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Original Research Article

Impact of Risk Management on Institutional Development and the Growth of Non-Governmental Organizations in Four East African Countries (2015–2021)

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Abstract: This study investigates the impact of risk management on the institutional development and growth of Non-Governmental Organizations (NGOs) in four East African countries between 2015 and 2021. The Background of the Study traces the evolution of civil society, emphasizing NGOs' transformation from informal entities to pivotal actors in development and humanitarian efforts, driven by historical milestones like the UN establishment and normative frameworks such as the Universal Declaration of Human Rights. The sector's expansion, particularly in East Africa, has been shaped by regional integration, donor influence, and the need to professionalize operations amid political, social, and economic complexities. However, many NGOs face vulnerabilities due to inadequate risk management in the face of external shocks like political instability and environmental disasters, hampering their resilience and long-term sustainability. Existing literature largely offers global perspectives, underscoring the need for context-specific research. The Objective is to assess how risk management influences organizational resilience and growth, with the Research Hypothesis proposing a significant positive impact. The Theoretical Frameworks draw on Growth-Based Theory, emphasizing internal resources and strategic flexibility, and Foundations of Development and Risk, highlighting systemic vulnerabilities and adaptive capacities. Empirical evidence was collected through a mixed-methods approach rooted in Creswell and Creswell's (2018) and Kumar's (2019) principles. The quantitative component involved a structured survey distributed to approximately 476 NGO personnel such as managers and financial officers from 28 organizations selected via stratified random sampling based on country, size, and sector. The qualitative aspect comprised semi-structured interviews with key informants, complemented by document analysis of organizational reports and strategic plans. Data collection adhered to rigorous quality assurance protocols, including training, pilot testing, and ethical considerations. The Results reveal strong, positive correlations between risk management components such as monitoring and evaluation (M&E), stakeholder participation, transparency, and partnerships and measures of institutional development. Quantitative analysis indicates that comprehensive risk management practices significantly predict organizational resilience, with notable regional disparities; Kenya outperforms others due to stronger governance and donor support, while South Sudan faces greater challenges. Qualitative insights demonstrate that NGOs have evolved their risk mechanisms through organizational learning, trust-building, and strategic alliances. In conclusion, the findings highlight the critical importance of integrated, context-sensitive risk management practices for strengthening NGO resilience and sustaining growth. Policy recommendations include developing national frameworks, fostering multi-stakeholder platforms, and capacity-building initiatives. The study advocates for further longitudinal and sector-specific research on risk-sharing mechanisms and stakeholder perceptions to enhance sustainable NGO development across East Africa and beyond.

Keywords: Impact, Risk Management, Institutional Development, Growth of Non-Governmental Organizations, Four East African Countries.

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BACKGROUND OF THE STUDY

The global landscape of civil society is profoundly shaped by the activities of non-state actors, collectively known as the third sector or civil society, which has transitioned from marginal players to central contributors in international development, humanitarian aid, and governance (Cameron, 2000; Haque, 2020; Schneiker & Joachim, 2020). Understanding the challenges faced by NGOs in East Africa requires contextualizing their evolution within this broader global trajectory, which spans from post-war origins to the complex, professionalized sector of today (Murmann *et al*., 2003; Jovanovic, 2008; Bell & Newitt, 2010; Ampaire *et al*., 2017). This history highlights how NGOs have grown from informal movements to key international players, especially since the post-Second World War era, when the devastation and geopolitical shifts created a need for non-state aid mechanisms (Jovanovic, 2008; Dillard & Vinnari, 2019; George *et al*., 2020).

The establishment of the United Nations in 1945 and the normative frameworks like the Universal Declaration of Human Rights provided NGOs with legitimacy and institutional recognition, facilitating their advocacy and development roles (Haque, 2020; Andrews *et al*., 2020; Brummel, 2021; Ampar *et al*., 2017). A pivotal shift occurred in the 1980s with the rise of neoliberal economic policies, notably the Washington Consensus and Structural Adjustment Programs, which mandated austerity measures and reduced state social services across Africa, Asia, and Latin America (Cameron, 2000; Escobar, 1995; Green, 2017). This created a vacuum in social service delivery, which NGOs were increasingly called upon to fill, often financed through Official Development Assistance channeled via Northern NGOs to Southern partners, transforming NGOs into major implementers of international development aid (Okorley & Nkrumah, 2012; Moloney, 2020; Villani *et al*., 2021).

However, this dependency on donor funding introduced new challenges, such as mission drift, where NGOs' priorities shifted towards donor agendas at the expense of local needs, and increased scrutiny over their independence and legitimacy (Haque, 2020; Kessy, 2020; Chen *et al*., 2019; Brummel, 2021). By the early 21st century, NGOs had become integral to the global system, ranging from large, multinational organizations to small community-based groups, with their roles expanding into policy influence and multi-stakeholder partnerships (Balboa, 2018; Akhtar *et al*., 2021; Schneiker & Joachim, 2020). This prominence has led to tighter regulations and demands for transparency, accountability, and sophisticated risk and financial management systems, reflecting a more professionalized and scrutinized sector (Seligsohn *et al*., 2018; Alom, 2018; Umar, 2017).

Within this context, NGOs in East Africa operate under increasing pressure to professionalize their financial systems, manage risks, and develop sustainable institutions—pressures that are directly linked to the global evolution of the sector over the past five decades (Wachira, 2016; Wandera & Sang, 2017; Kasolo, 2017). The region's political, economic, and social complexities have shaped the operational environment, making understanding these dynamics crucial for assessing the sector's future resilience and growth (Milelu, 2018; Mtango, 2017; Nalukenge *et al*., 2017). Recognizing this, the region’s history of post-colonial state-building, economic reform, and conflict highlights how external and internal factors influence NGO institutional development and financial sustainability (Cameron, 2000; Escobar, 1995).

East Africa has experienced significant growth in its NGO sector, especially in Kenya, Uganda, Tanzania, and South Sudan, driven by donor funding, regional integration, and a focus on sustainable development goals (United Nations, 2022). Nairobi has become a hub for international agencies, foundations, and development organizations, fostering a vibrant ecosystem that encourages the proliferation of diverse NGOs—from grassroots initiatives to large, professionalized entities managing multi-million-dollar projects (Milelu, 2018; Kasolo, 2017; Wachira, 2016). The sector’s scope covers health, agriculture, governance, human rights, and humanitarian relief, with NGOs often operating in contentious or politically sensitive spaces, especially in contexts of conflict or fragile statehood.

Despite impressive growth, the financial stability of NGOs in East Africa remains precarious, heavily dependent on foreign donors, which creates vulnerabilities and intense competition for grants (Okorley & Nkrumah, 2012; Milelu, 2018; Lassou *et al*., 2020). This dependency has driven the sector toward professionalization, with NGOs required to meet stringent financial management, reporting, and monitoring standards to secure funding (Seligsohn *et al*., 2018; Vian, 2020; Alom, 2018). While this has improved accountability, it has also posed significant challenges for smaller organizations lacking capacity, leading to a tiered landscape where large NGOs dominate funding access, and smaller groups struggle to survive long-term (Barr *et al*., 2005; Balboa, 2018; Moore, 2005). Furthermore, the project-based funding model creates cyclical institutional instability, complicating strategic planning and long-term development efforts (Kasolo, 2017; Moloney, 2020).

Designating East Africa as a "cradle of growth" underscores its strategic importance as a laboratory for studying NGO development, management, and financial sustainability. The region offers a unique comparative landscape with diverse political and economic contexts—including stable, market-driven, post-conflict, and fragile states—making it ideal for examining how macro-level factors influence institutional resilience (George *et al*., 2020; Wandera & Sang, 2017). The dense network of international aid, coupled with regional integration, facilitates rapid dissemination of innovative practices, making East Africa a vital "cradle" where new models of NGO management are forged and tested. Studying this region captures the dynamic interplay between global influences and local adaptations, offering insights into the future of civil society in the Global South (Cameron, 2000; Moore, 2005; Kasolo, 2017).

Finally, the period from 2015 to 2021 is particularly significant, as it encompasses the implementation of the Sustainable Development Goals (SDGs), shifting donor priorities toward issues like security and migration, and the onset of the COVID-19 pandemic—all of which have exerted immense pressure on NGO financial and institutional resilience (Villani *et al*., 2021; Sambo & Kanyane, 2020; Akhtar *et al*., 2021). This timeframe allows for an examination of how NGOs have adapted to rapidly changing circumstances, including evolving funding landscapes and operational challenges. Overall, East Africa's role as a "cradle of growth" provides a critical, context-rich setting to explore the intricate relationship between financial economics and institutional development, with implications for global civil society's future (Wangithi *et al*., 2012; Okorley & Nkrumah, 2012; Milelu, 2018).

The evolving dynamics within East Africa's NGO sector also highlight the importance of effective risk management and institutional capacity building in ensuring long-term sustainability. As NGOs navigate complex legal, political, and socio-economic environments, their ability to identify, assess, and mitigate various risks becomes crucial for maintaining operational continuity and credibility (Muema *et al*., 2022; Wanjala *et al*., 2021). This is particularly pertinent given the increasing demands from international donors for transparency and accountability, which require NGOs to implement sophisticated financial systems and governance structures (Seligsohn *et al*., 2018; Aboramadan, 2018). Building such capacity is a strategic imperative, especially for smaller NGOs that often lack the resources to develop comprehensive risk management frameworks, thereby limiting their growth prospects and resilience in the face of external shocks (Wachira, 2016; Kasolo, 2017).

Moreover, the region's interconnectedness means that innovations, policy shifts, and best practices can rapidly influence the entire East African NGO ecosystem. This interconnectedness offers opportunities for regional collaboration, knowledge sharing, and collective capacity building, which are essential for addressing shared challenges such as climate change, public health crises, and political instability (Ampaire *et al*., 2017; Musila, 2019). Understanding the regional patterns of institutional development and financial management can inform both local strategies and international funding policies, ensuring that NGOs are better equipped to adapt and thrive amid ongoing uncertainties. Ultimately, East Africa's status as a "cradle of growth" underscores its potential to shape the future of civil society not only within the region but also as a model for emerging NGOs across the Global South.

Statement of the Problem

Despite the vital contribution of NGOs to social, economic, and humanitarian development across East Africa home to over 350,000 registered NGOs and accounting for a significant share of service delivery many organizations face persistent vulnerabilities due to inadequate risk management practices (United Nations, 2022; Kessy, 2020). The region is characterized by frequent external shocks, including political instability, environmental disasters such as droughts and floods, and fluctuating economic conditions, all of which threaten NGO operations. Without formalized risk mitigation frameworks, NGOs struggle to respond swiftly and effectively to these crises, resulting in operational disruptions, compromised service delivery, and erosion of stakeholder confidence (Muema *et al*., 2022; Wanjala *et al*., 2021). This fragility hampers their institutional development and undermines their potential to contribute consistently to regional development goals.

Furthermore, existing research on the impact of risk management on NGO resilience is predominantly based on global or cross-regional data, with limited empirical evidence focusing specifically on East Africa's unique socio-political and economic context (Sambo & Kanyane, 2020). Studies suggest that effective risk mitigation strategies are critical for organizational sustainability, enabling NGOs to adapt to rapid changes and sustain long-term growth (Silva & Burger, 2015). However, the dearth of up-to-date, region-specific data impedes policymakers, funders, and NGO leaders from developing targeted risk management interventions that can enhance institutional resilience. As a result, many NGOs remain ill-equipped to navigate ongoing uncertainties, constraining their growth and capacity to deliver on their development mandates.

Given that East Africa's NGO sector continues to expand driven by increasing donor funding, regional integration, and urgent development needs understanding the role of risk management in fostering institutional growth is more critical than ever (Seligsohn *et al*., 2018; Milelu, 2018). The period from 2015 to 2021, marked by the implementation of the Sustainable Development Goals (SDGs), political upheavals, economic fluctuations, and the COVID-19 pandemic, has further underscored the importance of resilient organizational structures (Villani *et al*., 2021). Addressing this knowledge gap will provide crucial insights into how NGOs in the region can develop effective risk management strategies to support sustainable institutional growth, ultimately enhancing their capacity to contribute meaningfully to regional development amidst ongoing uncertainties.

Objective of the Study

This study sought to investigate the Impact of Risk Management on Institutional Development and the Growth of Non-Governmental Organizations in Four East African Countries (2015–2021).

Research Hypothesis

This study was based on the following research hypothesis:

$H_0$1: There is no statistically significant impact of risk management on institutional development and the growth of Non-Governmental Organizations in four East African Countries (2015–2021).

Theoretical Frameworks: This study was anchored on the following theories:

Growth-Based Theory

The Growth-Based Theory of the firm emerged in the mid-20th century as a paradigm shift from the traditional profit-maximization model, emphasizing that organizations primarily seek sustainable growth rather than short-term profits (Penrose, 1959; Marris, 1964). Its core strength lies in highlighting the importance of internal resources such as managerial capacity, organizational learning, and strategic resource utilization in driving organizational expansion (Penrose, 1959; Richardson, 1972). This makes it particularly relevant for NGOs aiming to scale their operations, as it underscores that building internal capacity, improving governance, and leveraging resources are fundamental to achieving growth and impact in complex environments like East Africa.

Over time, the theory has evolved to incorporate insights from strategic management and organizational learning, emphasizing that growth opportunities are shaped by both internal capabilities and external market conditions (Teece *et al*., 1997; Eisenhardt & Martin, 2000). Empirical studies within East Africa support its relevance, showing that NGOs with strong governance structures, diversified funding sources, and effective risk management are better positioned to expand their programs geographically and in scope (Gitonga, 2021; Legacy Advocates Ltd, 2019). Nonetheless, critics argue that the theory's emphasis on continuous growth may not always be appropriate for mission-driven NGOs or those operating in resource-scarce environments, where expansion could threaten organizational integrity or community trust (Hannan & Freeman, 1977; Baum & Singh, 1994). To mitigate this, contextual adaptation such as aligning growth with organizational mission and community needs is necessary.

The visual framework of Growth-Based Theory emphasizes the dynamic interaction between internal capabilities like managerial skills, financial management, and risk mitigation and external opportunities such as donor funding and market access (Penrose, 1959; Porter, 1980). It suggests that NGOs must develop sophisticated organizational systems and strategic flexibility to navigate the complex growth ecosystem, especially in challenging environments like East Africa where resource dependencies and institutional constraints are prevalent (World Bank, 2001). However, critics note that this focus may overlook the socio-cultural factors and community dynamics that influence NGO growth. Therefore, integrating local contextual factors and indigenous governance practices into growth strategies is crucial for ensuring sustainable and culturally appropriate expansion.

Foundational Theories of Development and Risk

Foundational Theories of Development and Risk originated from diverse disciplines, aiming to understand societal progress and the various uncertainties that threaten sustainable development (Rostow, 1960; Beck, 1992). These theories emphasize that development is a complex, non-linear process influenced by economic, social, political, and environmental factors, which are often intertwined with risks arising from political instability, resource scarcity, and institutional weaknesses (Sen, 1999; Giddens, 1990). Their strength lies in their holistic perspective that development is inherently risky, requiring organizations especially NGOs to develop capacities for effective risk assessment, mitigation, and adaptive management to achieve long-term sustainability.

Over the years, these theories have expanded to incorporate a broader understanding of socio-political and environmental risks, emphasizing that development initiatives must address systemic vulnerabilities and contextual uncertainties (Holzmann & Jørgensen, 2000; Rodrik, 2007). Empirical evidence from East African NGOs demonstrates that organizations with strong institutional capacity, diversified resource bases, and strategic risk management are better able to navigate political upheavals, economic shocks, and social unrest (Silva & Burger, 2015; De Silva & Plagis, 2023). Despite their comprehensive scope, critics argue that traditional development and risk theories often reflect Western-centric assumptions and may underappreciate indigenous knowledge systems, local cultural practices, and community-led resilience strategies that are vital in East African contexts (Rahnema & Bawtree, 1997; Escobar, 1995).

These foundational frameworks advocate for integrating development objectives with risk management practices, emphasizing that sustainable progress hinges on an organization's ability to identify, assess, and respond to diverse risks (World Bank, 2001; DFID, 2005). They support the view that NGOs must build institutional resilience through effective governance, financial management, and social capital to withstand shocks and leverage opportunities for growth

(Mohan, 2002). However, critics highlight that the linear and technocratic nature of these theories may neglect the social, cultural, and political nuances influencing development trajectories in East Africa. Therefore, modifying these theories to incorporate local knowledge, participatory approaches, and context-specific risk perceptions is essential for effective application.

The integration of Development and Risk theories provides a comprehensive lens to understand the complex environment in which NGOs operate in East Africa. This combined framework recognizes that development initiatives are inherently fraught with uncertainties—ranging from political instability and economic fluctuations to social conflicts—that must be actively managed to ensure sustainable progress (Holzmann & Jørgensen, 2000; Beck, 1992). Its strength lies in its holistic approach, emphasizing that effective development hinges not only on resource mobilization and institutional capacity but also on robust risk assessment, contingency planning, and adaptive management strategies (Rodrik, 2007; Siegel & Alwang, 1999). This perspective is particularly relevant for NGOs navigating fragile political contexts, resource constraints, and socio-cultural dynamics characteristic of East Africa.

Empirical studies support the relevance of this integrated approach, showing that NGOs with strong institutional capacities such as governance, financial management, and community engagement are better equipped to balance development aspirations with risk mitigation (De Silva & Plagis, 2023; Legacy Advocates Ltd, 2019). The development-risk matrix conceptualizes organizations as operating within a spectrum where high growth potential often coincides with high vulnerability, especially in challenging environments, necessitating sophisticated risk management capabilities (FHI 360, 2022; De Silva & Plagis, 2023). Nonetheless, critics argue that these theories are rooted in Western developmental paradigms and may underplay indigenous knowledge systems, social cohesion, and community resilience that are central to many East African societies (Escobar, 1995; Korten, 1990). Incorporating local cultural practices and community-based risk perceptions into planning and decision-making processes can enhance the relevance and effectiveness of these frameworks.

Furthermore, these integrated theories emphasize that development outcomes are interconnected with risk management strategies, advocating for a balance between capacity building, resource stability, and community participation (Banks & Hulme, 2012; Collier, 2007). They highlight that organizational resilience depends on continuous learning, capability development, and adaptive governance—elements that enable NGOs to respond flexibly to evolving risks while pursuing their development goals (Mohan, 2002; Harrison, 2004). However, critics warn that a one-size-fits-all approach may overlook the socio-political realities and power dynamics influencing development trajectories in East Africa. To address this, theoretical models should be adapted to local contexts, emphasizing participatory governance, indigenous knowledge, and culturally sensitive risk perceptions for achieving sustainable NGO development.

Empirical Reviews

Silva and Burger (2015) conducted a mixed-methods study involving quantitative analysis of financial data from 295 NGOs and qualitative interviews with 45 organizational leaders. Their findings revealed that NGOs with formal risk management systems exhibited a 30% higher ability to withstand operational shocks, highlighting a strong link between proactive risk practices and organizational resilience. The study identified key financial risks, such as donor concentration, political instability, and lack of diversified revenue streams, which significantly contributed to organizational vulnerabilities. Leaders emphasized that funding volatility and reputational risks posed substantial threats to sustainability, underscoring the importance of structured risk management frameworks. However, the study primarily focused on financial risks, leaving operational, strategic, and reputational risks less explored. Its emphasis on financial vulnerability suggests a need for broader research into other risk dimensions affecting NGOs, particularly within the East African context where diverse risks intersect. Future research should adopt a more holistic approach, examining multiple risk categories across different organizational types and sectors, to better inform strategies that enhance resilience in complex socio-political environments.

FHI 360 (2022) conducted a comprehensive assessment of NGOs across sub-Saharan Africa using expert evaluations to score organizational risk factors on a standardized scale. Their analysis showed that organizations with robust risk assessment protocols and comprehensive risk mitigation strategies recovered approximately 25% faster from crises such as natural disasters and political upheavals. The study highlighted that legal and funding risks were the most significant threats to NGO sustainability, with organizations that diversified their funding sources and maintained strong governance structures experiencing lower risk exposure. These findings emphasize the importance of proactive risk assessment and strategic planning in fostering organizational resilience. Despite its valuable insights, the study relied heavily on expert assessments, which may introduce bias and limit the objectivity of the findings. There is a need for future research to gather direct organizational data, including operational metrics and internal risk management practices, to validate and extend these findings. Such research could better clarify causal relationships and inform tailored risk management strategies suited to the specific challenges faced by NGOs in the East African region.

De Silva and Plagis (2023) focused on political risks faced by NGOs in Tanzania through qualitative content analysis of 155 applications to the African Court and in-depth interviews with 28 NGO leaders and legal experts. Their findings indicated that political risk increased during the study period, with 73% of organizations reporting government interference or restrictions. NGOs responded by employing diverse risk mitigation strategies, including strategic litigation, international advocacy, coalition-building, and operational adaptation. These approaches demonstrated that political risk management requires sophisticated capabilities that go beyond traditional financial risk practices, emphasizing the need for strategic agility. Nevertheless, the study's scope was limited to Tanzania and a specific NGO subset, which constrains the generalizability of its conclusions to other countries and organizational types within East Africa. Future research should explore political risk dynamics across multiple countries and diverse NGO sectors to develop a more comprehensive understanding of effective risk mitigation strategies in fragile political contexts. This would enable stakeholders to better tailor interventions that bolster organizational resilience amid increasing political uncertainties.

Kereri and Massawe (2024) examined risk management practices and financial sustainability among 187 NGOs in Tanzania through a cross-sectional survey. Using factor analysis and multiple regression, they identified five major risk categories financial, operational, strategic, compliance, and reputational that significantly impacted organizational stability. Their analysis revealed that NGOs with formal risk management systems and comprehensive risk practices achieved better financial outcomes, with risk clustered into internal, external, and stakeholder-related dimensions. The study demonstrated that organizations which systematically manage risks tend to have higher levels of financial sustainability and resilience. However, the cross-sectional nature of the study limits its ability to establish causality between risk management practices and organizational outcomes. Longitudinal research is necessary to determine whether improved risk management directly leads to increased resilience and sustainability over time. Despite this limitation, the study underscores the importance of integrating structured risk management frameworks into NGO operations to enhance institutional robustness, especially in environments characterized by multiple overlapping risks.

Mwangi and Kiprotich (2018) investigated the strategic use of Monitoring and Evaluation (M&E) practices among 134 development NGOs in Kenya. Their study employed descriptive statistics, correlation analysis, and multiple regression to assess how M&E systems influence risk mitigation and organizational resilience. They found that a high percentage of organizations (81%) had formal M&E systems, which they used for various purposes, including donor reporting, program improvement, and strategic planning. The data revealed that organizations with sophisticated M&E practices were better able to identify emerging risks, adapt their programs effectively, and demonstrate higher levels of resilience and stakeholder satisfaction. While these findings are promising, the study's reliance on self-reported measures and its cross-sectional design limit the ability to infer causal relationships. Longitudinal or experimental studies would be needed to definitively establish that improved M&E systems directly contribute to enhanced risk management and organizational resilience. Nonetheless, the research highlights the critical role of effective M&E in fostering adaptive capacity, especially in complex and evolving development environments in East Africa.

Ochieng and Makokha (2020) conducted a longitudinal study of 89 NGOs in Kenya over three years, focusing on how strategic partnerships influence risk exposure and organizational performance. Their panel data analysis revealed that active engagement in strategic partnerships significantly reduced financial and operational risks, with higher partnership diversity and intensity correlating with improved resilience and adaptive capacity. The findings suggest that collaboration and network-building serve as effective strategies for risk mitigation, enabling NGOs to share resources, access new funding, and strengthen their operational stability amid uncertainties. However, the study's scope was limited to Kenya, and its relatively small sample size may restrict the applicability of findings across the broader East African region. Additionally, it did not thoroughly examine potential risks associated with partnerships, such as dependency or conflicts of interest, which could offset some of the benefits. Future research should explore partnership dynamics in multiple countries, incorporating a broader range of risks and organizational types, to develop more comprehensive strategies for building resilient NGOs through strategic alliances.

Nakamura and Wanjiku (2019) investigated how NGO networks facilitate risk sharing in Uganda through mixed-methods research combining social network analysis and case studies. Their quantitative analysis showed that NGOs with higher centrality within networks experienced significantly lower financial volatility and operational disruptions. The qualitative case studies revealed that formal risk-sharing arrangements such as resource pooling, joint fundraising, and coordinated advocacy were key mechanisms for distributing risks among network members. The findings suggest that strong, well-connected networks can enhance organizational stability and resilience during crises. Despite these promising results, the study focused primarily on formal networks and partnerships, potentially overlooking informal risk-sharing practices that are prevalent in East Africa. Moreover, its focus on Uganda limits the generalizability of findings to other contexts with different socio-political dynamics. Future research should examine both formal and informal risk-sharing mechanisms across multiple countries to better understand how networks can be leveraged to foster resilience in diverse organizational settings.

Finally, the East African Civil Society Organizations Forum (2021) conducted a large-scale regional survey across Kenya, Uganda, Tanzania, and Rwanda, assessing partnership engagement and risk management practices among 342 NGOs. Using multilevel modeling, their analysis demonstrated that higher levels of partnership activity positively influenced risk management effectiveness, with variation observed across countries and partnership types. Notably, funding and program partnerships showed the strongest risk reduction effects, especially in countries with more supportive regulatory environments. These findings underscore the importance of collaborative strategies in enhancing NGO resilience across the region. However, the cross-sectional nature of this study and reliance on self-reported data introduce limitations, such as recall bias and social desirability effects, which could affect the validity of the results. To strengthen causal inferences, future research should employ longitudinal designs and objective performance measures. Nonetheless, this regional analysis highlights the potential of strategic partnerships to serve as a vital component of risk management frameworks, promoting resilience in diverse socio-political contexts across East Africa.

RESEARCH METHODOLOGY

The research methodology outlined in that chapter provided a comprehensive and systematic framework for investigating how risk management impacted organizational growth from 2015 to 2021. Rooted in the principles outlined by Creswell and Creswell (2018) and Kumar (2019), the methodology emphasized the importance of employing appropriate procedures, techniques, and principles to generate reliable and valid knowledge. It underscored that research methodology was not only about selecting methods but also about understanding the logical basis for their use, ensuring that the chosen approaches aligned with the study's objectives and contributed meaningfully to both theoretical insight and practical application (Kothari, 2004; Saunders *et al*., 2019). The chapter served as a blueprint, detailing the entire research process from philosophical foundations to data analysis, with a focus on how risk management practices influenced institutional development and organizational growth in the context of East African NGOs operating between 2015 and 2021.

The study adopted a pragmatic philosophical stance that underpinned its mixed-methods research design, as advocated by Johnson & Onwuegbuzie (2004) and Tashakkori & Teddlie (2010). This approach emphasized flexibility, problem-solving, and the integration of diverse methodologies to address complex organizational phenomena, such as the impact of risk practices on NGO development. Pragmatism allowed the researcher to combine quantitative methods such as surveys and statistical analyses with qualitative methods like case studies and interviews, enabling a holistic understanding of how risk management influenced institutional capacity and growth over the specified period (Bryman, 2016; Creswell, 2014). From an ontological perspective, the study recognized both the objective and subjective dimensions of reality, capturing measurable financial indicators alongside perceptions, attitudes, and organizational culture elements crucial for understanding how NGOs adapted risk strategies to foster growth and development (Guba & Lincoln, 1994). Epistemologically, methodological pluralism was employed, combining deductive testing of theories with inductive exploration of organizational processes, thus enriching the analysis through triangulation, especially in assessing how risk management contributed to organizational resilience and expansion from 2015 to 2021.

The overall research design was a concurrent mixed-methods approach, integrating cross-sectional surveys with multiple case studies to provide both breadth and depth on how risk management impacted institutional development and NGO growth. The quantitative component involved a structured survey distributed at a single point in time to a large sample of NGO personnel across four countries South Sudan, Uganda, Kenya, and Tanzania allowing for statistical analysis of relationships between risk practices, institutional capacity, and organizational growth over the 2015–2021 period (Bryman, 2016; Yin, 2018). Complementing this, the qualitative component involved in-depth semi-structured interviews with key informants from selected organizations, facilitating detailed exploration of the mechanisms through which risk management strategies influenced organizational resilience, capacity building, and expansion during that period. This combination enabled methodological triangulation, enhancing the validity and richness of findings by cross-validating data, explaining statistical results qualitatively, and capturing complex processes that quantitative methods alone might have overlooked crucial for understanding the growth trajectories of NGOs in East Africa amidst diverse risk environments.

The sampling procedures were multi-staged and carefully structured to ensure representativeness and relevance, particularly in capturing how risk management contributed to organizational expansion in different contexts. Organizations were selected through stratified random sampling based on country, size, sector focus, and organizational age, utilizing comprehensive NGO databases and local networks to develop the sampling frame (Kothari, 2004; Cooper & Schindler, 2014). Within these organizations, purposive sampling targeted key personnel such as managers and financial officers with at least two years of experience, ensuring respondents possessed substantive knowledge about risk practices and institutional growth processes from 2015 to 2021 (Patton, 2015). For qualitative sampling, maximum variation and theoretical sampling strategies were employed to capture diverse perspectives on how NGOs managed risks to achieve growth, until data saturation was reached providing insights into the varied success stories and challenges faced during that period (Strauss & Corbin, 1998; Miles *et al*., 2014). The sample size aimed for 476 respondents across 28 organizations, optimized for statistical power and qualitative depth, with measures in place to address non-response and ensure the data reflected the impact of risk management on NGO development during 2015–2021.

The data collection instruments included a rigorously developed structured questionnaire for quantitative data and a semi-structured interview guide for qualitative insights, designed specifically to measure risk management practices and institutional development outcomes in the context of NGO growth from 2015 to 2021. The questionnaire, based on extensive literature review and expert consultation, covered risk identification, assessment, mitigation, financial controls, and organizational capacity elements central to understanding how NGOs navigated risks to foster expansion (DeVellis, 2017; Hair *et al*., 2019). For qualitative data, the interview guide probed organizational contexts, risk strategies, capacity building efforts, and growth mechanisms, allowing an in-depth understanding of the processes through which risk management influenced organizational resilience and expansion (Kvale & Brinkmann, 2009; Rubin & Rubin, 2012). Supplementary document analysis of organizational reports and strategic plans further validated and contextualized the primary data, providing a comprehensive view of how NGOs in East Africa managed risks to sustain and grow their operations during the 2015–2021 period (Bowen, 2009; Scott, 1990). Rigorous quality assurance measures including training, pilot testing, ethical protocols, and confidentiality were implemented to ensure data accuracy, reliability, and cultural appropriateness, which were vital for assessing the role of risk practices in NGO growth in the specified timeframe (Creswell & Creswell, 2018; Christians, 2011).

RESULTS AND DISCUSSIONS

Findings on Risk Management and Institutional Development (RQ1)

Comprehensive Quantitative Findings on Risk Management Practices

The comprehensive quantitative analysis of risk management practices revealed significant and complex patterns in how East African NGOs approached risk identification, assessment, mitigation, and management strategies across multiple organizational dimensions. The study employed sophisticated descriptive and inferential statistical techniques to examine the relationships between various risk management components and institutional development outcomes, providing robust empirical evidence for understanding these critical organizational processes.

Table 1: Comprehensive Descriptive Statistics for Risk Management Variables

Risk Management Component	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev	Skewness	Kurtosis
Monitoring and Evaluation Systems									
Organization provides sufficient M&E funds	42 (8.8%)	89 (18.7%)	71 (14.9%)	131 (27.5%)	143 (30.0%)	2.49	1.34	0.23	-1.12
M&E budget allocation is adequate	38 (8.0%)	76 (16.0%)	83 (17.4%)	142 (29.8%)	137 (28.8%)	2.44	1.31	0.28	-1.08
M&E staff capacity is sufficient	45 (9.5%)	92 (19.3%)	89 (18.7%)	134 (28.2%)	116 (24.4%)	2.61	1.32	0.18	-1.15
M&E systems are user-friendly	67 (14.1%)	123 (25.8%)	98 (20.6%)	112 (23.5%)	76 (16.0%)	2.98	1.29	-0.02	-1.21
Stakeholder Participation Mechanisms									
Community involvement in M&E	156 (32.8%)	189 (39.7%)	67 (14.1%)	42 (8.8%)	22 (4.6%)	3.87	1.12	-0.78	0.23
Beneficiary feedback mechanisms	134 (28.2%)	201 (42.2%)	78 (16.4%)	45 (9.5%)	18 (3.8%)	3.82	1.08	-0.71	0.18
Stakeholder consultation processes	145 (30.5%)	178 (37.4%)	89 (18.7%)	48 (10.1%)	16 (3.4%)	3.82	1.09	-0.69	0.15
Partner engagement in monitoring	123 (25.8%)	167 (35.1%)	98 (20.6%)	67 (14.1%)	21 (4.4%)	3.63	1.15	-0.52	-0.34
Transparency and Accountability									
Financial information accessibility	167 (35.1%)	178 (37.4%)	89 (18.7%)	32 (6.7%)	10 (2.1%)	3.97	1.02	-0.89	0.67
Regular financial reporting	189 (39.7%)	156 (32.8%)	78 (16.4%)	38 (8.0%)	15 (3.2%)	3.98	1.09	-0.91	0.58

Risk Management Component	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev	Skewness	Kurtosis
Public disclosure of activities	145 (30.5%)	189 (39.7%)	98 (20.6%)	32 (6.7%)	12 (2.5%)	3.89	1.01	-0.81	0.52
Accountability mechanisms	178 (37.4%)	167 (35.1%)	89 (18.7%)	32 (6.7%)	10 (2.1%)	4.01	1.03	-0.95	0.71
Partnership and Alliance Effectiveness									
Risk sharing through partnerships	123 (25.8%)	167 (35.1%)	98 (20.6%)	67 (14.1%)	21 (4.4%)	3.63	1.15	-0.52	-0.34
Knowledge transfer from partners	145 (30.5%)	189 (39.7%)	89 (18.7%)	42 (8.8%)	11 (2.3%)	3.87	1.04	-0.78	0.31
Collaborative risk assessment	134 (28.2%)	178 (37.4%)	98 (20.6%)	52 (10.9%)	14 (2.9%)	3.77	1.07	-0.65	0.08
Joint problem-solving mechanisms	156 (32.8%)	167 (35.1%)	89 (18.7%)	48 (10.1%)	16 (3.4%)	3.84	1.11	-0.73	0.19

Source: *Primary Data (2024)*

The detailed descriptive statistics in Table 1 revealed significant variations in how respondents perceived different aspects of risk management within their organizations. The analysis showed that resource constraints were a major issue, particularly in monitoring and evaluation (M&E) systems. Over half of the respondents (57.5%) disagreed or strongly disagreed that their organizations allocated sufficient funds for M&E activities, with a mean score of 2.49, indicating widespread funding limitations. Similarly, 58.6% expressed dissatisfaction with the adequacy of M&E budgets (mean = 2.44). Staff capacity was also a challenge, with 52.6% indicating insufficient staffing levels (mean = 2.61). Nonetheless, organizations had made some progress in developing accessible systems, as the user-friendliness of M&E tools received mixed responses, with nearly equal proportions (39.9% satisfied vs. 39.5% dissatisfied; mean = 2.98). Distribution analyses suggested most organizations faced resource challenges, but a few had achieved better funding and capacity, evidenced by skewness values from 0.18 to 0.28 and flatter distributions (kurtosis from -1.08 to -1.21).

In contrast to resource constraints, stakeholder participation mechanisms demonstrated strong performance. Community involvement in M&E was positively rated by 72.5% of respondents (mean = 3.87), and beneficiary feedback mechanisms were rated positively by 70.4% (mean = 3.82). Satisfaction with stakeholder consultation processes was also high, with 67.9% expressing satisfaction (mean = 3.82), and partner engagement in monitoring scored positively by 60.9% (mean = 3.63). Distribution patterns showed a left-skewed tendency (skewness from -0.52 to -0.78), indicating most organizations performed well in stakeholder engagement, with fewer organizations exhibiting poor participation. The distributions were peaked (kurtosis from 0.15 to 0.23), suggesting convergence around good practices in stakeholder involvement.

Transparency and accountability mechanisms outperformed other risk management areas, with high ratings across all indicators. For example, 72.5% of respondents rated the accessibility of financial information positively (mean = 3.97), and the same percentage rated regular financial reporting favorably (mean = 3.98). Public disclosure of activities was also rated highly, with 70.2% expressing satisfaction (mean = 3.89), and accountability mechanisms received the highest ratings, with 72.5% satisfied (mean = 4.01). The distributions for these variables were highly left-skewed (skewness from -0.81 to -0.95), indicating that most organizations had effectively implemented transparency practices. The peakedness of the distributions (kurtosis from 0.52 to 0.71) further confirmed strong convergence around best practices in transparency and accountability.

Partnership and alliance effectiveness showed moderate to strong performance, with most organizations adopting collaborative approaches to risk management. Risk sharing through partnerships was positively rated by 60.9% of respondents (mean = 3.63), while knowledge transfer from partners received even higher satisfaction ratings from 70.2% (mean = 3.87). Additionally, collaborative risk assessment was positively rated by 65.6% (mean = 3.77), and joint problem-solving mechanisms scored favorably with 67.9% (mean = 3.84). Distribution patterns for partnership variables showed left skewness (skewness from -0.52 to -0.78), indicating most organizations had developed effective partnership strategies, though with more variation than in transparency practices. The kurtosis values varied from -0.34 to 0.31, reflecting diverse approaches and levels of partnership effectiveness across the organizations.

Correlation Analysis

Table 2: Correlation Analysis - Risk Management Components and Institutional Development

Variables	1	2	3	4	5	6	7
1. M&E Systems	1.000						
2. Stakeholder Participation	0.634**	1.000					
3. Transpareny Mechanisms	0.567**	0.612**	1.000				
4. Partnership Effectiveness	0.523**	0.589**	0.645**	1.000			
5. Risk Management Composite	0.823**	0.856**	0.789**	0.734**	1.000		
6. Institutional Development	0.542**	0.598**	0.623**	0.567**	0.672**	1.000	
7. Organizational Performance	0.498**	0.534**	0.589**	0.523**	0.612**	0.745**	1.000

Note*: ** Correlation is significant at the 0.01 level (2-tailed) Source: Primary Data (2024)

The advanced correlation analysis in Table 2 revealed strong, statistically significant positive relationships between all risk management components and institutional development outcomes, with all correlations being significant at the 0.01 level. The strongest correlation was between the overall risk management composite score and institutional development ($r = 0.672$, $p < 0.01$), indicating that organizations with comprehensive risk management systems tended to achieve significantly higher levels of institutional development. This supported the idea that risk management should be viewed as a systematic, integrated capability rather than isolated practices. Among individual components, transparency mechanisms had the highest correlation with institutional development ($r = 0.623$, $p < 0.01$), suggesting that transparency practices played a particularly influential role in fostering organizational growth and stakeholder confidence.

Stakeholder participation also demonstrated a strong positive correlation with institutional development ($r = 0.598$, $p < 0.01$), implying that organizations effectively engaging stakeholders in monitoring and evaluation processes experienced better development outcomes. Partnership effectiveness was similarly significant, with a correlation coefficient of $r = 0.567$ ($p < 0.01$), highlighting the importance of strategic collaborations for organizational sustainability. Monitoring and evaluation (M&E) systems showed a meaningful correlation ($r = 0.542$, $p < 0.01$), indicating that organizations with robust M&E capabilities were more likely to achieve positive institutional development, despite resource limitations. These findings collectively underscored that all risk management practices were interconnected, with the strongest inter-component correlation observed between stakeholder participation and the overall risk management score ($r = 0.856$, $p < 0.01$), emphasizing stakeholder engagement as a central element.

Further, the analysis showed that transparency mechanisms were positively correlated with partnership effectiveness ($r = 0.645$, $p < 0.01$) and stakeholder participation ($r = 0.612$, $p < 0.01$), demonstrating that transparency underpinned and enhanced other risk management practices. The correlation between organizational performance and institutional development was also high ($r = 0.745$, $p < 0.01$), validating that the measures of institutional development reflected meaningful organizational outcomes linked to overall performance. Overall, these statistically significant relationships confirmed that integrated risk management practices, especially transparency, stakeholder engagement, and partnerships, collectively contributed to organizational growth and effectiveness in the context of East African NGOs.

Multiple Regression Analysis

Table 3: Multiple Regression Analysis - Risk Management Predicting Institutional Development

Model	Variables	B	Std. Error	Beta	t	Sig.	VIF	Tolerance
	(Constant)	1.247	0.189		6.598	0.000		
	M&E Systems	0.234	0.067	0.198	3.493	0.001	1.89	0.529
	Stakeholder Participation	0.289	0.071	0.245	4.070	0.000	2.12	0.471
	Transparency Mechanisms	0.312	0.071	0.267	4.394	0.000	1.95	0.513
	Partnership Effectiveness	0.187	0.063	0.164	2.968	0.003	1.67	0.599

***Model Summary**: $R = 0.689$, $R^2 = 0.475$, Adjusted $R^2 = 0.471$, $F = 142.567$, $p < 0.001$ Durbin-Watson = 1.987, Condition Index = 12.45 Source: Primary Data (2024)*

The multiple regression analysis in Table 3 revealed that risk management components collectively explained 47.5% of the variance in institutional development outcomes ($R^2 = 0.475$, $F = 142.567$, $p < 0.001$), indicating a strong and statistically significant relationship. The model's adjusted R^2 of 0.471 confirmed its robustness after accounting for predictor variables. Among the predictors, transparency mechanisms emerged as the strongest, with a standardized beta coefficient of 0.267 ($t = 4.394$, $p < 0.001$). A one-unit increase in transparency effectiveness was associated with a 0.312 increase in institutional development, underscoring the critical role of transparency practices. Stakeholder participation was the second most influential factor ($\beta = 0.245$, $t = 4.070$, $p < 0.001$), with each unit increase linked to a 0.289 rise in institutional development, emphasizing the importance of inclusive engagement.

Monitoring and evaluation (M&E) systems also significantly predicted institutional development ($\beta = 0.198$, $t = 3.493$, $p = 0.001$), with a one-unit enhancement in M&E effectiveness corresponding to a 0.234 increase in development outcomes, despite resource constraints highlighted earlier. Partnership effectiveness demonstrated a more modest yet significant impact ($\beta = 0.164$, $t = 2.968$, $p = 0.003$), with each unit increase leading to a 0.187 rise in institutional development. Diagnostic tests confirmed the model's validity: Variance Inflation Factor (VIF) values ranged from 1.67 to 2.12, well below the problematic threshold of 5.0; tolerance values ranged from 0.471 to 0.599, above the 0.2 cutoff; the Durbin-Watson statistic was 1.987, indicating residual independence; and the condition index was 12.45, suggesting no multicollinearity issues. Overall, the findings highlight transparency and stakeholder participation as primary drivers of institutional development in the NGO sector.

Table 4: ANOVA Analysis - Risk Management Practices by Country

Source	Sum of Squares	df	Mean Square	F	Sig.	Eta Squared	Power
Between Countries							
M&E Systems	28.456	3	9.485	12.347	0.000	0.073	0.998
Stakeholder Participation	15.234	3	5.078	8.234	0.000	0.050	0.987
Transparency Mechanisms	22.789	3	7.596	11.234	0.000	0.067	0.995
Partnership Effectiveness	31.567	3	10.522	13.789	0.000	0.081	0.999
Within Countries							
M&E Systems	362.789	472	0.768				
Stakeholder Participation	291.456	472	0.617				
Transparency Mechanisms	318.234	472	0.674				
Partnership Effectiveness	359.123	472	0.761				

Source*: Primary Data (2024)*

The ANOVA analysis in Table 4 revealed significant differences in risk management practices across the four East African countries, with all components showing $p < 0.001$, indicating that national contexts, regulatory environments, and institutional development levels strongly influenced implementation. Partnership effectiveness exhibited the largest between-country variation ($F = 13.789$, $p < 0.001$, $\eta^2 = 0.081$), highlighting its sensitivity to factors such as regulatory frameworks, donor influence, and civil society development, with high statistical power (0.999) confirming robustness. M&E systems also showed significant variation ($F = 12.347$, $p < 0.001$, $\eta^2 = 0.073$), affected by national policies, donor requirements, and capacity-building efforts. Transparency mechanisms varied notably across countries ($F = 11.234$, $p < 0.001$, $\eta^2 = 0.067$), influenced by governance and cultural factors, while stakeholder participation exhibited the smallest but still significant difference ($F = 8.234$, $p < 0.001$, $\eta^2 = 0.050$), reflecting regional variations in participatory approaches based on national and cultural contexts.

Table 5: Post-Hoc Analysis - Country Comparisons in Risk Management Practices

Country Comparison	M&E Systems	Stakeholder Participation	Transparency	Partnerships	Overall
Kenya vs. Uganda	0.234*	0.189*	0.267*	0.312*	0.251*
Kenya vs. Tanzania	0.123	0.098	0.134	0.156	0.128
Kenya vs. South Sudan	0.567**	0.434**	0.523**	0.612**	0.534**
Uganda vs. Tanzania	-0.111	-0.091	-0.133	-0.156	-0.123
Uganda vs. South Sudan	0.333**	0.245*	0.256*	0.300**	0.284**
Tanzania vs. South Sudan	0.444**	0.336**	0.389**	0.456**	0.406**

Note*: p < 0.05, ** p < 0.01 Source: Primary Data (2024)**

The post-hoc analysis in Table 5 using Tukey's HSD test revealed notable regional differences in risk management practices among Kenya, Uganda, Tanzania, and South Sudan, with Kenya consistently outperforming the others across all dimensions ($p < 0.05$), and especially significantly surpassing South Sudan ($p < 0.01$) by margins ranging from 0.434 to 0.612 standard deviations. Kenya's superior performance was attributed to its more developed regulatory environment, stronger donor presence, and mature civil society sector. Tanzania closely resembled Kenya, with non-significant differences across most dimensions, indicating similar levels of risk management development, while Tanzania significantly outperformed South Sudan ($p < 0.01$) with differences between 0.336 and 0.456 SDs. Uganda outperformed South Sudan ($p < 0.05$ to 0.01), but showed no significant difference from Tanzania, highlighting comparable institutional development levels. The largest disparities were between Kenya and South Sudan, reflecting the challenging operating environment in South Sudan, whereas the differences between Kenya and Tanzania, and Uganda and Tanzania, were smaller or non-significant, emphasizing regional similarities in risk management maturity.

Table 6: Risk Management Practices by Organizational Characteristics

Characteristic	Category	N	M&E Systems	Stakeholder Part.	Transparency	Partnerships	Overall	F	Sig.
Organization Size									
Small (< 50 staff)		189	3.23	3.45	3.67	3.34	3.42	18.456	0.000
Medium (50-200 staff)		201	3.67	3.89	4.12	3.78	3.87		
Large (> 200 staff)		86	4.12	4.23	4.45	4.15	4.24		
Organization Age									
Less than 5 years		89	3.12	3.34	3.56	3.23	3.31	23.789	0.000
5-10 years		156	3.56	3.78	3.89	3.67	3.73		
11-20 years		167	3.89	4.12	4.23	3.98	4.06		
Over 20 years		64	4.23	4.34	4.56	4.28	4.35		
Annual Budget									
Under $100,000		134	3.01	3.23	3.45	3.12	3.20	31.234	0.000
$100,000-$500,000		189	3.67	3.89	4.01	3.78	3.84		
$500,000-$1,000,000		98	4.12	4.23	4.34	4.15	4.21		
Over $1,000,000		55	4.45	4.56	4.67	4.52	4.55		

Source: *Primary Data (2024)*

The analysis of risk management practices based on organizational characteristics revealed significant differences across East African NGOs ($p < 0.001$), highlighting the influence of capacity, resources, and experience. Organization size strongly impacted all dimensions ($F = 18.456$), with large organizations (>200 staff) scoring highest overall (4.24), especially in M&E systems (4.12) and partnerships (4.15), indicating that greater capacity and resources facilitate more advanced risk management. Similarly, organization age showed a robust relationship ($F = 23.789$), with organizations over 20 years old achieving the highest overall scores (4.35), reflecting the importance of institutional learning and maturity. Annual budget size demonstrated the strongest association ($F = 31.234$), with organizations managing over $1 million attaining the highest scores (4.55), particularly in M&E systems (4.45) and partnerships (4.52), emphasizing that financial resources are critical for implementing sophisticated risk management practices.

These findings suggest that organizational capacity, experience, and financial resources significantly enhance risk management capabilities, with larger, more established, and better-funded organizations generally performing better across all dimensions. The smaller differences in transparency mechanisms indicate that effective transparency practices are more accessible across varying organizational sizes and budgets, though they still benefit from increased resources. Overall, the results emphasize the importance of tailoring capacity-building interventions to organizational size, age, and financial capacity to strengthen risk management practices effectively.

Qualitative Findings on Risk Management Mechanisms

Theme 1: Monitoring and Evaluation as Comprehensive Organizational Learning Systems

The qualitative analysis highlighted how NGOs have evolved their monitoring and evaluation (M&E) systems from mere compliance tools to sophisticated platforms that facilitate proactive risk identification, adaptive management, and continuous institutional improvement. Respondents emphasized that “our monitoring and evaluation system has become the nervous system of our organization,” enabling real-time insights into program performance, financial status, and stakeholder satisfaction. These systems now integrate financial monitoring, program tracking, stakeholder feedback, and environmental scanning to support risk assessment and strategic decision-making. Organizations with mature M&E systems have been able to navigate crises such as funding shortages and political instability effectively, with one noting that “our monitoring system helped us identify the problem early, understand its implications, and develop a response strategy.” Despite resource and capacity constraints, many organizations partnered with academic institutions, shared monitoring costs, and integrated M&E with other organizational systems to enhance efficiency and data quality, ultimately fostering a culture of learning and continuous improvement.

The development of comprehensive M&E approaches has enabled NGOs to better anticipate risks, improve program outcomes, build donor confidence, and maintain stakeholder trust even during challenging periods. Respondents acknowledged that “monitoring is not just about collecting data for donors, but about creating a culture of learning,” which supports strategic responsiveness. Challenges such as limited funding, technical capacity gaps, and data quality issues remain, but innovative partnerships and technology have helped organizations mitigate these barriers. For example, some organizations automated data collection or collaborated with other NGOs to reduce costs while enhancing data reliability. Overall, the findings demonstrate that investing in advanced M&E systems is crucial for organizational resilience and institutional strengthening.

Theme 2: Transparency and Accountability as Strategic Capabilities for Trust Building and Risk Mitigation

The second theme revealed that NGOs have transformed transparency and accountability from basic compliance obligations into strategic tools that foster trust, prevent fraud, and bolster organizational legitimacy. Respondents described how “transparency has become our competitive advantage,” emphasizing proactive information sharing, stakeholder engagement, and regular reporting processes. Organizations adopted multi-layered transparency strategies that included financial disclosures, program reports, governance transparency, community feedback mechanisms, and public forums. These practices helped organizations “build trust with communities,” as well as with donors, which “makes them more willing to provide long-term support.” Transparency efforts extended beyond passive disclosure to active engagement, such as quarterly community meetings and interactive social media updates, which allowed organizations to address concerns early and strengthen relationships.

While these practices increased organizational resilience, respondents also noted challenges such as balancing openness with confidentiality and managing resource demands. One leader explained, “transparency activities require significant time and resources, and we have to make sure benefits justify costs.” Resistance among staff and risks of information misuse were acknowledged, necessitating careful communication and ongoing resource commitments. Nonetheless, respondents agreed that “transparency builds trust, enhances reputation, and helps us detect and address issues before they escalate,” making it a critical component of strategic risk management. Overall, the findings underscore that embedding transparency and accountability into organizational culture significantly contributes to institutional stability and stakeholder confidence.

Theme 3: Strategic Partnerships as Comprehensive Risk Management and Capacity Building Systems

The third major theme focused on how organizations have developed strategic partnerships to serve as vital mechanisms for risk sharing, resource mobilization, capacity building, and collective impact. Respondents described evolving from informal collaborations to formalized, systematized partnerships involving joint planning, shared monitoring, and formal agreements that clearly define roles and responsibilities. “Our partnership strategy has become central to our risk management approach because it allows us to share risks with trusted partners,” noted one senior manager. These partnerships enable NGOs to undertake larger, more complex projects, diversify risk, and access specialized expertise that individual organizations may lack. They also serve as a safety net during crises, with partners often providing support when funding or operational challenges arise.

While partnership development offers significant benefits like increased resilience and resource access, respondents acknowledged that managing multiple partnerships is complex and resource-intensive. Challenges include partner selection, cultural differences, conflicting priorities, and dependency risks. One interviewee cautioned that “a bad partnership can create more problems than benefits,” emphasizing the importance of careful partner assessment. Effective relationship management, clear agreements, and conflict resolution mechanisms are vital for success. Ultimately, organizations view strategic partnerships as integral to risk mitigation, capacity building, and achieving sustainable development impact, with many stressing that “investing in relationship-building and coordination yields high returns in resilience and collective effectiveness.”

DISCUSSION OF THE FINDINGS

The findings from the quantitative analysis affirm the critical role of comprehensive risk management practices in fostering institutional development among East African NGOs. Consistent with existing literature, the study demonstrates that elements such as monitoring and evaluation (M&E), stakeholder participation, transparency, and strategic partnerships are positively correlated with organizational resilience and growth (Silva & Burger, 2015; Mwangi & Kiprotich, 2018). For instance, the strong correlation ($r = 0.672$, $p < 0.01$) between overall risk management and institutional development underscores the significance of integrating these components into organizational frameworks. These results align with the broader understanding that proactive risk identification and mitigation strategies enhance an organization’s capacity to adapt to socio-political disruptions, resource constraints, and operational uncertainties, ultimately strengthening institutional capacity (FHI 360, 2022). The regression analysis further confirms that transparency and stakeholder engagement are primary drivers, with transparency mechanisms exhibiting the strongest predictive power for organizational development, echoing the assertion that transparency fosters trust and legitimacy essential for resilience (De Silva & Plagis, 2023).

The regional variations uncovered through ANOVA and post-hoc tests mirror findings in the literature, emphasizing that contextual factors such as regulatory environments, donor influence, and civil society strength significantly influence risk management practices (Nakamura & Wanjiku, 2019; East African Civil Society Organizations Forum, 2021). Kenya's superior performance across risk management dimensions, particularly in partnerships and M&E, reflects its relatively more mature governance structures and donor landscape, corroborating studies linking institutional capacity to contextual factors (Kereri & Massawe, 2024). Conversely, South Sudan's lower scores highlight the challenges faced in fragile political environments where risks such as conflict and weak governance hinder effective risk mitigation efforts. These regional disparities highlight the importance of tailoring capacity-building initiatives and policy interventions to local contexts, an insight well-documented in the literature on NGO resilience and adaptive capacity in conflict-prone settings (Ochieng & Makokha, 2020).

Qualitative insights complement and deepen understanding of these quantitative patterns, illustrating how NGOs have evolved their risk management mechanisms in practice. Respondents described how "our monitoring and evaluation system has become the nervous system of our organization," emphasizing the shift from compliance to strategic learning, a transformation supported by the literature emphasizing the importance of organizational culture in risk management (Mwangi & Kiprotich, 2018). Similarly, the strategic use of transparency as a trust-building and risk mitigation tool aligns with theories of organizational legitimacy and stakeholder theory, which posit that transparency enhances stakeholder confidence and reduces reputational risks (De Silva & Plagis, 2023). The development of strategic partnerships as risk-sharing mechanisms echoes findings from Nakamura and Wanjiku (2019), who highlight network centrality as a buffer against instability. Overall, these qualitative narratives affirm that integrated, adaptive, and context-sensitive risk management practices are central to institutional strengthening and resilience in the East African NGO sector.

Conclusions and Recommendations

Conclusions

The comprehensive analysis of both qualitative and quantitative data underscores the critical importance of integrated risk management practices for the institutional development of NGOs in East Africa. Findings reveal that organizations with robust monitoring and evaluation systems, transparent accountability mechanisms, and strategic partnerships are better equipped to navigate socio-political and operational risks, thereby fostering resilience and organizational growth. The strong correlations between these risk management components and institutional development highlight that risk management should be perceived as a strategic organizational capability rather than a mere compliance requirement. Furthermore, regional variations point to the influence of contextual factors such as governance, resource availability, and political stability, emphasizing that tailored approaches are essential for effective risk mitigation in diverse environments.

Despite significant progress, resource constraints, technical capacity limitations, and contextual challenges continue to hinder the comprehensive implementation of risk management practices across the sector. The findings suggest that strengthening these mechanisms is vital for sustainable development impact, particularly in fragile contexts where risks are heightened. The evidence demonstrates that multidimensional risk management strategies encompassing organizational culture, stakeholder engagement, and policy environment are interconnected and mutually reinforcing, ultimately contributing to the resilience and institutional robustness of NGOs operating in complex socio-political landscapes.

Recommendations

Recommendations for Policy

Policymakers should prioritize the development and enforcement of national frameworks that promote transparent and accountable NGO operations. Establishing standardized risk management guidelines and compliance requirements can foster consistency and elevate organizational standards across the sector. Governments should also incentivize NGOs to adopt comprehensive risk assessment and mitigation practices through policy instruments such as tax benefits, capacity-building programs, and access to funding opportunities tied to risk management performance. Additionally, creating a supportive legal and regulatory environment that encourages formal partnerships and resource sharing will enhance organizational resilience and collective risk mitigation efforts.

Policymakers need to facilitate multi-stakeholder platforms that enable dialogue between NGOs, government agencies, donors, and civil society actors. These platforms can serve as arenas for sharing best practices, aligning risk management standards, and harmonizing policies that support organizational resilience. Furthermore, integrating risk management into national development strategies and sectoral policies will reinforce its importance, ensuring that NGOs operate within a cohesive framework that promotes sustainability, accountability, and adaptive capacity in the face of socio-political uncertainties.

Recommendations for Theory and Practice

The findings suggest that theoretical models of organizational resilience should explicitly incorporate multidimensional risk management frameworks that recognize the interconnectedness of monitoring, transparency, and partnerships. Future research should explore how these components function synergistically within organizational systems, especially in resource-limited and fragile contexts. Practitioners should adopt a holistic approach to risk management by embedding it within organizational culture, strategic planning, and operational procedures, rather than treating it as a separate or secondary function.

Practically, NGOs should invest in building internal capacities for risk assessment, data management, and stakeholder engagement. The use of innovative technology, such as automated M&E systems and digital communication platforms, can enhance efficiency and data accuracy. Establishing formal partnership arrangements and participatory risk assessment processes can also improve collective resilience. Training and continuous professional development are critical to fostering a risk-aware organizational culture that proactively anticipates and responds to emerging threats. Ultimately, integrating these practices into routine organizational processes will enhance resilience and promote sustainable development outcomes.

Recommendations for the Ministry of Respective Countries

Respective governments should prioritize the integration of risk management practices into national development and civil society policies. This includes providing technical assistance, funding, and capacity-building programs aimed at strengthening NGO risk assessment and mitigation capabilities. The Ministry should establish a national accreditation or certification system that recognizes organizations adhering to best risk management practices, thereby incentivizing sector-wide improvements. Additionally, fostering collaboration between government agencies and NGOs through joint risk management initiatives can promote shared learning and collective resilience.

The Ministry should also facilitate the creation of a centralized platform or registry for risk management resources, guidelines, and success stories, enabling NGOs to access technical expertise and peer support. It is vital to develop policies that encourage transparency and accountability, including clear reporting standards and mechanisms for public disclosure. Furthermore, governments should work to create an enabling environment that reduces operational risks by streamlining regulatory procedures, promoting legal protections for NGOs, and ensuring political stability. These measures will not only enhance the resilience of NGOs but also strengthen the overall sector's contribution to sustainable development in their respective countries.

Suggestions for Further Research

i) Conduct longitudinal studies to examine how risk management practices influence NGO resilience and institutional development over time in dynamic socio-political contexts.
ii) Compare the effectiveness of different risk management frameworks across various sectors (e.g., health, education, human rights) to identify sector-specific best practices.
iii) Investigate the role and impact of informal versus formal risk-sharing mechanisms within NGO networks, particularly in fragile or resource-constrained settings.
iv) Explore stakeholder perceptions including community members and government officials regarding the adoption, implementation, and sustainability of risk management practices in different socio-cultural environments.

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