



STRATEGIC GOVERNANCE AND PERFORMANCE OF HEALTH AND ENVIRONMENTAL NON-GOVERNMENTAL ORGANIZATIONS IN KISII COUNTY, KENYA

Benson Simba

Management University of Africa, Kenya

simba.n.benson@gmail.com

Abstract

This study examined the influence of strategic governance on performance of Health and Environmental NGOs in Kisii County. The study was anchored on Stakeholder Theory and took a mixed methods research design targeting 120 managers from 40 NGOs. Quantitative data was collected from a simple random sample of 102 NGO staff using structured questionnaires. A pilot study was done involving 10 Health and Environmental NGOs. Data collection tools were administered through drop-and-pick and online methods. SPSS Version 25 was used to perform a descriptive, linear regression and Pearson's correlation analyses to establish the relationships between the variables. The Qualitative data was subjected to manual content thematic analysis as secondary data from published annual reports was used to validate the primary results. It emerged that strategic governance had a fairly strong, positive and statistically significant correlation with NGO Performance. The findings inform academic, policy and strategic management practices in the NGO sector as the study recommends policies and procedures for identifying and addressing some of the concerns in strategic governance to improve NGO performance. Local NGOs should adopt the best governance practices that will position the organizations for greater impact to the society. Regenerative activities and intensified resource mobilization are recommended to expand the financial resource base and increase NGO sustainability. Importantly, this study should be replicated in other counties and further focusing on NGOs in the realms of climate change, Education, Agri-food production and Inclusivity.

Keywords: Governance, Strategic Governance, Health, Environment, Health and Environmental Organizations, NGO Performance



INTRODUCTION

Background of the study

Non-governmental organizations (NGOs) serve particular societal interests which may vary in scope from local, regional to global development. Being non-state and non-market actors, NGOs constitute the “third sector”, representing the civil society and operate in an increasingly competitive Environment today. Like many businesses, some NGOs have existed for shorter period of time due to reasons including: resources deficiencies, managerial challenges, non-compliance to donor requirements, strategy issues among others. However, the need for NGO interventions in the communities continues to increase as the dynamics of life keep shifting (Global Humanitarian Organization, 2022). Globally, NGOs are facing financing and sustainability challenges considering about the loss of voluntary income of about 48% of the UK charities putting the UK international development sector’s 3.89 billion pounds at risk (May, 2020). In Ghana and parts of the African continent, many NGOs have failed to live to their expectations, face serious financial management challenges coupled with poor governance without consideration of the key managerial competencies that are requisite for proper management of the organizations (Appiah-Kubi, 2020). In Kenya, NGOs are among the key development partners whose interventions are directed to critical sectors of the economy such as health, education, agriculture, agriculture among others. However, the success rates of NGO interventions have been inconsistent with little research evidence on the relationship between strategic governance practices and NGO performance. This presents a gap in literature on how strategic governance practices relate with the performance of Health and Environmental NGOs which in effect informs the basis for this study.

Strategic Governance

Governance is a widely debated and researched topic in the realms of organizational structure, decision and control at apex levels which in return influence organizational performance. While the role of governance is underscored both in practice and in literature, it is important to re-examine the meaning attached, firstly to the concept of governance and secondly, the concept of strategic governance. Ordinarily, governance refers to the system by which organizations exercise control and direction drawing from the processes involving decision making, accountability, control and behavior of top management. Considering that governance is both a system and a process, strategic governance is a core component of the unique features of an organization which incorporates strategic planning, management of risk and thus providing a foundation for high-performance (Governance Today, 2022). According to Romiti, Vecchio, and Sartor (2022) strategic governance can be defined in terms of structured

decision-making by boards and top managers in their varied strategic roles and the organizational Environment within which key decisions are made. Agili (2020) defines corporate governance as a framework by which organizations are managed, objectives are set and achieved, risk is managed and performance is optimized. Building on the definition by Governance Today (2020), this study adopts Agili (2020) definition of strategic governance as it involves the use of unique organizational structure and distinguishing features in the making and choice of decisions towards provision of strategic direction, planning, as well as addressing policy, managerial, operational, risk and other critical organizational issues in order to attain the organization's desired performance.

NGO Performance

Performance is a broad concept that has sparked a discourse in both practice and literature especially within the framework under which NGOs operate. Accordingly, various scholars have explained the concept of NGO performance differently (Aboramadan & Borgonovi, 2016; Appiah-Kubi, 2020; Edwards & Hulme, 2022; Kariega, 2020; Magani & Gichure, 2018; Odhiambo, & Njuguna, 2021) yet their perspectives on measurement of NGO performance vary to some extent. The variations in these definitions arise from the fact that the Non-Governmental Organizations mostly pursue social interests and their activities and outcomes vary hence making it difficult to have a universally acceptable definition and approach to performance measurement. According to Aboramadan and Borgonovi (2016), the performance of Non-Governmental Organizations should be understood in terms of both financial and non-financial measures that capture among other attributes: the efficiency of fundraising, efficient utilization of both financial and non-financial resources, transparency in preparation and disclosure of financial information, quality of services, partnerships, organizational outcomes and impact in the society. Appia-Kubi (2020) explains NGO performance in terms of the understanding how productive an organization is in realizing the real yields or aftereffects of its interventions relative to the projected yields or targets. This study adopts both definitions by incorporating components of organizational real yields and impact relative to its targets considering both financial and non-financial metrics without flouting the universal accountability principles and requirements.

Statement of the problem

The growth of NGO sector in Kenya has been occasioned by the constantly increasing need for provision health care, education, food and nutrition security, water and sanitation, poverty eradication, inclusivity and enhancement of community livelihoods. These interventions

have roped in huge financial flows and expenditure along donor-specific budget lines. According to the NGOs Coordination Board (2020), non-Governmental organizations in Kenya spent KES. 164.3 billion against a receipt of KES 158.7 billion out of which 33% of the resources were reported to have been utilized in health-related projects, 14% in Education interventions while 8% was spent on relief/disaster management following the global CoVID-19 pandemic. However, the NGO sector performance and sustainability dwindles and remains a concern for the stakeholders in NGO space. In spite of the huge NGO financing in Kenya, some of the sector players are yet to make significant impact or their contributions to the society. The Annual sector report for the financial year 2019/2020 indicates an averagely (52%) evolving sustainability with quite a number of the NGOs having failed to deliver to their expectations. Besides the resource related issues, a myriad of these organizations has faced managerial challenges which saw some of those organizations even close down (NGOs Coordination Board, 2020). Whereas studies have examined NGO performance in different contexts, there is a dearth in literature on the role of strategic governance practices on NGO performance. Appiah-Kubi (2020) and Kariega (2020) both did case studies of single organizations whereupon data was collected from members of those organizations. Taking the case study design which is limited in scope, the observations and recommendations made in each case cannot effectively be generalized to all NGOs. Extant literature has majorly generalized their analysis of the NGOs performance without focussing on health and Environmental NGOs in particular. The interest to pursue this study is premised on the recommendation of Odhiambo, and Njuguna, (2021) on improving governance as a strategic management practice towards influencing Health NGOs' performance in Kenya.

Objective of the Study

To examine the relationship between strategic governance and performance of Health and environmental NGOs in Kisii County.

Significance of the Study

The study also benefits strategic management scholars, students and organizational strategy practitioners with up-to-date insights into pursuit of better performance and sustainability. In addition, the findings of this study forms a basis for further research in strategic management and performance of NGOs. The study provides managerial information and further provide evidence-based insights to strategies and strategic governance practices towards improving the quality of their services, interventions and overall impact to the society.

Scope of the Study

Taking a descriptive research design, the study surveyed 40 Health and environmental NGOs operating within Kisii County, Kenya. The study covered all the nine sub-counties in Kisii County which include: Bomachoge Chache, Bomachoge Borabu, Kitutu Chache South, Kitutu Chache North, Bobasi, Bonchari, Nyaribari Masaba, Nyaribari Chache and South Mugirango.

LITERATURE REVIEW

Theoretical Literature Review

Stakeholder Theory of Management

Keremidchiev (2021) credits Freeman (1984) with the efforts that birthed the Stakeholder theory. The theory is defined on the basis of two aspects: perception of the stakeholder as persons with legitimate interest of the organization and the stakeholders with the interest of all of intrinsic value. The theory recognizes the role of stakeholders in the development on an organization. Stakeholders can be regarded as those who influence or can be affected by the circular economy of the firm. The stakeholder theory is founded on the premise of promoting inclusivity in an organizational set-up leading to efficient and effective decision making (Freeman, 1984). In this regard, the theory not only seeks to address issues in the principal-agent relationships, but also factors in other stakeholders including the shareholders, managers, customers, employees, banks, suppliers, financiers, local authorities, the government among others. While various stakeholders present diverse views, opinion and interests from which conflicts amongst the stakeholders may arise, the stakeholder theory requires that all stakeholders and their interests should be identified and strategies developed to attract or neutralize the diverse interests in the process of implementing change in an organization. Accordingly, the theory places managers as the stakeholders with the responsibility to address all other stakeholders' interests in the organization in line with the strategy, objectives and the core mandate of the organization (Brujji, 2022; Magani & Gichure, 2018). According to Harrison, Freeman and Abreu (2015) the Stakeholder Theory can be applied in the development of strategies, systems and procedures for executing the firms' activities, initiatives and processes which require certain managerial competencies, effective communication, trust and mutual respect among the stakeholders. In the context of this study, Health and Environmental NGOs can optimize stakeholder interests in their strategy to realize the desired performance using the available resources and by considering the unique needs and interests of the various stakeholders in pursuit of the organization's strategic intent. Considering that the stakeholders' unified objective is reflected in the overall goal of the organization, it is possible to actively involve the stakeholders in the shaping strategic governance practices towards the achievement

of the desired performance (Breesam, & Jawad, 2021). For these reasons, strategic management practices should be driven by the unified stakeholders' expectations, needs, interests and organizational intent in order to realize the performance that the Health and Environmental NGOs strive to achieve both in the short and the long run. The stakeholder theory, therefore, relates to this study as a building block for efficient and effective execution of strategic governance practices for enhanced NGO performance.

Empirical Literature Review

Strategic Governance and Performance

Although the success of an organization depends on the strength and viability of the strategy employed, developing and executing the most appropriate strategy can be a daunting task without any proper strategic governance. To untangle the role of strategic governance in organizational performance one requires to have a detailed understanding of the concept of governance first and foremost. According to Ochrana, Placek, and Pucek, (2016), the concept of governance can be examined and understood from different perspectives including: the perspective of policy making in terms of institutional roles; modes of governance or; the point of view of the achieved outcomes that indicate the effectiveness of governance systems and structures. Strategic governance is thus considered as one of the modes of governance that drive organizational strategy and performance. Broadly, strategic governance takes different approaches which include, anticipatory, systematic-structural approach, managerial approach, actor-network approach and a holistic approach. Accordingly, the holistic approach is assumed to be too general but takes a new quality of governance, anticipatory approach entails influencing the future while the actor-network approach focuses on exploiting strategic networks for strategic gains. In spite of the diverse approaches to the definition of the concept of strategic governance, a number of studies have been conducted on the relationship between strategic governance and performance of organizations in different contexts (Odoom, Obeng-Baah, & Agyepong, 2022; Ibragimova, 2022; Ochrana *et. al.* 2016; Kaumbulu, Muathe, & James, 2022). Ibragimova (2022) studied the role of Nordic Countries in governance for Global health as part of the countries' commitment to Development Assistance for Health (DAH) with keen attention to governance for global health. The study aim was to develop an overview of the tools and approaches that support the eight functions of governance for global health using a qualitative review of the extant literature, policy documents and other publications. The analysis mapped the findings to the 8 dimensions of governance and revealed the available tools for health governance and how such tools have been used to aid the Nordic countries in health governance through national governments, agencies and networks, bilateral and multilateral

partnerships, intergovernmental institutions and international health organizations. The subfunctions that were identified to be supportive to health governance included: formulation of policy strategic direction, partnerships, organizational adequacy system design, accountability, intelligence information production, regulation, participation and consensus as well as transparency. The eight (8) dimensional approach to the analysis of strategic governance in health and Environmental NGOs is critical to understanding how strategic governance correlates with performance.

A study by Odoom, Obeng-Baah, and Agyepong (2022) on Non Governmental organizations and Development Service Provision was based on both a conceptual and empirical review with an aim of unearthing the place of NGOs in development in Ghana. The study also sought to bring out the approaches used by the NGOs in executing development activities. Whereas the study was premised on a review of existing literature, the analysis of the published research content accentuated the role of NGOs as development actors who actually complement the provision of critical services offered by the government. This approach however lacked a explicit contextual focus as the findings of the empirical review were a mere conglomeration of the outcomes of various studies which had earlier been conducted in different contexts and geographical settings. In addition, the results of the review hardly contributed any new data and literature unlike the current study that focuses on strategic governance practices adopted by health and Environmental NGOs and how such practices influence the NGO performance taking a descriptive approach and relying on primary data. The data will be analyzed both descriptively and inferentially to decipher how strategic governance influence performance of Health and Environmental NGOs.

According to Ochrana *et. al*, (2016) study on the problems associated with strategic governance and strategic management in Czech Republic, the causes and factors influencing the low levels of strategic governance and strategic management were examined not only from genetic and historical viewpoints but also in terms of the organizational and human capacity to good governance. The study was majorly based on review of empirical literature with a focus on strategic governance and strategic management practiced by the central government of the Czech republic. As the findings indicate, the Czech republic lacked strategic units that could generate ideas for enhancing strategic governance and management activities and that most of the employees spent a large chunk of their time on operational activities with little attention to analytical and strategic activities that could drive greater performance. Although the study was guided by clear research objectives that yielded important literature on strategic governance, it is observed that the research methodology that was adopted is not clearly defined and so is the analysis. In addition, the study hardly outlines the data collection and analysis procedure and

further fails to scientifically draw statistical inferences on the interrelation between strategic governance and performance. In contrast, this study takes a more elaborate approach using a descriptive research design with a well defined unit of analysis from whom generalizations can be made to apply to homogeneous or related organizations on the NGO world.

While appreciating the place of the youth in development, Kaumbulu, Muathe, and James (2022) investigated the relevance of governance in youth driven development projects within the NGO sector. The study was founded on the discourse in literature on the effectiveness of governance of projects having been informed by the lack of empirical justification in Kenyan context. Accordingly, the study thus surveyed 196 project managers and youth leaders on the effect of project governance, quality and operating Environmental on sustainability of projects from the youth empowerment perspective in Kenya. The study data was collected from the said respondents and was analysed both descriptively and inferentially whereby the findings revealed that project governance significantly influenced the sustainability of the youth empowerment projects. In addition, the study further revealed significant effect of both the project quality and the operating Environmental of the projects on the sustainability of the youth empowerment activities and initiatives. Whereas the study recommended a multi-stakeholder approach to instituting effective governance systems and structures, the findings are limiting in terms of the specific dimensions or sub-functions of governance which the current study proposes to expound on a much wider scope than the approach taken in the earlier study.

Performance of Health and Environment NGOs

Non-governmental organizations have been playing a critical role in execution of diverse projects that drive socio-economic development in Kenya. Some of the said projects have been pivotal in complementing government services, relief services provided by development partners, education, peace and security, gender issues, health, action against food insecurity and hunger, environmental consciousness among others. While most of these projects have registered significant successes, there are organizations whose projects have no impact to the society. The differences in performance and inability of some organizations to meet their targets has attracted interest in both research, policy and action. Whereas the NGOs serve diverse interests and varying needs, the strategies and approaches they adopt in executing interventions also vary considering situational, environmental, capacity and strategic factors. However, some of the strategic activities undertaken by the NGOs are cross-cutting while others are replicable under certain enabling circumstances. It is upon this background that performance of NGOs has been studied (Aborass & Tunca, 2021; Edwards & Hulme, 2022; Odhiambo & Njuguna, 2021; Kamunya, & Chege, 2021).

While studying the influence of strategy content on performance of NGOs in Gaziantep in Turkey, Aboras and Tunca (2021) had the interest of enhancing performance through services offered on in order to enhance economic development. The findings of the study indicate that generally national NGOs and international NGOs registered averagely and that performance was reported only in general terms without due consideration of the specific determinants of such performance in addition, the methodology adopted in the study remains unclear as it is undocumented in the journal article. However, the current study has a well detailed methodology that will entail a survey of a well-defined population of health and environment NGOs which for the unit of analysis. From the review, it is also observed that the study was neither anchored on nor guided by any theory or scientific model which could have led to the analysis which provided inadequate detail, observations, recommendations and implications for future studies, research, policy and action towards enhancing NGO performance, hence, a gap to address in this study.

According to Mohamed and Mohamud (2021) study on the effect of strategic management practices on organizational performance of NGOs in Mogadishu, Somalia used a descriptive research design to assess how NGO performance is influenced by strategy formulation, strategy implementation and strategy evaluation. The study employed a non-probability purposive sampling procedure to identify 50 respondents out of the population of 100 individuals who provided the required study data. The collected data was analyzed using SPSS version 20. The study established that organizational performance was significantly influenced positively by strategy formulation, strategy implementation and strategy evaluation activities. It is on this basis that the study affirmed that managers on NGOs should adopt these strategic management practices in order to enhance the performance of their respective organizations. Although the study explicitly outlines the correlates of NGO performance, it is not clear whether the data collected emerged from a given class of NGOs. Also, the analysis was done using an older version of SPSS and only tested the linear relationship between the study variables without pointing out specific attributes of performance that were measured. In contrast, the present study will rely on a more current version of SPSS to conduct more detailed analysis of the collected data to provide more detailed interpretation of the NGO performance phenomenon.

Kamunya and Chege (2021) examined the performance of NGO projects in Nairobi County, Kenya relative to risk management strategies using a descriptive research design. The said study was anchored on stakeholder theory supported by resource-based view (RBV) and depended on a random sample of 110 projects run by NGOs in Nairobi, Kenya. Structured questionnaire was administered to the project officers who constituted the sample whereupon

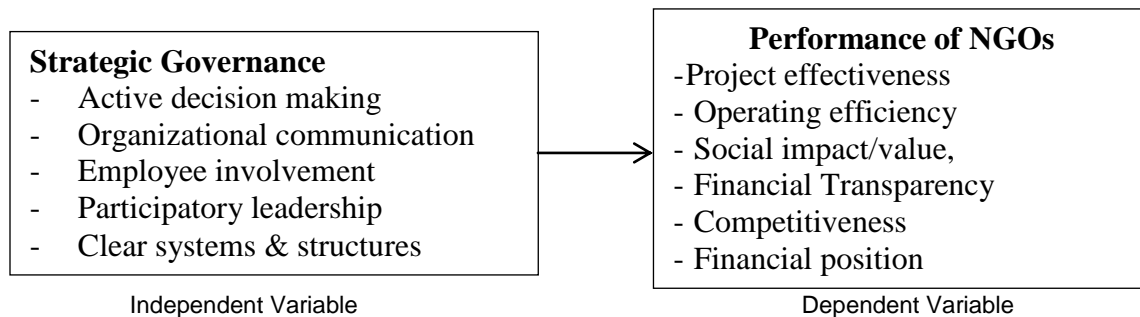
both descriptive and inferential analyses were done. The analysis results indicated that performance of the NGO-run projects was influenced by appropriate use of risk management strategies. Although the study makes meaningful contribution of scholarly literature to the body of knowledge of performance, it is important to note that the analysis hardly encompassed a detailed consideration of various dimensions of NGO performance unlike the current study which presents clear dimensions for measurement of performance guided by carefully-thought operationalization of the dependent variable. Whereas the Kamunya and Chege (2021) study generally examined NGO-run projects, this study is also very specific to the context of health and environment NGOs and therefore makes it possible to generate more specific recommendations to the said NGOs in Kisii county.

Research Hypothesis

Ho There is no significant influence of strategic governance on performance of Health and Environmental NGOs in Kisii County, Kenya.

Conceptual framework

Figure 1: *Conceptual Framework*



RESEARCH METHODOLOGY

This study adopted a mixed method research design by incorporating descriptive research method in an attempt to establish and elaborate the relationship between strategic management practices and performance of Health and Environmental NGOs in Kisii County, Kenya. The design entailed aspects of both qualitative and quantitative data for analysis hence incorporating a mixture of various methods at different stages of the study. According to Byrne and Humble (2007), this research design enables the researcher to incorporate multiple research approaches at different stages of the study. Taking the descriptive approaches under the mixed methods design, the researcher capitalized on the strengths of the approach to

complement each other in pursuit of the research objectives and to understand the complexities arising from the social phenomena in the NGOs' unique areas of operation and interventions (Subedi, 2016). This made it possible to vividly describe the scenarios involved in strategic management practices and performance of the Health and Environmental NGOs. In addition, this study targeted a population consisting of 120 staff of the Health and Environmental NGOs. Project Managers were targeted since they are involved in strategy planning, governance, staffing and implementation. The sample consisted of 102 respondents being a representative number of the NGO employees in Kisii County including the project managers and operational staff. The sample was selected using a stratified sampling method where each NGO formed a stratum from where the respondents were selected from the population. Primary data was collected using structured questionnaires. In addition, an interview guide was used to collect qualitative primary data on performance from key management staff of the NGOs. The primary data was validated with secondary data which was obtained from annual reports and other sources of quantitative statistics on NGO performance in Kenya. The secondary data was both qualitative and quantitative in nature and was collected using the secondary data collection sheet. The researcher administered the interview guide to the NGO managers to collect data on the performance. Secondary data collection sheet was used to collect data from published annual reports of the NGOs and the NGO sector reports focusing on financial and non-financial performance measures including the amount of funds raised, expenditure levels, efficiency of financial management, financial position, resource utilization and project impact. Both Qualitative and quantitative methods were used for data analysis. SPSS Version 25 was used for analysis. Both multiple linear regression and Pearson's correlation analyses were conducted to establish the relationships. The results were presented in form of tables using percentages, frequencies, measures of central tendency as well as some measures of dispersion. The inferential analysis was conducted guided by the following regression model in order of the research objective

$$Y = \beta_0 + \beta_1 X_1 + \hat{\epsilon} \dots \dots \dots (i)$$

Where: Y=Dependent variable (NGO Performance),

β_1 =Coefficients(predicted), β_0 =Constant, X_1 =Strategic Governance, $\hat{\epsilon}$ =error term

Also, secondary data from published annual reports of the NGOs and the NGO sector reports were used not only to validate the analyzed primary data, but also to reinforce some confirmatory and exploratory findings of the study. Content analysis method was applied to the analysis of secondary data from reports. The content analysis method focused on both qualitative and quantitative secondary data which was collected using the secondary data collection sheet which. The secondary data was subjected to a four-stage content analysis

method involving de-contextualization, re-contextualization, categorization and compilation (Bengtsson, 2016). To enhance the ethical conduct of the study, the following were observed: Voluntary Participation, Confidentiality, and Anonymity.

RESEARCH FINDINGS

Descriptive Results

Descriptive Analysis for Strategic Governance

Table 1 Strategic Governance in Health and Environment NGOs

Strategic Governance	Strongly	Disagree	Neutral	Agree	Strongly	Mean	Std.
	Disagree			Agree	Agree		Dev.
The organization has clear systems & structures for decision-making, implementation with elaborate reporting lines	1 (1.4%)	12 (16.4%)	7 (9.6%)	30 (41.1%)	23 (31.5%)	3.85	1.089
Decision making in various organs is done where members are actively involved and their views considered	0 (0.0%)	5 (6.8%)	21 (28.8%)	33 (45.2%)	14 (19.2%)	3.77	.842
Organizational governance issues are effectively communicated to all members	0 (0.0%)	8 (11.0%)	13 (17.8%)	37 (50.7%)	15 (20.5%)	3.81	.892
The governing organ emphasizes employee's involvement in all strategic and operational activities	0 (0.0%)	7 (9.6%)	15 (20.5%)	30 (41.1%)	21 (28.8%)	3.89	.936
The organization encourages the practice of participatory leadership in all activities and initiatives	0 (0.0%)	8 (11.0%)	7 (9.6%)	39 (53.4%)	19 (26.0%)	3.95	.896

Table 1 shows that most of the respondents concur that their organizations have clear systems & structures for decision-making, implementation with elaborate reporting lines. This is evident from 41.1% of the respondents who agreed and 31.5% of them who strongly agreed. However, there were 16% of the respondents whose views contradict the majority as another 9.6% of the respondents remained neutral in their responses. Whereas many (28.8%) of the respondents seemed to be reluctant to make known their perceptions about decision making in the NGOs, 45% of the respondents agreed as 19.2% also strongly agreed that the organization

members are actively involved and their views considered in decision making in various organs. Only a few (6.8%) of the respondents held divergent views from those of the majority of the respondents. These findings affirm Ibragimova (2022) study which underscores the significant role of strategic governance activities towards enhancing NGO Performance. In particular, the role of strategic governance in driving NGO performance should focus on providing strategic direction, formulating policies to support strategies and compliance with regulations, establishing and continuously improving systems and structures as well as practicing transparency and accountability in managing their activities and resources (Ibragimova, 2022).

On communication of governance issues, most (50.7%) of the respondents concurred that organizational governance issues are effectively communicated to all members as 15% of the respondents strongly agreed in this regard. Only 11% of the respondents had different opinion as 17.8% of the respondents were neutral. Regarding employee involvement, 41.1% of the respondents agreed as 28.8% others strongly agreed that the governing organs in their respective NGOs lay a lot of emphasis on employee's involvement in all strategic and operational activities. With regards to leadership, the respondents largely concurred as 53.4% agreed and 26.0% strongly agreed that the NGOs they work with encourage the practice of participatory leadership in all activities and initiatives that they undertake save for 11% of the respondents whose perceptions were contrary and 9.6% of the project staff who chose to be neutral in their responses. As observed by Ochrana *et.al*, (2016) in their study, taking both holistic and anticipatory approaches to leadership and governance in the NGOs encourage ownership of the organizations strategies by giving all stakeholders an opportunity to take part in critical decisions and activities of the organization irrespective of their positions and ranks in the organizational hierarchy. The approach also makes it possible to the entire organization to utilize their competitive capabilities to design and implement their strategies and activities in a coherent manner.

Descriptive Analysis for NGO Performance

Table 2 Health and Environment NGOs Performance

NGO Performance	Strongly Disagree			Agree		Mean	Std. Dev.
	Disagree	Disagree	Neutral	Agree	Strongly Agree		
Project are effective in responding to societal needs	0 (0.0%)	0 (0.0%)	4 (5.5%)	22 (30.1%)	47 (64.4%)	4.59	.597
The NGOs are operating efficiently with the resources available	0 (0.0%)	1 (1.4%)	19 (26.0%)	33 (45.2%)	20 (27.4%)	3.99	.773

The interventions of the organizations contribute to improved health (life expectancy, reduced morbidity and mortality)	0 (0.0%)	1 (1.4%)	3 (4.1%)	21 (28.8%)	48 (65.8%)	4.59	.642
The interventions of the organizations contribute to environmental sustainability (Protection, conservation, reduced greenhouse emissions, renewable energy)	0 (0.0%)	6 (8.2%)	16 (21.9%)	19 (26.0%)	32 (43.8%)	4.05	.998
Financial Transparency is practiced in implementation of all projects	0 (0.0%)	2 (2.7%)	21 (28.8%)	27 (37.0%)	23 (31.5%)	3.97	.849
Our NGO is competitive in implementation	1 (1.4%)	4 (5.5%)	8 (11.0%)	34 (46.6%)	26 (35.6%)	4.10	.900
The organization has a stable financial position	6 (8.2%)	20 (27.4%)	15 (20.5%)	22 (30.1%)	10 (13.7%)	3.14	1.205
Funds available for implementation of the organization's projects grow consistently	7 (9.6%)	19 (26.0%)	12 (16.4%)	24 (35.6%)	9 (12.3%)	3.15	1.221

Table 2...

From the results shown in table 2, almost all of the respondents indicated that the NGO projects they implement are effective in responding to the current and emerging needs of the society. This perception is supported by 64.4% of the respondents who strongly agree and 30.1% of the respondents who concurred with the view as only 5.5% of the respondents were neutral. The respondents identify among other successful interventions they have implemented to include: increased access to clean and safe water, enhanced food security within households in the communities, increased employment opportunities and higher household incomes which eventually bear positive impact on the livelihoods of the members of the communities where the NGO interventions are undertaken.

On NGO operations with the available resources, most of the respondents indicated that their NGOs operate efficiently using the resources at their disposal. This is evident from 27.4% of the respondents who strongly agreed and another 45.2% who concurred while only 1.4% of the respondents had a contrary opinion. However, there were 26.0% of the respondents who chose to be neutral on efficiency of resource utilization. According to Ibragimova (2022) study which underscores the significant role of strategic governance activities towards enhancing NGO Performance, operations and activities of the NGOs can be more impactful if there are

clear governance structures, systems and effective communication amongst the stakeholders. Moreover, Khaiyam (2022) study which demonstrated the essence of staff training and development and remuneration towards enhancing organizational performance and overall impact clearly demonstrate the rationale for using organizational competitive capabilities, enhancing the capacities of human resources and upholding accountability for the resources utilized to increase the overall impact of interventions in the society.

Considering the impact of the NGO activities there was a near unanimous opinion that the interventions of the organizations contribute to improved health in terms of increased life expectancy, as well as reduced morbidity and mortality rates. This assertion emanates from 65.8% of the respondents who strongly agreed and another 28.8% of them who showed approval of the health benefits that arise from the NGO interventions in health and environment issues. The interviewed respondents also note a number of community facilities that have been upgraded by the NGO interventions through WASH projects, enhance care and prevention of diseases such as HIV/AIDS, and TB, as well as awareness about the rights of PWDs and other special interest groups such as children, youth and women to access fundamental services such as education, healthcare, registration of persons among others.

While many of the respondents averred that the interventions of the health and environmental NGOs contribute to environmental sustainability by enhancing protection, conservation, reducing greenhouse emissions, scaling up renewable energy production and use, a few (8.2%) of the respondents held a contradicting view as about a quarter (21.9%) of the respondents took a neutral position. There are a number of approaches that the NGOs employ to ensure continuity of the health and environmental interventions. These include initiating income generating activities to generate financial resources for the organizations. Such activities involve; agroforestry, aquaculture, table banking initiatives, events management and other social entrepreneurship models. The organizations also seek support from county government, government agencies such as NEMA, and the national government towards implementation of community projects. It also emerged from the study that the NGOs practice financial transparency. However, 28.8% of the respondents either did not know about the transparency measures or they chose not to clarify their views on how the NGO finances are managed. This points out to some need for more clarity, from the neutral respondents, on whether the NGOs are transparent in managing project finances.

In addition, most of the respondents suggested that the NGOs are competitive in project implementation while addressing health and environmental needs of the society as only 6.9% of the respondents pointed out some lapses in organizational competitiveness. Some of the flaws

in strategy implementation were attributed to limited access to resources and to some extent the lack of resources. The interviewed respondents identified various challenges to effective strategy implementation to include; fundraising difficulties, mismanagement of the available resources, lack of strategic plans, inadequate planning, and poor management of the available resources. These challenges mirror the managerial and logistical inefficiencies as established by Pinta *et. al* (2022) in their study of the potential hospital strategic planning in the COVID-19 era.

The respondents also opined that some community stakeholders expect so much from the NGOs that exceeds the mandate of the NGOs. However, the NGOs have devised various approaches to increase their impact on the community. Some of the approached used include: increasing community engagements through the Chiefs' barazas, aligning their strategies to the government's integrated development plans and partnering with the governments in implementation, and building the capacities of the community resource persons to facilitate unconstrained delivery of interventions within short timelines. Some of the organizations also engage with the community members through community health workers and the social media platforms. In addition, the organizations also partner with learning institutions to cascade their activities through peer-to-peer learning, school clubs and professional associations. They also provide paralegal training opportunities to stakeholders at the community level and toll-free lines for speedy interventions even in emergency situations. As observed by Kassim, *et. al* (2022) NGOs can capitalize on good management and leadership practices coupled with adoption and effective use of appropriate technologies to implement their strategies and interventions more effectively.

On matters financial position of the NGOs, there were mixed responses as 43.8% of the participants indicated that some of the NGOs were financially stable while other 35.6% of the respondents pointed out the lack of financial stability in the NGOs as 20.5% of the respondents were neutral on the financial position of their NGOs which could mean that some of those NGOs enjoy average financial stability. This was a similar case for availability of financial resources for implementation of the NGO project activities as 47.9% of the respondents suggested that funds for implementation of projects increase consistently while 35.6% of the respondents opined that there was inconsistent flow of project resources to the NGOs. Whereas some of the NGOs struggle with finances, most of the organizations that have secured funding to finance their projects indicated that they raised funds from sources including: grants, member contributions, funding from donors, such as Fistula Foundation, National Aids Control Council (NACC), FIDA, GF-TB & HIV, MNCH among others. Other sources on finances for the organizations included income from special business units such as clinics owned by the NGOs, sale of eco-friendly

products and engaging in smart agriculture. Generally, the findings on financial performance echo the results of Chirisa *et. al* (2022) which suggests proper planning and participatory approach to decision-making on key issues relating to financing and appropriation of the available resources, diversification of sources of funds and strategic resource mobilization and utilization as per the plans. It is only through continuous improvements in strategic planning, governance, staffing, and implementation of the strategies that the health and environmental NGOs can enhance their performance and then realize greater impact.

Inferential Results

Correlation Analysis

Table 3 Correlation between Strategic Governance Practices and NGO Performance

		Strategic Governance	NGOs Performance
Strategic Governance	Pearson Correlation	1	.642**
	Sig. (2-tailed)		.000
	N	73	73
NGO Performance	Pearson Correlation	.642**	1
	Sig. (2-tailed)	.000	
	N	73	73

Table 3 shows a fairly strong, positive and statistically significant correlation ($r = 0.642$ and $P < 0.05$) between strategic governance practices and performance of the Health and Environment NGOs in Kisii county, Kenya. In concurrence with Kaumbulu, Muathe, and James (2022) study which established and appreciated the significant role of strategic governance in driving the performance and sustainability of the youth projects within communities, this study further demonstrates the need to embrace good governance in management and administration of the NGOs. These findings further imply that strategic governance activities that are undertaken by the NGOs are important for improving their performance and that there is the need to continuously improve and tighten the governance practices in the NGOs in order to register greater performance and remain competitive in the sector. Particularly, as observed by Ibragimova (2022), it emerges that though many NGOs appreciate the role of good governance, it would be of great importance to continuously improve on among other issues: decision structures and systems, accountability, regulation, accountability, strategic direction, policy formulation and reporting structures.

Regression Analysis

Table 4 Strategic Governance and NGO Performance

Model Summary

	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.642 ^a	.412	.404	.385

a. Predictors: (Constant), Strategic Governance

ANOVA^a

	Sum of Squares	df	Mean Square	F	Sig.
Regression	7.371	1	7.371	49.839	.000 ^b
Residual	10.501	71	.148		
Total	17.872	72			

a. Dependent Variable: Performance of NGOs

b. Predictors: (Constant), Strategic Governance

Coefficients^a

	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	2.247	.245			9.171	.000
Strategic Governance	.441	.063	.642		7.060	.000

a. Dependent Variable: Performance of NGOs

Table 4 shows a fairly strong and positive correlation ($R = 0.642$) between strategic governance and NGO performance. It also shows a coefficient of determination ($R^2 = 41.2\%$) which implies that the regression model ($Y = \beta_0 + \beta_1 X_1 + \hat{\epsilon}$) explains 41.2% change in NGO performance. This means that strategic governance activities in the NGOs instigate 41.2% variability in NGO performance. This further means that NGOs can improve their performance by 41.2 if they continuously improve their governance systems and structures while addressing the challenges they face.

In addition, the ANOVA results show that the model is statistically significant ($F = 49.839$; $p\text{-value} < 0.05$) which means that strategic governance has a statistically significant influence on NGO performance. Moreover, the regression coefficients in the model; $Y = \beta_0 + \beta_2 X_2 + \dots$ (ii) (NGO Performance = 2.247 + 0.441 Strategic Governance) also suggest that other factors held constant (2.247) improving the practice of strategic governance by a unit increases NGO performance by 0.441.

SUMMARY OF FINDINGS

Strategic governance

Contrary to the null hypothesis, this study established a positive and fairly strong correlation between strategic governance and NGO performance implying that governance was critical to enhancing NGO performance. The study further revealed that the health and environmental NGOs have clear systems & structures for decision-making, implementation with elaborate reporting lines. It also emerged that the NGO members are actively involved and their views considered in decision making in various organs. On communication of governance issues, the study also showed that organizational governance issues are effectively communicated to all members. Regarding employee involvement, the study established that the governing organs in the NGOs lay emphasis on employee's involvement in all strategic and operational activities. With regards to leadership, the respondents concurred that the NGOs they work with encourage the practice of participatory leadership in all activities and initiatives that they undertake save for a few divergent perceptions.

NGO Performance

The study also shows that most of the NGOs operate efficiently using the resources at their disposal. There was a unanimous opinion that the interventions of the organizations contribute to improved health in terms of increased life expectancy, as well as reduced morbidity and mortality rates. While many of the respondents averred that the interventions of the health and environmental NGOs contribute to environmental sustainability by enhancing protection, conservation, reducing greenhouse emissions, scaling up renewable energy production and use, a few contradicting view were noted. It also emerged from the study that the NGOs practice financial transparency yet a number of the respondents either did not know about the transparency measures or they chose not to clarify their views on how the NGO finances are managed. In addition, the study also revealed that the NGOs are competitive in implementing projects that address health and environmental needs of the society. However, it also emerged that the perceptions about the financial positions of the NGOs was inconclusive as some of the NGOs were noted to be financially stable while others lacked financial stability. This was the case for availability of financial resources for implementation of the NGO project activities as many respondents suggested that funds for implementation of projects increase consistently in their organizations while many others were concerned about the inconsistent flow of project resources to the NGOs. Considering the financial resource deficiencies among the NGOs, successful organizations demonstrated that they raise resources from regenerative activities

and aggressive fundraising activities which sustain their operations and community development activities.

CONCLUSION

This study aimed at establishing the relationship between strategic governance and NGO performance in Health and Environment NGOs in Kisii County. The results of the analysis indicate a fairly strong, positive and statistically significant correlation between strategic governance practices and performance of the Health and Environment NGOs. These findings further imply that strategic governance activities that are undertaken by the NGOs are important for improving their performance and that there is the need to continuously improve and tighten the governance practices in the NGOs in order to register greater performance and remain competitive in the sector. It is encouraging to note that NGOs are appreciating the role of good governance in driving their agenda and performance.

RECOMMENDATIONS

While the role of strategic governance in the performance of NGOs seems to be gaining ground, this study recommends that the NGOs should set and maintain high governance standards, enlist very competent management team and professionals in their leadership structures to continue steering the organizations towards greater competitiveness and performance with impact to society. With good governance systems in place, it is possible to adopt the best practices that will position the organizations for greater engagements with development partners in intervening for mutual benefits. The study recommends continuous improvements in NGO governance structures, policies, procedures and practices. While the NGOs suggest the need to make the policy and regulatory environment more supportive to them, this study recommends that the NGO coordination board should be decentralized to the counties to eliminate constraints to service delivery. As part of the regulatory framework, it is critical to establish and continuously develop governance policies that are binding to all NGOs with clear guidelines and standards of governance to improve the leadership, management and governance of such organizations. The board should support the community-based NGOs to thrive and develop by establishing a fund from the resources submitted by NGOs to support community development activities. It is also important to implement the framework for PWDs and SGBV at the county levels.

LIMITATIONS AND FURTHER STUDIES

The study was conducted during an electioneering period, the activities surrounding the general election in Kenya inhibited the process of data collection to some extent. The study was also hindered by spatial constraints that are associated by the hilly and sloppy terrain of the study area especially when reaching out to respondents from the health and environmental NGOs that are located in less developed parts of the county during the rainy season. Whereas these posed a challenge insofar as field data collection is concerned, the researcher used both hard copies of the research questionnaire and further administered the questionnaire via email.

Further research should replicate this study in other counties and further focusing on NGOs in the realms of climate change, Education, Agri-food production and Inclusivity.

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