RISK MANAGEMENT PRACTICES AND FINANCIAL SUSTAINABILITY OF NON-GOVERNMENTAL ORGANIZATIONS IN MIGORI COUNTY, KENYA

BY

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DECLARATION

I the undersigned, proclaim this research project is authored by myself and has never been presented in any other university.

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This project has been submitted for examination with my approval as university supervisor.

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DEDICATION

This work is dedicated to my immediate members of my family and friends for the encouragement, inspiration and peace of mind during the time of studies. To my children may this act as motivation to strive for greater achievements in future.

ABSTRACT.

Risk management practices is relevant to all organizations and the aim of any management is to maximize expected gains, taking into account its volatility. Entities sustainability is key to the functionality and survival of organization of which cannot be achieved without clear understanding of the link between sustainability and risk management practices. It is therefore considerate to undertake continuous performance review, accountability and partnerships,to realize organization’s potential self-sufficiency with respect to risk management practices. This study sought to establish the linkage between risk management practices and financial sustainability of NGO`s in Migori county. The specific objectives of the study were to establish the effect of monitoring and evaluation on financial sustainability of NGO`s in Migori, determine the extent of effect of accounting and transparency on financial sustainability of NGO`s in Migori and establish how Partnership and alliance affect financial sustainability of NGO`S in Migori. The study used both primary and secondary data gathered from sample of 22 NGO`s out of 30 NGO`s targeted in Migori county. The study adopted stratified sampling technique and data was collected using pre-tested questionnaires and key informant interviews with researchers and implementer managers of selected NGO`s.Data analysis was done using SPSS. The research embraced both descriptive research design, and multiple regression in data analysis a regression model was formulated to establish relationship between independent variable and dependent variables. The finding revealed partnership and alliance had the highest influence with $r = 0.705$ and the only significant variable with $p = 0.008$, followed by accountability and transparency $r = 0.549$ and lastly Monitoring and Evaluation $r = 0.372$, The study confirmed existence of relationship between the four items of study including monitoring and evaluation, accountability and transparency, partnership and alliance and financial sustainability of NGO`s in Migori county. The study found out that most NGOs did not have mechanisms for strong partnerships and alliances in place and that accountability and transparency was weak. Because of weak M&E systems, many organizations were not able to provide evidence to demonstrate value for money in the donor supported investments, posing a risk to continued support by the funders. Besides the influence of these four items on sustainability of NGOs. The study also found that overreliance on donor funding was a major threat to sustainability. Many organizations relied on a single funder, and did not have alternative resource generation mechanisms. Based on these findings, the study recommends interventions to strengthen partnerships and alliances, and to improve accountability and transparency among NGOs. Performance matrix should be developed for each of these organizational development areas to monitor progress over time. NGO`s should reduce overreliance on donor funding, and generate internal revenue to sustain their programs. Regarding evidence for program development, M&E systems of NGOs should be strengthened as a way of knowledge management and information use to guide resource allocation and to document impact of interventions to enhance accountability and transparency.

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ABBREVATION AND ACRONYMNS

AMREF- African Medical research foundation

ANOVA- Analysis of Variance

KES –Kenya Shilling

PMBOK – Project management body of knowledge

PMI –Project Management Institute.

NGO`S – Non Government Organization.

SPSS- Statistical Package for Social Sciences

DEFINITION OF KEY TERMINOLOGY.

ACCOUNTABILITY –is ensuring that all officials in any sector are held culpable for their responses and there is remedy when chores and undertakings are not met.

ALLIANCES-are establishment formed when organizations accepts to join forces without giving up autonomous status.

EVALUATION-Systematized and open minded analysis having to do with purpose, influence, performance and bang on activities being implemented in relation to specific purpose

MONITORING –Is progress of appraisal that intent to give all collaborators factual information on the breakthrough of actions.

**NON-GOVERNMENT ORGANIZATION`S-**are Nonprofit organization`s that function autonomously of any government of the day whose intent are to address societal problems affecting humanity.

PARTNERSHIP –formation where different entities involved accepts to have a stake, share gains and undertakings in a given proportion.

TRANSPARENCY-Having those vested with authority act clearly, practicable and reasonable to support participation and a held answerable

CHAPTER ONE:

INTRODUCTION

1.1 Background of the Study

Financial sustainability is central to functionality and prosperity of an entity and which cannot be achieved in isolation, the need to undertake performance evaluations in order to realize its potential in a bid to become sustainable (Leon, 2001). Learning from organizations that have managed to accomplish financial viability, it is important to maintain strong stakeholder's relationship, obtain ranges of funds, manage risk and strategically manage financial overheads costs (Meyer 2002). The measure of financial sustainability allow an organization to assess and compare their performance against those of others through an analysis of indicators such as operating surplus ratio, net financial liabilities, interest cover ratio and asset consumption ratio (LGA, 2016). This performance focuses on the future direction and dimension of resources needed for financial supported by (Christensen et al, 2007). At this point in time, Organizations have found themselves operating in an environment that is ever changing. This ever-changing business environment results into risks that affect the way organizations including NGOs but even donors and other organizations funding these NGOs. To remain sustainable in this competitive environment therefore, Organization must critically analyze their risk management practices. Undertake high-risk business models where returns on investment are too uncertain to justify returns on donors and other stakeholders (Wiengarten, Humphreys, Gimenez & McIvor, 2016).

The Agency Theory is key in explaining the risk management practices and how they influence financial sustainability of organizations .The theory spells out, envisions and cap limit of relationship between funding parties and implementers. Agency advances NGO`s alliance and partners choice and presents golden opportunities to realize entity gains including beneficiary ,stakeholders satisfactions, environment protection, organization image, conducting research This theory suggests that the management team of an organization should critically consider the inherent risks and rewards linked with a given investment option for maximizing wealth of shareholders. The intent of this research is to establish how monitoring and evaluation, transparency and accountability finally partnership and alliances influences on financial sustainability. Since financial sustainability is a significant component in the lasting existence and success of NGO as stated by Lynn (2013) the more diversified the funding the more financially viability.

1.1.1 Risk Management Practices

The Project Management Institute (PMI), Project management Body of knowledge (PMBOK) (2013) defines risk management planning as recognition, assessment and ranking of risk as a result of unpredictability on objective followed by harmonized and reasonable approach of resource allocation to reduce, track and be in charge or influence of uncertain event or magnify realization of opportunity. In management of risk a ranking process consider peril with the significance deprivation or likelihood of catastrophe occurring are handled immediately and risk with lower deprivation are solved in downward order.

Risk management entails reduction, monitoring and control of the chances (probability) of unfavorable outcome of a risk (Suter, 2016). Due to high level of uncertainties in environment that business operate in, risk is inherent in all forms of organizations NGOs included (Tasmin &Muazu, 2017). Thus, risk is inevitable in a business organization as long as it interacts with its environment. It is therefore not possible for an organization to eliminate risk but it can only manage it for sustainability (Ren, Yeo & Yingju, 2014).

Risk management practices in the NGO context include activities undertaken that are geared towards monitoring and evaluation, transparency and formation of partnerships. All these practices aim at minimizing exposure to risks (Yeo, Ren &Ren, 2016). For management of organization`s to keep pace with the ever-changing forces of business environment, it is important to assess some of the risk management practices employed and their effect on sustainability of entities. Risk management is one issue that organizations and particularly NGOs need to over-emphasize. The demanding regulatory requirements from donors and the ever-changing business environment imply that organizations NGOs included need clearer and broader perspectives of their inherent risks that ever before (Reason, 2016). Known benefits of effective threat management practices are ensures improve the quality of decision making, enable effective execution ,improves planning process by allowing the main focus to remain on fundamental ventures and aid uninterrupted services delivery , effective resources allocation and reduces the likelihood of potential costly surprises.

Monitoring and evaluation assesses performance of an NGO. It entails systematically gathering information in respect to the progress of the project attained. Evaluation on the other hand has specified time duration and it is undertaken to determine whether the project has reached its goals and delivered the expectations of the initial plan. Donors of NGOs need to determine whether the organization is a reliable partner, to review the milestones and final outcomes of the program and all these are only attained through monitoring and evaluation. Monitoring and evaluation increases accountability of projects and this makes entities sustainable. Monitoring and evaluation acts as an instrument of communicating with donors and the wide public as projects are implemented (Sadgrove, 2016).

Donors who require strict adherence on transparency and accountability objectives usually fund NGOs. Poor risk management practices among entities would result into poor accountability since the finances are diverted to wrong beneficiaries. Accountability occurs when an organization is answerable to a third party. In the NGO context, accountability include several issues including management and organizational structures, financial procedures and policies within the Human Resource departments. NGOs with higher transparency and accountability are better placed to receive funding from donors and therefore sustainable (Aven, 2016).

Partnership and alliances between organization`s has become a key pillar in management of their risks and therefore sustainability of the projects they carry out. Partnership among NGOs is a sign of solidarity going beyond financial aid and these results into several benefits including competitive advantage and sustainability. In working together, NGOs combine their efforts and this strengthens their legitimacy. Partnership is associated with several benefits to an NGO including improvement of local ownership of the project, poverty reach and sustainability. It also enhances mutual sharing of ideas and resources between partners (Brustbauer, 2016).

1.1.2 Financial Sustainability

Financial Sustainability is significant aggregate in the lasting existence and success of an NGO (Lynn, 2013). Financial sustainability is best defined through its pillars that include; income generation, income diversification, sound administration and management and financial planning. The financial capacity of both for profit and NGOs is made up of wealth that offer an entity capacity to leverage on areas worth exploiting and respond to changes in the environment while ensuring that the general operations of an organization are maintained (Lohri, Camenzind & Zurbrügg, 2014).

An organization is sustainable if its key activities would not come to a stop when external funding agencies withdraw their funding support. Financial sustainability ensures that an entity is there all through to the future for the benefit of beneficiaries. It is a concept that has gained a lot of relevance among entities presently than never before. Funds from donors can get exhausted and it is therefore important that an NGO is able to continually operate even after donors have cut their supply of funds (Drew & Dollery, 2014).

1.1.3 Risk Management Practices and Financial Sustainability

It is important that organizations invest in establishment and cultivation of relationship with other partners to reduce their risk exposure and therefore enhance their financial sustainability. Besides being in a position to raise finances on their own from several sources, entities that are financial sustainable successfully invest in establishment, development and maintenance of relationship with core stakeholders (Ashoka & Mango, 2015). Some of the key stakeholders of these NGOs include donors, beneficiaries, staff and volunteers. Organizations are also able to access and manage inherent risks related with financial and funding resources on a continuous basis and in the best way possible that the board and its members, managers and other stakeholders clearly understand (Pratt & Hailey, 2012).

Most sustainable organizations have established financial reserves besides strategically managing and financing all their costs and expenses in timely manner (Pratt & Hailey, 2012). Putting in place a sound management and administration system and proper fund-raising strategies play an important role in enhancing sustainability of organizations. In most establishment`s, sustainability is determined by several human and financial related factors. A sustainable entities has diverse sources of funds such that on the event that one of these sources is rendered dysfunctional, operations of the organization are not interfered (Hwang, Zhao & Toh, 2014).

Sound risk management practices can lead to business and strategic planning and the general operations of the establishment and therefore resulting into financial sustainability of these organizations. Proper risk management practices create confidence and increase integrity and accountability within an organization. This increases chances of receiving even a greater share of donor funds since donors are always looking for an organization that embraces accountability and transparency. Property risk management practices help organization`s to effectively manage their inherent threats and weaknesses in the business environment and the management is able to make relevant and informed decisions with regard to opportunities and strengths of their organizations (Chkili, Hammoudeh& Nguyen, 2014).

Risk management helps organization`s to improve decision making ability and process which results into financial sustainability. It improves the ability of organization`s to plan for their finances with regard to expenditures and incomes. Risk management help organizations to improve the overall resilience while optimizing performance through efficiencies and effectiveness in service delivery. Risk management results into establishment of a strong corporate culture of governance and accountability within organizations and therefore resulting into financial sustainability. Risk management helps organization`s to come up with clear purpose, roles and responsibilities and this improves accountability that affects financial sustainability of entities. Risk management among organization`s increase confidence among stakeholders including donors thus increasing the probability of funding (Wu, Chen & Olson, 2014).

Risk management practices help entities to attain sound management and administration; results into good governance with compliance with all legal provisions and this reduces litigation costs hence increasing efficiency and effectiveness thus financial sustainability. Risk management practices help an organization to meet its core objectives of establishment of providing services to members of the community within establishment of the organization. A financially sustainable entities is better placed to invest its resources (both human and financial) towards improvement of existing services and programs while at the same time exploring avenues for success for instance through partnership programs (Rampini, Sufi &Viswanathan, 2014).

1.2 Research Problem

Financial sustainability is paramount to the operations of any organizations as it is the driver in which organization functions to meet economic and societal objectives. Fear of financial sustainability and associated financial management risks causes worries and decision challenges about whether monthly expenses will be met and support for expansion programs. This is aggravated by unsustainable current funding streams and restrictions focusing on efficiency in generation and spending of funds to have impact. Sound risk management practices should therefore help NGOs to efficiently manage finances while increasing confidence among donors. Risk management practices within organizations require formation of linkages and partnerships, accountability and transparency and having in place sound monitoring and evaluation systems. Risk management practices help organizations to come up with diverse sources of funds for long-term operations. Risk management ensures that operations of the NGOs are financially sustained even when donors have stopped funding the NGO (Calkin, Cohen, Finney & Thompson, 2014).

Despite the significant role of risk management practices on financial sustainability, most organizations have not embraced proper risk management practices. A number of NGOs, expenditure and income generated cannot be accounted for with the widespread increase in corruption, fraud and collusions and most do not comply with donor and other regulatory requirements with regard to financial reporting. This has resulted into withdrawal of funding from donors making these NGOs financially unsustainable especially for the case of NGOs having complete reliance on donors. In the event that these donors cut short their funding, most of these NGOs would be rendered financially unsustainable. Although some NGO`S have diversified their income activities, garnered sufficient ,continuous funding , moved towards more partnerships ,doubled their revenue ,diversified sources of funding streams ,increased their territory, a lot however has to be done if they have to remain financially sustainable (Marcelino-Sádaba, Pérez-Ezcurdia, Lazcano& Villanueva, 2014).

Several researches have been conducted on how risks management practices affects financial sustainability but in different contexts. Oluwagbemiga, Isaiah and Esiemogie (2016) examined how financial risk management practices resulted to achievement of performance in the sector of banking. The study confirmed that threat management actions resulted to accomplishment of commercial banks. The study was however done in Nigeria, in the banking sector and it related risk management practices with performance and not financial sustainability. Kimotho (2015) examined how enterprise risk management practices affected financial performance among commercial State Corporation. Most of the above studies however covered financial performance and not financial sustainability and these results to research gaps pointing towards studies on financial sustainability and risk management practises. This study sought to fill these gaps by assessing risk management practices and financial sustainability of NGO`s within Migori,

1.3 General Objective of the Study

The general objective of this study was to analyse effect of risk management practices and financial sustainability of Non Governmental Organizations In Migori County, Kenya.

1.3.1 Specific Objective.

The specific objectives of the study were to:

i. Establish the effect of monitoring and evaluation on financial sustainability of NGO`s in Migori.

ii. Determine the extent of effect of accounting and transparency on financial sustainability of NGO`s in Migori.

iii. Establish how Partnership and alliance affect financial sustainability of NGO`S in Migori .

1.4 Importance of the Study

The outcomes will furnish relevant facts to NGO`s management on how best to enhance financial substantiality of the NGO. Placing reliance on the outcome of this research, the management of NGO`s will be in position to effectively implement strategies that will see the NGO remain financially viable. The management of the NGO Coordination Board in Kenya will also stand to benefit from these studies. This is because the findings of the study will inform the best policies that ensure financial sustainability of NGOs. Policy makers in this board will be in position to come up with better policies and guideline that result into financial sustainability of these organizations. The study will also add to existing literature on risk management practices and how they affect financial sustainability of NGOs. Future scholars will rely in gaps to perform further researches.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section presents academic work written by other scholars on Influence of risk management practices on financial sustainability. The chapter provides a theoretical framework, conceptual framework, reviews work done by other scholars. It further provides empirical review of studies, provides critique of past studies, outlines the research gaps and provides a summary of the chapter findings.

2.2 Theoretical Review

A theory is a structured interpretation of the links among phenomena that provide a generalized answer to an occurrence (Smyth, 2009). This study will be anchored on the Agency theories.

2.2.1 Agency Theory

This opinion was hatched by Jesen and Meckling (1976). It indicates that relationship between the principal and his/her agents. Agents act on behalf of the principal in this relationship. Usually, the principal dictates authority to agents to follow. The connection between the agent and the principal requires a lot of trust for tangible outcomes to be realized. In NGO`s such a relationship can take many forms; relationship between Funding organization and NGO`s implementing project, in this form the principal is Funding organization and the Agent is the NGO`s implementing activities on behalf of the funder ,Another form is where directors appoint managers to monitor organization activities on their behalf's, the board of directors takes a position of a principal while the agents are the members of the management team obligated with duty of managing business daily.

In these relationships, the actions of the principals may not be in line with the interests of the agents and these results in conflict of interests. To mitigate the agency problems, the principal-agent minimizing risk must be planned and the lay out designs must be monitored through established structures within the organizations. Further, organizations establish audit committees to provide oversight over the management and to act as shareholders watchdog. Firms invest on agency costs in ensuring that managers' actions are affiliated to the organization's goals and activities. The theory is appropriate to the study because it explains the principal –agent relationship between Board of directors and managers of NGOs and possible conflicts that may arise thereof and hamper their financial sustainability. The theory results to a framework that gives directions to a company in its collaborative and linkage prospects. The theory suggests that the management team of an organization should critically consider the inherent risks and rewards linked with a given investment option for maximizing wealth of shareholders. Collaborative linkages and partnerships can result into overall risk reduction in an organization. Companies can collaborate in different ways for example through skills, technological transfer, research and development and probability of success.

Empirical studies have confirmed that one of the objectives that motivate firms to partner and form alliance is to effectively manage their risk exposure. According to Kinyeki and Mwangi (2013), alliances and partnerships help organizations in reduction of inherent risks. This theory is suitable to the study as it highlights the roles of partnership and collaborations in management of risks.

2.3 Empirical Review

This section reviews past studies linked with risk management and financial sustainability. The literature is reviewed matches with purpose of the research. The researcher further strives to review literature that is as current as possible.

2.3.1 Risk management practices and Financial Sustainability

In Rwanda, Umugwaneza (2016) assessed the results of monitoring and evaluation on sustainability of projects. The research embraced descriptive research design. The study targeted 104 respondents. From the findings, accountability, effective communication and partnership for planning all had significant effect on financial viability of projects in Rwanda. Using a study of a health sector, Bao, Rodriguez, Paina, Ozawa and Bennett (2015) investigated how monitoring and evaluating affected change of expanded programs. To achieve this objective, the study conducted on interviews with stakeholders and reviewed relevant literature in the subject. The study established that transition of monitoring and evaluation in global health care can result into clarity, strengthens accountability and inform management to transit through learning.

Phiri (2015) sought to determine how monitoring and evaluation affect project performance. The study used a case of African Virtual University. The study relied on secondary data and questionnaires. It was established a management function, monitoring and evaluation significantly affects performance of projects. The study found out that all participating organizations had undergone training in monitoring and evaluation. The study concludes that monitoring and evaluation has direct and significant effect on project performance. Adejuwon (2014) sought to determine how accountability can be enhanced in public sector in Nigeria. The study relied in qualitative data that was gathered from a number of sources. Accountability was traced within the entire public sector in Nigeria. The study noted that culture of non-accountability has adversely affected achievement of the public units in Nigeria. The research established unless exist measures to deal with non-accountability in Nigeria, the level of services will continually to be affected.

Equally, Njama and Kyalo (2015) examined factors that affect effective monitoring and evaluation systems. The study used a case of African Medical Research Foundation (AMREF) Kenya, 60 respondents were targeted. 88% response rate was achieved, The study ascertained that there is a strong correlation between stakeholders' participation and effectiveness of M & E System.

Waithera and Wanyoike (2015) examined how M & E affected accomplishment of funded youth projects in Nakuru County. The evaluation was achieved through a descriptive survey and a census on all 50 respondents. Questionnaires were used to gather data and Statistical Package for Social Sciences (SPSS) was used to evaluate the findings. The research established particularly that training of staff significantly influenced project performance. The study concluded that youth fund managers need to offer formal and short-term courses in monitoring and evaluation to all youths.

In NGOs, accountability is ethical and legal obligation for an organization that utilizes resources for attainment of objectives. Accountability and transparency in an NGO can be enhanced by establishing systems for tracking information about communication and operations. Melitski and Manoharan (2014) investigated transparency, accountability and performance measurement. The analysis established that transparency and accountability influenced performance. Dubnick and Frederickson (2011) investigated public accountability and measurement of performance. The study was majorly achieved by review of past studies. From the findings, accountability significantly affected performance.

In recent years, economic recession has adversely affected NGOs and this has intensified competition in these organizations. This has also increased inherent risk and thus to overcome this, most NGOs have resorted to formation of partnership programs. The increased demand for goods and reduction in resources, there has been growth in number of collaborative agencies among NGOs. Muthoka and Oduor (2014) analyzed the end results of strategic alliances on institutions accomplishment. The analysis used a case of supermarkets in Kenya. Regression and correlation results suggested that strategies alliances had positive and significant influence on performance. Using a case of commercial banks, Kilimo and Finance (2012) examined the outcomes of strategic alliances on the Financial Performance. The study relied on secondary data. Data was evaluated applying means, standard deviation and regression analysis. From the findings, strategies alliances significantly influence performance of commercial banks. Russo and Cesarani (2017) examined the strategic alliance success factors. This was achieved through review of literature. Qualitative approach was adopted in the study. The study established that organization rely on strategic alliances to grow and gain competitive advantage. It helps an organization to enter new market accessing critical capabilities and resources, Instances where managers manipulates both programmatic and financial results to maximize returns to Funders this not only qualify for address of Monitoring and

Evaluation system, Accountability and transparency can significantly affect formation of new Alliance and partnership and hence financial sustainability

2.4 Conceptual Framework

Figure 2.4 show the connection between various key independent variable and dependent variable as discussed in the literature review.

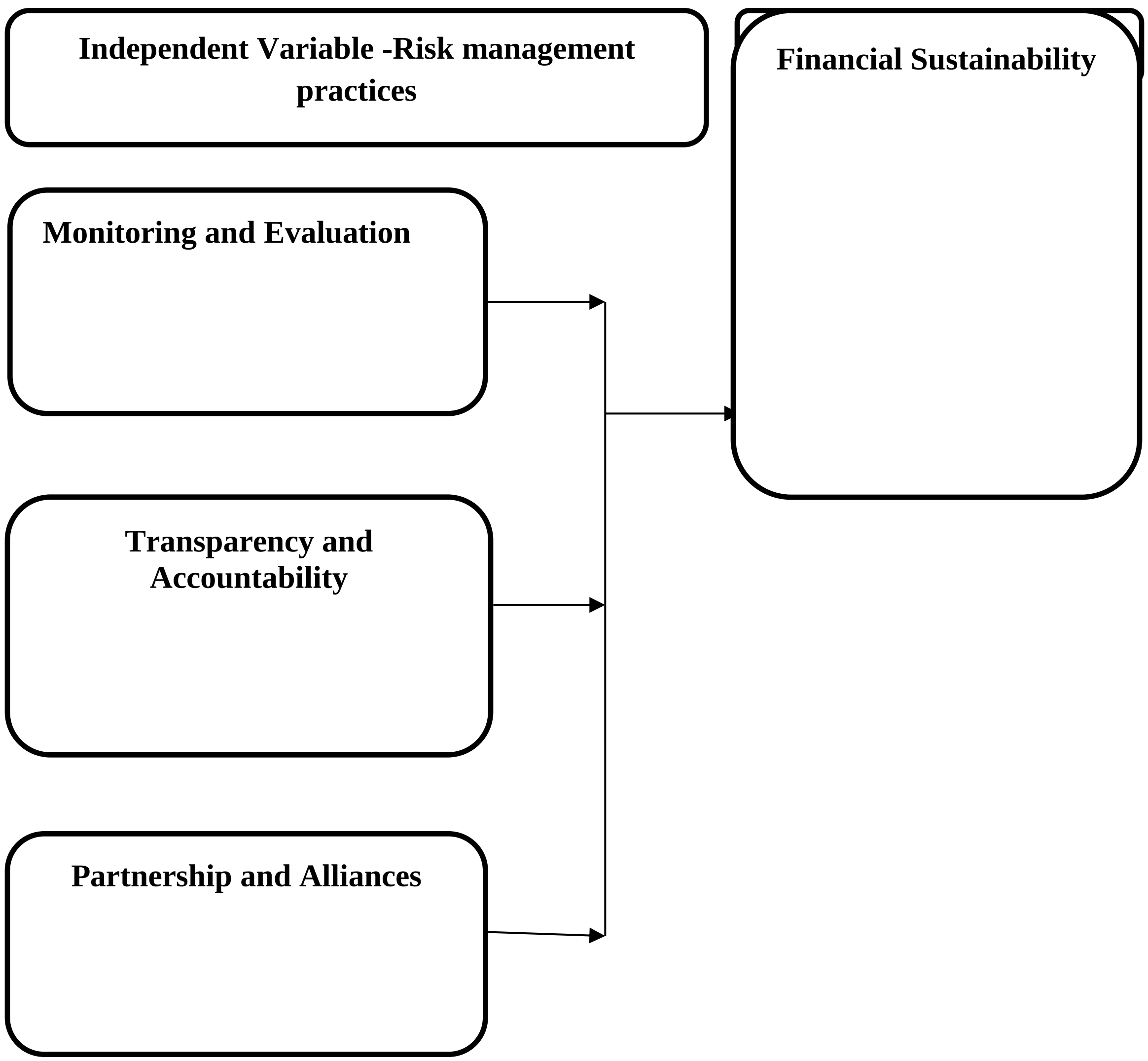

Figure 2.1: Conceptual Model

Source: Author (2018).

2.5 Summary of Literature and Research Gaps

Several studies have been reviewed on risk management practices and how they impact on financial sustainability but they have not comprehensively discussed the issue of risk management practices and financial sustainability especially Non-Governmental organization in Migori County. Previous studies show how specific elements of risk management practices have impacted on financial sustainability ,It is evident there is a gap according to the understanding of the researcher on the influence of risk management practices and financial sustainability on NGO`s in Migori. The research therefore intended to fill the research gap by focusing on the NGO`s in Migori County.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This portion outlines the designs that was used in collecting , examining and present data in form of the results. The areas given consideration include; Segment 3.2 Research design, Segment 3.3 Population and sample, Segment 3.4 Data and data collection instruments, Segment 3.5 Data analysis and finally Segment 3.6 Data validity and reliability.

3.2 Research Design

A research design is a composition that specifically identify the connection between the variables in the study. It indicates the methods to use in collection of data. The study used a descriptive research design with reference to NGO`s in Migori. This design enabled the researcher to carry out an independent understanding of the NGO`s with regard to its risk management practices and how they have affected its financial sustainability.

3.3 Population of the Study

Population is a number of related items that the investigator is interested to carry out a study on. The population of the study was 67 local NGO`s operating within Migori County consisting of four sub counties, Distributed as follows: Rongo 14, Migori 20, Awendo 17 and Kuria 16 .

3.4 Sample Size

Stratified random sampling was adopted because stratification achieves greater precision, can be analyzed separately and also ensure better coverage of NGO`s operating within Migori .Focused mainly on organization in existence for more than five years which formed sufficient sampling, the sample frame was divided into four sub counties such as Rongo , Migori, Awendo and Kuria , of which a sample of 7 NGO`s in Rongo sub county,10 NGO`s in Migori, sub county 6 NGO`s in Awendo sub county and 7 NGO`s in Kuria sub county was picked to form the basis finding of the research.

The population sample size and percentage of sample size are shown in Table 3.1 below.

Table 3.1 Sample Frame and Size

Sub counties	Population	Size of the sample	Percentage %
Rongo	14	7	23.3%
Migori	20	10	33.3%
Awendo	17	6	20%
Kuria	16	7	33.3%
Total	**67**	**30**	**100%**

Source: Researcher (2018)

3.5 Data Collection

The research used both primary and secondary data. Structured Questionnaires was the main data collection instrument. Self-administered drop and pick questionnaires was distributed among the target employees. This enabled the researcher to get adequate and accurate information from people with experience. Primary data was gathered using questionnaires and face to face interview whereas secondary data sources was employed through the use of the previous budgets, financial records and budget policies to supplement the data received from primary sources.

3.5.1 Data Validity and Reliability

Before Questionnaire administration, piloting of the questionnaires was done prior to release of other questionnaires. The pilot study had a similar characteristic of homogenous, the pilot study included NGO`s in Rongo constituency .The pre testing assisted in improving various items by ensuring clarity, easy understanding of the questionnaires and formed a good base upon which amendments to the questionnaires was made. . The study obtained Cronbach’s alpha value of 0.8163 from the pretest which is above 0.70 implying that the accuracy level of the questionnaires was up to 81% , after confirmation of consist results, it was accepted as the main tools used for data collection, The following is Cronbach’s coefficient alpha formula which was used

$$\alpha = \frac{\mathrm{N.C}}{\mathrm{V} + (\mathrm{N} - 1)\mathrm{C}}$$

Reliability is the stretch, which the study tools provides similar outcomes after a controlled trial test. Validity on the other hand is the extent, which a study tool evaluated

(Allen & Yen, 1979). The data was collected from people who have been involved in implementation. Other sources of information was historical records, which are kept by the organization. To ensure accuracy of the sample, data was collected from NGO`s supporting different interventions, Elements in these clusters was picked at random to eliminate bias in any cluster. Pretesting ensured reliability of the data collection tool.

3.6 Data Analysis

The gathered data was sorted, coded, cleaned even before entering in the statistical package for social sciences (SPSS). Findings was analyzed applying descriptive and inferential statistics to analyze the respondent view about the influence of risk management practices and financial sustainability. Means, standard deviations, simple percentage and frequency counts was part of descriptive statistics to show the influence of risk management practices and financial sustainability. Relevant table was used to report the gathered data for interpretation and evaluation while regression analysis model adopted equation of ; $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$ ………………………………………………. (1)

Where; Y=Financial sustainability

X1=Monitoring and Evaluation practices

X2=Accountability and Transparency practices

X3=Partnership/Alliances Practices

ℓt =Error Term

CHAPTER FOUR -RESULTS AND DISCUSSION

4.1 Introduction

This component gives out outcome of the research, which was analyzed, interpreted and presented in line with the research objectives. The response rate, validity and reliability tests of instruments are provided followed by descriptive and inferential analysis for the study variables.

4.2 Research Findings

4.2.1 Response Rate

Thirty (30) written questions with answer choices were provided to managers from 30 NGOs operating in Migori, Kenya. , 73.3% response rate was realized equivalent to (22) questionnaires returned. The response rate was considered sufficient stated by Saunders et al., (2007) who recommended 30-40% response.

4.2.1 Table Response Rate

Sub counties	Sample size	Respondent
Rongo	7	6
Migori	10	8
Awendo	6	4
Kuria	7	4
Total	**30**	**22**

Source: Researcher (2018)

4.3 A Descriptive Results

4.3.1 Education Levels

The research desires to identify Education characteristics of respondents of NGOs in Migori County. The respondents were Chief Executive Officers/Managers of NGO`s . The results are presented in Table 4.3.2 The outcome indicated that majority (59.1 %), of the interviewee had attained First degree followed by Diploma 6 (27.3%) and then Master Degree 3 (13.6%).

Table 4.3.1: Respondent Education Levels

Level of Education	**Frequency**	**Percentage**
Diploma	6	27.3%
First Degree	13	59.1 %
Post Graduate	3	13.6%
Total	**22**	**100%**

Sources (Survey data 2018)

4. 3.2 Age

The results as furnished in Table 4.3.2 indicates that predominance (63.6 %) of the interviewee were of age between 35-44 years old, proceeded by 25-34 years (31.8%). This age group is regarded as the most productive age group. The results also indicate few employees were in the old age of 45 and above. This indicates proper succession management in NGOs to ensure sustainable strategies. On the other hand, only few (4.5%) respondents were between 45-54 years which matches with a number of entities human force which are mainly aged due to the periodic employee changes which normally evidence departure of aged employees through either optional exit or employer termination.

Table 4.3.2: Distribution by Age in Years

Age bracket	Frequency	Percentage
25-34	7	31.8%
35-44	14	63.6%
45-54	1	4.5%
Total	**22**	**100%**

Sources (Survey data 2018)

4.3.3 Gender

The results as presented in Table 4.3.3 indicated equal gender representation 50% male, 50% female. The study therefore concluded that gender is equally represented in NGOs.

Table 4.3.3: Distribution by Gender

Gender	**Gender frequency**	**Respondent Frequency**
Male	11	50%
Female	11	50%
Total	22	100%

Sources (Survey data 2018)

4.3.4 Years of Experience

The table below shows the years of experience in the entities and the outcomes are indicated in Table 4.3.4 .The outcome indicated larger portion of (59.1 %) of the interviewee had been engaged with the organization for between 5 -10 years, 31.8 % For less than 5 years while 4.5 % between 11-15 years and also Over 16 years . It can therefore be concluded that majority of employees in NGOs work for between 6- 10 years. This could be associated to the fact that most NGOs implement short-term projects leading to Employee short stay in their organizations

Table 4.3.4 : Year of experience

Duration in organization	**Frequency**	**Percentage**
1-5	7	31.8%
6-10	13	59.1%
11-15	1	4.5%
16-20	1	4.5%
Total	**22**	**100%**

Sources (Survey data 2018)

4.4 Interpretation of Findings

4.4.1 Monitoring and Evaluation and Financial sustainability

Table 4.4.1 – Monitoring and Evaluation and Financial sustainability

Item	N	Mean	Standard Deviation
Diversification of funds and internal income generation has been achieved through monitoring and evaluation.	22	3.6818	0.77989
The organization has put sufficient control to safeguard NGO Assets.	22	4.3636	0.72673
Organization rely on accurate information during the monitoring and evaluation process when planning.	22	4.2273	0.61193
The organization reach their goals	22	4.4091	0.59033
There are mechanism put in place for planning and budgeting.	22	4.2727	0.70250

Sources (Survey data 2018)

The results in the table above indicates organization`s reached their goal within stipulated time frame is highly rated with a mean of 4.4091 out of possible mean of 5.00, This confirms that for the organization to be sustainable they must fulfill donors/funders obligations within agreed time bound. This also goes in hand with needs to put in place monitoring mechanism which posted a mean of 4.2727, emphasizing on importance of ascertaining value for money and also ensuring sufficient control to safeguard NGO`s assets shown a mean of 4.3686, Donors are always keen in good stewardship of resources, However organization reliability on accurate information during monitoring and evaluation posted a mean of 4.2273 lay emphasize for organizations to plan well, provide accurate information. Diversification of funds and internal income generation enhances Monitoring and evaluation shown a mean of 3.6818 of which failure to show impacts on implementing organization means results to low confidence among funder hence loss of funding. Monitoring and evaluation plays a key role to financial sustainability because it's a means of demonstrating targets and needs met for different stakeholders.

4.4.2 Transparency and accountability and financial sustainability

Table 4.4.2 –Transparency and accountability and financial sustainability

Items	N	Mean	Standard Deviation
Existence of Mechanism For accessing and using funds.	22	4.2727	0.303
Operations are transparency and accountability.	22	4.0455	0.72225
Transparency and Accountability has led to efficient allocation of resource during planning process.	22	3.9545	0.89853

Exist Sharing of Information with staffs, Donors, other stakeholders, financial and program performance regularly.	22	3.7273	1.16217
Effective and efficient Allocation of resources within the organization.	22	4.1364	0.63963
No funder withdraw as a result of lack of accountability and transparency.	22	4.1818	1.00647
Participation of staffs in the preparation of departmental budgets and financial planning evaluators	22	3.00	1.30931

Sources (Survey data 2018)

The results in the table above indicates organization`s has mechanism for accessing and using funds highly rated with a mean of 4.2727 out of possible mean of 5.00, This means for the organization to be sustainable they must be fully compliant to donor requirements ,further No funder had withdrawn as result of lack of accountability posted a mean of 4.1818 ;this mean Funders are unlikely to withdraw their support incase organization observes accountability and transparency , Linking Effective and efficient allocation of resources to enhancement of accountability and transparency realized a mean of 4.1364 , whereas Donors keenness in openness in dealings with transparent and accountable operation achieved a mean of 4.0455 However planning and budgeting relying on efficient allocation of resources registered a mean of 3.9545 meaning for organizations to optimally plan the process must transparent , sharing of information with staffs ,Donors and other stakeholders achieved a mean of 3.7273confirms that failure to share success and failures not only denies stakeholders involvement but also denies them from information to relate benefits accrued from services rendered.

Transparency and accountability plays a major role in ensuring funders are not worried of their grants that intended purposes are met and a way of building confidence.

4.4.3 Partnership and Alliances and financial sustainability

Table 4.4.3: Partnership and alliances and financial sustainability

Items	N	Mean	Standard Deviation
Donor increased over the last five years.	22	2.3182	1.21052
Income Generation and diversification has been achieved as a result of Partnership and alliance.	22	2.8636	1.03719
The organization has mechanism for sharing ideas and resources between partners.	22	3.1818	1.00647
Existence of Mobilization of resources, synergy has due to Partnership and alliance.	22	3.7727	1.10978
Good relationship with partners.	22	4.3636	0.58100

Sources (Survey data 2018)

The results in the table above indicates Good relationship with partners enhances Financial sustainability realized a mean of 4.3636 , This means for the organization must foster for alliances and partnership for competitive advantages , indication that mobilization of resources is characterized by partnership and alliances posted a mean of 3.7727 ;this confirms that organization should encourage more partnership for synergy ,there is a proof that partnership can be achieved by sharing of information realized a mean of 3.1818, whereas acceptance that Income generation and diversification are ingredients of partnership and alliances achieved a mean of 2.8636 this signifies a number of organization relies on a single source and have limited capacity to form alliances and partnership ,unfortunately a low mean of 2.3182 was posted for Number of Donors realized meaning a number of organizations did not form alliances and partnerships.

4.4 4 Financial Sustainability.

Table 4.4.4 : Financial Sustainability

Item	N	Mean	Standard Deviation
Multiple Donor funding different projects.	22	3.0455	1.39652
Existence of reserves fund.	22	2.4091	1.00755
The organization is independent financially.	22	2.0455	1.04550
Donors available can sustains the organization.	22	2.8182	1.25874
Relies on one Donor.	22	2.8182	1.25874
Compliance to budget.	22	4.0909	0.52636
Adequate documentation of actual revenue and expenditures.	22	4.2727	0.55048
Existence of strategic plan ranking different priorities.	22	3.8636	0.94089

Involvement of Board members in fiscal oversight.	22	3.8182	0.95799

Sources (Survey data 2018)

Results confirms that adequate documentation of actual revenue and expenditure are component of financial sustainability realized a mean of 4.2727, second on rank is compliance to budget of which posted a mean of 4.0909 , clear existence of strategic plan ranking different priorities indicated a mean of 3.8636 further involvement of board members is key in ensuring sustainability realized a mean of 3.8182, whereas multiple donor funding of different project shown a mean of 3.0455 , existence of donors who can sustain the organization realized a mean of 2.8182, Existence of reserve funds posted a mean of 2.4091 meaning organization do not have reserve fund to fund operation in case of unforeseen circumstances, organizations are also not able operate when donors have stopped funding realized a mean of 2.0455,This confirms a number of NGO`s are not sustainable with the number of donors available, lack reserves funds, a number are overreliance on donor funding.

4.4.5 Risk management practices and financial sustainability.

Table: 4.4.5 Risk management practices and Financial sustainability.

	Mean	Std. Deviation	N
Financial Sustainability	3.241	.6045	22
M&E	4.191	.4253	22
Transparency &Accountability	3.900	.5864	22
Partnership & Alliance	3.300	.7502	22

Sources (Survey data 2018

Outcome above confirms that Monitoring and Evaluation with a mean of 4.191 this signifies organization emphasize so much on determining whether they are making impact on the interventions they are implementing, followed by Transparency and accountability with a mean of 3.900 further ascertains level of good stewardship among organization, Partnership and alliance posted a mean of 3.300 confirms the low level of partnership and alliance among the organization, whereas financial sustainability posted equal mean of 3.241 signifies majority of organization are questionable to continue with operations in event Donors withdraw funding.

4.4.6 Number of Donors

Table 4.4.6: Number of Donors

Ranges	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**Mean**
0-5	18	18	18	18	19	20	18.5
6-10	2	2	2	2	1	1	1.67
11-20	2	2	2	2	2	1	1.83
Total	22	22	22	22	22	22	22

Sources (Survey data 2018)

The table shows significant number of donors existence between 0 to 5 this clearly confirms most organization have a few alliances and partnership therefore hampering financial resource mobilization, implementation of different interventions, scaling up programs and expanding territory .

4.4.7 Funding from Donors

Table 4.4.7: Funding from Donors .

Range	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**Mean**	**%**	**Cumulative %**
1-10 M	5	6	6	5	3	4	4.833	21.95	21.95
11-20M	3	2	4	5	4	3	3.5	15.90	37.85
21-30M	2	4	2	3	3	2	2.67	12.13	49.98

31-40M	4	1	1	1	1	4	2	9.09	59.07
51-60M	1	2	1	1	2	3	1.67	7.590	66.66
61-70M	4	1	1	2	4	2	2.33	10.59	77.25
91-80M	1	3	3	2	1	3	2.17	9.86	87.11
100-200M	2	3	4	3	4	1	2.83	12.89	100
TOTAL	**22**	**22**	**22**	**22**	**22**	**22**	**22**	**100**	

Sources (Survey data 2018)

The table shows funding from Donors to majority of NGO`s ranges between 1-10 Million with a mean of 4.833 and 11-20 Million posted a mean of 3.5 lays the same fear that most NGO`s operation are highly affected by resources available whereas organization with 100-200 Million indicated a mean of 2.83 confirm very few NGO`s are financially sustainable going by resource availability.

4.5 Inferential Statistics.

To conclude the linkage connecting independent and dependent variable, correlation and multiple regression was analyzed and discoveries are outlined below:

4.5.1 ANOVA[b]

Table 4.5.1 ANOVA[b]

Model	Sum of squares	df	Mean Square	F	Sig.
Regression	4.086	3	1.362	6.834	.003[b]
Residual	3.587	18	.199		
Total	7.673	21			

a. Dependent variable : Financial sustainability.

b. Predictors: (Constant) Partnership and alliance ,Monitoring and Evaluation & Transparency and accountability

The regression equation is formed as $Y= \beta o + \beta 1X1+ + \beta 2\ X2 + \beta 3\ X3+ \sum$ was Used to predict financial sustainability. A common practice exist which considers variable with a p-value of less than 0.05 as significant, though the only basis for this cut off is Convention. The results of table 4.12 above also indicates that there was a significant difference between mean of affecting the financial sustainability in NGO`s in Migori F=6.834 a = 0.05 df =3 Sig = .003[b] finding confirms by table 4.15 establish that partnership , Transparency and accountability and monitoring and evaluation were all factor affecting the financial sustainability of NGO`s .

4.5.2 Summary of correlations

Table 4.5.2 summary of correlations

	Monitoring & Evaluation	**Accountability &Transparency**	**Partnership & Alliance**	**Financial Sustainability**
Monitoring& Evaluation.	1	0.592	0.504	0.372
Accountability & Transparency.	0.592	1	0.572	0.549
Partnership & alliance	0.504	0.572	1	0.705
Financial sustainability	0.372	0.549	0.705	1

Correlation significant at the 0.05 level (Single tailed)

The correlation wrap up are presented above specify existence of association between independent variable were notable at 95% confidence level. it also reveals there was a very strong relationship between partnership and alliance and the financial sustainability of NGO`s in Migori county while accountability and transparency had a strong relationship with financial sustainability of the NGO`s within Migori county .The correlation between partnership for the NGO`s within Migori county and financial sustainability revealed a favorable association existed between them with (r =0.705 a ) suggesting that partnership and alliance was an major component in improving financial sustainability of the NGO`s in the awake of reduction in number of partners and alliances, this means NGO`s should focus solidarity going beyond financial aid resulting into transfer of skills, sharing of resources and collaborate together in areas of researches. Correlation Analysis results in table 4.12 signify level of accounting and transparency had a notably affected on financial sustainability of NGO`s in Migori county coefficient of correlation (r = 0.549,   ) suggest a favorable association linking between the two variable . this ascertains   that organization should ensure accountability and transparency to their funders, beneficiaries and community they serve .Finally the correlation analysis ascertains existence of favorable association realizing r = 0.372   this implies that NGO`s were placed to enhance stable financial positioning by practicing Monitoring and Evaluation ,Can therefore be summed up that all the variable were relevant to the research study .

4.5.3 Model Summary.

Table 4.5.3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.730[a]	.532	.455	.4464

Predictors: (Constant) Partnership and Alliance, Monitoring and Evaluation and Transparency and Accountability.

Multiple regression analysis was employed to establish the relevance of the association between all independent variable and dependent variable put together the value achieved for R which is the model correlation coefficient =0.730 which exceeds Zero order value this indicate that the representation develops when more variable for evaluation . Goodness of fit for statistical model is R square 0.532 also indicated that all independent variables combined accounts up to 53.2 % of change in financial sustainability in regression model, The ratio of the sum of square of the model to the sum of square calculated as follows R^2: 4.086 / 7.673 =0.532

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter Incorporates summary, conclusions and recommendations arising from the research, Bringing in a sample of 22 responses from earmarked 30 NGO`s targeted within Migori county

5.2 Summary

The main objective of the study is to determine the outcome of risk management practices and financial sustainability. The study in particular has addressed the following particular objectives:(i) Establish the effect of monitoring and evaluation on financial sustainability of NGO`s in Migori (ii) Determine the extent of effect of accountability and transparency on financial sustainability of NGO`s in Migori (iii) Establish how Partnership and alliance affect financial sustainability of NGO`S in Migori .

Out of the 22 useful questionnaires, which were returned and analyzed equal portion of males and female participated in the research. The respondents' level of education was good with the majority having First-degree level of education. In addition, majority of those interviewed had been on

6- 10 years which is enough time to enable the respondents to understand the risk management practices and financial sustainability. Emanating from the outcome of the research it is noted that decline in partnership and alliances, Transparency and accountability was having effect on the financial viability ,as a result the NGO`s are taking initiatives to form more alliances and partnership locally finally most ,Most NGO`s under study embraced Monitoring and Evaluation ,Partnership and Alliance and Transparency and accountability , it can be concluded Monitoring and Evaluation ,Partnership and Alliance and Transparency and accountability are significantly for financial sustainability. The study therefore notes that Accountability and transparency & Partnership and alliance are considered to be very important Determinants for financial sustainability .The study note that organization that do not achieve equitable income and diversification it is most unlikely to be financial sustainable especially after donor funding is withdrawn.

5.3 Conclusions

From the findings it was confirmed that there was there was unfavorable relationship between Monitoring and Evaluation and financial Sustainability of NGO`s in Migori, thus the study concludes that Monitoring and Evaluation negatively affects financial Sustainability of NGO`s in Migori. The study also revealed that there was a favorable relationship between Transparency and accountability, Partnership and Alliance and Financial sustainability of NGO`s in Migori thus the study concludes there was a favorable relationship between Transparency and accountability, Partnership and Alliance and Financial sustainability of NGO`s in Migori.

5.4 Recommendations for policy

The study suggests the following from the finding of the study, There is a need for the management to put in Monitoring and Evaluation as it revealed that Monitoring and evaluation negatively affect financial sustainability of NGO`s in Migori ,Management should focus on partnership and alliances such as invest in establishment and cultivation of relationship with other partners to reduce risks exposures such as overreliance on one donor , it was found favorable association between transparency and accountability and financial sustainability enhancing sound management and administration build confidence and trust among stakeholders

5.5 Limitation of the study

The study was limited to establishing the relationship between risk management practices and financial sustainability of NGO`s in Kenya . The study was limited to 30 NGO`s in Migori. The study was limited to primary and secondary data, which was collected from NGO`s financial reports and Questionnaires. The research collected data from 22 NGO`s that were in operation for the last six years and it was restricted to a six years period starting from 2013 to 2018; however a prolonged period of the research will have been collected . The research restricted to determine   association between risk management practices and financial sustainability of NGO`s in Migori County. For this reason the other NGO`S operating in other Counties were not be incorporated in the study.

5.6 Areas for future research

This work may serve as basis for further studies in risk management practices and financial sustainability. The researcher can adopt the same study in a different organization or sector set up. The study was also limited to three variable monitoring and evaluation, Transparency and accountability, partnership and alliance more variable can be incorporated in the model.

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APPENDICES.

Appendix One : Introductory Letter

From : Mackenzie Okun Opiyo

To : Respondent

Dear Respondent,

RE: Questionnaire

I am student at University of Nairobi pursuing Master of Business Administration in Finance , I am carrying out a study on risk management practices and financial sustainability of NGO`s in Migori County.

I am seeking data from your organization to fulfill coursework requirement ,I committed to handle all gathered data with confidentiality and use them for academic purpose.

Thanks in advance for your time, looking forward for your cooperation.

Yours Sincerely

Mackenzie Okun Opiyo

Student –University of Nairobi.

Appendix Two: Questionnaire

SECTION A: PERSONAL INFORMATION

1. Please indicate your gender Male ( ) Female ( )

2. Please indicate your age bracket:

25 – 34 years ( ) 35 – 44 years ( ) 45 – 54 years ( ) above 55 years

3. What is your highest qualification achieved?

Diploma ( ) Degree ( ) Masters ( ) Others (please specify………………….

4. How many years have you been working in your organization?

1 – 5 years ( ) 6 – 10 years ( ) 11 – 15 years ( )

16 – 20 years ( ) 21 years and above ( )

SECTION B: MONITORING, EVALUATION AND FINANCIAL SUSTAINABILITY

5. Below are several statements on Monitoring and Evaluation how it affects the financial sustainability of your organization. Kindly indicate the extent to which you agree with each of these statements. Kindly use a scale of 1-5 where: 1- Strongly disagree, 2- Disagree, 3- not sure, 4- Agree, 5- Strongly agree

Statement	**1**	**2**	**3**	**4**	**5**
Diversification of funds and internal income generation has been achieved through monitoring and evaluation.					

The organization has put sufficient control to safeguard NGO Assets in achievement of sound management and administration.					
Organization rely on accurate information during the monitoring and evaluation process when planning.					
The organization reach their goals; deliver them within stipulated time frame.					
There are mechanism put in place for planning and budgeting to monitor flow of revenue and expenses.					

6. How else has monitoring and evaluation affected financial sustainability of your organization?

……………………………………………………………………………………………… …………………………..

SECTION C: TRANSPARENCY, ACCOUNTABILITY AND FINANCIAL SUSTAINABILITY

7 Given below are several statements on transparency and accountability and how it affects financial sustainability of your organization. Kindly indicate the extent to which you agree with each of these statements. Kindly use a scale of 1-5 where: 1- Strongly disagree, 2- Disagree, 3- not sure, 4- Agree, 5- Strongly agree

Statement	1	2	3	4	5
Mechanism are there for accessing and using funds.					
Organization operations are undertaken with a lot of transparency and accountability.					
Transparency and Accountability has led to efficient allocation of resource during planning process.					
The management share with staffs, Donors and other stakeholders financial and program performance regularly.					
Resources are being allocated effectively and efficiently within the organization.					
There are no funder (s) who has withdrawn as a result of lack of accountability and transparency.					
All staffs are involved in the preparation of departmental budgets and financial planning evaluators.					

8. Kindly identify other ways that transparency has affected the financial sustainability of your organization.

SECTION D: PARTNERSHIPS, ALLIANCES AND FINANCIAL SUSTAINABILITY

9. Below are several statements on partnerships, alliances and how they affect financial sustainability your organization. Kindly indicate the extent to which you agree with each of these statements. Kindly use a scale of 1-5 where: 1- Strongly disagree, 2- Disagree, 3- not sure, 4- Agree, 5- Strongly agree

Statement	1	2	3	4	5
The number of Donor has increased over the last five years.					
Income Generation and diversification has been achieved as a result of Partnership and alliance.					
The organization has mechanism for sharing ideas and resources between partners.					
Mobilization of resources, synergy has been achieved due to existence of Partnership and alliance.					
The organization has a good relationship with partners.					

10. Kindly identify other ways that partnerships, alliances have affected financial sustainability of your organization.

SECTION E: AND FINANCIAL SUSTAINABILITY

11. Below are several statements on financial sustainability. Kindly indicate the extent to which you agree with each of these statements. Kindly use a scale of 1-5 where: 1- Strongly disagree, 2- Disagree, 3- not sure, 4- Agree, 5- Strongly agree

Statement	1	2	3	4	5
The organization has Multiple Donor funding different projects.					
The organization has reserves to fund operations in case of unforeseen risk.					
The organization finance can operate even when donors have stopped financing.					

The number of Donors available can sustains the organization.					
The organization does not rely on one Donor.					
The organization follow budget to ensure expenditure do not exceed budget.					
There are mechanism for documenting actual revenue and expenditures.					
The organization has a strategic plan ranking different priorities.					
Board members are involved in fiscal oversight through finance committee.					

THANKS YOU FOR YOUR RESPONSE