

Institutional Systems-Related Factors And Performance Of National Non-Governmental
Organizations In Sudan: A case Study Of Sibro

BY

Ali Mohamedain

MAY15/PM&E/0399X

Supervisor

Mr. Dennis K. Omvia

UTAMU

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DECLARATION

I, Ali Mohamedain, declare that this research project is my own original work and it has not been submitted for any academic award to any university or institution of higher learning in Uganda or any other country.

Signature:

Date:

Ali Mohamedain

APPROVAL

This is to certify that this work has been done under my supervision and submitted for examination with my approval.

Signature:

Date:

Mr. Dennis K. Omvia

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DEDICATION

To the souls of my parents, Hawa'a Omar and Hajj Mohamedain, for their everlasting guidance and protection

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LIST OF ABBREVIATIONS

CHF	Common Humanitarian Fund
HAC	Humanitarian Aid Commission
HR	Human Resources
IDP	Internally Displaced Person
INGO	International Non-Governmental Organization
NGO	Non-Governmental Organization
NNGO	National Non-Governmental Organization
OCHA	Office of Coordination of Humanitarian Aid
SHF	Sudan Humanitarian Fund
SPSS	Statistical Package for Social Science
UN	United Nations
UTAMU	Uganda Technology and Management University

ABSTRACT

This study sought to examine the influence of institutional systems-related factors on the performance of national NGOs in Sudan with a particular focus on Sibro Organization. Specific emphasis was put on investigating the effect of financial management and human resources on organizational performance as well as establishing the relationship between strategic leadership and performance. The study applied a correlational research design in a case study involving both qualitative and quantitative approaches and tools of data collection and analysis to establish the relationship nature of the different variables.

In total, the study surveyed 68 respondents and conducted 21 key informant interviews.

The study targeted board of directors, senior managers, programme and support staff in addition to officials from Humanitarian Aid Commission (HAC), international NGOs and donors. Both simple random and purposive sampling were used in the data collection process. Quantitative analysis involved means, frequencies, percentages and correlations. For qualitative data, themes and categories were generated through reading process; data was then compiled, analyzed, interpreted and later used in explaining findings of quantitative analysis.

The findings revealed a positive significant relationship (0.61, sig=0.00) between financial management and organizational performance; (0.64, sig=0.00) between human resources and organizational performance; and (0.49, sig=0.00) between strategic leadership and organizational performance. Basing on these findings and others from key informant interviews, it was concluded that all of the different institutional systems factors were proved to affect organizational performance of Sibro. For improved performance, it is recommended that the organization improves its financial planning, accountability systems, monitoring and reporting. Moreover, special focus is also needed in reinforcing its human resources planning, staffing, developing, appraising and rewarding, in addition to the leadership and strategic planning.

CHAPTER ONE

INTRODUCTION

1.1 Introduction:

The study investigated the effect of institutional systems-related factors on the performance of NNGOs in Sudan, taking Sibro Organization as a case study. The institutional systems-related factors, which represent the independent variable, include financial management, human resources and strategic leadership; whereas organizational performance, which represents the dependent variable, is measured by the parameters of effectiveness, efficiency, relevance and financial sustainability.

NNGOs in Sudan are constantly striving to achieve their goals and objectives, better results and meet their stakeholders' rising priority needs and expectations. However, most organizations are struggling to get it right as they encounter a plethora of challenges in their implementation of humanitarian interventions to the target beneficiaries (CHF, 2014).

The importance of organizational performance of NNGOs in Sudan stems from the critical role these organizations play in responding to the actual needs of 5.4 million of the most vulnerable IDPs (60% of whom are children), and host communities, in the country's different war-torn areas (SHF, 2016).

Organizational performance of NGOs is explained by their ability and capability to achieve their target goals and objectives. Most NGOs view their performance in terms of effectiveness in achieving their mission, purpose or goals as well as efficiency in deploying resources and they link the larger notion of organizational performance to the results of their particular programmes delivered to improve the lives of their beneficiaries (Nancy and Mine, 2004). For NNGOs in Sudan order to continue being responsive to their beneficiaries' massive critical needs, it is necessary to remain effective, efficient, and relevant to their different stakeholders' changing requirements and priorities.

This chapter is introductory and basically covers the background (in which the researcher systematically demonstrates the historical, theoretical, conceptual and contextual elements of the study in a broader-narrow perspective), statement of the problem, purpose of the study, specific objectives, research questions, hypotheses of the study, the conceptual framework, significance and justification of the study, scope of the study and the operational definitions of key terms and concepts.

1.2 Background to the Study

1.2.1 Historical Background

An NGO is generally defined as a private, self-governing, not-for-profit organization (Anheier, 2007) that offers a broad spectrum of services across multiple fields, ranging from livelihood interventions, health and education service to more specific areas such as emergency response, democracy building, conflict resolution, human rights and environmental management (Lewis and Kanji, 2009). A national NGO has the same characteristics and achieves similar aims but is national in scope and operates within national boundaries.

Historically, the beginning of NGOs can be traced back to 1807, the year when the British abolished the slave trade, followed by the formation of a number of organized non-for-profit movements, which addressed the issues of slavery, women empowerment and movements for peace (Lewis, 2007). Although NGOs have existed in various forms for centuries, however, the phrase (non-governmental organization) only came into popular use with the establishment of the United Nations Organization in 1945 and that is where the cumulative status of non-governmental organization was derived (Pawel, 2006).

Since the formation of the United Nations, NGOs have played an increasingly prominent role in emphasizing humanitarian issues, developmental aid and sustainable development,

thus widely praised for their strengths as innovative and grassroots-driven organizations with the desire and capacity to pursue participatory and people-centred forms of development and to fill gaps left by the failure of states across the developing world in meeting the needs of their poorest citizens (Nicola and David, 2012). Interests in the contribution of NGOs to service delivery do not rise only because of the enforced rollback of state services, but also because of their perceived comparative advantages in service provision, including their ability to innovate and experiment, their flexibility to adopt new programmes quickly, and most importantly, their linkages with the grassroots that offer participation in programme design and implementation, thereby fostering self-reliance and sustainability (Bebbington, 2008).

Research into the sector of NGOs has highlighted a number of common challenges and dilemmas these organizations experience in which organizational performance is considered critical (Adera, 2014) as the necessity to implement interventions of quality, gain the trust of priority stakeholders and to address the question of upwards accountability to donors and or governments and downwards accountability to beneficiaries.

Organizational performance is globally considered one of the most commonly known concepts in the development sector in general and NGO sector in particular. Salem (2003:2) contends that the idea of managing organizational performance is being widely accepted and adopted all over the world. It spreads rapidly from the private sector to the public sector in the developed world and has recently found its way in many developing countries.

In the 1950s, organizational performance was linked to effectiveness in which organizations used to measure in terms of accomplishment of outcomes and the focus was exclusively on the end; achievement of goals, objectives and targets (Jean, 2003:10).

Performance measurement during that time was focused on work, people and organizational structure.

Between the 1960s and 1970s, organizations began to explore new ways to evaluate their performance; so performance was considered as an organization's ability to exploit its environment for accessing and using the limited resources (Adebawojo, Enyi and Adebawo, 2015:47).

The following decades, the 1980s and 1990s, were marked by the realization that the identification of organizational objectives is more complex than initially considered (Gavrea, Ilies & Stegorean, 2011:287). They contend that managers began to understand that an organization is successful if it accomplishes its goals (effectiveness) using a minimum of resources (efficiency). Thus, organizational theories that followed supported the idea of an organization that achieves its performance objectives based on the constraints imposed by the limited resources.

In later decades, performance was referred to as being about doing the work, as well as being about the results achieved. To Mitchell (2002:2), performance can be measured using indicators of efficiency, effectiveness, relevance and financial viability. In illustrating the concept of performance, Lebas and Euske (2006) argue that performance can include financial and non-financial indicators, which offer the necessary information to measure the degree of organizational achievement of objectives and results. They further contend that performance is dynamic, requiring judgment and interpretation and may be understood differently depending on the person involved in the measurement of the organizational performance.

Richard (2009) strongly argues that organizational performance encompasses three specific areas of organizational outcomes: (a) financial performance (profits, return on assets and return on investment); (b) product market performance (sales, market share); and (c) shareholder return (total shareholder return, economic value added) -- though it is

not specifically related to the non-profit sector but still historically interconnected. His opinion, however, has only covered three of the main variables that can measure organizational performance.

Down through history from 1950 to very recent years, different scholars have interacted and added their inputs in to the development of parameters critical to influencing and measuring organizational performance. Excluding Mitchell, these scholars' views, theories and arguments have failed to come up with inclusive, critical and reliable parameters for measuring organizational performance. However, their indicators have covered (though only partly) important areas such as efficiency, effectiveness and financial sustainability, while neglecting relevance completely. Some of them only considered the institutional or human part and did not consider other variables. The most important thing these scholars have done through their studies and contributions has been to link accumulatively the realization of organizational goals, objectives and results (effectiveness and efficiency) to performance and add significantly to the current parameters that are used in measuring organizational performance, as maintained by (Mitchell, 2012:2).

The differences scholars have in understanding the concept is an argument that has clearly been reflected in the different measurements of performance that scholars have been experiencing since the 1950s.

In today's world, specialists in many different fields are concerned with organizational performance including programme development, strategic management, strategic planning, policy analysis, operations and finance, legal, and organizational development. Managing and assessing the success of a non-governmental organization at achieving its mission (goals and objectives) is becoming a common practice and at times is needed in order to secure funding and meet stakeholders' requirements and expectations. It is

necessary to assess the success and quality of work of these organizations in order to improve their organizational performance and ensure accountability.

In the USA, according to Kaplan (2001), a survey conducted by the Social Enterprise programme at Harvard Business School found that non-profit organizations' board members frequently considered performance measurement to be one of their top concerns. In Romania, following the recent economic crisis, continuous performance is regarded the objective of any organization because only through performance will organizations be able to grow and progress (Gavrea, Ilies & Stegorean, 2011). They assert that knowing the determinants of organizational performance is important, especially in the context of the current economic crises, because it enables the identification of those factors that should be treated with an increased interest in order to improve organizational performance.

In Ghana, Okorley and Nkrumah (2012) have highlighted the importance of organizational performance and the need for management capacity that promotes learning organizational principles (shared vision, teamwork), and the provision of quality material resources for organizational efficiency and effectiveness. They suggest that the success and sustainability (performance) of local NGOs can be measured by the ability of an organization to develop and implement need-based and demand-driven programmes, supported by good leadership, transparency, accountability and commitment to meet felt and expressed needs of beneficiaries. Although they covered parameters that can be categorized by relevance, efficiency and effectiveness, financial sustainability was not addressed, thus leaving the door open for future researches and studies.

In Sudan, organizational performance has so far been given limited attention and only in private sector organizations, where the performance is measured only by productivity and turnover dynamic (Abdalkrim, 2013:134). In contrast, current global literature measures performance by indicators of efficiency, effectiveness, relevance and financial viability

(Mitchell, 2012). Very little interest has been given to the study of organizational performance in all sectors of development in general and in non-profit sector in particular. Hence, the researcher considers that this study will contribute in filling the gap that exists in research into the NGO sector in the country.

1.2.2 Theoretical Background

The Scientific Management Theory that was built up by Frederick Taylor in 1911 guided the study. Scientific Management, also known as Taylorism, is a theory of management that analyzes and synthesizes workflows and processes with specific objectives in improving work performance and economic efficiency (Taylor, 1911). This theory has four principles (concepts) that could improve effectiveness and efficiency within an organization: 1) find the one best way to perform each task, 2) carefully match each worker to each task, 3) closely supervise workers, and use reward and punishment as motivators, and 4) the task of management is planning and control (Jones & George, 2009:43).

Initially, Taylor was very successful at improving effectiveness and efficiency at work. His methods involved getting the best equipment and people, and then carefully scrutinizing each component of the work processes. By analyzing each task individually, Taylor was able to find the right combinations of factors that yield improvement in organizational performance (Mitcham, 2005).

This theory is relevant to the study as it provided a theoretical guidance used in examining the effect of human resources on organizational performance as the four basic principles of the theory can be conceptualized in to the human resources dimensions of planning, developing, assessing and rewarding. However, the theory guided only one factor in the study and hence there was a need for more theories to guide other institutional system factors and their relation with organizational performance.

Additionally, the framework for improving organizational performance that was developed by Universalia in 2002 further guided the study. The framework is an approach for analyzing the strengths and weaknesses of an organization in relation to its performance (Lusthaus et al, 2002). This framework posits organizational performance as a function of its institutional systems, enabling environment and organizational motivation. It details and captures the ideas that underpin each of the four broad organizational concepts (organizational performance, institutional systems, motivation and environment). In this framework, organizational performance is seen as a result of the organization's work and that it is defined in terms of effectiveness (mission fulfilment), efficiency, ongoing relevance (the extent to which the organization adapts to changing conditions in its environment) and financial sustainability. Similarly, the same parameters that determine organizational performance in this framework were conceptualized into the indicators of effectiveness, efficiency, relevance and financial sustainability that were used in measuring organizational performance in the study. The framework provides a basis for discussion and comparison across regions and organizations and development problems by considering the certain contextual forces that drive organizational performance (Universalia, 2002).

Although this framework approach includes three parameters to determine organizational performance, due to constraints on time and money, this study only considered the basic variable which is institutional systems-related factors (financial management, human resources and strategic leadership) and its effects on organizational performance. This left the door open for future researches and studies to possibly consider other variables to affect organizational performance such as motivation and external environment.

The framework was relevant to the study as it offered a way for guiding the study in investigating the institutional systems parameters and provided assistance in managing and measuring organizational performance.

1.2.3 Conceptual Background

This study mainly focused on the concept of institutional system and its relationship with organizational performance. Institutional systems-related factors are the independent variable represented by the dimensions of financial management, human resources and strategic leadership (Horton et al, 2003). Each dimension has its own indicators.

Financial management was identified by the components of financial planning and financial accountability. Planning and developing, assessing and rewarding measured human resources. Strategic leadership was measured by the variables of leadership and strategic planning. In this study, performance of national organizations is the dependent variable and was measured by the indicators of effectiveness, efficiency, relevance and financial sustainability (Nancy and Mine, 2004:8).

Many scholars and authors have had different contextualizations of these concepts and accordingly the researcher used them differently according to their different contexts. In the NGO context, Adera (2014:10) maintains performance with regard to the competence of an organization to transform the resources within the organization in an efficient and effective manner to achieve organizational goals and contribute to other people's efforts to improve their lives and society. Organizational performance comprises the actual output or results of an organization as measured against its intended outputs or goals and objectives (Upadhaya, Munir and Blount, 2014).

Institutional system (system capacity) concerns with the ability of an organization to use its resources to perform, and it is considered the fundamental basis of an organization's performance. Bryan (2011) argues that an institutional system's components are understood as inputs into an organization's production process that result in the basic ability of an organization to do its work. Eisinger (2002:117) linked system capacity with

organizational effectiveness by defining capacity as a set of attributes that help or enable an organization to fulfil its mission.

Effectiveness is the extent to which an organization is able to realize its results (Zheng and Mclean, 2010). Most organizations assess their performance in terms of effectiveness. Their main focus is to achieve their mission, goals and vision. At the same time, there is a plethora of organizations, which value their performance in terms of their efficiency, which relates to the optimal use of resources to achieve the desired output (Chavan, 2009). Efficiency measures relationship between inputs and outputs or how successfully the inputs have been transformed into outputs (Low, 2000). It is all about resource allocation across alternative uses (Kumar & Gulati, 2010).

Organizational relevance is the ability of an organization to satisfy, meet the requirements and expectations of its key stakeholders. It is the ability of an organization to meet the needs and gain the support of its priority stakeholders in the past, present and future (Lusthaus et al, 2002).

Financial sustainability is the ability of an organization to raise funds required to meet its functional requirements in the short, medium and long term (Universalia, 2002). They maintain that NGOs must balance the desire to serve people in need (effectiveness) with the need to obtain the funds to pay for the services they provide (financial viability).

These researchers strongly argue that organizational performance relates to the ability of the organization to keep its mission, goals, programmes and activities aligned with the evolving needs of its key stakeholders and constituents.

1.2.4 Contextual Background

NGOs effectively form an important part of the humanitarian and development sectors in the developing countries. Through their wide numbers and variety of interventions, these organizations play an increasingly critical role in the development of these countries. They are recognized and appreciated as an indispensable part of society and the economy.

In fact, they are sometimes referred to as the third sector (Issa, 2005). In the developing world today, these organizations provide a vital assistance to the national and local governments in responding to poor and war-affected communities, providing the most vulnerable groups with the basic needs and addressing under-development conditions and imbalances between rural and urban areas.

Global-wise, organizations have an important role in our daily lives and, therefore, successful organizations are becoming a key factor for economic growth and development in many countries. Precisely for this reason, in the last 26 years, there have been 6 Nobel prizes awarded to researchers who have focused on the analysis of organizations and institutions (Gavrea, Ilies & Stegorean, 2011).

In Africa, for example, in most poor and deprived rural areas, the most commonly known names associated with development and humanitarian operations are the NGOs. This is because it is the NGOs that provide them with clean drinking water, clinics in village centres, credit facilities, school buildings, extension services and many more (Milliar, 2005). The programmes and activities of NGOs have transformed many vulnerable communities and have benefited a lot of rural and war-torn areas through their support to the poor and the disadvantaged in their efforts to improve their living conditions.

In Sudan, as NGOs continue to grow in number and size, and with a need to start to operate more effectively, expand and diversify their programmes in responding to the steadily growing needs emerging from poverty, civil wars and crises, there is an increasingly urgent need to address the very basic question of how these organizations are performing to effectively, efficiently and sustainably meet their stakeholders' requirement, involvement and expectations. This question is clearly reflected in the gap that exists between these organizations and their key stakeholders in terms of efficiency and effectiveness with government and sustainability with funding agencies as well as relevance to their beneficiaries. The period since 2009 to the present remains a critical

junction for NGOs in the country accompanied with limited performance-related consequences translated into the bad relationship these organizations have been having with the government and donors ranging from shutting down of many development and humanitarian projects (Reeves, 2014), to the termination of work contracts of many NGOs, to donors changing their partnership strategies (OCHA, 2013).

Therefore, for a significant improvement in the situation, critical attention and extremely thorough and careful research (with possible utilization of findings) regarding their performance was required from both practitioners and researchers. As this study is contextualized to the NGO sector, Sibro Organization was taken as a case study for the research.

Sibro is a NNGO established in 2003 as Sudanese voluntary organization that was formally registered with Humanitarian Aid Commission (HAC) in 2006. The organization's operations rely on a variety of workers with different qualifications, specializations and under capacities who are distributed among the operations and programme sectors as well as senior management team (Sibro, 2014). Sibro has dedicated itself to assisting people in emergencies and crises that contribute to the alleviation of the suffering of those caught up in conflict and or natural disasters. Operating in four different states in the country, including Khartoum, and implementing a variety of development and humanitarian programmes and activities in these areas, Sibro provided a good research environment to study the limited performance situation that it and other national organizations are encountering (Sibro, 2016).

1.3 Statement of the Problem

National organizations in Sudan are supposed to deliver programmes and activities with good quality to target beneficiaries; however, many of their delivered interventions have been marked with limited quality and weak performance (SHF, 2016).

According to OCHA, many of these NGOs have not been able to implement programs and activities effectively and efficiently to the satisfaction of their beneficiaries, making it difficult to respond to their relevant and actual needs and meet their rising demands (OCHA, 2013).

As far as the issue of limited performance is concerned, an annual report from the Common Humanitarian Fund CHF highlights the inability of national organizations to deliver and meet the changing priority requirements and expectations of their stakeholders, particularly donors and international organizations (CHF, 2014).

This problem has been a matter of concern to different stakeholders in and outside the country, including INGOs and UN agencies (Reeves, 2014). The researcher felt that if this problem of poor delivery of programmes and activities faced by Sibro and other national organizations continues, it was likely to cause humanitarian crisis in the affected areas of Sudan. This aroused the curiosity of the researcher; hence the need to examine how institutional systems-related factors influenced performance of Sibro in Sudan.

1.4 Purpose of the Study

The purpose of the study was to examine the effect of institutional systems-related factors on performance of National Non-Governmental Organizations in Sudan.

1.5 Specific Objectives

- i. To examine how financial management affects performance of national NGOs in Sudan.
- ii. To find out how human resources affect performance of national NGOs in Sudan.
- iii. To establish the relationship between strategic leadership and performance of national NGOs in Sudan.

1.6 Research Questions

- i. How does financial management affect performance of national NGOs in Sudan?
- ii. How do human resources affect performance of national NGOs in Sudan?

- iii. What is the relationship between strategic leadership and performance of national NGOs in Sudan?

1.7 Hypotheses of the Study

- i. Financial management affects performance of national NGOs.
- ii. Human resources affect performance of national NGOs.
- iii. There is a relationship between strategic leadership and performance of national NGOs.

1.8 Significance of the Study

The main importance is to fulfil the requirement of the academic award. National organizations like Sibro and others, donors, government, beneficiaries and other stakeholders will be more aware of the issues that influence the performance of the organizations which are behind the interventions that they are funding, receiving or partnering with. The study will add to the empirical studies around the research area as well as offering an important source of reference for future scholars and researchers.

1.9 Justification of the Study

The rationale of this study is to fill the existing gap of knowledge in the Sudan with regard to the area of organizational performance in the NGOs context.

1.10 Scope of the Study

The content scope specifically focused on researching institutional systems-related factors that affect performance of National Non-Governmental Organizations. Time scope covered the period between 2009 and 2016, which is considered to be the period during which national organizations have faced critical organizational performance challenges in their working with both government and funding agencies (Reeves, 2014). Geographical scope was Sibro organizational headquarters in Khartoum, as well as its three sub-offices located around the country.

1.11 Operational Definitions of Key Terms and Concepts

The following key terms and concepts are defined for the purpose of the study:

Effectiveness: Extent to which an organization is achieving its goals.

Efficiency: Ratio that reflects a comparison of outputs accomplished with the costs incurred for accomplishing these goals. A measure of how, economically, resources/inputs (funds, expertise, time, etc.) are converted to results.

Relevance: Ability of an organization to meet the needs, requirements and expectations of its priority stakeholders.

Financial sustainability: Ability of an organization to raise the funds required to meet its functional requirements in the short, medium and long term and to maintain the inflow of financial resources greater than the outflow.

Non-Governmental Organization: A non-governmental organization (NGO) is an organization that is neither a part of a government nor a conventional for-profit business.

International Non-Governmental Organization: An international non-governmental organization (INGO) has the same mission as a national non-governmental organization (NGO), but it is international in scope and has outposts around the world to deal with specific issues in many countries.

National Non-Governmental Organization: National non-governmental organization (NNGO) has the same mission as an international non-governmental organization (NGO), but it is national in scope and its outposts are within national boundaries.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of the relevant literature in form of studies previously done by different researchers and scholars on the aspect of institutional systems factors and their effect on organizational performance. It includes the theoretical review, the effect of financial management on organizational performance, the effect of human resources on organizational performance, the effect of strategic leadership on organizational performance as well as empirical studies, a summary and synthesis of the literature review.

2.2 Theoretical Review

The Scientific Management Theory developed by Fredrick Taylor in 1911 guided the study. It is a prominent management theory that emphasizes efficiency, productivity and improved organizational performance through established rules and scientific principles (Abdullahi, 2007). It describes the application of the scientific methods to the management of workers, and how it can optimize the way tasks are performed in the best way and improve performance (Taylor, 1911).

Taylor's scientific management techniques would replace rule-of-thumb management practices and the scientific management principles would create a better and more harmonious working relationship between workers and employers that would result in improved work performance (Alfred, 2015).

The theory provides many significant contributions to the advancement of management practices such as introducing systematic selection and training procedures, human resource development, a way to achieve work efficiency, effectiveness (planning) and organizational performance (Cristina and Amy, 2011). The theory was relevant to the study as its contributions to the management practices was conceptualized into human

resource planning and developing and the assessing and rewarding of human resources in the study.

The study was also anchored in the theoretical framework for improving organizational performance. The framework encompasses both concepts of measuring organizational performance and examining organizational institutional systems in assessing organizational strength, weaknesses and performance (Mitchell, 2012).

The schematic representation of the framework conceptualizes performance in terms of effectiveness, efficiency, and ongoing relevance. The framework implies that certain contextual forces namely, managing human resources, organizational leadership and managing organizational finance, drive organizational performance (Lusthaus et al, 2002).

This framework was relevant to the study because forces driving performance in the framework were conceptualized into the institutional system factors (independent variable) in the study. Likewise, the concepts defining performance in the framework were conceptualized into the indicators measuring organizational performance (dependent variable) in the study. Therefore this framework provided a theoretical guidance for examining the effect of institutional system factors on organizational performance since it covered all of the concepts of the study, both dependent and independent.

In a study conducted by the Evaluation Capacity Development Project in Bangladesh, this theoretical framework was used in exploring institutional systems capacity development in rural development NGOs (Horton et al, 2003). The study was carried out by two non-profit NGOs to assess their organizational performance in relation to their institutional systems as they were shifting status from international NGOs, managed by expatriates, to local NGOs, managed by local staff. These organizations were concerned

with performance issues related to financial sustainability, effectiveness, efficiency and relevance of interventions delivered.

In another study conducted by Gavrea, Ilies and Stegorean (2011:289), the organizational performance framework was used to explore the determinants of organizational performance among a group of organizations in Romania. The study was interested in knowing which of the determinants of organizational performance was important because it enabled the identification of those factors that should be treated with an increased interest in order to improve the organizational performance. The study basically focused on factors that influence organizational performance such as structure, leadership, employees, governance, performance measurement and strategy.

2.3 Conceptual review

In the conceptual framework used by the study, the institutional system-related factors, presented as independent variables, were measured in form of the parameters of financial management, human resources and strategic leadership (Universalia, 2002), while organizational performance, presented as dependent variable, was measured in form of the indicators of effectiveness, efficiency, relevance and financial sustainability (Mitchell, 2012). The framework was used in directing the study as well as demonstrating the relationship and connection between the different institutional systems factors and organizational performance.

The relationship and the conceptual links between the institutional systems factors (IV) and organizational performance (DV) is explained in the conceptual framework below:

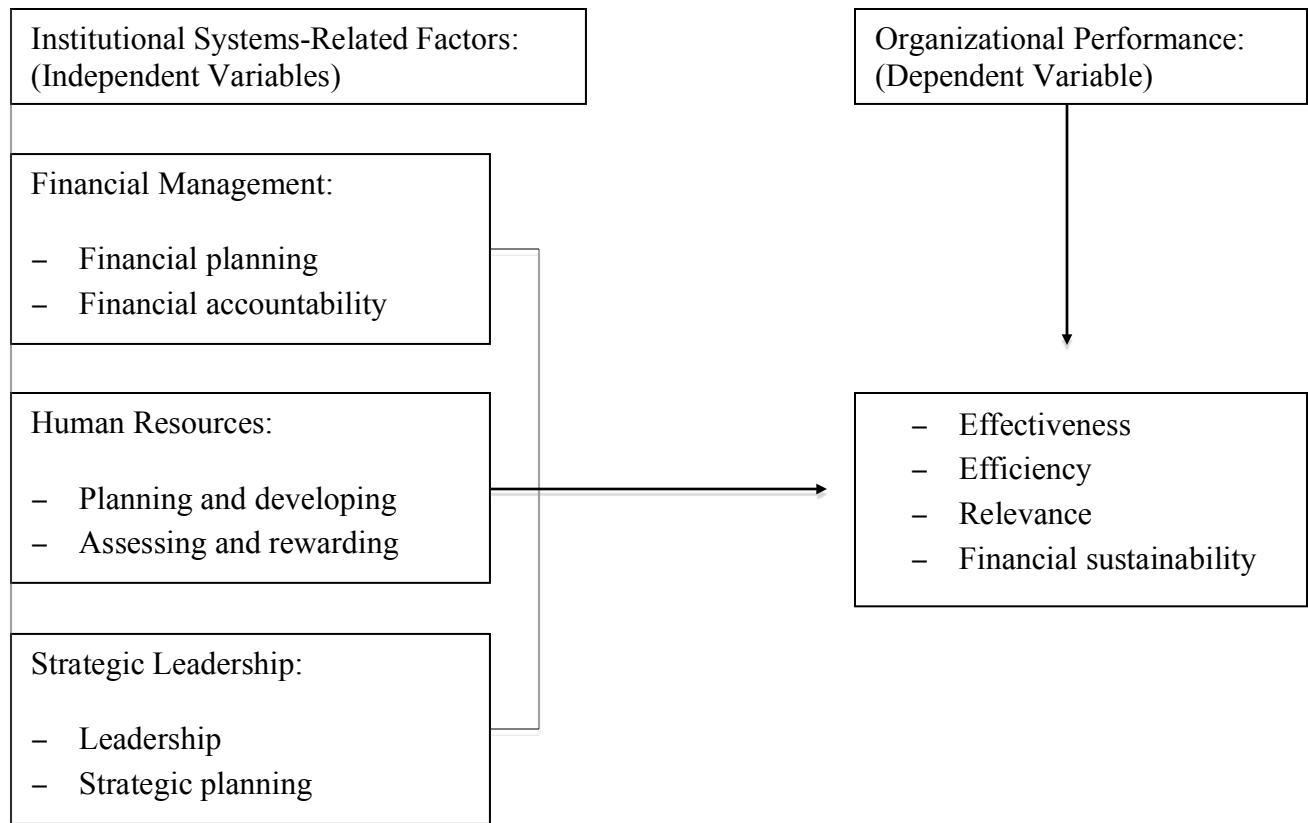


Figure 1: Conceptual framework

Source: Adapted with modification from Horton et al (2003).

2.4 The Effect of Financial Management on Organizational Performance

Financial management involves the organization's ability to efficiently and effectively manages its financial resources to achieve its goals and objectives. Different scholars and experts in different fields have defined the concept differently. Financial management is the process of acquiring resources and using them effectively and efficiently in the accomplishment of an organization's purposes and objectives (McCrindell, 2005).

It is the operation of an internal control system that when managed effectively will inspire confidence in funders interested in financial accountability and sound financial management (Kamwana and Muturi, 2014:1). In this study, financial management was identified by the components of financial planning and financial accountability. Different

studies have researched the effect of financial management on organizational performance.

Kharazmi and Teymouri (2013) investigated financial management in a study on the effect of financial management practices and their role in economic development and organizational performance, and financial management was found significantly related to organizational performance. Butt, Hunjra and Rehman (2010) have studied the relationship between organizational performance and financial management in the Pakistani corporate sector. The sample of the study consisted of 40 companies operating in Pakistan, related to different sectors and listed on the Karachi Stock Exchange. The results showed a positive and significant relationship between financial management practices and organizational performance in the Pakistani corporate sector. The results also revealed that the decision makers and practitioners were well aware of and agreed to the importance of financial management practices in the corporate sector.

2.5 The Effect of Human Resources on Organizational Performance

Human resource management is a critical aspect in organizational performance, which includes technical and administrative processes of planning, recruiting, allocating, monitoring and controlling of the organization's staff that are necessary in terms of number and capacity to assist in achieving the organizational results. According to Lusthaus et al (2002), another way of looking at the organization's human resources is in terms of "human capital" which refers to the knowledge and skills of the labour force. They clearly mention that the human resources of any organization are its most valuable assets.

Successful NGOs are those that recognize the significance of the human resources element on organizational success and emphasize on their development, satisfaction, commitment and motivation in order to attain desired objectives (Rehema, 2014:87). In this study, the aspects of planning, staffing, developing, assessing and rewarding

measured human resources. Several studies have been carried out in exploring the relationship between human resources and organizational performance in both profit and non-profit sectors.

Cania (2014) in his study on the impact of the strategic management of human resources in achieving organizational performance found that there was a positive and strong relationship between human resources and organizational performance. His study was basically conducted using secondary-sourced data through the collection and analysis of various publications on this field, empirical studies, various academic debates and analysis of different findings.

2.6 The Effect of Strategic Leadership on Organizational Performance

Strategic leadership includes the activities associated with an organization's vision, mission, planning ideas, and actions that shape the organization in a way that makes it capable of achieving its goals and objectives. Funda and Tinaztepe (2014: 779) mention that it is the process of setting clear organizational goals for the system and directing the efforts of its staff and other key stakeholders toward fulfilling organizational results.

In a case study approach for assessing organizational factors influencing performance of local non-governmental organizations from a Ghanaian context (Okorley & Nkrumah, 2012), strategic leadership came out as the most important perceived factor critical to performance and sustainability of local NGOs. In their case study, instilling a spirit of teamwork, cooperation among the staff, and leading by example measured the strategic leadership. In this study the indicators of leadership and strategic planning measured strategic leadership.

2.7 Empirical Studies

In different studies, many scholars and academicians have asserted the importance of institutional systems factors and their relation to organizational performance.

In a case study, Kamwana and Muturi (2014) examined the effect of financial management on performance of World Bank-funded project in Kenya. Their study targeted 500 employees of Kenya Power in Nairobi. Using only quantitative primary-sourced data collected via a single questionnaire, the study measured financial management by the indicators of financial planning, financial monitoring, financial evaluation and financial control and concluded that there was statistical significance between financial management and organizational performance of projects under study. The study failed to employ mix of data collection tools and methods for collecting primary, secondary, qualitative and quantitative data necessary for generating reliable and concrete findings. Their study recommended financial accountability as a critical factor to affect financial management and that is to be explored in future researches and studies. In this study, the researcher included financial accountability parameter in the indicators measuring financial management.

In Iran, Beig, Karbasian and Ghorbanzad (2012) studied the impact of human resource functions on organizational performance in a case study that covered a simple-randomly selected sample of 112 out of 520 employees at Iran Behnoush Company. They found that human resource has strong effect on organizational performance with more relative importance than other components of organizational performance. In their case study, human resource was determined by motivation, participation, education, wage and reward. They explained that success of organizations has a more direct relationship with the nature and quality of the human resources, since human resources are major inputs to the organization performance. In their case study, a questionnaire was the only instrument used to collect quantitative primary data and study variables were measured using Likert Scale. Though the study design was correlational, correlation was not used in establishing the relation between human resource functions and organizational performance (dependent and independent variables).

Recently, in a study that Funda & Tinaztepe (2014) conducted in Turkey on the effect of strategic leadership on organizational performance with a sample size of 215 respondents, strategic leadership was found to be significantly related to organizational performance. However, the strategic leadership was only measured by the leadership style of transformational leadership, relationship-oriented leadership and management by avoidance leadership but their recommendations for planning, communication and participation left the door open for more and specific criteria for measuring strategic leadership in future studies.

In their study of evaluation of strategic leadership and organizational performance in Nigeria that covered a sample of 69 out of 83 organizations, Lawal and Chukwuebuka (2007) concluded that there was a positive relationship between strategic leadership and organizational performance. The study used a variety of data collection instruments and methods for collecting qualitative, quantitative, primary and secondary data but there was no specific tool or method used for observing organizational performance.

The study measured strategic leadership by the indicators of style of leadership, level of leadership and leadership ability. Although strategic leadership was proved to have affected the organizational performance in their study, their criteria of measurement only rotated around leadership and failed to address another imperative variable (strategic planning) which the researcher included in the study.

2.8 Synthesis and Gaps of the Literature Reviewed

Most previous studies in the literature reviewed examined different institutional systems factors that affect organizational performance separately and failed to combine them in one research. For example, Chukwuebuka (2007) focused only on the factor of strategic leadership and its influence on organizational performance. This represented one aspect of institutional system factors that influence organizational performance, leaving a gap to be pursued by other scholars.

Opoku and Arthur (2015) explored on the effect of human resources on the performance of organizations but did not directly look into the other institutional system factors that affect organizational performance. Kamwana and Muturi (2014) studied financial management as the biggest obstacle to organizational performance and did not consider other critical institutional system factors like strategic leadership and human resources.

Despite the concerted efforts of different scholars and researchers to identify the effect of various institutional system factors on organizational performance, no study seems to have encompassed all relevant factors such as financial management, human resources and strategic leadership in one study with detailed dimensions to influence organizational performance, which this study researched on. Besides, no study was conducted in the Sudan to explore the institutional system factors and their influence on organizational performance.

Additionally, unlike previous studies, in this study the researcher used inclusive and wide variety of quantitative and qualitative data collection tools and methods for collecting the required and reliable primary and secondary data. This included concrete methods and tools for observation and documentary review processes.

Against this background, this study sought to bridge the gaps identified by putting more emphasis and focusing on investigating the different institutional system factors that influence the performance of NNGOs in Sudan, using appropriate and relevant instruments, methods and approaches.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter is an outline of the study tools, methods and methodologies used by the researcher in examining the influence of financial management and human resource factors on organizational performance as well as establishing the relationship between strategic leadership and organizational performance. The chapter explains why a particular research design was used with a particular study population, sample size, sampling techniques and data collection methods and instruments. It discusses the interviewing techniques, how validity and reliability issues were addressed, and procedures followed for the data collection process. Lastly, it also presents how the different types of data were analyzed and measurement of variables conducted, and how the study addressed ethical considerations.

3.2 Research Design

The study applied a correlational research design in a case study with both qualitative and quantitative approaches of data collection and analysis so as to capture details and adequate information. The correlational design was used to establish the relationship between the different institutional system factors and organizational performance. The case study provided a vehicle through which several methods were combined in one study, thereby avoiding too great reliance on one approach (Bryman and Bell, 2007:63). The use of different methods ensured that the data was effectively interpreted using numbers, figures as well as the narrative.

Applying this approach, the study obtained reliable, valid and logical conclusions to the research findings. The data obtained through qualitative methods was complemented by the numerical and statistical representation of the quantitative research. There was also an in-depth understanding of the research topic by the researcher when the two

methodologies were employed. Creswell (1994:177) mentions that combination of the two approaches helps the researcher to better understand the concept being tested or explored. Davies (2000) explains that quantitative research focuses on the left-brain while qualitative research deals with the right brain. He asserts that while the right brain gets us into trouble, the left-brain reasons our way out. According to Davies, the most powerful research engages both the left and right-hand sides of the brain. This is because running quantitative research alongside qualitative research offers a synergy whereby qualitative research can be used to guide quantitative research (Bryman and Bell, 2007:648) and that objective data can provide a structure to the analysis of subjective qualitative data.

3.3 Study Population:

The study population refers to events, elements, institutes or people that the researcher wants to study. Mugenda and Mugenda (2003:9) define target population as the population that the researcher studies, and whose findings are used to generalize to the absolute population. The population of this study comprised Sibro employees in the different departments, being programmes or operations, as well as HAC, donors and international partners. As per the human resource records of the organization, there are 74 staff with their different levels of employment located in the main office and three different field sites (Sibro, 2016). In addition, the study included 12 representatives from different stakeholders: 5 from HAC, 4 from donors and 3 from INGO partners. The total population of the study was 86.

3.4 Determination of Sample Size and Selection Technique

This study stratified the population in the organization according to their levels of employment as board of directors, senior managers, programme and support staff in addition to HAC, donors and INGO partners. The study then applied purposive and simple random sampling methods to select a representative sample for the study population. The actual sample size was 71 respondents. The sample size was determined

using Raosoft Inc which is an online open source software for calculating sample sizes as recommended by Mugenda and Mugenda (2003). The sample size was calculated at 5% margin of error and 95% confidence level. Table 1 below shows the sampling procedure that was followed in this study.

Table1: Sampling Procedure

#	Population category	Population number	Sample size	Sampling method
1	Board of directors	5	5	Purposive sampling
2	Senior managers	6	6	Purposive sampling
3	Program staff	53	38	Simple random sampling
4	Support staff	10	10	Purposive sampling
5	HAC (Commissioners)	5	5	Purposive sampling
6	Donors (Grant coordinators)	4	4	Purposive sampling
7	INGOs(Grant managers)	3	3	Purposive sampling
Total:		86	71	

Source: Created by the researcher with the aid of sample size calculation from Raosoft, Inc (2004).

3.5 Sampling Techniques and Procedure

3.5.1 Purposive Sampling

The study used purposive sampling technique to select respondents from the groups of board of directors, senior managers and support staff in addition to HAC, donors and INGOs. This is because the respondents from these groups were expected to give more reliable, relevant and detailed information to the research because they were considered informative and knowledgeable about the study area.

3.5.2 Simple Random Sampling

As for the other target group, respondents were randomly selected using simple random selection technique whereby a random number table was used in randomly selecting respondents from a sampling frame containing the staff under that particular group (Mugenda and Mugenda, 2003:247). The process of random selection using the table continued till the required sample was reached.

3.6 Data Collection Methods

Different qualitative and quantitative methods were used in the data collection process. Among the different methods used were: survey; key informant interviews; documentary review and observation (Kothari and Garg, 2014). Survey was carried out with selected respondents at their workplace. Interviews were conducted with participants from the board of directors, senior managers and other stakeholders who participated in the study. Additionally, observation and documentary review were conducted to collect qualitative and quantitative data that was necessary to measure study variables and indicators.

3.7 Instruments used in data collection

The study used a mix of data collection instruments to collect qualitative and quantitative, primary and secondary data. It used a self-administered questionnaire, interview guide and checklists for observation and documentary review (Kothari and Garg, 2014).

3.8 Data Collection Procedure

The researcher obtained an introductory letter from the School of Business and Management, UTAMU, before proceeding with the data collection process. The researcher then sought official permission from the Director General and the HR Department of Sibro to access employees at their workplaces. The researcher held brief meetings with Sibro staff at their different locations and explained the purpose of the study prior to the data collection. Each questionnaire contained an introductory letter requesting the participant's consent. Participants were assured of confidentiality of the

information provided and that the study findings would only be used for academic purposes.

3.9. Validity and Reliability

3.9.1 Validity of Instrument

Measurement of validity relates to the question of whether or not a measure is measuring what it is supposed to measure (Bryman and Bell, 2007:291). It was necessary to ensure that not only the items in the instrument reflected the actual need of data but also to reduce the errors associated with the actual implementation of the measure in the study process. The study questionnaire was validated in terms of face and content validity. Content validity ratio with the formula below was used to calculate the Content Validity Index CVI, which gave a result above 0.7 that qualified the instrument for the study (Amin, 2005).

CVI= Total number of items rated relevant by all experts

Total number of items in the instrument

CVI = 90/93 = 0.96

3.9.2 Reliability of Instrument

Reliability is concerned with the degree of consistency. Mugenda and Mugenda (2003:95) define reliability as a measure of the degree to which a research instrument yields consistent results or data after repeated tests when administered a number of times. Internal consistency of the questionnaire was tested using Cronbach Alpha in SPSS (Michael, 2014). The instrument level of internal reliability was acceptable as the computed Alpha coefficient was 0.92, which is reliable if calculated 0.8 and above as recommended by Bryman and Bell (2007). Table 2 below shows reliability statistics of different study instrument variables.

Table 2: Reliability Statistics

#	Variables:	# Of Items:	Alpha:
1	Financial Management	16	0.91
2	Human Resources	23	0.87
3	Strategic Leadership	15	0.89
4	Organizational Performance	28	0.89
5	Overall:	82	0.92

Source: (Field data, 2017)

Additionally, the researcher sought the supervisor’s guidance and expert feedback in all processes to ensure the study instruments were consistent and measured what they were supposed to measure.

3.10 Data processing and Analysis

3.10.1 Quantitative Data Analysis

Quantitative data was collected using different instruments followed by the process of quality check, editing, coding, data entry, cleaning and tabulation. Analysis was carried out using SPSS frequencies, means, measuring level of agreement and correlations (Bryman and Bell, 2007).

3.10.2 Qualitative Data Analysis

Data quality check and analysis was done manually (Mugenda and Mugenda, 2003) and concurrently with data collection. Themes and categories were generated through reading process. Compiled, analyzed and interpreted narrative was used to back up and help explain the findings of the quantitative analysis, as well as in establish the relationship between these themes and categories.

3.11 Measurement of Variables

Prior to the data analysis process, the collected data was classified according to the study dimensions and their related indicators. These specific indicators were measured using nominal and ordinal scales (Kothari and Garg, 2014). Spearman's rank order correlation coefficient was used to measure the relation between the different institutional system factors and organizational performance (Michael, 2014).

3.12 Ethical Considerations

The researcher considered the research values of voluntary participation, anonymity and protection of respondents from any possible harm that could arise from participating in the study. The purpose of the study was introduced as being for academic purposes only and not any other hidden agenda. Respondents were requested to participate in the study on a voluntary basis and refusal or abstaining from participating was permitted. Respondents were also ensured respect, privacy and confidentiality of the information they would give (Bryman and Bell, 2007) since the findings would be used for the intended purposes only. Respondents would be given feedback about the findings of the study.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents analysis and interpretation of the study findings in examining the influence of different institutional systems-related factors on organizational performance. Analysis of findings and presentation of results were done in relation to the specific study hypotheses. The hypotheses of the study were the hypothesized effect of financial management and human resources on organizational performance and the relationship between strategic leadership and organizational performance.

4.2 Response Rate

In this study out of 71 questionnaires distributed to the respondents, 68 were responded to giving a response rate of 96%. Out of 23 participants targeted for the key informants' interviews, 21 were interviewed giving a response rate of 91%. All targeted respondents for the study were contacted and consent was taken; but due to non-cooperation it was not possible to conduct all interviews and fill all of the questionnaires.

4.3 Background Information of Respondents

This section draws demographic characteristic information about the organization's employees plus other stakeholders who were part of the study. These characteristics are co presented in terms of age, gender, level of education, sector of respondents, and length of services.

4.3.1 Age of Respondents

Table 3: Age of Participants

	Category:	Frequency:	Percentage:
Age of respondents.	18 – 25	5	8%
	26 – 40	51	75%
	Above 40	12	17%
	Total:	68	100%

Source: (Survey data, 2017)

The majority (51) 75% of respondents indicated that their age ranged between 26-40 years, followed by (12) 17% who indicated that their age range was above 40 years. The findings also revealed that only (5) 8% of respondents were aged between 18 and 25. These results show that the majority of study participants were found within the productive age range and were therefore still capable of dealing with and improving organizational performance challenges over time.

4.3.2 Gender of Respondents

Table 4: Gender of Participants

	Category:	Frequency:	Percentage:
Gender of respondent	Male	50	73%
	Female	18	27%
	Total:	68	100%

Source: (Survey data, 2017)

The study explored the gender distribution of participants. As shown in findings presented in Table 4 above, 68 participants were covered of whom male respondents were reported to be a majority of 50 or 73% and female respondents were 18 or 27%. This shows that there were more male employees than female employees involved in the

different activities carried out by the different sectors of the organization and its stakeholders covered in the study.

4.3.3 Level of Education

Table 5: Participants' Level of Education

	Category:	Frequency:	Percentage:
Level of education	Diploma	8	12%
	Degree	35	51%
	Post-graduate	7	10%
	Master's and above	18	27%
	Total:	68	100%

Source: (Survey, 2017)

The study established the different qualifications attained by participants. As shown in Table 5 above, majority of participants (35) 51% had a degree, followed by 18 (27%) who had Master's and above. Participants who had post-graduate and a diploma of qualification were 7 (10%) and 8 (12%) respectively. These results indicate that all of the study participants had a qualification of a diploma and above, a level of qualification that determines that participants had the skills and equipped with necessary knowledge in their respective areas of work and specializations. This is something that was reflected in their understanding and their ability to provide relevant and reliable information needed in the study.

4.3.4 Sector of Participants

Table 6: Sector of Participants

	Category:	Methods of data collection:	Frequency:	Percentage:
Sector of respondents	Board of directors	Survey and interviews	5	7%
	Senior managers	Survey and interviews	6	9%
	Program staff	Survey only	35	51%
	Support staff	Survey only	10	16%
	Donors	Survey and interviews	4	6%
	INGOs	Survey and interviews	3	4%
	HAC	Survey and interviews	5	7%
	Total:	68 surveyed and 21 interviewed	68	100%

Source: (Survey, 2017)

The study explored the different sectors and work designations of respondents at the organization and its stakeholders. As shown in Table 6 above, the majority of participants 35 (51%) were programme staff, followed by 10 (16%) support staff. Respondents from board of directors were 5 (7%) and senior managers were 6 (9%). Results also revealed that participants from donors, other partnering INGOs and HAC were 4 (6%), 3 (4%) and 5 (7%) respectively. The diversity of study participants in terms of sectors, work designations and institutions enabled them to reflect and provide different opinions from different perspectives. This aided the study with critical and more insights information.

4.3.5 Length of Service

Table 7: Participants' Length of Service

	Category:	Frequency:	Percentage:
Length of service.	Less than 1 year	6	9%
	1 – 5	50	74%
	6 – 10	9	13%
	11 +	3	4%
	Total:	68	100%

Source: (Survey, 2017)

The study explored the experience and years worked by respondents in the organization and its different stakeholders. From the results shown in Table 7 above, the majority 50 (74%) of respondents had worked for their organizations for between 1 and 5 years, 9 (13%) had worked for between 6 and 10 years, 6 (9%) had worked for less than 1 year and only 3 (4%) had worked for 11 years and above. All of the study participants had work experience of 1-5 years and above which made them relevantly aware of the organization's performance challenges. This awareness gave a bit of a background about these challenges and was reflected in the participants' ability and capability of sharing and providing relevant and reliable information to study.

4.4 The effect of institutional systems factors on organizational performance

In this section the study examined the influence of the different institutional systems factors on organizational performance. For measuring different indicators and dimensions of the different study factors, participants were asked to rate their agreement using a five-point Likert scale with the following response categories: SD (Strongly Disagree), D (Disagree), U (Undecided), A (Agree) and SA (Strongly Agree). A mean and attitude for each indicator were calculated, in addition to a calculation of a mean score and attitude for each parameter as shown in the different tables below. Furthermore,

a number of correlation analyses of the factors of (financial management, human resources and strategic leadership) and (organization performance) were done, followed by a final correlation analysis of institutional systems and organizational performance that established the effect of and the relationship between (Independent variables) and (Dependent variable) of the study.

Findings from interviews conducted, observation and documents reviewed were additionally used to emphasize the relationship between institutional systems factors and organizational performance stated in the different objectives.

4.4.1 The Effect of Financial Management on Organizational Performance

Figure 2: Financial management affects organizational performance.

Participants' opinions were generally sought in a leading question to find out whether financial management influences performance of the organization. Ninety-four per cent (94%) of respondents indicated their agreement while 6% reported their disagreement. The relation between financial management and organizational performance was further determined by researching the elements of financial planning and financial accountability using relevant and detailed questions.

4.4.1.1 Financial Planning

Financial planning was studied by finding out whether the organization had adequate budgetary planning, analysis of cash requirement, financial monitoring, adequate personnel, proper grants management and comparisons of planned budgets.

Table 8: Results showing participants' opinions on financial planning

Financial Planning:	N = 64	% SD	% D	% U	% A	% SA	Mean	Attitude
Regular and periodic financial planning		42%	42%	16%	0%	0%	1.70	SD
There is an adequate budgetary planning.		9%	55%	27%	9%	0%	2.30	D
Cash requirements are analyzed through cash flow statements.		5%	67%	28%	0%	0%	2.20	D
Budget plans are updated.		3%	25%	51%	19%	2%	2.90	U
Governing body is involved in planning and monitoring.		0%	20%	58%	22%	0%	3.00	U
Human resources are adequate to ensure effective financial planning.		30%	48%	20%	2%	0%	1.90	D
Financing of grants is properly managed.		25%	48%	13%	12%	2%	2.10	D
Comparisons of both actual and planned budgets are monitored and analyzed for decision-making.		20%	52%	16%	12%	0%	2.20	D
Financial reports are provided in a timely fashion and on a regular basis.		6%	14%	38%	42%	0%	3.10	U
Financial planning mean score:							2.40	
Parameter's general attitude:							D	

Source: (Survey data, 2017)

Findings in Table 8 above show relevant weakness in the organization's financial planning with (mean score=2.40) and a general disagreement (attitude=D). When asked about whether the organization performed regular and periodic financial planning to

support performance, the majority of participants reported their disagreement (mean=1.70) and (attitude=SD). Participants generally pointed their disagreement regarding adequate budgetary planning (mean=2.30) and (attitude=D). For analyzing cash requirement through cash flow statements, respondents generally showed their disagreement (mean=2.20) and (attitude=D). Respondents remained undecided about the follow of financial information and whether budget plans are updated (mean=2.90) and (attitude=U). They also remained undecided when asked whether members of the organization's governing body were involved in financial planning and monitoring (mean=3.00) and (attitude=U). Regarding adequacy of human resources to ensuring effective financial planning, participants stated their disagreement (mean=1.90) and (attitude=D). About proper management of grant finance, and whether actual and planned budgets were monitored and analyzed for decision-making, respondents asserted their general disagreement (mean=2.10) (attitude=D) and (mean=2.20) (attitude=D) respectively. Participants were undecided on whether financial reports were provided to senior managers, the board and funders in a timely fashion and on a regular basis (at least once a quarter) (mean=3.10) and (attitude=U). Results presented above show that the organization lacks proper financial planning and budget monitoring, which accordingly has a negative effect on its performance. Documents reviewed and data from interviews also showed weaknesses in the areas of budgetary planning with improper staff for effective financial planning and grants management. "Though staff from finance department have been through many in-job and other designated finance related and other grants management trainings but still need to improve in reporting, planning and communication," commented one of the senior managers in the organization. Some interviewees from the stakeholders favoured in-job trainings over the others and asserted the need for close follow-up with finance staff in applying the skills acquired in their job

and stressed the importance of linking their trainings with the actual needs and gaps within the department.

4.4.1.2 Financial Accountability

Financial accountability was examined by finding out whether financial procedures were followed, auditors' satisfaction, clear stated rule setting at the financial year, review of financial policies and procedures, competent staff with sound finance understanding and whether financial information and issues were overseen and contextualized.

Table 9: Results showing participants' opinions on financial accountability

Financial Accountability:	N = 64	% SD	% D	% U	% A	% SA	Mean	Attitude
Clearly stated financial procedures are followed		37%	38%	22%	3%	0%	1.9	D
The auditors are satisfied with the organization's controls on cash and assets.		20%	53%	27%	0%	0%	2.0	D
There is a clearly stated rule setting when the financial year begins and ends.		8%	28%	48%	16%	0%	2.7	U
The board of directors reviews financial policies and procedures on a regular basis.		22%	59%	19%	0%	0%	1.9	D
Competent staffs who understand the role of financial procedures and information.		8%	25%	45%	22%	0%	2.8	U
The financial information is contextualized within a strategic or business plan.		20%	56%	20%	4%	0%	2.0	D
There is a board committee to oversee financial issues. (Management committee)		41%	51%	8%	0%	0%	1.7	SD
Financial accountability mean score:							2.20	
Parameter's general attitude:							D	

Source: (Survey, 2017)

The organization appeared to lack adequate financial accountability as reflected in the participants' general disagreement (mean score=2.20) (attitude=D). Detailed findings presented in Table 9 above show that members of the organization were not following clearly stated financial procedures (mean=1.90) (attitude=D). Auditors were not satisfied with the organization's control on cash and assets (mean=2.00) (attitude=D). Respondents were undecided when asked whether there was a clearly stated rule setting when the financial year began and ended (mean=2.70) (attitude=U). With (mean=1.90) and (attitude=D), participants generally disagreed on whether the board of directors reviewed financial policies and procedures on a regular basis to assess whether they were adequate, inadequate or excessive. When asked about whether there were competent staff and board members who understood the role of financial procedures and information, respondents were undecided with (mean=2.80) and (attitude=U). Financial information was not contextualized within a strategic or business plan (mean=2.00) (attitude=D). Participants strongly agreed that there was no board (management) committee to oversee financial issues (mean=1.70) (attitude=SD). Interviews conducted, especially from stakeholders, also highlighted the weakness in the organization's accountability system and viewed the auditors' general dissatisfaction with the way the organization managed and controlled its financial resources and assets.

4.4.1.3 Testing the effect of financial management on organizational performance

Using SPSS, Spearman's rank-order correlation coefficient was used to further examine the relation between financial management and organizational performance. Findings are presented in Table 10 below:

Table 10: Correlation of Financial Management and Organizational Performance

Correlation:		Financial Management	Organizational Performance
Financial Management	Correlation Coefficient	1	.610**
	Sig. (2-tailed)	.	0
	N	64	64
Organizational Performance	Correlation Coefficient	.610**	1
	Sig. (2-tailed)	0	.
	N	64	68

** . Correlation is significant at the 0.01 level (2-tailed).

From the results shown above, the actual correlation coefficient was 0.61 and the significance value was 0.00. This reveals the statistically significant moderate positive correlation between financial management and organizational performance. Changes in the organization's financial management do correlate with changes in organizational performance. This can be interpreted that any decreases or increases in financial management will relate to the changes in organizational performance. This was moreover emphasized, as 94% of participants stated their agreement that financial management factors affected performance of the organization.

Interviews with key informants yet again underlined the weakness of the organization's financial management. Interviewees strengthened these findings as they highlighted the link and effect that the organization's financial management had on its performance. These interviews (from within and outside the organization) as well revealed that the organization needed to pay more attention to the management of financial resources, good budgeting, financial monitoring and accountability reporting systems that supply the organization with accurate and reliable information which is not only critical to its decision-making processes, but also to its financial viability and stakeholders' trust. This was further supported by the already ongoing different types of trainings that INGOs

were supporting the organization with as part of their capacity development assistance, especially in the areas of financial communication and reporting.

4.4.2 The Effect of Human Resources on Organizational Performance

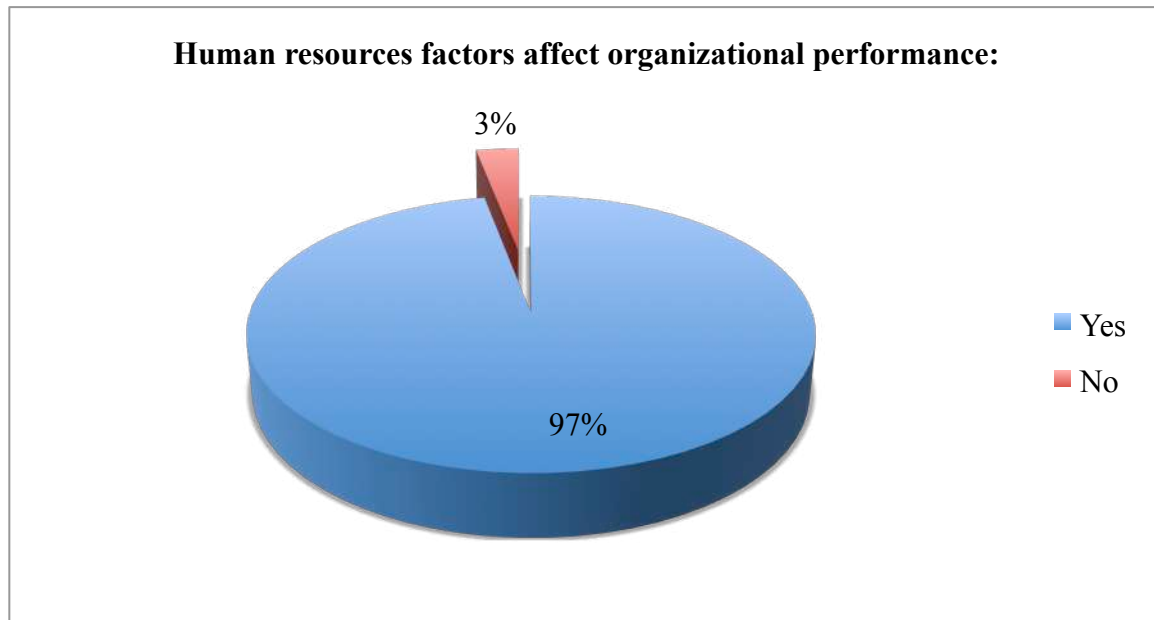


Figure 3: Human resources affect organizational performance.

Again, participants' opinions were generally sought in a leading question to find out whether human resources influenced the performance of the organization. Ninety-seven per cent (97%) of respondents indicated their agreement while 3% reported their disagreement. Studying the parameters of human resources planning, human resources developing and human resources assessing and rewarding using relevant and detailed questions further established the relations between the two variables.

4.4.2.1 Human Resource Planning

Human resource planning was studied by investigating the organization's planning ability for its human resources, proper staff allocation, its ability to forecast its human resources demand, its ability and knowledge in identifying skilled personnel to fill its needs, its ability to link mission and goals to its human resource planning and whether it had developed a personnel policy of its own.

Table 11: Results showing participants' opinions on human resources planning

HR Planning:	N = 66	% SD	% D	% U	% A	% SA	Mean	Attitude
Organization's ability to plan for its human resources needs affect its performance.		0%	6%	42%	47%	5%	3.5	A
The right people are in the right jobs in the organization.		0%	62%	18%	20%	0%	2.5	D
The organization can forecast current and future demands for human resources.		27%	45%	23%	5%	0%	2.0	D
The organization knows how and where to identify people with the skills needed to fill its needs.		17%	36%	45%	2%	0%	2.3	D
The organization can link its mission and goals to its human resources planning.		36%	52%	12%	0%	0%	1.7	SD
The organization has developed a personnel policy manual.		12%	79%	9%	0%	0%	1.9	D
Human resources planning mean score:							2.3	
Parameter's general attitude:								D

Source: (Survey data, 2017)

The organization's human resource planning was not found satisfactory as results presented in Table 11 above indicate relevant disagreement with the way human resource planning was done in the organization (mean score=2.30) (attitude=D). Regarding whether the organization's ability to plan for its human resources affected its performance, participants reported their agreement with (mean=3.50) (attitude=A). Respondents disagreed on whether the right personnel were in the right jobs (mean=2.50) (attitude=D). Participants reported the inability of the organization to forecast its current and future demands (mean=2.00) (attitude=D). Respondents disagreed regarding the knowledge that the organization has on how and where to identify skilled personnel to fill

its needs (mean=2.30) (attitude=D). The organization was found unable to link its mission and goals to its human resource planning (mean=1.70) (attitude=SD) and that the organization has not developed a personnel policy of its own (mean=1.90) (attitude=D). The weakness in human resource planning was as well reported via interviews in addition to the absence of own personnel policy and overall approach to staff development.

4.4.2.2 Human Resource Developing

Human resource developing was examined by looking at the organization's overall approach to its human resource development; its training and development policy; its budget for training and the way it tracks its costs; the way the organization encourages its staff to learn and develop; the organization's ability to identify training needs; support of the application and transfer new learning on the job; types of training (demand or supply driven); if the organization assesses trainings and their effect on its performance; and whether staff saw career opportunities in the organization.

Table 12: Results showing participants' opinions on human resources developing

HR Developing:	N = 66	% SD	% D	% U	% A	% SA	Mean	Attitude
The organization has an overall approach to human resource development.		47%	47%	6%	0%	0%	1.6	SD
Existence of training and development policy.		30%	58%	12%	0%	0%	1.8	D
The organization has a budget for training and development and a way to track these costs.		30%	52%	18%	0%	0%	1.9	D
The organization encourages staff to continue to learn and develop (by providing incentives for learning, by supporting training costs).		15%	35%	45%	5%	0%	2.4	D
The organization is able to identify training needs.		3%	11%	26%	59%	1%	3.4	A
The organization supports the application and transfer of new learning on the Job.		0%	17%	9%	71%	3%	3.6	A
Training is demand driven.		2%	6%	35%	56%	1%	3.5	A
The organization assesses training and its effect on performance.		38%	50%	12%	0%	0%	1.7	SD
People do see career opportunities in the organization.		41%	41%	18%	0%	0%	1.7	SD
Human resources developing mean score:							2.4	
Parameter's general attitude:								D

Source: (Survey data, 2017)

The organization was found with improper human resource development approaches as results presented in Table 12 above point out participants' general disagreement with (mean score=2.40) and (attitude=D). The organization had no overall approach to human resource development (mean=1.60) (attitude=SD). Respondents disagreed on whether the organization had a training and development policy (mean=1.80) (attitude=D).

Disagreement was also reported regarding whether there was a budget for training and development and a way to track these costs (mean=1.90) (attitude=D). With (mean=2.40) and (attitude=D), respondents disagreed with the way the organization encouraged staff to continue learning and developing (by providing incentives for learning, by supporting training costs). On the other hand, participants agreed with the organization's ability to identify training needs (mean=3.40) (attitude=A), and its support to the application and transfer of new learning on the job (mean=3.60) (attitude=A). Training was found to be demand-driven and responding to the needs of the organization as opposed to supply-driven training which responds to whatever is offered on the market or by a donor (mean=3.50) (attitude=A). Respondents strongly disagreed on both of the following: whether the organization assessed training and its effect on performance (mean=1.70) (attitude=SD), and if people saw career opportunities in the organization (mean=1.70) (attitude=SD). These findings were additionally strengthened by data from interviews conducted as they showed limitation in the organization's human resource development. Documents reviewed too revealed the absence of a training and development policy in the organization, as well as a budget for trainings.

4.4.2.3 Human Resource Assessment and Rewarding

The assessment and rewarding factor was looked at by investigating whether the organization had assessment and reward systems; its compensation policy; adequate correlation between compensation and performance; staff satisfaction regarding compensation; competitiveness of compensation packages; equity in salaries and benefits; appropriate compensation differentials and organization's monetary and non-monetary rewards in motivating its staff.

Table 13: Results showing participants' opinions on assessment and rewarding

HR Assessment and Rewarding	N = 66	% SD	% D	% U	% A	%SA	Mean	Attitude
The organization has fair and motivational assessment and reward systems.		9%	50%	36%	5%	0%	2.3	D
The organization has a compensation policy that complies with the rules and regulations of the country.		0%	3%	20%	77%	0%	3.7	A
The staffs do see an adequate correlation between compensation and performance.		17%	57%	23%	3%	0%	2.1	D
Staffs are satisfied with their compensation.		36%	44%	18%	2%	0%	1.8	D
Compensation packages are externally competitive for the sector.		23%	39%	35%	3%	0%	2.2	D
There is internal equity in salaries and benefits.		0%	47%	53%	0%	0%	2.5	D
Compensation differentials are appropriate to motivate staff.		0%	42%	47%	11%	0%	2.7	U
The organization motivates staff with both monetary and non-monetary rewards.		26%	30%	38%	6%	0%	2.2	D
Assessing and rewarding mean score:							2.4	
Parameter's general attitude:								D

Source: (Survey data, 2017)

The assessment and rewarding system of the organization was found inappropriate as results show in Table 13 above that there was general disagreement with (mean score=2.40) and (attitude=D). Respondents disagreed about the organization's motivational assessment and reward systems (mean=2.30) (attitude=D). As to whether the organization had a compensation policy that complied with the rules and regulations of the country, participants relevantly agreed, with (mean 3.70) (attitude=A). Staff did not

see an adequate correlation between compensation and performance (mean=2.10) (attitude=D). Staff generally disagreed with their compensation (mean=1.80) (attitude=D) as well as with external competitiveness of compensation packages for the sector (mean=2.20) (attitude=D). Respondents also disagreed about the internal equities in salaries and benefits (equal compensation for work of equal value) and with the way the organization motivated its staffs with both monetary and non-monetary rewards, with (mean=2.50) (attitude=D) and (mean=2.20) (attitude=D) respectively. On the other hand, participants remained undecided whether compensation differentials were appropriate to motivate staff (mean=2.70) (attitude=U). The general weakness in human resource development and the limitation shown in the organization's motivation and reward systems were both supported by data obtained from interviews and document review.

4.4.2.4 Testing the effect of human resources on organizational performance

Once more, Spearman rank order correlation coefficient was conducted to further establish the effect of human resources on organizational performance. Findings are presented in Table 14 below:

Table 14: Correlation of Human Resources and Organizational Performance

Correlation:		Human Resources	Organizational Performance
Human Resources	Correlation Coefficient	1	.649**
	Sig. (2-tailed)	.	0
	N	66	66
Organizational Performance	Correlation Coefficient	.649**	1
	Sig. (2-tailed)	0	.
	N	66	68

** . Correlation is significant at the 0.01 level (2-tailed).

Results presented above show the positive correlation between human resources and organizational performance as the actual correlation coefficient was (0.64) and the

significance value was (0.00). Variations in human resources do correlate with variations in organizational performance. This can be explained that there is statistically significant positive correlation between these two variables and that any decreases or increases in human resources will relate to the changes in the organization's performance. This was furthermore pointed out as 97% of respondents emphasized their agreement that human resource factors affected performance of the organization.

During interviews conducted, participants did relate human resources with performance of the organization and once again human resource management was viewed as manifesting a weakness. Most interviewees emphasized the role trainings and capacity development had on improving performance; but some of them, especially those from outside the organization, stressed that trainings and capacity development programmes would only be effective and performance-improving if they were integrated in the organization's relevant activities and when they were part of incentive mechanisms used for encouraging staff to apply the knowledge acquired in their jobs.

4.4.3 The Effect of Strategic Leadership on Organizational Performance



Figure 4: Strategic leadership affects organizational performance.

Study participants were asked again in a leading question on whether strategic leadership influences performance of the organization. Ninety-four per cent (94%) of the respondents reported their agreement while 6% indicated their disagreement.

The relation between strategic leadership and organizational performance was further established by researching the elements of leadership and strategic planning.

4.4.3.1 Leadership

Leadership was determined by investigating on whether the staff supported formal leadership; positive informal leadership roles taken by staff; importance of distributive leadership; willingness in taking leadership roles and on trying new suggestion made by the leadership; stakeholders' support to the organization's leadership; opportunities in suggesting changes and rewarding goals-supportive leadership.

Table 15: Results showing participants' opinions on organization's leadership

Leadership:	N = 64	% SD	% D	% U	% A	% SA	Mean	Attitude
Staffs support formal leadership.		0%	27%	33%	37%	3%	3.1	U
Staffs take on positive informal leadership roles.		13%	45%	36%	6%	0%	2.3	D
The organization recognizes the importance of distributive leadership.		42%	48%	10%	0%	0%	1.6	SD
Staffs are willing to take on leadership roles.		5%	58%	37%	0%	0%	2.3	D
Staffs are willing to try new suggestions made by those in leadership positions.		0%	22%	30%	48%	0%	3.2	U
Both internal and external stakeholders are supportive of the formal organizational leadership.		0%	19%	22%	56%	3%	3.4	A
All staffs have an opportunity to suggest changes		30%	58%	12%	0%	0%	1.8	D
Leadership that supports organizational goals is rewarded.		48%	38%	14%	0%	0%	1.6	SD
Leadership mean score:							2.4	
Parameter's general attitude:								D

Source: (Survey data, 2017)

Weakness was indicated on the organization's leadership as the results in Table 15 above show that respondents generally stated their disagreement with (mean score=2.40) and (attitude=D). Respondents were undecided regarding their support to the formal leadership (mean=3.10) (attitude=U) and that they did not take on positive informal leadership roles (mean=2.30) (attitude=D). Respondents strongly disagreed when asked on whether the organization recognized the importance of distributive leadership (mean=1.60) (attitude=SD). They as well disagreed regarding the staff's willingness to take on leadership roles (mean=2.30) (attitude=D); but they remained undecided on the staff's willingness to try new suggestions made by those in leadership positions (mean=3.20) (attitude=U). Both internal and external stakeholders were found supportive of the formal organizational leadership (mean=3.40) (attitude=A). Disagreement was again reported on whether staff had opportunities to suggest changes in the organization (mean=1.80) (attitude=D) and on whether the leadership that supported organizational goals was rewarded (mean=1.60) (attitude=SD). Even though interviews showed leadership of the organization to be an area of improvement, most participants emphasized both staff and stakeholders' support to the organization's leadership. Some of those interviewed highlighted the the organization's need of leadership that was able to improve its capability and sustain it within a changing and highly competitive environment.

4.4.3.2 Strategic Planning

Strategic planning in the organization was determined by studying the formal and informal organizational strategy; support and acceptance of organizational strategy; the help that the strategy gave in clarifying priorities and setting indicators; and whether it was used in the decision-making process to clarify and revise organizational strategy; and the process of scanning the environment in considering potential threats and opportunities.

Table 16: Results showing participants' opinions on strategic planning

Strategic Planning:	N = 64	% SD	% D	% U	% A	% SA	Mean	Attitude
There is a formal or informal organizational strategy.		0%	14%	25%	55%	6%	3.5	A
Senior managers and staff members support the organization's strategy.		0%	3%	34%	50%	13%	3.7	A
The strategy has helped clarify priorities and set indicators, thus giving the organization a way to assess its performance.		36%	45%	17%	2%	0%	1.8	D
The strategy is used as a way to help make decisions.		0%	9%	19%	66%	6%	3.7	A
There is a process for clarifying and revising the organization's strategy.		47%	42%	11%	0%	0%	1.6	SD
An ongoing process for scanning the environment to consider potential threats and opportunities.		27%	65%	8%	0%	0%	1.8	D
Strategic planning mean score:							2.7	
Parameter's general attitude:								U

Source: (Survey data, 2017)

Strategic planning was reported to be an area of improvement as the results in Table 16 above show that respondents generally remained undecided with (mean score=2.70) and (attitude=U). The organization was reported to have organizational strategy (mean=3.50) (attitude=A) and senior managers and staff supported the strategy (mean=3.70) (attitude=A). But the organizational strategy was not generally helpful in clarifying priorities and setting indicators; thus it did not give the organization a way to assess its performance (mean=1.80) (attitude=D). Nevertheless, respondents still reported their

agreement on the usage and help that the strategy gave in decision-making (mean=3.70) (attitude=A). Participants disagreed on the existence of a process for clarifying and revising the strategy (mean=1.60) (attitude=SD) and on whether there was an ongoing process for scanning the environment to consider potential threats and opportunities (mean=1.80) (attitude=D). These findings were also emphasized by the data from interviews where participants stated weaknesses in the strategic planning of the organization. Both documents reviewed and interviews also showed the existence of an organizational strategy, but the organization needed to use the strategy in clarifying priorities and assessing its performance.

4.4.3.3 Testing the effect of strategic leadership on organizational performance

Yet again, correlation was applied to further examine how strategic leadership affected organizational performance. Findings are presented in Table 17 below:

Table 17: Correlation of Strategic Leadership and Organizational Performance

Correlation:		Strategic Leadership	Organizational Performance
Strategic Leadership	Correlation Coefficient	1	.496**
	Sig. (2-tailed)	.	0
	N	64	64
Organizational Performance	Correlation Coefficient	.496**	1
	Sig. (2-tailed)	0	.
	N	64	68

** . Correlation is significant at the 0.01 level (2-tailed).

Results presented above show the positive correlation between strategic leadership and organizational performance as the actual correlation coefficient was (0.49) and the significance value was (0.00). Changes in strategic leadership do correlate with changes in organizational performance. This explains that there is statistically significant positive correlation between these two variables and that any decreases or increases in strategic

leadership would relate to the changes in the organizational performance. This was once more supported by the 94% of respondents who emphasized that strategic leadership factors affected the performance of the organization.

Interviews conducted also reinforced these findings as most interviewees pointed out the weakness of the organization's leadership and strategic planning and drew attention to the criticality of strategic leadership to improve performance. They also pointed out that organizational strategies should put into consideration issues such as changes in government policies and regulations that affect the organization's planning of programmes and activities which were necessities to the organization and its donors. Others stressed the need not only for more improved leadership that linked its vision, mission and goals with its capacity, capability and financial, human, and physical resources, but also for a leadership that could strategize and plan within a competitive environment, changing and rising needs and requirement of different stakeholders.

4.5 Organizational Performance

This section of the study presents participants' opinions on the organizational performance parameters as a dependent variable. Participants were asked again to rate their agreement on the organization's effectiveness, efficiency, relevance and financial sustainability. Respondents in rating their agreement on the different indicators used the same five-point Likert scale. Additionally, a mean and attitude for each indicator were calculated besides a calculation of a mean agreement score and attitude for each parameter as shown in the different tables below.

4.5.1 Effectiveness

This parameter was measured by finding out about the effectiveness of the organization in fulfilling and operationalizing its mission and meeting its goals; use of qualitative and quantitative indicators in capturing the essence of the mission; monitoring and

assessment of effectiveness, beneficiary satisfaction and the use of feedback mechanism for its improvement.

Table 18: Results showing participants' opinions on organization's effectiveness

Effectiveness:	N = 68	% SD	% D	% U	% A	% SA	Mean	Attitude
Effective in fulfilling organization's mission.		28%	71%	1%	0%	0%	1.7	SD
The organization is effective in meeting those goals as expressed in its charter and mission statement.		44%	50%	6%	0%	0%	1.6	SD
The mission is operationalized through programme goals, objectives and activities.		52%	38%	10%	0%	0%	1.6	SD
Quantitative and qualitative indicators are used to capture the essence of the mission.		28%	59%	13%	0%	0%	1.8	D
There is a system for assessing effectiveness		23%	71%	6%	0%	0%	1.8	D
The organization monitors its effectiveness.		15%	43%	26%	16%	0%	2.4	D
Beneficiaries satisfaction		0%	9%	32%	52%	7%	3.5	A
Uses feedback mechanism for improvement		18%	44%	31%	7%	0%	2.3	D
Effectiveness mean score:							2.1	
Parameter's general attitude:							D	

Source: (Survey data, 2017)

The effectiveness of the organization was reported to be poor, as findings in Table 18 above show respondents' general disagreement with (mean score=2.20) and (attitude=D). The organization was found ineffective in moving toward the fulfilment of its mission (mean=1.70) (attitude=SD), and that it was not meeting the goals expressed in its charter and mission statement (mean=1.60) (attitude=SD); and its mission was not operationalized through its programme goals, objectives and activities (mean=1.60) (attitude=SD). Participants disagreed about the quantitative and qualitative indicators used in capturing the essence of the mission (mean=1.80) (attitude=D). The organization

did not monitor and assess its effectiveness (mean=2.40) (attitude=D) and (mean=1.80) (attitude=D) respectively. Participants reported their agreement regarding beneficiary satisfaction (mean3.50) (attitude=A) but there was relevant disagreement on whether the organization used feedback mechanism to improve itself (mean=2.30) (attitude=D).

4.5.2 Efficiency

The organization's efficiency was determined by studying the efficient and optimal use of human, financial and physical resources, cost of staff and its relation to their productivity, its administrative systems and by the use of benchmarked comparisons based on the performance of different or similar programmes.

Table 19: Results showing participants' opinions on organization's efficiency

Efficiency:	N = 68	% SD	% D	% U	% A	% SA	Mean	Attitude
Organization is efficiently using its human, financial and physical resources.		35%	50%	15%	0%	0%	1.8	D
Costs of staff members are related to their productivity and performance.		27%	54%	19%	0%	0%	1.9	D
Physical facilities are used optimally.		31%	19%	47%	3%	0%	2.2	D
Financial resources are used optimally.		16%	44%	35%	5%	0%	2.3	D
Administrative systems in place that provide good value for costs.		15%	57%	26%	2%	0%	2.1	D
There is quality administrative system in place to support efficiency.		9%	60%	29%	2%	0%	2.2	D
Existence of benchmarked-comparisons based on performance of same or similar programmes,		31%	54%	15%	0%	0%	1.8	D
Efficiency mean score:							2.0	
Parameter's general attitude:								D

Source: (Survey data, 2017)

Similar to its ineffectiveness, general weakness was also noticed on the organization's efficiency as participants asserted their general disagreement with (mean score=2.00) and (attitude=D). Respondents disagreed when asked about the efficient and optimal use of the organization's human, financial and physical resources (mean=1.80) (attitude=D). Disagreement was also extended to the relation between the cost of staff and their productivity and performance (mean=1.90) (attitude=D). Respondents also disagreed on whether the existent administrative systems provided good value for costs (mean=2.10) (attitude=D) and whether the mentioned systems supported the organization's efficiency (financial, human, physical resources, programmes, strategy) (mean=2.20) (attitude=D). Disagreement was again expressed regarding the existence of benchmarked comparisons based on the performance of similar programmes, or on the performance of the programme itself over time, or on some predetermined targets at the beginning of the programme (mean=1.80) (attitude=D).

4.5.3 Relevance

Relevance was assessed by rating beneficiaries' acceptance and perceptions, responses to their needs; regular revisions and review of programmes and mission; stakeholder needs assessment; monitoring of organization's reputation; and review of environment.

Table 20: Results showing participant's opinions on organization's relevance

Relevancy:	N = 68	% SD	% D	% U	% A	% SA	Mean	Attitude
Beneficiaries are adequately surveyed to obtain their perceptions and acceptance.		25%	49%	22%	4%	0%	2.0	D
Organization adapts and changes its work over time according to their beneficiaries needs.		22%	49%	25%	4%	0%	2.1	D
Programs are reviewed and revised regularly to reflect a changing environment and capacities.		10%	49%	35%	6%	0%	2.3	D
The mission is reviewed on a regular basis.		15%	44%	38%	3%	0%	2.2	D
Stakeholder needs assessment conducted regularly.		10%	57%	33%	0%	0%	2.2	D
The organization regularly reviews the environment in order to adapt its strategy accordingly.		6%	54%	40%	0%	0%	2.3	D
The organization monitors its reputation.		15%	57%	28%	0%	0%	2.1	D
Relevancy mean score:							2.2	
Parameter's general attitude:								D

Source: (Survey data, 2017)

The limitation of the organization's relevance was generally highlighted in findings presented in Table 20 above with (mean score=2.20) and (attitude=D). Participants expressed their disagreement when asked about whether beneficiaries were adequately surveyed to obtain their perceptions and acceptance of the organization and its interventions (mean=2.00) (attitude=D). The organization had not adapted and changed its work over time according to its beneficiaries' needs (mean=2.10) (attitude=D). Regarding whether programmes and mission were revised and reviewed regularly to reflect the changing environment and capacities, participants again reported their disagreement (mean=2.3) (attitude=D). Disagreement was expanded to whether the organization conducted regular stakeholder needs assessments (mean=2.20) (attitude=D).

Similarly, the organization did not review its environment regularly in order to adapt its strategy accordingly (mean=2.30) (attitude=D), as well as not monitoring its reputation on a regular basis (mean=2.10) (attitude=D).

4.5.4 Financial Sustainability

Financial sustainability was established by rating the support from existing funding sources; consistency in obtaining new funding sources; dependability on a single source of funding; sustainability of the organization within a competitive environment; surplus of money kept; and the regular monitoring of finances.

Table 21: Results showing participant's opinions on financial sustainability

Financial Sustainability:	N = 68	% SD	% D	% U	% A	% SA	Mean	Attitude
There is a continued and sustained support from existing funding sources.		12%	59%	29%	0%	0%	2.1	D
Consistence obtaining of new funding sources.		10%	49%	41%	0%	0%	2.3	D
Organization depends on a single funding source		31%	54%	15%	0%	0%	1.8	D
The organization can sustain itself within a competitive environment.		13%	49%	28%	10%	0%	2.3	D
The organization keeps a reasonable surplus of money to use during difficult times.		18%	75%	7%	0%	0%	1.9	D
Finance monitoring on a regular basis.		0%	9%	21%	67%	3%	3.6	A
Financial sustainability mean agreement score:							2.4	
Parameter's general attitude:								D

Source: (Survey data, 2017)

As was the case with the organization's effectiveness, efficiency and relevance, its financial sustainability was also found to be an area that required improvement as participants registered their general disagreement with (mean score=2.40) and (attitude=D). Respondents expressed their disagreement regarding continued and

sustained support from existing funding sources (mean=2.10) (attitude=D), as well as on whether the organization consistently obtained new funding sources (mean=2.30) (attitude=D). Disagreement was moreover noticed on whether the organization depended on a single source of funding (mean=1.80) (attitude=D) and whether it can sustain itself within a competitive environment (mean=2.30) (attitude=D). Participants pointed out their relevant agreement that the organization did monitor its finances regularly (mean=3.60) (attitude=A); but still disagreed regarding whether their organization kept a reasonable surplus of money to use during difficult times (mean=1.90) (attitude=D).

4.5.5 Organizational performance issues observed

The organization's programmes and operations departments were observed and, accordingly, the existence and relevant functionality of financial management, human resources, leadership and organizational performance building blocks were reported. Table 22 below shows results of general observation and rating of overall organizational performance from the organization's headquarters and its three other sub-offices.

Table 22: Overall organizational performance observed and rated

Rating:	Description:	F	Percent
Excellent	Organization requires only limited and infrequent support. It is capable of meeting its financial and operational goals with internal resources, capacity and knowledge.	0	0%
Good	The organization is self-sufficient, but requires some inputs on specific issues on an infrequent basis.	0	0%
Acceptable	Organization is self-sufficient, but requires some inputs on specific issues on a regular (monthly) basis.	0	0%
Marginal	Organization is self-sufficient but requires some inputs and assistance on a frequent (several times monthly) basis.	1	25%
Poor	Organization lacks ability to self-manage without serious support.	3	75%
Total:		4	100%

Source: (Observation data, 2017)

As shown in results presented in Table 22 above, the organization was observed to be self-sufficient (25%) but required some inputs and assistance on a frequent (several times monthly) basis. Its financial and operational goals were somewhat of a challenge to meet without support. Its overall performance was generally observed to be poor (75%) as it lacked the ability to manage without serious support from within (its leadership and governing body) and from outside (its national and international partners). Very few, if any, of its goals and objectives could be achieved without support.

The following tables present results of the performance elements of effectiveness and efficiency further observed at the organization’s headquarters and its three other sub-offices. These elements were observed using the following criteria: 1) Poor, 2) Marginal, 3) Acceptable, 4) Good, 5) Excellent, 6) Not Applicable (aspect does not apply to the situation), and 7) Not observed (not in a position to observe this activity and cannot comment on it).

Table 23: Observation of effectiveness

Effectiveness statement:	Element observed:
The organization is effective in moving toward the fulfilment of its mission.	Not observed
Effective in meeting its goals as expressed in its charter and mission statement.	Not observed
The mission is operationalized through program goals, objectives and activities.	Marginal
Quantitative and qualitative indicators used to capture the essence of the mission.	Poor
A system for assessing organization’s effectiveness	Poor
The organization monitors its organizational effectiveness.	Poor
Beneficiaries’ satisfaction.	Acceptable
The organization uses feedback mechanism to improve itself.	Poor
Overall effectiveness observed:	Poor

Source: (Observation data, 2017)

From the results shown above, the organization’s activities in fulfilling mission and meeting its goal and objectives were not observed because the researcher was not in a position to observe such activities. However, the organization’s mission being operationalized through programme goals, objectives and activities were observed as marginal. Beneficiaries were observed to have acceptable satisfaction with the interventions delivered to them. Use of qualitative and quantitative indicators in capturing the essence of the mission, monitoring and assessing the extent to which goals and objectives were realized, in addition to the organization’s use of feedback mechanism for its improvement were all observed as being poor. It can be concluded that, overall, the organization’s effectiveness was observed as poor. This conclusion of the weaknesses of the organization’s effectiveness was, moreover, supported by both responses of survey participants and views of different key informants interviewed.

Table 24: Observation of efficiency

Efficiency statement:	Element observed:
Efficient use of human, financial and physical resources.	Marginal
Costs of staff are related to their productivity and performance.	Not observed
Physical facilities are used optimally.	Acceptable
Financial resources are used optimally.	Marginal
Administrative systems in place that provide good value for costs.	Marginal
Quality administrative systems in place to support efficiency	Poor
Benchmarked comparisons based on performance of same or similar programmes.	Not observed
Overall efficiency observed:	Marginal

Source: (Observation data, 2017)

The relation between costs of staff and their productivity and performance as well as use of benchmarked comparisons based on performance of the same or similar programmes

were not observed, as the researcher was not in a position to observe such activities. On the other hand, optimal use of physical facilities (building, equipment, tools) was observed as acceptable. Efficient and optimal use of human, financial, and physical resources, in addition to the administrative systems that provide value for costs were all observed as marginal. Only administrative systems for supporting efficiency were observed as poor. The overall organization's efficiency was observed as marginal. This conclusion was additionally supported by the responses of survey participants most of whom agreed that efficiency was an area that required improvement.

4.6 Testing the effect of institutional systems on organizational performance

This time correlation analysis was conducted to conclude in establishing the relationship between institutional systems-related factors (encompassed) as independent variables and organizational performance as a dependent variable. Results are shown in Table 25 below.

Table 25: Correlation of institutional systems-related factors and organizational performance

Correlation:		Institutional Systems	Organizational Performance
Institutional Systems (IV)	Correlation Coefficient	1	.631**
	Sig. (2-tailed)	.	0
	N	68	68
Organizational Performance (DV)	Correlation Coefficient	.631**	1
	Sig. (2-tailed)	0	.
	N	68	68

** . Correlation is significant at the 0.01 level (2-tailed).

Institutional systems-related factors and organizational performance were found to be positively correlated as the actual correlation coefficient was (0.63) and that correlation was significant as the significance value was (0.00). Changes in institutional systems (Independent Variables) do correlate with changes in organizational performance

(Dependent Variable). In addition to the different statistically positive correlations between the different factors and organizational performance, these findings strengthen and reinforce the research hypotheses stated in chapters one and four of the study and therefore it can be concluded with the aid of findings from interviews that factors of financial management, human resources and strategic leadership have strong positive relationship with organizational performance.

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes and discusses analysis and interpretation of the established relationships and the concluded effect of the different institutional systems factors on organizational performance. Moreover it draws a conclusion based on the study findings and suggests recommendations in the light of the conclusion drawn.

5.2 Summary of findings

This section summarizes findings of the effect of financial management and human resources factors on organizational performance as well as the relationship between strategic leadership and organizational performance.

5.2.1 Financial management's effect on organizational performance

The study proved that there is positive statistically significant relation (0.61, sig=0.00) between financial management and organizational performance. Financial management was found to affect organizational performance in that any changes (increases or decreases) in financial management lead to similar changes in organizational performance. The study revealed both inadequacy and weaknesses in the organization's financial planning and financial accountability. It was also pointed out that the organization lacked proper management of financial resources, budgeting, financial monitoring and accountability reporting systems, which are necessary in supporting decision-making, its financial sustainability and gaining stakeholders' trust. Improvement in the organization's financial management is needed to advance its performance. Such improvement, especially in areas of budget planning and monitoring, funds management, accountability and reporting mechanisms, cannot be achieved only by the organization's internal local capacities and limited resources but requires support from international partners' capabilities, guidance and resources.

5.2.2 Human resources' effect on organizational performance

Study findings demonstrate that there was a positive relation between human resource factors and organizational performance and that relation between these variables was verified as statistically significant (0.64, sig=0.00). This signifies that changes (increases or decreases) in human resources involve parallel changes in organizational performance. The study highlighted issues of human resources planning, developing, appraising and rewarding as areas of improvement that require organization's attention to improve its performance. More specific, the study indicated a need to develop personnel, trainings and development policies and linking the organization's training needs with gaps and performance improvement-related activities, with more focus on appraisal, compensation and staff motivation alongside advancing its knowledge in identifying skilled personnel to meet its needs and requirements. The study further emphasized the role of capacity development on organizational performance and expressed its effectiveness when effectively applied in relevant activities and when they are linked to incentive mechanisms used in utilizing skills developed and knowledge obtained.

5.2.3 Strategic leadership's effect on organizational performance

The study findings established that there is a proven positive statistically significant relationship (0.49, sig=0.00) between strategic leadership and organizational performance. Parameters of leadership and strategic planning were found to affect organizational performance, which meant that changes (increase or decrease) in these factors also lead to changes in the performance variable. Issues of support to formal and informal leadership roles, recognition of the leadership importance, and opportunities in suggesting changes in the organization were indicated as having weaknesses. Organizational strategy was highlighted as not helpful in clarifying priorities, setting indicators and assessing its performance and that the organization should have a process

of clarifying and revising its strategy and should focus more on scanning its environment to identify potential threats and opportunities.

The criticality of strategic leadership in improving performance was viewed by most of the study participants who stressed that the organization should consider issues such as changes in government policies and regulations that affect its planning of interventions. Considering the competitive environment that the organization operates in, which is surrounded by stakeholders' changing and rising needs and requirements, there is a need for improved leadership to connect the organization's vision, mission and goals with its capacities and resources, with planning and strategizing ability in such environment.

5.2.4 Institutional systems-related factors and organizational performance

Findings show that all of the institutional systems-related factors included in the study (IV) were found to affect organizational performance (DV) as their relationship was proved positive statistically significant relation (0.63, sig=0.00). The study concluded that all parameters of effectiveness, efficiency, relevance and financial sustainability were viewed as areas that required improvement and the overall performance of the organization was rated poor.

Beneficiaries' satisfaction with the interventions delivered and optimal use of physical facilities were reported as acceptable; but some weaknesses were stated such as use of feedback mechanism for the organization's improvement; monitoring and assessing its effectiveness; administrative systems that provide value for costs; regular revising and reviewing of programme and mission to reflect the changing environment and capacities; and conducting regular stakeholder needs assessments. In addition, the study revealed inappropriateness in the following areas: continued and sustained support from existing funding sources; consistent obtaining of new funding sources; dependence on a single source of funding; thriving within a competitive environment; regular monitoring of finances and grants management.

5.3 Discussion of findings

5.3.1 Financial management's effect on organizational performance

The study demonstrated that both the organization's financial management and performance were areas that required improvement. As the results show, the positive significant relation between the two variables, inappropriateness in the organization's financial management was proved to affect its weak performance. This conclusion supports the argument that if the organization's performance is to be improved, certainly there is a need to improve its financial management. Waweru and Ngugi (2014) studied the influence of financial management on organizational performance in Kenya and they concluded that financial management influences organizational performance to a great extent. In their study, financial management was found to be critical in determining organizational success or failure and that it basically provides a conceptual and analytical framework for financial decision-making and accountability. In an NGO context, the ultimate goal of financial management is to optimally and efficiently contribute in to the implementation of programmes and activities delivered to beneficiaries. Sound financial management advances the organization's financial position, reinforces financial viability and improves its performance, which can therefore help in gaining stakeholders' satisfaction and expanding their trust.

Investigating the effect of an organization's financial management on its performance should not only be a focus of financial planning and financial accountability but there are other areas to include such as financial monitoring and reporting mechanisms, which are likely to influence organizational performance that must improve if the organization is to advance toward responding to its stakeholders' rising needs.

5.3.2 Human resources' effect on organizational performance

Results show a positive significant relationship between human resources and organizational performance. The effect of human resources on performance was

established and weakness was noted in both factors. Based on this relation, therefore, any increase in the organization's performance is positively and significantly linked to the improvement in its human resource planning, development, appraising and rewarding. A case study in examining the influence of human resource management on organizational performance in Ghana conducted by Opuko (2015) provided strong evidence that effective human resources have greater impact on the attainment of the organizational performance.

It has been argued that lack of attention to organizational human resources is one of the factors standing between the success and failure of many local NGOs in developing countries (Ulah & Yasmin, 2013). Accordingly, the organization should acknowledge the importance of its human resource assets and focus on advancing their capacities, skills, satisfaction, commitment, motivation and career development. But focusing only on progressing individual staff is not enough; attention should be put on the entire human resource systems, taking into account synergies existing among all human resource practices in the organization (Barney, 2001).

Personnel policy and planning are critical to the development, management and maintaining of the organization's human resources. The organization was found eager to have financial and strategic plans that would guide the success of its mission and goals. Nevertheless, a plan for its human resources was not reported, which is a must to have. Having a human resource plan would assist the organization in recruiting, developing, appraising and rewarding its staff which will accordingly lead in to the utilization of their developed capacities that can later be reflected in improved performance.

5.3.3 Strategic leadership's effect on organizational performance

The extent to which strategic leadership affects organizational performance was determined. Results have provided evidence of the positive significant relationship between strategic leadership and organizational performance and that both variables were

indicated as areas that required improvement. Leadership and strategic planning were proved to affect organizational performance. This conclusion was further supported by Abdalkrim (2013) when he evaluated the impact of leadership and strategic planning activities on organizational performance in Sudan. His study confirmed that strategic planning and leadership are positively correlated with organizational performance.

Reinforcing mission-oriented leadership practices is critical not only to unleash the organization's capacities and potentiality in realizing its goals and objectives but also to maintain the organization in a better position among humanitarian players. Moreover, it has been contended that development of good leadership and strategic planning is one of the driving forces for the organization's success, and that inadequate leadership and management skills are primary factors contributing towards its failure (Davies, Hides and Powell, 2002). Thus, managing the organization's financial, physical and human resources to effectively and efficiently respond to its beneficiaries' rising numbers and needs would require supported and reinforced leadership from within and outside the organization. This is leadership that can sustain the organization's business by its ability to plan and operationalize the organization's vision and mission through effective implementation of interventions.

5.4 Conclusions

5.4.1 Financial management's effect on organizational performance

Financial management was proved to affect organizational performance and weaknesses were indicated in both factors. Building and developing capacities of staff in financial planning, budgets monitoring and reporting, grants management, and accountability improve an organization's financial management. An improved financial management increases performance that will therefore enable the organization to efficiently control and allocate its financial resources in implementing its programmes and activities and

provide updated and reliable information necessary for decision-making, resource mobilization, stakeholders' communication, trust and financial viability.

5.4.2 Human resources' effect on organizational performance

Both human resources and performance were noted areas that required improvement. Human resources were found to influence organizational performance. For timely and effective response to beneficiaries' needs, enhanced human resource management is essential. Effective human resource management improves performance when the organization develops and effectively implements its own personnel policy and when that policy is linked to its mission, goals, objectives and actual needs. Through its personnel policy an organization can plan, recruit, develop, appraise and reward its staff. The ultimate goal of human resource management is to manage and utilize staff to effectively and efficiently plan, implement, monitor, evaluate and communicate the organization's interventions.

5.4.3 Strategic leadership's effect on organizational performance

To improve its performance, an organization has to raise its strategic planning practices and leadership. A strengthened leadership will link the organization's vision, mission with its capacities and will fully assist in planning, managing and utilizing the organization's financial, human and physical resources towards realizing its goals and objectives. An improved leadership is a key to the organization's success and remains critical to its maintainability in a changing environment.

5.5 Recommendations

The issue of the organization's performance is becoming critical to increasing its sustainability given the highly competitive environment, lack and/or shrinking funds, increasing number of humanitarian players, rising stakeholders' needs and requirements.

Based on the findings shown and conclusions drawn in the discussion section and since organizational performance was generally noted as an area requiring improvement along

with the different institutional systems factors that affect organizational functionality and performance, the study generally highlights factors of financial management, human resources, and strategic leadership to receive more focus. The following are specific recommended areas, which need specific attention from both the organization's leadership in particular and its stakeholders in general:

- The organization should work on improving its budgetary planning, financial resources management alongside with its financial accountability and monitoring systems.
- The organization should develop its own personnel and demand-driven capacity development policies. Additional consideration should be put on identifying skilled staff and advancing their knowledge to fill its needs and requirements together with appraisal, compensation and staff motivation.
- The organization should revise its strategy and strategic planning to help in clarifying its priorities, and assessing its performance and to focus more on scanning its environment to consider potential threats and opportunities. Attention is also needed regarding issues of leadership recognition, its formal and informal roles, and opportunities in proposing organizational changes for both staff and stakeholders.
- The organization should advance on its feedback mechanism for performance improvement, monitoring and assessing its effectiveness and efficiency, reviewing its mission and programmes to reflect the changing environment and capacities. Moreover, it should concentrate on maintaining its continued support from existing funding agencies and acquiring new funding sources with regular monitoring of finances and grants management.

5.6 Limitations of the study

- The researcher was not granted permission to access beneficiaries in one of three IDP camps targeted by the study. The visit was meant to observe performance aspects of relevance and beneficiary satisfaction as these camps receive services (health and nutrition) from the organization.
- The researcher was not able to observe some effectiveness and efficiency issues in the organization especially regarding whether costs of staff are related to their productivity and performance and whether it uses benchmarked comparisons based on performance of same or similar programmes in assessing its performance.
- It was not possible to access and review relevant documents regarding effectiveness and efficiency particularly of finance department.

5.7 Contribution of the study

The contributions of the study extend to Sibro organization and its different stakeholders locally and internationally. It is also a contribution in filling the existing gap of knowledge in Sudan with regard to the area of organizational management and performance.

Based on the findings and recommendations, Sibro organization will be able to develop and implement plans of actions to improve its financial planning, human resource management and its strategic leadership, which will subsequently lead to the improvement of its organizational performance.

International partners and donor agencies will be aware of the root causes of the poor organizational performance of Sibro and other NNGOs in Sudan. Thus they will be able to plan their capacity building/ development plans to these organizations accordingly.

Though the findings of the study were specifically for Sibro as a case study and therefore cannot be generalized for other national organizations, at least these bodies will have a clue about some of the technical and managerial factors that hinder the improvement of

their performance as far as sharing common interests in responding to the rising needs of their beneficiaries is concerned.

HAC as a government coordinating body of the NGOs' humanitarian and development work in Sudan plus other national line-ministries will also benefit from the findings as they plan, implement and coordinate their support to the national organizations as they are delivering interventions to their beneficiaries.

The study adds to the empirical studies and body of knowledge as researchers in future studies will find an important source of reference and literature especially in Sudan where the area of organizational performance in the NGO context has been given limited attention.

5.8 Recommendations for further studies

Different study respondents and interviewees have suggested different institutional systems factors and non-institutional systems factors that affect organizational performance, which were not part of the study. Future researches and studies may focus on the following:

- Factors such as organizational structure, infrastructure, programme and process management are important to include in institutional systems.
- Organizational performance is not only affected by institutional systems-related factors but other parameters such as an organization's motivation and its external environment are also important in decreasing or increasing performance.
- Future studies may use the same variables to establish the relationship between institutional systems-related factors and organizational performance but by considering a sample from many different NGOs as opposed to the case study approach followed by this study.

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APPENDIX I: CERTIFICATE OF PROOF THAT DISSERTATION HAS BEEN EDITED

MUKOTANI RUGYENDO

P.O. BOX 31178

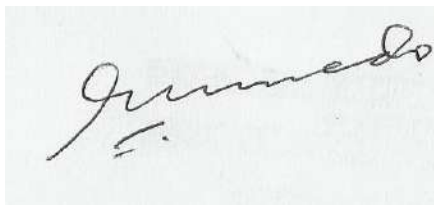
KAMPALA

TEL: 0701707093

26 April 2017

CERTIFICATE OF PROOF THAT DISSERTATION HAS BEEN EDITED

This is to certify that the Master's Degree dissertation entitled, **Institutional Systems-related Factors and Performance of National Non-Governmental Organizations in Sudan: A Case Study of SIBRO by Ali Mohamedain**, has been reviewed and corrected in order to ensure clarity of expression and consistency regarding key style aspects like general grammar, sentence structure to ensure logical flow and effectiveness of meaning, all-round punctuation, use of articles, use of tenses, quotations and attributions, citation and referencing.

A handwritten signature in black ink on a light-colored background. The signature is cursive and appears to read 'Mukotani Rugyendo'.

Mukotani Rugyendo

Professional Editor

APPENDIX II: QUESTIONNAIRE

Questionnaire for board of directors, senior managers, program and support staffs in addition to donors, and INGOs.

Dear Sir / Madam,

My name is Ali Mohamedain. I am a student of Uganda Technology and Management University (UTAMU) School of Business and Management and I am working on my dissertation for an award of Masters of Project Monitoring and Evaluation.

This study is about Institutional Systems-Related Factors and Performance of National NGOs in Sudan. The information you will give is purely for academic purposes and will be treated with confidentiality. Your participation is purely voluntarily and has no monetary value. The report produced will be intended mainly for academic purposes and will be shared with the University and the Organization to help understand the effect of institutional systems-related factors on their organizational performance. This will therefore assist the organization on designing and implementing relevance, effective and efficient interventions to their target beneficiaries.

Thank you for taking 30 minutes and answering the questionnaire!

Are you willing to participate? Yes No

SECTION A: Background Information: (Please put a (√) in the box next to the right response)			√
A1. Age of the respondent?	1	18 – 25	
	2	26 – 40	
	3	Above 40	
A2. Gender of the respondent?	1	Male	
	2	Female	
A3. Level of education?	1	Diploma	
	2	Degree	
	3	Post graduate	

	4	Masters and above	
A4. Sector of the respondent?	1	Board of directors	
	2	Senior managers	
	3	Program staff	
	4	Support staff	
	5	Donors	
	6	INGOs	
A5. Length of service?	1	Less than 1 year	
	2	1 – 5	
	3	6 – 10	
	4	11 +	

SECTION B: INDEPENDENT VARIABLES:

The statements below relate to the institutional systems-related factors that could affect the organizational performance. I would like to know your opinion on how you agree with statements. There is no right or wrong answer please only express your opinion using the Likert Scale; 1-Strongly Disagree, 2 Disagree, 3- Undecided, 4-Agree 5-Strongly agree. Please pick the option that best suits your opinion on the statement given.

B1 FINANCIAL MANAGEMENT FACTORS:

B1.1 Do you think financial management affects performance of the organization?

Yes No (If you pick No, please skip to question B2)

Please indicate your level of agreement on the following statements regarding how financial management factors affect performance of the organization.

Statement:	Scales:				
	(1)	(2)	(3)	(4)	(5)
B1.2 Financial Planning					
B1.2.1 Regular and periodic financial planning undertaken to support performance.					
B1.2.2 There is an adequate budgetary planning.					
B1.2.3 Cash requirements are analyzed through cash flow statements.					
B1.2.4 Budget plans are updated as financial information comes in.					
B1.2.5 Members of the governing body are involved in financial planning and monitoring.					
B1.2.6 Human resources are adequate to ensure effective financial planning.					
B1.2.7 Financing of grants is properly managed.					
B1.2.8 Comparisons of both actual and planned budgets are monitored and analyzed for decision-making.					
B1.2.9 Financial reports are provided to senior managers, the board and funders in a timely fashion and on a regular basis (at least once a quarter).					
B1.3 Financial Accountability	(1)	(2)	(3)	(4)	(5)
B1.3.1 Members of the organization do follow clearly stated financial procedures.					
B1.3.2 The auditors are satisfied with the organization's controls on cash and assets.					
B1.3.3 There is a clearly stated rule setting when the organizational year begins and ends.					
B1.3.4 The board of directors reviews financial policies and procedures on a regular basis to assess whether they are adequate, inadequate or excessive.					

B1.3.5 There are competent staff and board members who understand the role of financial procedures and information.					
B1.3.6 The financial information is contextualized within a strategic or business plan.					
B1.3.7 There is a board committee to oversee financial issues. (A management committee)					
B1.4 Do you have any suggestions on how to improve financial management of the organization?					

B1.5 Do you suggest any other financial management-related factors to affect performance of the organization?					

B2 HUMAN RESOURCES FACTORS:					
B2.1 Do you think human resources affect performance of the organization?					
Yes <input type="checkbox"/> No <input type="checkbox"/> (If you pick No, please skip to question B3)					
Please indicate your level of agreement on the following statements regarding how human resources factors affect performance of the organization.					
Statement:	Scales:				
B2.2 Planning	(1)	(2)	(3)	(4)	(5)
B2.2.1 Organization's ability to plan for its human resources needs affect its performance.					
B2.2.2 The right people are in the right jobs in the organization.					
B2.2.3 The organization can forecast current and future demands for human resources.					
B2.2.4 The organization knows how and where to identify people with the skills needed to fill its needs.					
B2.2.5 The organization can link its mission and goals to its human resources planning.					
B2.2.6 The organization has developed a personnel policy manual.					
B2.3 Developing	(1)	(2)	(3)	(4)	(5)
B2.3.1 The organization has an overall approach to human resource development.					
B2.3.2 The organization has a training and development policy.					
B2.3.3 The organization has a budget for training and development and a way to track these costs.					
B2.3.4 The organization encourages staff to continue to learn and develop (by providing incentives for learning, by supporting training costs).					
B2.3.5 The organization is able to identify training needs.					
B2.3.6 The organization supports the application and transfer of new learning on the Job.					
B2.3.7 Training is demand driven (responds to needs in the organization) as opposed to supply driven (responds to whatever is					

offered on the market or by a donor).					
B2.3.8 The organization assesses training and its effect on performance.					
B2.3.9 People do see career opportunities in the organization.					
B2.4 Assessing and Rewarding	(1)	(2)	(3)	(4)	(5)
B2.4.1 The organization has fair and motivational assessment and reward systems.					
B2.4.2 The organization has a compensation policy that complies with the rules and regulations of the country.					
B2.4.3 The staffs do see an adequate correlation between compensation and performance.					
B2.4.4 Staff members are generally satisfied with their compensation.					
B2.4.5 Compensation packages are externally competitive for the sector.					
B2.4.6 There is internal equity in salaries and benefits (i.e., equal compensation for work of equal value).					
B2.4.7 Compensation differentials are appropriate to motivate staff.					
B2.4.8 The organization motivates staff with both monetary and non-monetary rewards.					
B2.5 Do you have any suggestions on how to improve human resources of the organization?					

B2.6 Do you suggest any other human resources-related factors to affect performance of the organization?					

B3 STRATEGIC LEADERSHIP FACTORS:					
B3.1 Do you think there is a relationship between strategic leadership and performance of the organization?					
Yes <input type="checkbox"/> No <input type="checkbox"/> (If you pick No, please skip to SECTION C)					
Please indicate your level of agreement on the following statements regarding how strategic leadership factors affect performance of the organization.					
Statement:	Scales:				
B3.2 Leadership	(1)	(2)	(3)	(4)	(5)
B3.2.1 Staffs in the organization support formal leadership.					
B3.2.2 Staffs in the organization take on positive informal leadership roles.					
B3.2.3 The organization recognizes the importance of distributive leadership.					
B3.2.4 Staffs throughout the organization are willing to take on leadership roles.					
B3.2.5 Staffs are willing to try new suggestions made by those in leadership positions.					
B3.2.6 Both internal and external stakeholders are supportive of the formal organizational leadership.					
B3.2.7 All staffs have an opportunity to suggest changes in the					

organization.					
B3.2.8 Leadership that supports organizational goals is rewarded.					
B3.3 Strategic Planning	(1)	(2)	(3)	(4)	(5)
B3.3.1 There is a formal or informal organizational strategy.					
B3.3.2 Senior managers and staff members support the organization's strategy.					
B3.3.3 The strategy is generally accepted and supported in the organization.					
B3.3.4 The strategy has helped clarify priorities and set indicators, thus giving the organization a way to assess its performance.					
B3.3.5 The strategy is used as a way to help make decisions.					
B3.3.6 There is a process for clarifying and revising the organization's strategy.					
B3.3.7 There is an ongoing process for scanning the environment to consider potential threats and opportunities.					
B3.4 Do you have any suggestions on how to improve strategic leadership of the organization?					

B3.5 Do you suggest any other strategic leadership-related factors to affect performance of the organization?					

SECTION C: DEPENDENT VARIABLE:					
The statements below relate to factors related to the organizational performance. I would like to know your opinion on how you agree with statements. There is no right or wrong answer please only express your opinion using the Likert Scale; 1-Strongly Disagree, 2 Disagree, 3- Undecided, 4-Agree 5-Strongly agree. Please pick the option that best suits your opinion on the statement given.					
Please indicate your level of agreement on the following statements regarding performance factors of the organization.					
Statement:	Scales:				
C1 Effectiveness	(1)	(2)	(3)	(4)	(5)
C1.1 The organization is effective in moving toward the fulfillment of its mission.					
C1.2 The organization is effective in meeting those goals as expressed in its charter and mission statement.					
C1.3 The mission is operationalized through program goals, objectives and activities.					
C1.4 Quantitative and qualitative indicators are used to capture the essence of the mission.					
C1.5 There is a system for assessing effectiveness, that is, the extent to which goals and objectives are realized.					
C1.6 The organization monitors organizational effectiveness.					
C1.7 Beneficiaries are satisfied with the interventions delivered to them.					
C1.8 The organization uses feedback mechanism to improve itself.					
C2 Efficiency	(1)	(2)	(3)	(4)	(5)
C2.1 The organization is efficiently using its human, financial and					

physical resources.					
C2.2 Costs of staff members are related to their productivity and performance.					
C2.3 Physical facilities (buildings, equipment, etc.) are used optimally.					
C2.4 Financial resources are used optimally.					
C2.5 There are administrative systems in place that provide good value for costs.					
C2.6 There are quality administrative systems in place to support efficiency (financial, human resources, program, strategy, etc.).					
C2.7 The organization makes benchmarked comparisons based on the performance of similar programs, or on the performance of the program itself over time, or on some predetermined target at the beginning of the program.					
C3 Relevancy	(1)	(2)	(3)	(4)	(5)
C3.1 Beneficiaries are adequately surveyed to obtain their perceptions and acceptance of the organization.					
C3.2 The organization has adapted and changed its work over time according to their beneficiaries needs.					
C3.3 Programs are reviewed and revised regularly to reflect a changing environment and capacities.					
C3.4 The mission of the organization is reviewed on a regular basis.					
C3.5 Assessments of stakeholder needs are conducted regularly.					
C3.6 The organization regularly reviews the environment in order to adapt its strategy accordingly.					
C3.7 The organization monitors its reputation.					
C4 Financial Sustainability	(1)	(2)	(3)	(4)	(5)
C4.1 There is a continued and sustained support from existing funding sources.					
C4.2 The organization consistently obtains new funding sources.					
C4.3 The organization depends on a single source of funding.					
C4.4 The organization can sustain itself within a competitive environment.					
C4.5 The organization keeps a reasonable surplus of money to use during difficult times.					
C4.6 The organization monitors its finances on a regular basis.					
C5 Do you have any suggestions on how to improve performance of the organization?					
<hr/>					
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C6 Do you suggest any other institutional systems-related factors that affect performance of the organization?					
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End of questionnaire! Thank you for your time and cooperation.					

APPENDIX III: INTERVIEW GUIDE

Interview Guide for Board of Directors, Senior Managers, Donors and INGOs.

This interview guide is specifically for guiding Key Informant Interviews to collect views and opinions about institutional systems-related factors and the performance of National Non-Governmental organizations in Sudan.
A checklist for reviewing organizational documents and relevant materials to the institutional systems factors and the organizational performance.

Date of Interview: -----

Organization? -----

Position in the organization? -----

- 1) Comment on how financial management affects the performance of the organization?
- 2) What are the financial management issues that are currently encountered by the organization?
- 3) As an organization or stakeholder, what have you done regarding these identified issues?
- 4) Comment on how human resources affect the performance of the organization?
- 5) What are the human resources issues that are currently encountered by the organization?
- 6) As an organization or stakeholder, what have you done regarding these identified issues?
- 7) Comment on how strategic leadership affects the performance of the organization?
- 8) What are the strategic leadership issues that are currently encountered by the organization?
- 9) As an organization or stakeholder, what have you done regarding those identified issues?
- 10) In your opinion, what other institutional systems-related factors that affect the performance of the organization?
- 11) As an organization or stakeholder, generally speaking, what have you done from your side to improve the performance of the organization?

End of Interview!

APPENDIX IV: DOCUMENTS REVIEW CHECKLIST

day, days, etc).			
Please tick department observed!	Departments:		√
	1	Human resources	
	2	Finance	
	3	Logistics	
	4	Programs	
5	Other (please specify)		

Observe the existence of and functionality of the following aspects!				√ Or X
1	Organizational financial management	1	Financial planning	
		2	Financial accountability	
2	Organizational human resources	1	Human resources planning	
		2	Human resources developing	
		3	Assessing and rewarding	
3	Organization strategic leadership	1	Leadership	
		2	Strategic planning	
4	Organizational performance	1	Effectiveness	
		2	Efficiency	
		3	Relevance	
		4	Financial sustainability	

The following section is specifically for observing performance aspects of effectiveness and efficiency at the organization's offices. Please observe and rate the effectiveness or efficiency using the following criteria and feel free to elaborate on your responses in the comments section.

- 1- Poor
- 2- Marginal
- 3- Acceptable
- 4- Good
- 5- Excellent
- 6- Not applicable. This does not apply to this situation.
- 7- Not observed. I was not in a position to observe this activity and cannot comment on it.

Effectiveness statement:		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	The organization is effective in moving toward the fulfillment of its mission.							
2	The organization is effective in meeting its goals as expressed in its charter and mission statement.							
3	The mission is operationalized through program goals, objectives and activities.							
4	Quantitative and qualitative indicators are used to capture the essence of the mission.							
5	There is a system for assessing effectiveness, that is, the extent to which goals and objectives are realized.							
6	The organization monitors organizational effectiveness.							
7	Beneficiaries are satisfied with the interventions delivered to them.							
8	The organization uses feedback mechanism to improve itself.							

Overall organization's effectiveness:

Comment on issues observed of effectiveness (use separate paper if necessary):

Efficiency statement:		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	The organization is efficiently using its human, financial and physical resources.							
2	Costs of staff members are related to their productivity and performance.							
3	Physical facilities (buildings, equipment, etc.) are used optimally.							
4	Financial resources are used optimally.							
5	There are administrative systems in place that provide good value for costs.							
6	There are quality administrative systems in place to support efficiency (financial, human resources, program, strategy, etc.).							
7	The organization makes benchmarked comparisons based on the performance of similar programs, or on the performance of the program itself over time, or on some predetermined target at the beginning of the program.							

Overall organization's efficiency:

Comment on issues observed of efficiency (use separate paper if necessary):

This section is for observing and rating organizational performance in general. Please rate the overall performance according to the following criteria.

Rating:	Description:	√
1 Excellent	The organization requires only limited and infrequent support. It is capable of meeting its financial and operational goals with internal human resources, capacity and knowledge.	
2 Good	The organization is self-sufficient, but requires some inputs on specific issues on an infrequent basis.	
3 Acceptable	The organization is self-sufficient, but requires some inputs on specific issues on a regular (monthly) basis.	
4 Marginal	The organization is self-sufficient but requires some inputs and assistance on a frequent (several times monthly) basis. Financial and operational goals are somewhat of a	

16194 92403 80951 80068 47076 23310 74899 87929 66354 88441 96191 04794 14714 64749
43097 83976 83281 72038 49602 94109 36460 62353 00721 66980 82554 90270 12312 56299

78430 72391 96973 70437 97803 78683 04670 70667 58912 21883 33331 51803 15934 75807
46561 80188 78984 29317 27971 16440 62843 84445 56652 91797 45284 25842 96246 73504
21631 81223 19528 15445 77764 33446 41204 70067 33354 70680 66664 75486 16737 01887
50934 43306 75190 86997 56561 79018 34273 25196 99389 06685 45945 62000 76228 60645
87750 46329 46544 95665 36160 38196 77705 28891 12106 56281 86222 66116 39626 06080

05505 45420 44016 79662 92069 27628 50002 32540 19848 27319 85962 19758 92795 00458
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04800 32062 41425 66862 49275 44270 52512 03951 21651 53867 73531 70073 45542 22831

15797 75134 39856 73527 78417 36208 59510 76913 22499 68467 04497 24853 43879 07613
26400 17180 18880 66083 02196 10638 95468 87411 30647 88711 01765 57688 60665 57636
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25294 20941 53892 15105 40963 69267 85534 00533 27130 90420 72584 84576 66009 26869
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60043 30530 57149 08642 34033 45008 41621 79437 98745 84455 66769 94729 17975 50963

13364 09937 00535 88122 47278 90758 23542 35273 67912 97670 03343 62593 93332 09921
25306 57483 98115 33460 55304 43572 46145 24476 62507 19530 41257 97919 02290 40357
38408 50031 37703 51658 17420 30593 39637 64220 45486 03698 80220 12139 12622 98083
17689 59677 56603 93316 79858 52548 67367 72416 56043 00251 70085 28067 78135 53000
18138 40564 77086 49557 43401 35924 28308 55140 07515 53854 23023 70268 80435 24269

18053 53460 32125 81357 26935 67234 78460 47833 20496 35645 04497 24853 43879 07613
26400 17180 18880 66083 02196 10638 42613 87251 75608 46662 99688 59576 04887 02310

The Rand Corporation, (1955). *A Million Random Digits with 100,000 Normal Deviates*:
New York. The Free Press

APPENDIX VII: INTRODUCTORY LETTER



2nd December 2016

TO WHOM IT MAY CONCERN

RE: ALI MOHAMEDAIN – REG NO. MAY15/PM&E/0399X

This is to introduce Mr. Ali Mohamedain who is a student in the School of Business and Management pursuing a Masters in Project Monitoring and Evaluation of Uganda Technology And Management University (UTAMU).

As part of the course, he wishes to undertake a research study on **"INSTITUTIONAL SYSTEMS-RELATED FACTORS AND PERFORMANCE OF NATIONAL NON-GOVERNMENTAL ORGANIZATIONS IN SUDAN: A CASE STUDY OF SIBRO."**

Any assistance rendered to him will highly be appreciated. In case you need any further information, do not hesitate to contact the undersigned.

Sincerely,

Dr. Dick N. Kamuganga

Ag. Dean, School of Business and Management

Cc. Dean, Graduate School, UTAMU
Director, Academic Affairs, UTAMU