## **ABSTRACT**

The quality, relevance and responsiveness of Non-government Organization work would increase if they faced fewer challenges in their quest to achieve sustainable socioeconomic development. Even though Kisumu city is endowed with many local Nongovernmental organizations who are supposed to playa key role in socioeconomic development, it remains socioeconomically underdeveloped due to challenges they face that make it difficult to meet the needs of the people. The purpose of the study was to investigate the challenges facing Local Non-governmental Organizations in socioeconomic development in Kisumu city so as to advance solutions to various interested parties including the government, other Nongovernmental Organizations, the community as well as to add to a wealth of knowledge. The objectives of this study were to determine the funding challenges faced by Local Nongovernmental organizations in social and economic development., to determine the extent to which Local Nongovernmental organizations network in advancing social and economic development, to establish the extent to which capacity affect the social and economic development activities of Local Nongovernmental Organizations and to investigate the effects of competition from other development actors on sustainable development practices of Local Non-governmental organizations. After providing clear understanding of what a Non-governmental Organization is, the review of literature focused on the challenges that they face in the development process and how such challenges can be a barrier to quality development. Non-governmental Organizations are continuously faced with problems funding their activities which are aimed at uplifting communities. They face most of these problems because they lack power and influence which can be derived from positive networking. The study adopted a descriptive study to source, process, present and analyze available data using statistical package for social science research giving rise to frequency distributions, bar graphs, pie charts and tables. Qualitative methods were also used to analyze data by identifying significant patterns and constructing of frameworks for communicating the existence of what the data revealed. The preferred sampling procedures were random and purposive sampling. However since the population size was small, the whole of it was selected for the study. One set of questionnaire and two sets of in-depth interviews were used to elicit appropriate responses. Finding of the study showed that the challenges of finances, poor networking among LNGOs and poor management systems and practice are affecting the social and economic activities of the LNGOs and thereby affecting the quality of life of the people of Kisumu. The finding also indicated that these challenges greatly affect these organizations as they struggle to pursue their development goals. In view of the above findings the study gave several recommendations that can be applied by Local Non-governmental Organizations and other development actors against these challenges for them to be effective in advancing development activities whose impact can be felt by the community. The study concluded that local Non-governmental Organizations experience challenges of funding their activities, poor networking, management expertise and competition from other development actors as they advance their development goals in the society. Challenges and problems provide a fertile ground for NOOs inability to achieve development objectives and therefore the inability to meet the social and economic needs of the people. Due to scope and limitations, the study did not explore areas of equal importance. The study did not address the socioeconomic development impacts of Local Non-governmental Organizations' work. Further research can be done to address these issues of importance.