented in Table 1.

Table 1: Meaning and description of the variables used in the models

Variable Name	Variable Description	Mean	Std. deviation	Hypothesised sign
HHSIZE	Household size (number of household members)	6.28	2.27	+
PROGRAM	NGO program (dummy =1 if CCF-Mutonga, 0 otherwise)	0.5	0.5	?
GENDHHH	Gender of household head (Dummy = 1 if male, 0 otherwise)	0.85	0.36	-
AGEHHH	Age of household head in years	44.12	11.89	+
DEPEND	Dependency ratio (number of members < 15 years and >65 years divided by household size)	0.42	0.20	+
ADULTEDU	Average education of adults in years	6.87	3.09	-
EDUCHHH	Education level of household head in years	6.89	4.09	-
EDUCHSD	Education level of household head squared	64.08	58.55	-
POVINDEX	Poverty index of the household (the higher the more wealthy)	-0.65	0.62	-
POVISQD	Poverty index squared	0.80	0.71	-
SOCCAP	Social capital index	12.96	16.29	+
REGION 1-4	Regional dummies for 4 of the 5 regions			

a) N =120
b) Dependent variable is participation in either of the programmes
c) Regions 1- 4 in ascending order are Kanyuambora, Kavengero Kathigagaceru and Mutino. Reference region is Kanjuki.

Source: Own Survey

5. Research Findings and Discussion

5.1 Description of the targeting approaches

Both programs were started under the leadership of two community leaders from each area that approached the NGDOs on behalf of the respective communities. Based on the information provided by these rural elite, the NGDO staff visited the area, conducted some rapid rural appraisals and later the programmes were started. This demand driven program placement does not tell much about the targeting policy of the NGDOs, even though there is no doubt it was quite successful in locating the programmes in some of the poorest areas in that part of the country. After the identification of the program localities, the next step is to select the program participants. In the case of CIK-Mbeere, this step begins with formation of local child development centre committees whose membership is drawn exclusively from members of the partnering evangelical church. The committees together with a representative of the NGDO then recruit project staff, who together with the committee identify the children for sponsorship. The process is a bit different in the case of CCF-Mutonga, since after an initial phase whereby the programme was ran through an intermediary organisation (the local Catholic Church) it was then handed over to the parents of the sponsored children. Thus the parents through their representatives are involved in selection of new children alongside the project staff and the local administration.

In both programmes, selection of the participants is based on the local knowledge of who is poor and therefore deserving to be enlisted for the programme. Theoretically local community targeting agents have advantages of having better information on the household characteristics, needs, and even any developments that may not be so obvious to an outsider. This better information should thus reduce the targeting errors of inclusion and exclusion, as well as the administration costs. However, how the local social structures operate in particular areas should be well understood before taking it for granted that they would work for betterment of the poor. After all some of the existing social structures are responsible for perpetuating social exclusion and exploitation of the poor in social and economic development, and the same should not be expected to actively target the poor.

From the case studies, participant parents felt that the selection process was far from being transparent and fair. About 16.7% and 36.7% of the participants of CCF-Mutonga and CIK-Mbeere were of the opinion that there was need for the selection process to be more open and hence more effective in reaching the poorest[1]. In-depth discussions revealed that flaws emanated from either one of more of the following three areas. In some instances some committee members were reported to include their children or their relatives' or friends' as an indirect mode of compensation for time spent in project-related activities, even though they may not be the most needy. Secondly, despite the policy to target all community members irrespective of religious affiliation in CIK-Mbeere, members of the partnering denomination dominated the programme at the expense of the other more deserving cases. And thirdly, there were cases of nepotism and even corruption depicted by use of bribery to have unqualified children included. The community-expressed desire was to have the targeting criteria (rules and targeting guidelines) clearly spelt out and made public to all interested. This would enable them in monitoring and evaluation of the targeting performance. Without such indicators it would be difficult to keep the 'selectors' accountable to the rest of the community and could encourage local level corruption.

5.2 Depth of outreach

To evaluate the depth of outreach the relative poverty of participant households was compared with the general community based on the poverty index rating. The results for the two programmes are presented in Table 2. The chi square results show that there were significant differences at one percent (1%) level in the distribution of the participant households and the general population across the three poverty groups. In both cases the middle tercile group was over represented in the participant population, with the 'poorest' and 'not so poor' groups being almost equally represented. The depth of outreach of the programmes is thus 13.3% and 20.0%

[1] The non-participants were not asked to comment on the programmes since it was anticipated they might be biased in one way or the other. The point however is that if some of the participants could agree that there some irregularities, how much more would the rest of the community.

for CIK-Mbeere and CCF-Mutonga respectively. This was rather poor performance given that they are supposed to explicitly target the poorest.

Table 2: Distribution of Households across the Relative Poverty Groups

Relative Poverty Groups	CD (n= 120)			
	CCF-Mutonga		CIK- Mbeere	
	Participant	Non participant	Participant	Non participant
Poorest	13.3	33.3	20.0	33.3
Poor	70.0	33.3	60.0	33.3
Not So Poor	16.7	33.3	20.0	33.3
Total	100.0	100.0	100.0	100.0
Chi square test		8.141***		8.571***

Source: Own survey

5.3 Econometric results

The results of the econometric model for evaluating the determinants of participant households are presented in Table 3. The statistical validity of the model is supported by the log likelihood statistics, which indicate that the null hypothesis, that all response variables are jointly zero can be rejected at 1% probability level or less. The results of the parameter estimates identify HHSIZE, GENDHHH, EDUHHSQ, POVINDEX, POVISQD, and SOCCAP as main determinants of the household participation.

Table 3: Determinants of household participation in CD programmes

Variables	Coefficients	t-values
ONE	-0.947	-0.678
PROGRAM	-0.835	-0.850
HHSIZE	0.188	2.47***
GENDHHH	-0.665	-1.574*
AGEHHH	0.012	0.668
DEPEND	0.970	1.098
ADULTEDU	0.003	0.632
EDUCHHH	0.158	1.160
EDUHHSQ	-0.017	-1.858**
POVINDEX	-1.121	-1.590*
POVISQD	-1.420	-2.68****
SOCCAP	0.020	1.681**
REGION1	-0.256	-0.390
REGION2	-0.261	-0.325
REGION3	-0.645	-0.677
REGION4	0.115	0.281
N = 120		
Log Likelihood = -59.908		
Chi-squared = 46.539****		

****, ***, **, * = Significant at 1%, 5% level, 10% level, and 15% level respectively

Source: Own survey

The coefficient of HHSIZE was positive and significant at the 5 percent level. When all is constant, large households are likely to be poorer due to stretching of available resources per household member. Another aspect in relation to the project is that a large household size, especially where it is directly related to the number of children, increases the chances of at least one child being selected. The efforts of the programmes to target female- headed household are shown by the negative coefficient of GENDHHH that is significant at the 15 percent level. Such households are expected to be poorer than otherwise according to past studies (World Bank, 2001: 27-8, 118-123). In Kenya, cultural power relations dictate that women own very little assets and have less education.

As hypothesised the coefficient of EDUCHHH is positive but not significant. However its quadratic function is negative and slightly significant at the 10 % level meaning that the relationship increases at a diminishing rate. Those with high education are less likely to participate in the programmes. Given that *ceteris paribus* higher education translates into more wealth, it shows an apparent success of the CD programme to screen out the highly educated.

The coefficient of POVINDEX is negative as expected and slightly significant at the 15 % level, while its square is negative and strongly significant at the one- percent (1- %) level. This shows that poverty is one of the considerations in the selection, however as discussed earlier, its effectiveness is reduced by lack of clear identification criteria. The results further show that the relatively wealthy are effectively screened off from participating in the programmes. Social capital is an important determinant as shown by its positive significant coefficient at the 10 % level. This shows that households with more social networks and social responsibilities ended up benefiting by having their children selected into the programmes.

6. Conclusions

This paper uses a simple methodological tool to assess the relative poverty of households that could easily be adopted by NGDOs for targeting purposes and for assessing their outreach performance. From the results, the two case studies were found to be reaching mainly the households from the middle relative poverty group while the lowest and the upper relative poverty group are equally under represented. These results further show though household relative poverty status was considered in the selection process, its effectiveness was reduced by lack of clear identification criteria. Social capital was found to play a significant but rather negative role in the selection process by excluding those households with less social ties in favour of those with more. Given that targeting is based on local community knowledge using community teams, this paper has shown that the information advantages possessed by the local community do not necessarily translate into effectiveness in targeting the poorest. To maximise such advantages, there is need for well stipulated clear rules and guidelines. These would

promote accountability on the part 'targeting teams' to the rest of the community and reduce the negative effects of social capital.

It should however be appreciated that poverty in this study is in relative terms, which means that the children supported could all be from poor households in absolute terms as measured by the national poverty line given the incidence and severity of poverty in these areas. The effort of the programmes in reaching such poor localities is thus commended.

Acknowledgement

The authors would wish to acknowledge the financial support from the Ecumenical Scholarship Programme of the German Protestant Church (ÖSW), Bochum, Germany.

References

Chege, S., (1999), Donors shift more aid to NGOs, Africa recovery, UN department of public information, June 1999.

Clarke, G., (1998), Non governmental organisations (NGOs) and politics in the developing world, Journal of the political studies vol. XLVI, pp. 36-52.

Daily Nation, (1999), 'Are NGOs essential for Kenya's development?' available at http://www.nationaudio.com. (Special report posted on 20 September 1999).

Evans, T. G., Adams, A. M., Mohammed R., and A. H Norris, (1999), Demystifying Non-participation in Micro-credit: A population-Based Analysis, World development, Volume 27, No.12, pp. 419-30.

Hoddinott, J., (2001), 'Targeting Principles and Practice' in Food security in practice: Methods for rural development projects, Hoddinott J (ed.). Washington D. C: IFPRI,

Navajas, S., Schreiner M., Meyer, R. L., Gonzales-Vega, C. and J. Rodriguez-Meza, (2000), Microcredit and the poorest of the poor: Theory and evidence from Bolivia, World Development, Vol. 28, no. 2, pp. 333 –346.

Ndegwa, S. N., (1996), The faces of civil society: NGOs and politics in Africa, West Hartford: Kumarian Press.

Cohen, J.M. and N.T. Uphoff, (1977), Rural development participation: concepts and measures for project design, implementation and evaluation, Ithaca, New York: Centre for International Studies, Cornell University.

Vivian, J. and G. Maseko, (1994), NGOs, participation and rural development: Testing the assumptions with evidence from Zimbabwe, Geneva: URISD

World Bank (2001), World Development Report 2000/2001: Attacking poverty, Washington D.C: The World Bank.

Zeller, M., Sharma, M., Ahmed, A., U., and S. Rashid, (2001), Group-Based Financial Institutions for the Rural Poor in Bangladesh: An Institutional-and-Household level Analysis, Research Report No.120. Washington D.C: IFPRI.