

EFFECTIVENESS OF CASH TRANSFER PAYMENT CHANNEL FOR PERSONS WITH SEVERE DISABILITIES IN KENYA: A CASE STUDY OF NAIROBI COUNTY

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ABSTRACT

As governments approach the question of which policy parameters to select when designing a new cash transfer and how to fine-tune existing transfers, information about the parameter design options available, the contribution of specific Conditional Cash Transfer (CCT) parameters to outcomes, and the implementation details that facilitate these linkages is critical. The purpose of this study therefore was to assess the effectiveness of cash transfer payment channel for Persons with Severe Disabilities in Kenya. The study specifically sought to evaluate the influence of technology, accessibility, cost efficiency and cash transfer timeliness on effectiveness of cash transfer payment channel. The study adopted a descriptive research design. The target population of the study was all the 1495 beneficiaries in Nairobi County. Random sampling was used to obtain a sample size of 150 beneficiaries. Both qualitative and quantitative data was collected using questionnaires. Quantitative data was analyzed using for both descriptive and inferential statistics. Correlation analysis and regression were used to assess the effectiveness of cash transfer payment channel for persons with severe disabilities. The study findings indicated that the respondents were able to access their cash payments through the cash payment method that has been put in place. This was demonstrated by the extent of agreement with the statements in the questionnaire in cash payment channels. Results indicated that technology, level of accessibility, cost effectiveness and cash transfer timeliness affects cash transfer payment channel positively. Results also led to a conclusion that technology increased efficiency in cash transfer payment channel. It was possible to conclude that if the distance to access the service is shortened the barrier to lack of access is killed. This further leads to a conclusion that future plans in terms of accessibility is a key determinant factor influencing cash transfer payment channel. Based on the findings it was possible to conclude that there was a positive and significant relationship between cost

effectiveness and cash transfer payment channel. Results led to the conclusion that the cash transfer channel adopted should be one that minimizes the costs of administration. It is recommended that the Government should switch to innovative mechanisms of electronic delivery of cash transfer. This will reduce the administrative costs and “leakage” corruption and fraud and the care givers to be educated and trained on the new technologies adaptations especially in the cash/money transfer sectors.

Keywords: Technology, Level of accessibility, Cost efficiency, Cash transfer timeliness, Cash transfer payment channel

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