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## Factors Influencing Success or Failure of Cash Transfer Programme on Socio-Economic Well-Being of Older Persons in Kiharu Constituency, Murang'a County, Kenya

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### ABSTRACT

This study aimed to assess factors influence success or failure of the cash transfer program in improving the socio-economic well-being of older persons in Kiharu Constituency, Murang'a County, Kenya. Employing a descriptive research design, data was collected through surveys and interviews with beneficiaries, caregivers, area chiefs, and social workers, comprising of 252 altogether. Quantitative data, reflecting the sentiments of the participants, was analyzed using descriptive and inferential statistical methods. Notably, findings from the survey revealed that 73.5% of participants disagreed or strongly disagreed with the adequacy of cash transfers, indicating widespread belief in its insufficiency. Furthermore, 60% expressed concerns regarding the fairness and transparency of beneficiary selection. Recommendations derived from these insights, targeted at responsible bodies such as ministries of Finance, Social Protection, and Public Service, include adjusting transfer amounts and frequencies and enhancing transparency in beneficiary selection processes. These measures are essential for optimizing the program's efficacy and better supporting older persons' socio-economic well-being in similar contexts.

**Key Words:** *Cash Transfer Programme, Socio-Economic Well-being, Older Persons, Nutritional Status*

### 1. Background of the Study

Current researches indicate that there are problems with the social and economic well-being of the old, especially in developing states. The United Nations Department of Economic and Social Affairs Population (UNDESA, 2013) indicates that the world's older population is expected to grow by more than 10% in the next four decades, hitting a number of 840 million. Also, gender plays a big part in where older people live. In almost every country in the world, there are older women than older men (Bennett & Zaidi, 2016).

In the United States, the Old-Age, Survivors, and Disability Insurance (OASDI) is a program that transfers money to people who are older and earn their income. The study by Favreault & Johnson (2017) confirmed that the OASDI program is a tool for older people to get out of poverty and to be financially healthier. The study also reveals that the OASDI program has helped to reduce the poverty level of older women compared to older men. Through the Indira Gandhi National Old Age Pension Scheme (IGNOAPS), the National Social Assistance Program (NSAP) in India gives cash transfers to older people. Mitra et al. (2017) found that the IGNOAPS program has a good effect on the general welfare of the aged, such as by helping them eat better and get more medical care.

In South Africa, the government has passed laws to handle social inequality between communities and to protect social rights (Mukumbang, Ambe, & Adebisi, 2020). South

Africa's cash transfer system has many parts to meet the different needs of needy groups. The government has set up programs like the Old Age Pension (OAP), Disability Grant (DG), and Child Support Grant (CSG), among others, to help get rid of poverty and injustice in society. Kenya's government has started a number of programs to help people, such as the National Hospital Insurance Fund (NHIF) and the National Social Security Fund (NSSF). The NHIF was set up to lower health care costs, and the NSSF helps people who work and people who do not work plan for their retirement.

The goal of the study is to find out how a cash transfer program affects the level of poverty, nutrition, social well-being, and general socioeconomic well-being of older people in Kenya's Kiharu Constituency, Murang'a County. In particular, the study explored how much the cash transfer program has helped older people in the area to get out of poverty. The study also probed how the program affects the eating of older people, since malnutrition is a common problem among older people who live in low-income areas. The study also studies how the program has affected the social well-being of older people, such as their relationships with other people and their sense of belonging in a group. Lastly, the study investigated what makes the cash transfer program work or not work in improving the social and economic well-being of older people in Kiharu Constituency.

## ***2. Statement of the Problem***

Old people are often marginalized in planning for future development and implementation of strategies and policies for one reason being that they are deemed as economically unproductive and are seen as dependents. This neglect in combination with potential physical and cognitive impairments due to frailty, particularly in the elderly, leads to vulnerability to poverty, diseases, and isolation. The family support systems are also poor and inadequate, a poor source that leaves many elderly persons without proper care or financial support.

The current policies on social protection in Kenya are largely focused on those in the formal sector and as such, they do not address issues to do with the elderly especially those in the informal sector. Liquor dependency is high especially among the elderly who are either single or do not have adequate family or community support. Unfortunately, there is no any special social protection measure that is designed to address the needs of these people and thus they are unable to move around and are instead dependent on their caregivers, thus becoming more vulnerable and secluded in the community.

However, the efficiency of this cash-transfer program, particularly in Kiharu Sub-county, Murang'a County, has not been well researched. This research also aims at gauging the effectiveness of these cash-transfer programs in improving the economic status of the elderly in this area; thus, adding value to the literature in this area and possibly influencing future policy changes that can accommodate this vulnerable group better.

## ***3. Objective of the Study***

To identify the factors that influence the success or failure of the cash transfer programme in improving the socio-economic well-being of older persons in Kiharu Constituency, Murang'a County, Kenya.

## ***4. Significance of the Study***

The findings would offer evidence-based recommendations for policymakers to improve the design and implementation of cash transfer programs. This can strengthen social safety nets and ensure the sustainability of social protection systems in Kenya.

## **5. Literature Review**

### **5.1 Factors influencing the success or failure of cash transfer programme**

A large body of research has been done on the topic of whether or not cash transfer programs are effective at enhancing the economic and social well-being of the elderly. The prosperity or failure of monetary aid programs relies heavily on the accuracy of their targeting. In order to help those who need it most, programs need to use objective criteria to determine who will receive assistance. Targeting was found to be an important factor in the success of the Indira Gandhi National Old Age Pension Scheme in India, according to research by Ghorpade et al. (2013). Similarly, Mugisha & Kirunga (2018) discovered that the success of Uganda's Senior Citizens Grant was greatly dependent on accurate targeting. Another crucial factor determining the success or failure of cash transfer schemes is the availability of sufficient funds. The monetary gift must be adequate to provide for the recipients' current and future requirements. Pace et al., (2021) found that insufficient funding was a major obstacle for the Old Age Pension program in Lesotho, which in turn resulted in insufficient support for beneficiaries.

The scheme can only work if money transfers are made on a consistent and timely basis. Frustration and decreased program efficiency might result from payment delays or discrepancies. Timely distribution of financial transfers was shown to be critical to the effectiveness of Egypt's Takaful and Karama program (Kassem, 2020). Accessibility and beneficiary education are also critical factors in the effectiveness of cash transfer programs. In order to reach the intended recipients, it is necessary to employ efficient methods of communication and outreach. Amjad, et al., (2018) found that the success of Pakistan's Benazir Income Support Program was largely attributable to the program's high profile and ease of access.

The lives of older people can be improved greatly by cash transfer programs that take into account the differences between men and women. There may be a greater need to provide assistance to women because of their caregiving duties. A gender-sensitive strategy was shown to be critical to the success of Tanzania's Universal Pension Scheme (Bernigaud et al., 2022). Corruption in the distribution of cash transfers can result in the exclusion of people who are most in need of assistance while simultaneously benefiting others who do not. Corruption poses a serious problem for cash transfer programs in Sub-Saharan Africa, (Scarlato, & d'Agostino, 2019). Failure to adequately support program recipients due to insufficient financing for cash transfer programs. According to research conducted by Byaruhanga, I& Debesay, (2021) a major obstacle facing Uganda's Senior Citizens Grant is lack of funds. Low participation rates and eventual program failure might result from recipients being unaware of the program's existence, qualifying criteria, and access points. According to research published in Ageing & Development (2018), a major barrier for cash transfer programs in Ethiopia is a lack of information. Reluctance to engage and societal stigmatization of program recipients can undermine the success of cash transfer initiatives. According to research conducted by Rasekoala (2017), the Old Age Grant program in South Africa faces major difficulties due to stigma. There is hope that cash transfer schemes can boost seniors' economic and social security

## **6. Theoretical Review**

### **6.1 Resilience Theory**

Resilience theory was critical in underpinning the study in various aspects of social protection policies in relation elderly. The theory was adopted by Van Breda, (2001) and focuses on the strengths that are showcased by people and systems that enable them to counter adversities in

societies. The resilience paradigm teaches practitioners invaluable factors that are the energies and efforts on change strategies aimed at alleviating ills and predicaments that befalls the vast majority of vulnerable individuals in societies (Gilman, & Green, 2018.).

A study by Fook, (2022). posited five key development in the field of family social work which resonates with resilience theory; they include continuing valuation of the efficiency and effectiveness of approaches besieged at the household level, pointing out relevant extent of family functionality and necessary course of action; improvement of household classification to provide direction to the families evaluation and course of action, research aimed at promoting family strengths and abilities .This has led to enhanced programs and improvement of family evaluation metrics for use in peoples research, clinical assessment and program evaluation. The resilience theory is very critical to the study because it sheds more light on the older person's cash transfer programs as key social protection strategies (Mitchell, Coyer, Kean, Stone, Murfield, & Dwan, 2016).

### 7. Conceptual Framework

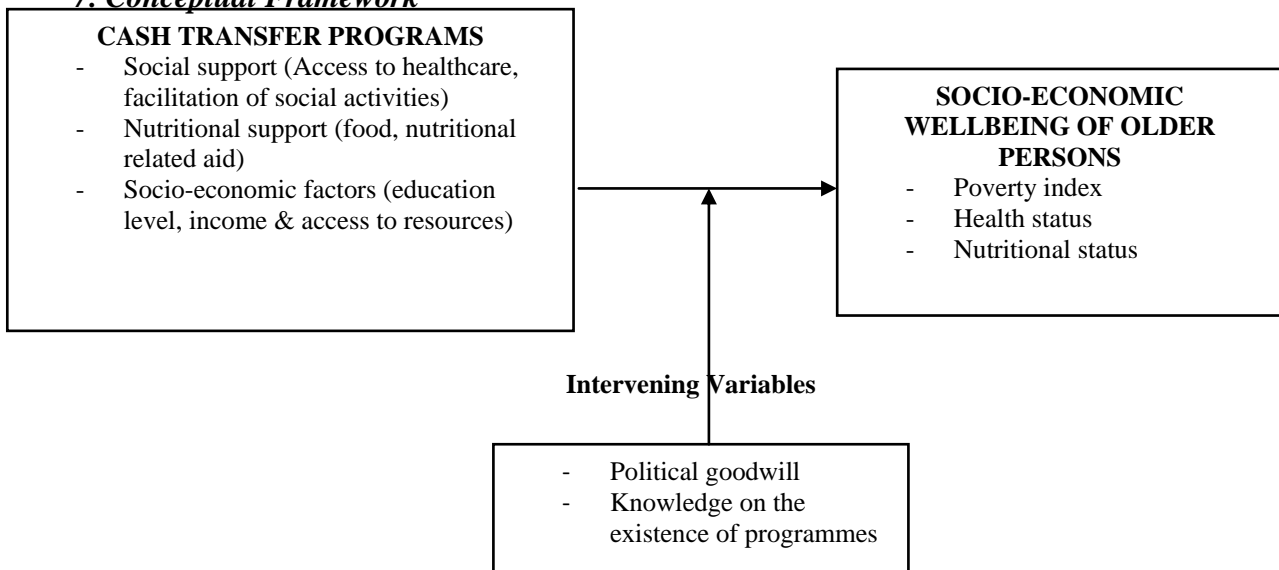


Figure 1: Conceptual Framework

### 8. Research Methodology

The study was conducted in Kiharu Sub-county which is mainly composed of a Rural and Agricultural society. The research used both quantitative and qualitative research methods to describe the socio-economic status of elderly beneficiaries and its condition before and after the cash transfer intervention.

The study participants consisted of 650 people, 274 of them being elderly beneficiaries, 274 caregivers, 100 area chiefs, and 2 social workers. Data collection for the elderly beneficiaries, caregivers, and chiefs was done through random sampling while for the social workers purposive sampling was used. The research instruments used were self-administered questionnaires to the elderly and their caregivers, and key informant interviews with area chiefs and social workers in order to gather qualitative information about the program. The data was collected from a limited number of subjects during the pilot study to ensure that the research instruments were valid and reliable, the latter through Cronbach's alpha and the former through expert analysis.

The data analysis involve the use of both descriptive and inferential statistics and this include the use of mean, median and standard deviation to present the questionnaire results. A method of data analysis that involves identifying themes was used to analyze the interviews conducted

with the participants. In order to maintain the accuracy, safety, and confidentiality of data management procedures that were put in place, cleaning and coding were carried out to the fullest extremes. Ethical issues were well addressed by ensuring that all subjects participated in the study after obtaining the necessary approvals from the authorities and informed consent from the elderly subjects; in addition, precautions were taken to ensure the confidentiality of information and respect for the elderly subjects' dignity. Thus, the findings of the study were intended to inform the enhancement of the cash transfer programme and the social and economic status of the elderly in Kiharu Constituency.

## 9. Results and Discussion

Factors that influence the success or failure of the cash transfer programme in improving the socio-economic well-being of older persons

Table 1: Cash transfer programme in improving the socio-economic well-being of older persons

	SD	D	N	A	SA
The amount of cash transfer is adequate to meet the needs of older persons.	72(35.3%)	78(38.2%)	24(11.8%)	30(14.7%)	0(0.0%)
The selection criteria for beneficiaries of the cash transfer programme are fair and transparent.	18(8.8%)	102(50.0%)	66(32.4%)	18(8.8%)	0(0.0%)
The frequency of cash transfer disbursement is sufficient.	72(35.3%)	102(50.0%)	12(5.9%)	18(8.8%)	0(0.0%)
The cash transfer programme has been implemented efficiently and effectively.	72(35.3%)	72(35.3%)	48(23.5%)	12(5.9%)	0(0.0%)
The cash transfer programme has the potential to be successful in improving the socio-economic well-being of older persons.	60(29.4%)	56(27.6%)	30(14.7%)	39(19.4%)	18(8.8%)

From Table 1, the results show that a large proportion of participants, 73.5%, disagreed with the statement that the cash transfer amount is adequate to meet the needs of older persons. This suggests a widespread belief that the current cash transfers are insufficient to meet basic needs. This is supported by data from the National Social Protection Secretariat in Kenya, which indicates that even after increasing the amount of cash transfers, many elderly people still struggle to meet their daily expenses. However, 14.7% of respondents agreed and 11.8% were neutral, indicating that a minority of the elderly population finds the cash transfer amount sufficient.

Nearly 60% of people are against the fairness and transparency with which beneficiaries are chosen, according to a new survey. The results show only 8.8% agreed while 32.4% were indifferent; this means that there's little trust in the process being impartial. However some level of neutrality among respondents could mean they see it differently too. The number of times money is given out through transfers needs to be increased because 85.3% felt that once wasn't enough (5.9% remained neutral). This indicates general displeasure at infrequency thus suggesting elderly folk require more consistent financial aid.

Analyzing the effectiveness of the implementation of cash transfer programs, 70.6% of respondents didn't fully agree with how things were done (35.3% strongly disagreed, 35.3% said they disagree) while 23.5% didn't show any position and 5.9% agreed. This shows that the program has faced various challenges in the process while in operations like delay in administrative work and a lot of bureaucratic protocols to be followed. Views on whether the cash transfer program will be successful in improving the socio-economic welfare among the

elderly were varied. There were 57% who disagreed or strongly disagreed (29.4% strongly disagreed, 27.6% disagreed), 19.4% agreed, 8.8% strongly agreed and 14.7% neither agreed nor disagreed. This shows that different people have had different experiences with these kinds of programs hence there is need for evaluation so that they can also be changed to meet older persons' needs better.

### 9.1 Regression analysis

In Section, the study discusses the utilization of a linear regression model to analyze the relationships and dependencies among independent variables concerning the influence of a cash transfer program on the socio-economic wellbeing of older individuals in Kiharu Constituency, Murang'a County, Kenya.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.764 <sup>a</sup>	.583	0.579	.36119

a. Predictors: (Constant), Factors, poverty level, Social Wellbeing, Nutritional status

Table 4 is the summary of table 2 provides the key data about the goodness of fit of the regression model. The  $R^2$  value of 0.583 indicates that there is no relationship whatsoever between the variables. 0.583 denotes that approximately 58.3% is the solution of the socio-economic wellbeing of the elderly can be explained by the predictor variables factors (that influence the success) of the cash transfer program. This indicates that the model has a moderate to high amount of explanatory power.

The adjusted  $R^2$  (0.579) considers the number of predictors in the model, therefore it is a more cautious estimate of the model's explanatory power. The standard error of the estimate (0.36119) is the measure of the accuracy of the model's predictions. The smaller the standard error the better the model has fitted the data.

Table 3: ANOVA Analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.709	4	.412	3.166	.015 <sup>b</sup>
	Residual	25.961	199	.130		
	Total	35.670	203			

a. Dependent Variable: Socioeconomic

b. Predictors: (Constant), Factors, poverty level, Social Wellbeing, Nutritional status

The ANOVA Table 3 demonstrates the total importance of the regression model. The F-statistic (3.166) having a p-value of 0.015 means that the regression model is statistically considerable. Therefore, at least one of the predictor variables does have a significant effect on the socio-economic wellbeing of older persons. To put it in this context, the predictor variables, cash transfer program comprise of poverty level, nutritional status, social wellbeing, and the factors that result in the success or the failure of the cash transfer program.

The p-value turning out to be less than the usual significance level of 0 is considered a proof. 05 (given by a) implies that the model's predictions are not of chance and that the predictors jointly have a great effect on socio-economic wellbeing.

### 10. Conclusion

The research uncovers important findings about the usefulness and obstacles of the cash transfer initiative designed to better the economic status of the aged people in Kiharu Constituency, Murang'a County, Kenya. The study found that older persons were not happy

with the amount (73.5%) and frequency (85.3%) of the money they receive, suggesting that more should be given frequently. Furthermore, the process of selecting beneficiaries was also faulted for lack of fairness which led to distrust from about 60% of those interviewed. Besides, program implementation was described as ineffective due to administrative delays and bureaucratic hurdles among other reasons by 70.6% of the respondents. Nevertheless, views concerning the ability of the scheme to better the living standards of people were not unanimous. These results are confirmed by a regression analysis which indicates that about 58.3% of the changes in the state of people's lives can be accounted for by independent variables such as level poverty, nutritional status, and social welfare among others that foster the success of the cash transfer program. Besides, its model is backed up by the statistical significance at 0.015 implying importance of these predictors meaning if advanced could help in shaping it. In general, this research highlights the importance for constant review coupled with adjustments in design targeting at meeting dynamic needs of aged persons so as not only make them economically secure but also enhance their welfare.

### **11. Recommendations**

To optimize the cash transfer program for older persons in Kiharu Constituency, Murang'a County, Kenya, the following streamlined recommendations are proposed, specifying the responsible individuals to implement policies:

- i) In order to increase the quantity and frequency of cash transfers: it is recommended that an agreement be reached with the Ministry of Finance and Economic Planning so as to have cash transfers adjusted accordingly.
- ii) For fairer selection and transparency in identifying recipients of aid: it is advisable that you liaise closely with the Ministry of Social Protection and Community Development hence come up with clear selection methods together with involving community leaders who can help in this regard while also ensuring constant checks through regular audits be done.
- iii) To improve efficiency at administrative level while cutting down on bureaucratic delays: team up with the Public Service and Administration department, where you could then simplify administrative processes and provide digital platforms which quicken these tasks besides training relevant staff under cash transfer programme.

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