

Effect of Consular Service in The Relationship Between Remittances, Skills & Knowledge, Technology, Investment and National Development – A Case of Kenya

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Abstract

The diaspora is widely recognized globally as a key contributor to economic growth. The Kenyan government's economic development plan, Kenya Vision 2030, acknowledges the significant role of the diaspora in the country's economic growth and national development. As a result, policymakers are increasingly focusing on the Kenyan diaspora. They have been instrumental in promoting skills, knowledge, and technology transfer to Kenya. This study analyzes how consular services facilitate the relationship between remittances, skills, technology, investment, and national development. This study used a questionnaire to gather data from the Foreign Service cadre staff of the Ministry of Foreign Affairs in Kenya. The target population is the 800 employees who work as Foreign Service officers in Kenya's Ministry of Foreign Affairs. 80 out of 100 questionnaires were returned and found usable. This study requires an 80-sample size to achieve 80% statistical power and detect a 0.25 R^2 value with a 5% error likelihood. Non-probability convenience sampling was employed. The data was analyzed using SPSS and Smart PLS. The study revealed the significant roles played by network theory and institutional theory in contributing to national development by the Kenyan diaspora. After testing eleven hypotheses, five were accepted (p-values 0.0000 to 0.0400), while six were not supported (p-values 0.196 to 0.646). It was due to the limited understanding and lack of acceptance of the need to improve the quality of consular services among the respondents. The study empirically confirms the pivotal role played by consular services in increasing dialogue between diplomatic missions and the diaspora and tapping into the underutilized potential of the diaspora in national development by developing investment-friendly policies

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targeting remittances and creating a platform for the transfer of skills, knowledge, and technology back to Kenya.

Key words: Consular services, Remittances, Skills & Knowledge, Technology, Investment, and National development

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1. Introduction

Developing countries and international institutions see emigrants in the diaspora as a solution to brain drain. They maintain contact with their citizens abroad through diplomatic missions and consular posts, as per the Vienna Convention of 1963. Consular services support citizens abroad and promote national interests. Kenya's missions abroad assist Kenyan citizens living or travelling overseas. Although the facilitation of trade, safety, and security of nationals abroad was the main preoccupation of foreign missions in the 19th and first half of the 20th century, economic mainstreaming determined the reorientation of consular practices (Melissen and Fernández, 2011). Consular diplomacy can still be considered a neologism in some of the world's Ministries of Foreign Affairs (MFAs). It will soon lose that status as diplomatic and consular concerns and perspectives become progressively intertwined (Ketkar et al., 2011). Migration has increased globally with contemporary globalization (Hutsaliuk et al., 2020). Globalization has enabled individuals who migrate to other countries to stay connected with their home country. It helps them maintain their sense of self and mitigates the effects of separation, as Plaza and Ratha noted in 2019. As a result, migration is becoming more valuable to migrants and their home countries.

Consular services have gained prominence in many foreign ministries, a dramatic turnaround from their earlier status as a routine activity (Cull, 2009). Despite these assertions, the conduct of Kenyan diplomacy has remained conventional and premised on the old tenets and practices (Onditi, 2023). Kenyan missions have not fully embraced the changes outlined in the diaspora policy. As a result, consular services remain limited to conventional issues such as visa and passport applications and helping during disasters. They have not incorporated intentional activities to integrate the diaspora into the national development agenda (Derow, 2019). Although Kenya launched its diaspora policy in 2014, diaspora engagement has not consistently increased due to various challenges. These include a lack of reliable databases, high remittance costs, inadequate capacity for consular services, untapped skills and expertise, no integrated database, weak structures for diaspora investment opportunities, the inability to transfer diaspora skills and knowledge, and inadequate infrastructure for technology transfer (Aridi, 2015; Ndung'u, 2019; Opiyo, 2021; Wawire, 2020). Diaspora communities possess valuable skills and knowledge that can be leveraged through knowledge exchange networks coordinated by consular services (Parrenas, 2021). To prioritize development and accountability, the Kenyan government must upgrade consular

services and create an integrated database of diaspora expertise (Mohamed and Abdul-Talib, 2020).

Governments and private companies in African countries are using their diasporas to gather market information about the countries where their emigrants live. By providing efficient consular services, the diaspora's members can increase investment flows between the sending and receiving countries. They possess valuable information that can help identify investment opportunities and contribute to national development in a positive way (African Union Commission, 2021). Although the government has attempted, more has to be done to include the Kenyan diaspora in the nation's growth. If the government wants to be successful, it must raise its global diplomatic profile and improve consular services. According to the ambitions and objectives of Kenya Vision 2030, research has conducted to examine the role consular services can play in addressing these issues and assisting in the integration of the Kenyan diaspora into the national development process.

2. Literature Review

Consular services and remittances

A study on migration and development indicates that remittances are on track to become the largest source of external financing in developing countries (Ratha, 2019). According to Mutegi et al. (2023), satisfaction with consular services in the diaspora could lead to increased remittances sent back home. Therefore, the government of Kenya must provide quality consular services to the Kenyan diaspora by adequately staffing its missions and embassies abroad. Kenyans living abroad play a crucial role in the nation's development. They contribute significantly by sending remittances. Countries with embassies and missions provide consular assistance to citizens residing in high-remittance countries. Diaspora remittances are crucial to Kenya's financial sector and its national development. Kenyan missions and embassies abroad provide support to diaspora citizens. Kakhharov's (2022) research found that both consular assistance and remittances are positively related to a higher extent of economic growth. Arthur, (2020) and Gelb et al., (2021) research found that remittances have a positive impact on growth, but only if the country has developed financial markets and communication mechanisms with the diaspora.

H1: There is a positive relationship between Consular Services and Remittance

Consular services and skills & knowledge

Research conducted by Mayer et al., (2019) found quality consular services by foreign missions promote skills and knowledge transfer by the diaspora. Study

on consular experiences of the diaspora, a positive experience can motivate them to stay connected and participate in knowledge and skills transfer programs back in their countries (Endong, 2020). Kenyan diasporas are seen as agents of change who can positively influence national development through their acquired skills, knowledge, and finances (Panibratov and Rysakova, 2021). Effective communication through embassies and missions is primary in facilitating this contribution.

H2: There is a positive relationship between Consular Services and Skills & Knowledge.

Consular services and technology

Zoomers' 2018 study shows tech and globalization impacted almost everyone. The use of technology has allowed foreign missions and embassies to come closer to resolving the issues affecting their diaspora and providing more effective and efficient consular services. These connections have further intensified with the advent of the internet and various digital media, which are referred to as "polymedia" by Madianou, (2019). However, the challenges posed by digital technology are ultimate, and while technological changes are fashionable, governments and their systems are, by nature, slower and weaker to adapt (Onyango, 2021). The Kenyan government has slowed to adapt to technological advancements in providing consular services to citizens abroad. Technology shapes society, drives growth, and contributes to national development. Its rapid evolution impacts institutions and consular services provided by Kenya's embassies and missions abroad. Digital diplomacy requires modern technologies for national development (Bilate, 2022).

H3: There is a positive relationship between Consular Services and Technology.

Consular services and investment

A study by Manor et al (2021) found that efficient consular services by the government led to increased investments by the diaspora in their home countries. According to Farooq's (2023) research, increased investment portfolios by the diaspora lead to high returns, resulting in economic transformation and national development. Therefore, Kenya's foreign missions and embassies must maintain close contact with the diaspora in their host countries. Investment involves allocating resources and money with the expectation of future returns or benefits. Investing means using funds to acquire assets, financial instruments, or projects to generate income or meet financial goals (Farooq, 2023). In light of the global COVID-19 pandemic, investments can play a crucial role in providing resources for response and recovery (Kalantaryan and McMahon, 2021). Therefore, the focus of investments on national development has led to efforts to ensure that migrants and diasporas make 'productive investments' in their countries of origin, which

generate future output and value (Asquith and Opoku-Owusu 2021; Chikezie 2011 and Rodriguez-Montemayor 2012).

H4: There is a positive relationship between Consular Services and Investment.

Consular services and national development

According to a study conducted by Bilate and Zou in 2022, consular services are beneficial for national development. The study found that effective and efficient consular services lead to increased participation by the diaspora in national development, indicating a positive impact on national development. Early development views emphasized the make-ability of societies and the importance of nation-states but had a uniform view of developing countries. Sustainable development and economic progress depend on the quality of national development, which enables citizens to lead fulfilling lives and contribute to the well-being of the nation as a whole (Wanger and Aras, 2022). Research has shown that remittances from the diaspora can help to develop their villages and communities by investing in the construction of schools, clinics, and orphanages, as well as providing access to clean drinking water (Atem, 2022; Karner, 2023). The aspect of knowledge and skills has a significant impact on national development. The knowledge and skills transfer from Kenyans living abroad has significantly improved the nation's human capital (Abdurakhmanova et al., 2020).

H5: There is a positive relationship between Consular Services and National Development.

Remittances and national development

A study by Kalume et al., (2022) found that diaspora remittances are one of the Kenya Vision 2030 flagship projects in the financial sector, given their scale and growth. Research made by (Ojo, 2023), there has recently been increasing attention placed on leveraging remittances for national development. Therefore, the government of Kenya must maintain a stable flow of remittances from the diaspora to ensure enhanced national development. Tapping of the investment can lead to national development as the diaspora invests in urban development and real estate and building businesses in their homeland (Muzapu et al., 2021). The provision of consular services can help to integrate the diaspora into national development.

H6: There is a positive relationship between Remittances and National Development.

Investment and national development

Research conducted by (Vasile et al. 2023) found that investments by the diaspora promote its economic growth and national development. Diaspora investments in Kenya lead to urban and business development (Muzapu et al., 2021). The Kenyan diaspora continues to play an imperative role in the development of the country through investments and the government recognizes the role these investments play in economic growth. Therefore, the provision of consular services as a way of maintaining communication and encouraging investments by the Kenyan diaspora cannot be ignored, as this will enhance the administrative structures and mechanisms for the government to tap (leverage) directly into these foreign inflows from the diaspora as an asset for investment and national development.

H7: There is a positive relationship between Investment and National Development.

Mediating role of consular services

Effective and efficient consular services lead to improved engagement with the diaspora community. It can, in turn, result in higher levels of remittances from the diaspora, which can contribute to the economic growth and development of the country (Wanger and Aras, 2022). Embassies and tasks that properly manage and administer consular services can enhance the confidence of diaspora members, making them more likely to send remittances, thus further contributing to national development (Gelb et al., 2021).

H8: Consular Services has a mediating effect on Remittances and National Development.

Kenya's consular services to Kenyans living abroad have helped transfer knowledge and skills to institutions and communities in Kenya, leading to more national development (Maina, 2021). Singh and Koiri's research in 2018 also highlight the significant role of consular services in connecting skills and knowledge to national development. Consular services mediate the relationship between skill knowledge transfer and national development since they determine the experience of the diaspora and act as a link back to their homeland (Mayer et al., 2019). Efficient and effective consular services for the diaspora lead to knowledge and skill transfer to Kenya; according to Mehta et al. (2021), which leads to a beneficial effect on the progress of the nation.

H9: Consular Services has a mediating effect on Skills & Knowledge and National Development.

There is a strong connection between technology and diplomatic practices. When technology is utilized to provide consular services, the diaspora gains confidence in the government's ability to help through diplomatic missions and

embassies. This confidence promotes their willingness to share advanced technology, which leads to more significant national development (Bilate and Zou, 2022). Research has also shown (Manor, 2019) that technology plays an essential role in consular services with national development. Consular services connecting technology and national development, as they determine the diaspora's ability and willingness to transfer technology from their host countries back to their home countries (Manor, 2019). When the diaspora receives consistent, efficient, and high-quality consular assistance, their confidence level increases, positively impacting their ability to transfer technology (Bilate, 2022). Therefore, technology plays a vital role in the relationship between consular services and national development.

H10: Consular Services has a mediating effect on Technology and National Development.

Foreign missions and embassies have the potential to promote investments in their home countries if they provide quality consular services to the diaspora in their countries of residence. Barston (2018) conducted research demonstrating the crucial role consular services play in connecting diaspora investments to national development. Improved quality of consular services can lead to increased investments by the diaspora, which can contribute to national development. Therefore, enhancing the quality of consular services has an impact on national development.

H11: Consular Services has a mediating effect on Investment and National Development

2.1 Discussion and analysis of hypotheses

The results of the test of hypothesis from the findings in this study can be summarized as essential implications for policymakers, Ministry of Foreign Affairs employees, diplomats, academicians, and researchers regarding the importance of consular services in enhancing national development. From the findings, five (5) hypotheses were accepted, and six (6) were rejected.

Table 1: Results of Research Hypotheses

Item	Path Hypothesis	T statistics (O/STDEV)	P values	Decision
H1	Remittances → Consular Services	1.788*	0.0740	Rejected
H2	Skills & Knowledge → Consular Services	2.053*	0.0400	Accepted
H3	Technology → Consular Services.	0.468**	0.6400	Rejected

H4	Investment → Consular Services	4.335***	0.0000	Accepted
H5	Consular Services → National Development.	4.446***	0.0000	Accepted
H6	Remittances → National Development.	1.294*	0.1960	Rejected
H7	Investment → National Development.	4.114***	0.0000	Accepted
H8	Remittances → National Development.	1.812*	0.0700	Rejected
H9	Consular Services → Skills & Knowledge → National Development.	1.744*	0.0810	Rejected
H10	Consular Services → Technology → National Development.	0.460*	0.6460	Rejected
H11	Consular Services → Investment → National Development.	3.053***	0.0020	Accepted

Note: 5000 bootstrap samples with 95% confidence level. *p < 0.05, t = 1.96; **p < 0.01, t = 2.58; ***p < 0.001, t = 3.27.

Figure 1 displays the proposed model for this study based on theoretical and experimental foundations.

Figure 1: Proposed Model

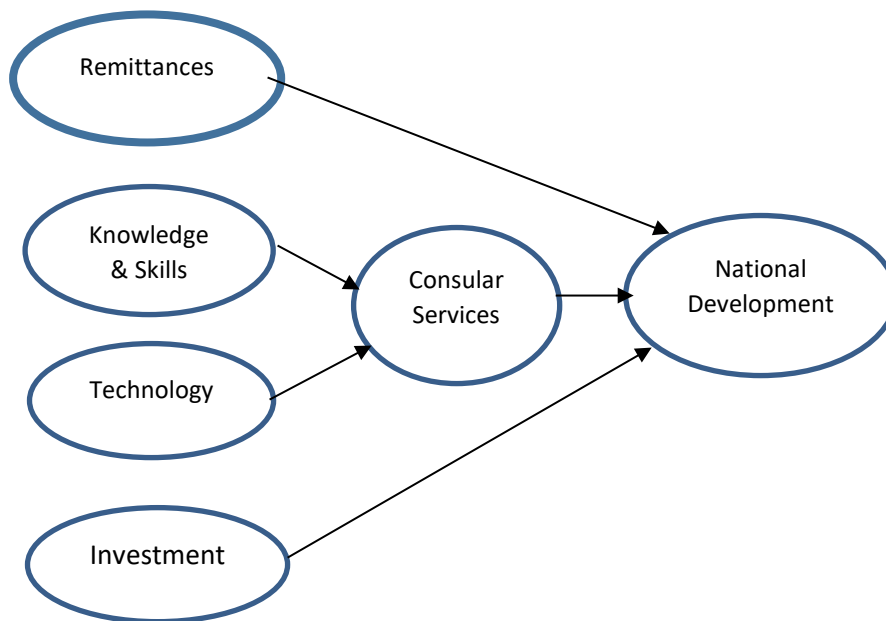


Figure 1 supports the study of the impact of remittances, knowledge, skills, technology, investment, and national development in Kenya using network theory.

The conceptual framework provides the significant relationship between remittances, knowledge and skills, technology, and national development. The network theory states that social systems are interconnected networks that focus on the patterns of relationships and flow of resources, information, technology, influence, or other types of interactions within a network (Wanger and Aras, 2022). The network theory suggests that Kenyans abroad are like transnational organizations with dynamic connections. It seeks to explain what motivates them to participate in their home country's development (Burt, 2018). This theory is used to carry out evaluations on the determinants of the migrant members to remain connected to their home countries and their impact on national development regarding remittances, knowledge & skills transfer, technology, and investment. More remittances attract consular assistance, encourage the diaspora to send money, and promote development (Mutegi et al., 2023). Migrant workers have the advantage of sending money back home. Technological advancements in consular services, like the internet and mobile devices, lead to high satisfaction in diaspora communities and encourage them to contribute to national development. Knowledge and skill transfer are critical in consular services, as highlighted by network theory.

The institutional theory states that institutions change over time. The institutional theory suggests that citizens living abroad can influence institutional change within their networks (Barnett et al., 2021; GREčić, 2019). This theory can be applied to national development, particularly when considering the impact of remittances sent by the diaspora (Akanle et al., 2021). Remittances can be used for investment purposes, bringing about transformational development changes that can benefit home countries (Sobiech, 2019). Institutional change theory can enhance consular services, leading to knowledge transfer to home countries (Mayer et al., 2019). Technology plays a crucial role in shaping society, driving economic growth, and contributing to national development (Ayodele, 2020). Having assurance from their family in the host country creates a demand for improved business norms through quality consular services. These norms consequently expand the scope of investment. Investing in Kenya gives Kenyans in the diaspora bargaining power to demand institutional improvements back home (Opiyo, 2021).

3. Methodology

The study examined the impact of consular services on national development in Kenya using an explanatory research design. This research design investigates the causal connections between variables and explains the mediating effects of relationships that define the studied phenomenon. Quantitative research uses quantitative data as supporting evidence to illustrate, forecast, form, and test theories (Saunders et al., 2018) because the best way to conduct a cause-and-effect study is to identify the relationship between the variables. Each employee from the Ministry of Foreign Affairs of Kenya received a questionnaire, and the data gathered

will be relevant to the study. The research's time horizon is cross-sectional, also known as a one-time study, because each of the selected employees of the Ministry of Foreign Affairs of Kenya under the Foreign Service Cadre can only receive the questionnaire once to gather research data at that specific time in a particular situation at a particular time. The Foreign Service Cadre at the Ministry of Foreign Affairs employs approximately 800 people (Human Resource Office, State Department for Public Service and Youth, 2022). As a result, the target population is the 800 employees who work as Foreign Service officers in Kenya's Ministry of Foreign Affairs. In this study, researchers used non-probability sampling to collect data from participants in the target population who are easily accessible (Makri and Neely, 2021). Using non-probability convenience sampling, the researcher selects participants based on their cooperation and enthusiasm for participating in the survey. A pilot study with 30 respondents used non-probability sampling to identify the reliability of the data. The self-administered online questionnaires were used in this study, with respondents having access to the browser site to complete the questionnaire at their leisure (Saunder et al., 2018). Cohen (1992) specifies the minimum sample size required in a PLS-SEM model to detect a minimum R2 value of 0.10, 0.25, 0.50, and 0.75 at 1%, 5%, and 10% significance levels. It is based on the commonly used statistical power level of 80% and the maximum number of arrows pointing to a construct in the PLS path model. A sample size of 80 is recommended for this study to achieve 80% statistical power for detecting a R2 value of 0.25 with a 5% likelihood of error. The structural model includes four independent variables, one mediating variable, and seven arrows. The majority of respondents will come from the Republic of Kenya's Ministry of Foreign Affairs, where 100 questionnaires will be distributed and require a minimum sample size of 80 Foreign Service Officer Cadre employees. The respondent's responses will be recorded using a Likert scale tool. In the survey, respondents are asked how strongly they agree or disagree with a list of statements on a scale of 1 to 5, with one (1) denoting strongly disagree and five (5) denoting strongly agree, using the Likert rating style. The survey is divided into six sections: A through G. Section A covers the respondents' demographics, which include gender, age, job title, education, and work experience. The questions in Sections B, C, D, and E are related to the independent variables. Measurement items as Table 2:

Table 2: Measurement Items

Section	Measurement Item
B	<p>The quality and quantity of consular services rendered by Kenyan embassies and missions abroad are enhanced by remittances.</p> <p>Kenyan expatriates in nations with substantial remittance inflows are provided with superior consular services.</p> <p>Remittances increase the amount of government funding and assistance available for consular services.</p> <p>The success of consular services in integrating the diaspora into the mainstream of national development is aided by remittances.</p> <p>The impact of remittances on national development is substantial contributing to social and economic growth</p>

C	<p>Consular services are impacted by the requirement to control immigration flows to prevent the loss of highly qualified and educated nationals.</p> <p>Skills and knowledge possessed by the Kenyan diaspora enhance the resources and support by the government available for the provision of consular services.</p> <p>Skills and knowledge of Kenyan diaspora members play a significant role in shaping the responsiveness of consular services to the needs of the diaspora community.</p> <p>The presence of bilateral Programs for skills & knowledge transfer between Kenya and other countries impacts consular services.</p> <p>Kenyan professionals working abroad and local networks and organizations to facilitate the transfer of skills and knowledge impacts consular services.</p>
D	<p>Technology is immensely important in the provision of consular services and general diaspora engagement.</p> <p>I find the use of technology useful in delivering effective consular services.</p> <p>Using technology increases the productivity of consular officers and diaspora networks.</p> <p>Using technology enables Kenya missions/embassies to connect with the Diaspora wherever they are.</p> <p>Embracing and mainstreaming the diaspora into national development is more likely when technology is used.</p>
E	<p>The quality and quantity of consular services provided by Kenyan embassies and missions overseas are positively impacted by investments made by the Kenyan diaspora.</p> <p>The Kenya Government's interest in investments by the diaspora companies & entrepreneurs has a positive impact on the provision of consular services</p> <p>The government's economic support and motivation for Kenyan diaspora companies toward domestic investments positively impact consular services.</p> <p>The availability of domestic investment opportunities for Kenyan diaspora investors & entrepreneurs positively impacts consular services.</p> <p>Foreign direct investment (FDI) and domestic investments by the diaspora contribute to the overall progress and advancement of national development initiatives.</p>
F	<p>Consular services effectively facilitate the transfer of remittances by the Kenyan diaspora, contributing to national development.</p> <p>Consular services work to identify and mobilize highly skilled & knowledgeable Kenyan diaspora to transfer knowledge & skills to Kenya.</p> <p>Consular services utilize technology to create strong social and emotional motivation for national development among the diaspora.</p>

	<p>Consular services complement government investment promotion efforts among the diaspora and diaspora-affiliated firms.</p> <p>Consular services facilitate the mobilization of diaspora remittances, investments, and transfer of technology, skills & knowledge towards productive sectors, playing a crucial role in driving national development in Kenya</p>
G	<p>Consular services actively contribute to the overall progress and advancement of national development initiatives.</p> <p>Consular services effectively mediate the relationship between remittances and their impact on national development in Kenya.</p> <p>Consular services facilitate the transfer of skills and knowledge by strengthening ties and cooperation between local networks and organizations and Kenyan professionals working abroad.</p> <p>Consular services play a role in successfully managing the impact of technological advancements and their effects on national development.</p> <p>Consular services play a significant role in promoting and facilitating investment opportunities, contributing to increased resources for national development in Kenya.</p>

4. Findings

Descriptive statistics of respondents

The demographic profile of the 80 respondents is assessed using their gender, age, level of education, job title, and years of service/work experience. Table 3 depicts the use of descriptive statistics to assess and represent the demographic characteristics of the respondents.

Table 3. Demographic Statistics of Participants

Demographic	Category	Frequency (n=80)	Percentage (%=100)
Gender	Male	45	56.3
	Female	35	43.8
Age	18-24	1	1.3
	25-34	29	36.3
	35-44	33	41.3
	45-54	9	11.3
	55-64	8	10.0
Education	Bachelor's Degree	33	41.3
	Master's Degree	45	56.3
	PhD	2	2.5

Job Title	Foreign Service Office III	24	30.0	
	Foreign Service Officer II	27	33.8	
	Second Counselor	3	3.8	
	First Counselor /Assistant Director	9	11.3	
	Deputy Director/Minister Counselor	3	3.8	
	Director Foreign Service/Minister	4	5.0	
	Ambassador /High Commissioner	10	12.5	
	Work Experience	Less than 5	22	27.5
		5 - 10	33	41.3
	11-15	3	3.8	
	15-20	8	10.0	
	20 and above	14	17.5	
Total number of participants		80	100	

Measurement model assessment

A reliability test is a statistical measure used to assess the consistency and stability of a measurement instrument used in research. Cronbach's alpha coefficient is a commonly used method for evaluating reliability. Cronbach's alpha is a coefficient used to assess a measurement instrument's internal consistency (Cronbach, 1951). It indicates the degree to which all items on a scale measure the same underlying concept. Cronbach's alpha coefficients of 0.7 or higher are generally considered acceptable. The findings indicate that the indicator loading for each construct achieved satisfactory values, starting with investment ranging between 0.679 and 0.904, followed by remittance (0.934–0.955), skills and knowledge (0.573–0.830), technology (0.905–0.946), consular services (0.731–0.893), and national development (0.794–0.896). Furthermore, all Cronbach's alpha and composite reliability values met the 0.7 minimum cutoff. An instrument is a legitimate measure of the construct if it has a high AVE value, which also shows that the measurement items have a strong correlation with the construct they are meant to measure. The results also show that the Average Variance Extracted (AVE) values are greater than 0.5, indicating adequate convergence validity.

Table 4. Measures and reliability

Construct	Measurement Item	Indicator Loading	Cronbach's Alpha (CA)	Composite Reliability (CR)	Average variance extracted (AVE)
Investment	INV1	0.679	0.860	0.899	0.643
	INV2	0.859			
	INV3	0.855			
	INV4	0.904			
	INV5	0.798			

Remittance	R1	0.954	0.973	0.979	0.903
	R2	0.950			
	R3	0.955			
	R4	0.934			
	R5	0.958			
Skill & Knowledge	SK1	0.573	0.835	0.881	0.601
	SK2	0.800			
	SK3	0.822			
	SK4	0.819			
	SK5	0.830			
Technology	TEC1	0.917	0.958	0.967	0.855
	TEC2	0.910			
	TEC3	0.946			
	TEC4	0.946			
	TEC5	0.905			
Consular Services	CS1	0.754	0.860	0.899	0.643
	CS2	0.731			
	CS3	0.824			
	CS4	0.795			
	CS5	0.893			
National Development	ND1	0.870	0.916	0.937	0.750
	ND2	0.874			
	ND3	0.893			
	ND4	0.794			
	ND5	0.896			

Notes 1: CA= Cronbach's Alpha; CR= Composite Reliability.

Notes 2: All questions are 5 levels (1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree)

The Fornell-Larcker (1981) criterion, which compares the square root of the average variance extracted (AVE) with the correlations across constructs, was used to evaluate discriminant validity. As shown in Table 5, all diagonal values representing the square roots of AVE are greater than the correlation coefficients between the constructs.

Table 5. Measures and Discriminant Validity

Fornell Lacker	CS	I	ND	R	S&K	T
Consular Services	0.802					
Investment	0.747	0.823				
National Development	0.772	0.805	0.866			
Remittance	0.436	0.379	0.294	0.950		
Skill and Knowledge	0.662	0.685	0.548	0.366	0.775	
Technology	0.463	0.552	0.536	0.289	0.419	0.925

Note: Values in bold are the square root of AVE

Structural model assessment

SEM is a versatile modelling tool that includes factor analysis, regression analysis, and path analysis within complex multivariate models, according to Cheng et al. (2022). The popularity of partial least squares structural equation modelling (PLS-SEM) among researchers in a variety of fields has shifted research attention to more dynamic and complex models. The structural model was assessed using the variance inflation factor (VIF), R-squared, F-squared, Q-squared, and path coefficient. The VIF is calculated by comparing the variance of the estimated regression coefficient to the actual regression coefficient variance, assuming all other predictor variables are included in the model. Ramayah et al. (2020) recommended that the VIF value be less than 3.3. The inner VIF ranges from 1 to infinity, with 1 indicating no correlation between the independent variables and greater than 3 indicating multicollinearity. Table 4 shows that all of the VIF values were less than 3.3 but greater than one, indicating the presence of multicollinearity. R-squared is the proportion of the endogenous construct's variance that is explained by all connected exogenous constructs. This effect is measured on a scale of 0 to 1, with higher values indicating greater predictive accuracy. Pandey et al., (2021) interpretation states that values of 0.75, 0.50, and 0.25 are considered substantial, moderate, and weak. The results in Table 6 revealed that the coefficients of determination (R²) for national development and consular services are 0.705 (moderate) and 0.561 (moderate), respectively.

Effect size (f^2) is assessed at this stage using Smart-PLS 4 to gauge the relative impact of predictor constructs on endogenous constructs. A study by Funder et al., (2019) recommended considering both practical significance (effect size) and statistical significance (p-value) when evaluating effect size. The effect size adheres to a formula established by Cohen (1988), where effect sizes of 0.02, 0.15, and 0.35 represent small, medium, and large impacts, respectively. The results are presented in the table below, with investment having the largest impact on national development with an f^2 value of 0.355.

Table 6. Assessment of Structural Equation Model

Path	VIF	R ²	SSO	SSE	Q ² (=1-SSE/SSO)
REM -> CS	1.208				
SK -> CS	1.936				
TEC -> CS	1.459				
INV -> CS	2.288				
CS-> ND	2.634				
REM -> ND	1.262				
INV -> ND	2.941				
National Development		0.736 (Moderate)	465	238.212	0.527
Consular Services		0.620 (Moderate)	465	306.69	0.378

Path coefficients

Path coefficients signify the estimated strengths of the relationships between constructs in the model, ranging from +1 (indicating a strong positive association) to -1 (indicating a strong negative relationship), as explained by Hair et al. (2019). In PLS path analysis studies, it is crucial to report not only the path coefficients but also include measures such as significance levels, t-values, and p-values, following the recommendations of Romano et al. (2019). Additionally, considering Einav et al., (2019) concerns about the reliability of p-values for hypothesis testing, a combination of criteria, including p-values and confidence intervals, can offer a more comprehensive assessment of the results.

Table 7 shows that five structural equation models support the hypotheses, while the rest of the six are not support. The effect between consular services and national development was the most significant ($\beta = 0.445$, $t = 4.446$, $p < 0.05$). Thus, H5 was sufficiently supported, as were the four other hypotheses (H2, H4, H7, and H11). The rest of the six hypotheses—H1, H3, H6, H8, H9, and H10—were not sufficiently supported because their p-values were greater than 0.05, which does not match the 95% confidence level. As per coefficient summary, investment has the largest effect on consular services ($\beta = 0.498$, $t = 4.335$, $p = 0.0000$, which is less than 0.05).

Table 7. Path coefficients measures

	Hypothesis	Path coefficient	Original sample (O)	Sample Mean (SM)	Standard deviation (STDEV)	T statistics (O/STD EV)	P values
H1	REM -> CS	0.143	0.143	0.145	0.080	1.788	0.0740
H2	SK -> CS	0.251	0.251	0.251	0.122	2.053	0.0400
H3	TEC -> CS	0.042	0.042	0.052	0.089	0.468	0.6400
H4	INV -> CS	0.498	0.498	0.488	0.115	4.335	0.0000
H5	CS-> ND	0.445	0.445	0.450	0.100	4.446	0.0000
H6	REM -> ND	0.087	-0.087	-0.085	0.067	1.294	0.1960
H7	INV -> ND	0.526	0.526	0.501	0.128	4.114	0.0000
H8	REM -> CS -> ND	0.064	0.064	0.062	0.035	1.812	0.0700
H9	SK -> CS -> ND	0.112	0.112	0.114	0.064	1.744	0.0810
H10	TEC -> CS -> ND	0.019	0.019	0.024	0.040	0.460	0.6460
H11	INV -> CS -> ND	0.222	0.222	0.220	0.073	3.053	0.0020

Figure 2. Model SEM

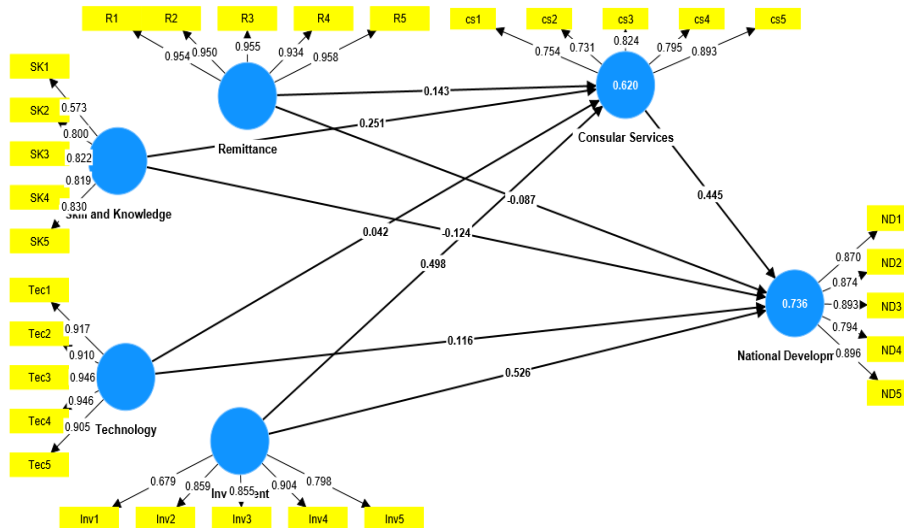
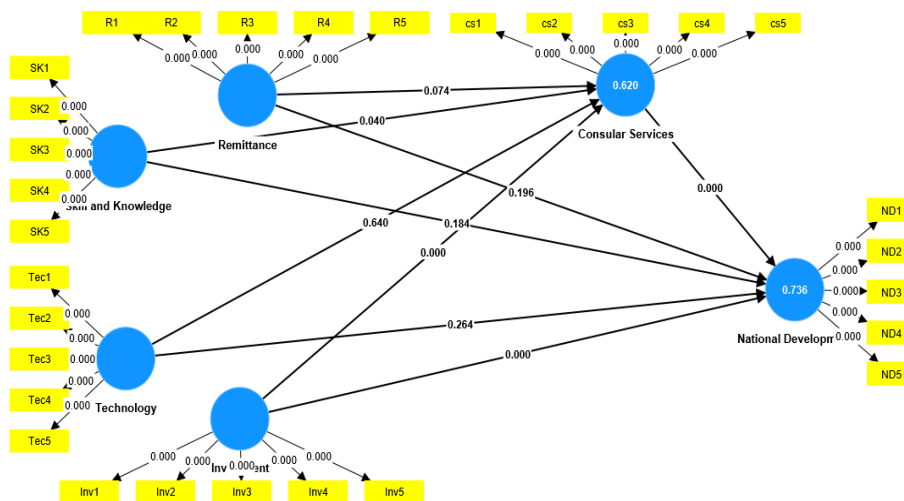


Figure 3. Model Bootstrapping



5. Contribution and conclusions

This study aimed to assess the mediating effects of consular services on remittances, skills & knowledge, technology, and investment towards national development. The aim was to fill the gap in awareness of the role of consular services in engaging the Kenyan diaspora in national development. The study, therefore, enriched the existing literature on relations between diaspora and economic development by adding knowledge to the subject matter. Hence, it will contribute to both academia and policymaking.

The role of technology in providing government services cannot be overstated. Kenya's Ministry of Foreign Affairs can use technology for effective consular services and integrate the diaspora into national development through strategic interventions in developing a digital consular services platform that allows Kenyan diaspora members to access consular services remotely. Another strategic initiative is an online diaspora database creation in order to keep track of Kenyans living abroad.

Furthermore, the virtual Consular Assistance Centers with video conferencing capabilities enable the Kenyan diaspora to schedule virtual appointments with consular officers for consultations, guidance, and assistance without physically visiting an embassy or consulate. As part of the digitization strategy, implementing an online document verification system would have significant ramifications for streamlining the authentication of official documents. With the digitization, for diaspora members who need to authenticate important documents (like legal documents, diplomas from educational institutions, and other credentials. Technology could significantly improve consular services in terms of both quality and efficiency.

6. Policy Implication

The effect between consular services and national development was the most significant ($\beta = 0.445$, $t = 4.446$, $p < 0.05$) between H2, H5, H4, H7, and H11. After carefully evaluating this study, the Kenya Foreign Service Act 2021 and the Government Financial Management Act 2009 are used as recommendations and references to improve the process of mainstreaming and integrating the Kenyan diaspora towards national development in Kenya. The Foreign Service Act 2021, Part II, Article 5(q), mandates the Ministry of Foreign Affairs to provide consular services as prescribed, among other functions. The publication of Kenya's Foreign Policy in 2014, the first time since its independence, was a primary achievement as it provided a reference document on foreign relations, which had been lacking since the country's independence in 1963 (Kaburu et al., 2023).

The Foreign Policy provides a broad framework for Kenya's foreign relations and diplomatic engagements within the contemporary global environment. The policy outlines the evolution of Kenya's diplomacy since independence and informs on the strategic thrust in pursuit of Kenya's national interests. Peace diplomacy, economic diplomacy, diaspora diplomacy, environmental diplomacy, and cultural diplomacy are the five interconnected pillars upon which Kenya's foreign policy is established. The Diaspora Policy's goal is to effectively mainstream and integrate Kenyans living overseas so they may significantly contribute to Kenya's drive for transformation.

The Ministry of Labor and the Government have organized the structures, programs, and incentives to attract and utilize qualified and skilled human resources from Kenyans abroad. The government will develop and update data on skilled Kenyans abroad. Further, the government will put in place mechanisms and measures to promote the transfer of knowledge and skills virtually through online support to build the local capacity of Kenyan nationals and hence contribute to

national development. In this regard, information will be made available to Kenyans abroad through missions abroad on skills shortages and corresponding employment opportunities in Kenya. The government will also introduce and operationalize an award and recognition scheme for Kenyans abroad who have excelled in their area of specialization. The Ministry of Foreign Affairs, through the State Department for Diaspora Affairs, will leverage the use of information and communication technology (ICT)-enabled services to enhance efficiency in engagement with Kenyans abroad. The government will develop and operationalize an interactive Diaspora web portal and offer online consular services at the Ministry headquarters and diplomatic missions abroad.

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