

Stakeholder Perception on Factors Affecting the Achievement of Key Performance Indicators of a Public Private People Partnership Programme in the Dairy Sector of Sri Lanka

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Introduction

The National Agribusiness Development Programme (NADeP) has implemented 4P projects for various sectors, including the dairy sector. The programme collaborates with private sector entities (companies, partnerships and sole proprietors) or Farmer Based Organizations (FBOs) to undertake partnership ventures in the value chain development and marketing linkages by targeting the smallholder agri-producers. Since the projects were conducted through a public-private-people partnership the agendas of stakeholders have an impact on the projects progress. Furthermore, different stakeholders have their own perceptions towards the achievement of key performance indicators and factors that affect to achieve them successfully since they represent different organizations, and as mentioned above, with different agendas. Understanding the stakeholders point of view on the factors that affect the achievement of KPIs will help to show where the differences and similarities lie between the public sector, private sector, and the farmers involved in the project. It can also draw out the steps that can be taken in order minimize the dissimilarities that each party has as it is important for the stakeholders to have a mutual understanding in order for the programme to achieve a satisfied level success.

Results and Discussion

This section will contain the descriptive statistics of the two farmer groups, the perceived level of achievement of KPIs of the public and private sectors, and the perceived level of importance placed on the factors affecting project success by the stakeholder groups.

Most of the farmers in both farmer groups are part time dairy farmers. As shown in figure 1 Company A has 77.8% and 22.2% of part time farmers and full time farmers respectively. Company B has 59.5% of part time farmers and 40.5% of full time dairy farmers.

The figure below shows the farmers time involvement in dairy farming.

The main source of income as perceived by the farmers is shown in the figure below.

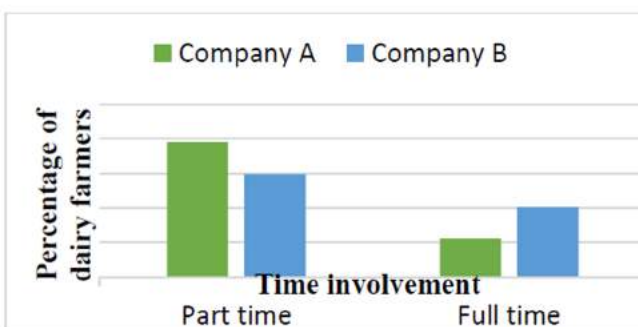


Figure 1: Farmers time involvement in the dairying.

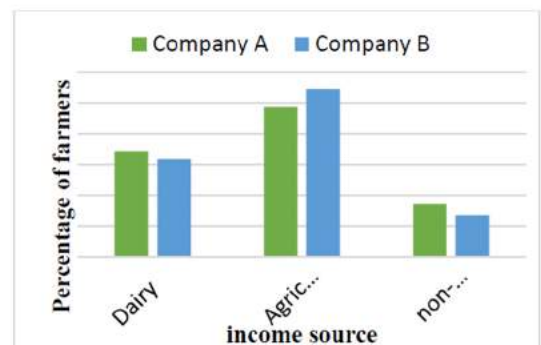


Figure 2: Main source of income as perceived by farmers.

From the respondents of Company A farmers 34.28% ranked that their main source of income comes from dairy farming. As shown in figure 2, 31.81% farmers of company B perceived that their main source of income comes from dairy farming. Majority of farmers of both companies perceive that they received a higher proportion of their income from other sources including other agriculture activities, 48.57% of farmers of Company A and 54.54% of farmers of Company B believed that their main income source was through agriculture. The percentage of farmers who were of the perception that their main source of income was through non-agricultural activities of Company A and Company B were respectively 17.14% and 13.63%. This observation clarifies the findings of the research conducted by (Perera & Jayasuriya, 2008) stating that farmers disinterest towards dairying is since they do not perceive dairying as their main source of income. It is one of the many problems that the dairy industry faces. This has occurred since farmers have many income sources and do not have the time to commit entirely to dairying.

The figure drawn below represent the land available for dairy farming for the two farmer groups.



Figure 3: Land available for dairy farming between the farmer groups.

As shown in figure 3, higher percentage of farmers have land of 1-2 acres to engage in dairy farming. Forty percent (42.22%) of Company A farmers and 56.75% of company B farmers have 1-2 acres of land available for dairy farming. Farmers with no land available for dairy farming of Company A and Company B are respectively 8.88% and 5.4%. Farmers with 0.5-1 acres' land for dairy farming of Company A and company B are respectively 26.67% and 8.1%. Company A has 11.11% farmers with 2-3 acres and 8.88% with more than 3 acres' land that can be used for dairy farming. Company B has 18.91% farmers with 2-3 acres and 10.81% farmers with more than 3 acres' land that can be used for dairy farming. Mean value of land available for dairy farming for Company A farmers is 1.48 acres.

Mean value of land available for dairy farming for company B farmers is 1.85 acres. The home garden was used for dairying, and the farmers did not hold a separate land for dairy farming.

The perceived level of achievement of KPIs were obtained for the public and private sectors. The figure 4 shows that a majority of the public-sector respondents were of the perception that they were able to achieve their targets as planned.

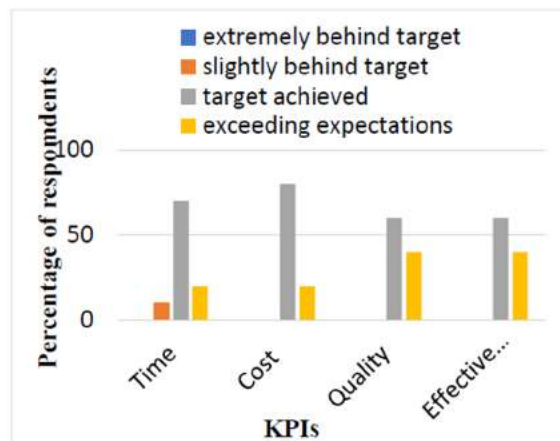


Figure 4: Level of KPIs achieved as perceived by respondents of NADeP

The figure below shows the perceived level of achievement of KPIs of the private sector.

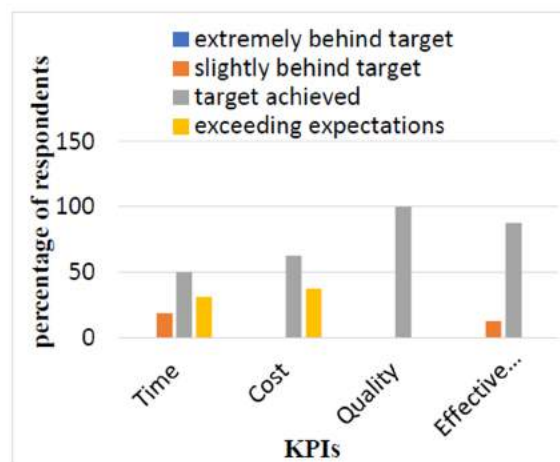


Figure 5: Level of KPIs achieved as perceived by respondents of the Private sector.

A majority of the stakeholders of the private sector also perceived that they were able to achieve their targets as well. Nevertheless, when comparing the level of perceived achievement of KPIs, it revealed that apart from the quality related KPIs, the rest of the KPIs were significantly different ($p < 0.05$).

The importance that stakeholders place on factors affecting project success were compared across all three stakeholder groups using the Kruskal-Wallis test. It revealed that the distribution of the level of importance that was placed on the all for factor groups, operational and technical factors, project design factors, financial factors, and socio-economic and environmental factors were significantly different ($p < 0.05$) across all three stakeholder groups.

Table 1: Level of importance placed on factors affecting project success

Factors	Level of importance	NADeP	Private sector	Dairy farmers
Operational and Technical	Highest	Project manager's competence	Availability of land for dairy farming	Availability of good dairy breeds
	Lowest	Availability of land for dairy farming	Support from donor agency	Support from government organizations
Project design	Highest	Project conceptualization	Project conceptualization	Project conceptualization
	Lowest	Setting selection criteria for farmers	Creating market linkages	Transparency in private sector partner selection
Financial	Highest	Availability of credit to farmers on low interest rates	Availability of credit to farmers on low interest rates	Funding for sustaining project activities
	Lowest	Ability of farmers to adopt to new technology	Ability of farmers to adopt to new technology	Availability of infrastructure
Socio economic and environmental	Highest	Ability to attract non-beneficiaries	Policies imposed on the dairy sector	Ability to attract non-beneficiaries
	lowest	Project conceptualization	Project conceptualization	Project conceptualization

The public sector, with regard to operational and technical factors, perceived that the most important factor as "project managers' competence" and the least important factor as "availability of land for dairy farming". The private sector was of the perception that the most important factor was "availability of good dairy breeds" and the least important factor as the "support from government bodies". The farmers perceived that the most important factor for project success as "availability of land for dairy farming" and the least important factor as "support from the donor agency".

All three stakeholder groups perceived "project conceptualization" as the most important factor when it comes to project designing. The least important factors as perceived by the public sector, private sector and the farmers were respectively, "setting selection criteria for farmers", "transparency in private sector partner selection", and "creating market linkages".

The public sector and the farmer both agreed that the most important socio-economic and environmental factor that affected project success was the "ability of farmers to adopt to new technology". The most important factor as perceived by the private sector was the "availability of infrastructure", such as chilling centres, roads. Both the public sector and the private sector considered that the least important factor that affected project success was the "ability to attract non-beneficiaries to dairy farming". The farmers perceived that the least important socio-economic factor as "policies imposed on the dairy sector", this includes imposing floor prices on fresh milk, taxes imposed on imported dairy products.

With regard to financial factors affecting project success both the NADeP and the farmers perceived that "availability of credit to farmers on low interest rates" was most important to project success. However, the private sector believed that having the necessary funds to sustain project activities was the most important to the projects continued success.

Conclusions and Recommendations

The stakeholder groups belong to different backgrounds, and at the same time are involved in a partnership with each other. It is natural for them to have different objectives through a project, but it is also important for them to have a mutual understanding of the end goal and how they execute plans in order to achieve them. There should be a constant dialogue among the stakeholders in order for a project to be successful and effective.

All three stakeholder groups are of the perception that initial discussion among them is vital for the project success. However, the findings revealed that there is a lack of shared understanding regarding the project objectives among project partners, clearly showing a communication gap among them. The priorities identified by each stakeholder group varied with regard to factors affecting the project success. It also showed that there is a general lack of awareness among the farmers about the project and the involvement of the public sector. Communication and coordination among stakeholders is key to making a project successful, thus making the involvement of the all project partners, including the farmers, during the initial project design stage vital to its success.

Even though equipment and infrastructure are provided, the lack of knowledge among farmers seem to have prevented them from using the equipment effectively to increase their levels of production. On a technical point of view, farmers can be given training on feed conservation methods and equipment needed to practice it. The project can be made more effective by providing training to farmers on proper cattle management practices. Farmers can be given training on feed conservation methods as it can be a solution to the issue that the farmers have with regard to the availability of pasture and fodder. The promotion of evening milking was also one of the project objectives, and in order to promote evening milking, an incentive could be provided for farmers who practice evening milking. Services provided for artificial insemination (A.I.) could be developed by providing training to dairy farmers of the villages, thereby creating employment opportunities as well.