INFLUENCE OF FINANCING STRATEGIES ON SUSTAINABILITY OF NON-GOVERNMENTAL ORGANIZATIONS HEALTH PROJECTS IN NAIROBI COUNTY

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ABSTRACT
Most non-governmental organizations are faced with sustainability challenges which can be attributed to difficulties in the design, monitoring and implementation of project financing strategies which may impact negatively on overall sustainability. In particular, health projects related to NGOs in Nairobi fail to achieve sustainability has been occasioned by the decision to relegate project financing strategies to a tactical status, with adverse consequences of making uninformed project financing, structural changes in such areas as financing mechanisms and resource allocation that are usually costly and time consuming. This has resulted to projects in nongovernmental organizations to be seen as inefficient and uncompetitive in accessing funding from sponsors, networking initiatives and in project design and development. This study was designed to establish the influence of project financing strategies on sustainability of non-governmental organizations health projects in Nairobi County, Kenya. This was done by reviewing four variables namely financing mechanisms, stakeholders’ management strategy, resource allocation management strategy and public private partnerships. The study was carried out on health related, non-governmental organizations in Nairobi County, Kenya. The researcher targeted the 453 staff (health co-ordinators, nurses and project managers) from health related NGOs in Nairobi County. A stratified sampling technique was carried out on a sample size of 72 who provided primary by the use of questionnaires. The secondary data was obtained from published documents such as journals, periodicals, magazines and reports to supplement the primary data. A pilot study was conducted for the data collection instrument to determine its validity and reliability. The data was analyzed with help of SPSS version 21 and Excel. The study adopted correlation and regression analysis at 5% level of significance to determine strength and direction of the relationship of the variables under study. The analysis showed that financing mechanisms had the strongest positive (Pearson correlation coefficient = .852) influence on sustainability of NGOs health projects. In addition, resources allocation management strategy, stakeholders management strategy and public private partnership strategy are positively correlated to sustainability of NGOs health projects (Pearson correlation coefficient = .801, .755 and .739).The study recommends that effective financing mechanisms, efficient resource allocation process, involvement of all stakeholders in decision making and increased public private partnership boost sustainability of NGO health projects in Nairobi county. Finally, the study recommends for similar studies to be undertaken in other areas of Kenya for generalization of the findings of this study.

Key Words: Financing Mechanisms, Stakeholder’s Management, Resource Allocation, Public Private Partnerships
Background of the study

A strategy is the process of creating a unique and valuable position with means of a set of activities in a way that creates synergistic pursuit of the objectives of a firm. In line with porter’s description of strategy, project financing strategy concerns the pattern of strategic decisions and actions which set the role, objectives and activities of project financing (Slack, Chambers, Johnston & Betts, 2006).

Every organization exists to achieve certain goals and objectives as highlighted in its mission statement. The achievement of these goals is however dependent on several factors including resource availability and how well the organization positions itself in its environment. Money is one of the most important resources for NGOs. The great value of money is that it can be interchanged with other needed resources. Finances are therefore very critical to the success and survival of any organization whether for profit or nonprofit making organizations. Like the blood stream in a living body, cash is viewed as the life blood of organizations (Neale, 2009).

Over the past several decades, NGOs have become major players in the field of international development. Since the mid-1970s, the NGO sector in both developed and developing countries has experienced exponential growth. From 1970 to 1985 total development aid disbursed by international NGOs increased ten-fold (Malena, 1995). The structures of NGOs vary considerably. They can be global hierarchies, with either a relatively strong central authority or a more loose centralized arrangement. Alternatively, they may be based in a single country and operate transnational. With the improvement in communications, more locally-based groups, referred to as grass-roots organizations or community based organizations, have become active at the national or even the global level.

Kenya is a developing country that has various challenges in terms of social economic development. This has necessitated the work of numerous nongovernmental organizations across the country. NGOs sustainability however is a lifeline to their existence. Several factors put NGOs sustainability in jeopardy. These include those factors that are likely to enhance organizational stability some of which are, having clear resource allocation management practices, finances, stakeholder satisfaction in the organization supported by the managerial style.

Global Perspective on non-government organizations

NGOs in China employ nearly six million people according to the World Economic Forum report (2013). Therefore delayed, underperforming and failed projects represent a tremendous cost not only for the affected organizations but also have huge economic effects to the county. These include the money invested in cancelled projects, cost of failing to deliver the required services or products, costs of running inefficient project financing etc. Failed projects present tremendous personal cost to the project teams, members, managers, sponsors and other stakeholders and these underscore the importance of projects and organizational sustainability.

NGOs or voluntary agencies in India have a history of involvement in a wide range of social welfare and development work. They have existed and played various roles since the colonial period. Given diversity in types, scale of activities, approaches, and so forth, it is very difficult to count the number of Indian NGOs. Riddell & Robinson (1995) estimate that up to early 1990s, the number of NGOs active in health and rural development would be in the 15-
20,000 range, including local and regional branches of national organizations which operate as NGOs in their own rights. By the end of 1990s, as quoted from an NGO directory published by DAINET (Development Alternative Information Network), the number of Indian NGOs was 21,828 (Sato, 2002), with one-third involved in health related activities. Most NGOs are also active in economic activities aimed at low-income groups, such as income generation, appropriate technology, agriculture, and micro-credit besides activities in social sectors especially in the issues of health, education and environment (Sato, 2002).

Non-Governmental Organizations Sector in Kenya

The NGO sector in Kenya has made enormous contributions to the development process. NGOs are in all development sectors of the economy providing basic services that include education, economic empowerment, employment, environment & natural resource conservation, agriculture, health, credit facilities, technical co-operation, training and awareness. Kameri-Mbote (2002) reported that NGOs agenda and existence has been multifaceted and the following specific societal changes have spurred the formation, growth and development of NGOs; worldwide economic recessions, emergence of new diseases, recurrence of armed conflict, environmental degradation, climate change and dwindling job opportunities due to population explosion.

Jillo and Kisinga (2008) agreed that NGOs have experienced increased economic importance in Kenya as providers of health, educational, social and environmental services. In addition Fowler (1997) agrees that NGOs have a lot of potential that had been exploited and unexploited. They are seen as better able to enable the people to produce their own development than the state.

Non-governmental organizations (NGOs) sector is better positioned to understand, empathize and articulate the needs and aspirations of the more vulnerable proportion of the population and have demonstrated ability to reach poor people, work in inaccessible areas, innovate, or in other ways achieve things better than official agencies. They bridge the gap between government and the community and are essential in organizing poor people, taking collective action, fighting for their rights, and representing the interests of their members in dialogue with the government. NGOs are better at facilitating the supply of inputs into the management process, mediating between people and the wider political party, networking, information dissemination and policy reform (Shah, 2005). Furthermore, NGO’s running health based projects have increasingly assumed prominence as major development partners whose activities greatly complement the efforts of government (Stephenson, 2005).

Statement of the problem

Firms have not been short of strategies but have fallen short of project financing strategies (Alexander, 2005). It is estimated that 70% of chief executive officers fail due to bad project financing strategies (Charan & Colvin, 1999). (Kauffman, 2005) concluded that success of project financing strategies has been 10 to 30%. Researchers note that organizations fail to implement up to 70% of their strategic initiatives (Miller, 2002).

Most non-governmental organizations experience difficulties in the implementation of project financing strategies because of a variety of factors that impact negatively on the implementation process (Hrebiniak, 2006) and health sector NGOs in Nairobi are not exceptional. Internal survey of the Health sector NGOs in Nairobi during its evaluation revealed that part of its failure to achieve the organizational sustainability came as a result of not implementing to the letter the laid out strategies.
This has in turn made health sector NGOs in Nairobi to be seen as inefficient and uncompetitive in accessing funding from sponsors, networking initiatives and in project selection and development (Scholte, 2004) thus affecting their overall sustainability.

An organization’s financing strategy is a major indicator of the long term sustainability of an NGO’s projects. It is therefore important that such organizations must develop financing strategies that not only enhance their survival prospects but also success in meeting their goals as highlighted in their vision and mission statements. The study therefore established the influence of project financing strategies on sustainability of non-governmental organizations health projects in Nairobi County.

General Objective

The purpose of the study was to establish the influence of project financing strategies on sustainability of non-governmental organizations health projects in Nairobi County

Specific objectives

The specific objectives of the study were to:

I. Establish the influence of financing mechanisms strategy on sustainability of non-governmental organizations health projects in Nairobi County

II. Determine the influence of stakeholders management strategies on sustainability of non-governmental organizations health projects in Nairobi County

III. Examine the influence of resource allocation management strategy on sustainability of non-governmental organizations health projects in Nairobi County

IV. Explore the influence of public private partnerships strategy on sustainability of non-governmental organizations health projects in Nairobi County

LITERATURE REVIEW

In this chapter, literature, which is related to and consistent with the objectives of the study, is reviewed.

Theoretical framework

A Theory is a set of statements or principles devised to explain a group of facts or phenomena especially one that has been repeatedly tested or is widely accepted and can be used to make predictions about natural phenomena (Popper, 1963). In this study the theoretical framework consists of theories and models related to the present study. It is in this framework where the research problem under study evolved.

The Theory of Budgeting

For an NGO to effectively deliver on its mandate, it needs to ensure that it has the resources to meet these objectives and budgeting is an effective tool to achieve this. Effective financial management is a continuous process featuring a cycle of good management practices based on using accurate analysis of their results to inform their future plans. This in essence is referred to as budgeting.

NGOs need to realistically plan to see whether the cost of a project can be absorbed into the regular budget for the future which provides a basis of negotiating with a donor on how long an organization needs support (DiMattia, 2008). An organization needs to plan and consider how to confront future potential risks and opportunities by establishing an efficient system of control, a detector of variances between organizational objectives and
performance (Anthony & Govindarajan, 2007). Budgets are considered to be the core element of an efficient control process and a consequently vital part to any projects financing mechanisms (Davila & Foster, 2007; Puxty & Lyall, 1989). Similarly, as a forward looking set of numbers, budgets project future financial management practice on performance which enables evaluating the financial viability of a chosen strategy (King, Clarkson & Wallace, 2010). In most organizations this process is formalized by preparing annual plans and monitoring performance against budgets. Budgets are therefore merely a collection of plans and forecasts. For an NGO, they reflect the financial implication of project plans, identifying the amount, quantity and timing of resources needed (Innes, 2005). Budgets in NGO’s are more likely to have most impact in that they are focused on providing a funding stream which enables it to pursue its work in a comprehensive, flexible and ongoing fashion (Wkh, 2001).

Stakeholders Theory

The stakeholder approach has been described as a powerful means of understanding the firm in its environment (Oakley, 2011). Lloyd (2005) categorized NGO stakeholders in 4 main dimensions with respect to their levels of accountability; upwardly accountable to those that provide them with their legal and financial base e.g. Donors, Governments e.t.c., downwardly to those they cater to or speak on behalf of, inwardly accountable to themselves i.e. staff, mission e.t.c., and horizontally accountable to their peers. The theory in particular, is concerned with how processes and organization outcomes are affected by the relationships between an NGO and its stakeholders. Patton (2008) elaborated that the stakeholder model depicts that all persons or groups with legitimate interests participating in an organization do so to obtain benefits and that there is no pre-set priority of one set of interests and benefits over another (Karl, 2007).

An organization is unlikely to fulfill demands from all stakeholder groups given that each group has different interests (Werker & Ahmed, 2008). Therefore, the central and original purpose of stakeholder theory is to enable managers to understand stakeholders and strategically manage them (Patton, 2008). The managerial importance of stakeholder management has been accentuated in various studies (Ramabodu & Verster, 2010; Raniga & Simpson, 2009) that demonstrate that just treatment of stakeholders is related to the long term survival of the organization (McManus, 2004). For stakeholders, the main reason for their involvement in any project is the benefit they or their representatives stand to gain. Where there is mutual respect and common understanding that positive outcomes will mean different things for all parties, then significant progress can be made in developing effective strategies.(Griffiths, 2007). While having its origins in strategic management, stakeholder theory has been applied to a number of fields, presented and used in a number of ways that are quite distinct and involve very different methodologies, concepts, types of evidence and criteria of evaluation.

The Resource Based Theory

The resource based theory or resource-based-view-of-the-firm (RBV) was introduced by Wernerfelt (1984) and refined by Barney (1991), and borrows heavily from earlier research by Penrose (1959). This theory presumes that firms are bundles of heterogeneous resources and capabilities that are imperfectly mobile across firms. Barney (1991)
maintains that if these resources and capabilities are valuable, rare, inimitable and non-substitutable, they can constitute a source of sustainable competitive advantage.

Hart (1995) was first to apply the RBV framework to corporate social responsibility. He focused his study exclusively on environmental social responsibility. Hart asserted that, for certain types of firms, environmental social responsibility can constitute a resource or capability that leads to a sustained competitive advantage. NGO’s on the other hand, gain from such collaborations in order to advance its managerial skills as well as receive financial resources (Austin, 1998; Kanter 1999).

The theory of the firm perspective on public private partnerships has several strategic applications. The first is that public private partnerships can be an integral element of a firm’s business and corporate-level differentiation strategies. For NGO’s, one of the main motives behind such partnerships is to acquire managerial knowledge so as to satisfy increasing demand on organization efficiency from donors/funders as well as gain access to technologies, expertise and a larger public attention. This helps NGO’s gain competitive advantage over other NGO’s who don’t have corporate partners (Sowa, 2009). Expanding on this theory of the firm perspective, it is possible to shed further light on the strategic implications of public private partnerships.

**Conceptual framework**

Kombo & Tromp (2006), define a conceptual framework as a research tool intended to assist the researcher develop awareness and understanding of the situation under scrutiny and to communicate it.

The dependent variable in this study will be organizational sustainability while the independent variables include financing mechanisms strategy, stake holder’s management, resource allocation management and public private partnerships. This is illustrated in figure 1 below:

![Conceptual framework diagram]

- **Financing Mechanisms Strategy**
  - Budgeting
  - Internal Controls
  - Financial Reporting

- **Stakeholder’s Management Strategy**
  - Employees
  - Customers
  - Suppliers

- **Resource Allocation Management**
  - Equipments
  - Materials
  - People

- **Public Private Partnerships**
  - Private business
  - Government business
  - Non-governmental business

- **Sustainability of non-governmental health projects**
  - Increase number of established projects
  - Increase number of users.
  - Increased number of years of operation.

**Project financing strategies concept**

Project financing strategy is the development of a long-term plan for using the major resources of the firm for a high degree of compatibility between these resources and the firm’s long-term corporate strategy. Project financing strategy addresses very broad questions about how these major resources should be configured to achieve the desired corporate objectives. Project financing strategy is important because it is responsible for managing most of the organization’s resources. However,
many people think that project financing strategy is only concerned with short-term, day-to-day, tactical issues.

All organizations are concerned with how they will survive and prosper in the future. An organization’s strategy is often thought of as a plan or set of intentions that will set the long-term direction of the actions that are needed to ensure its future success. However, no matter how grand the plan or how noble the intention, an organization’s strategy can only become a meaningful reality, in practice, if it is operationally enacted. An organization’s project financing is strategically important precisely because most organizational activity comprises the day-to-day activities within the project financing function. It is the myriad of daily actions of project financing, when considered in their totality that constitute the organization’s long-term strategic direction.

The relationship between an organization’s strategy and its project financing strategy is a key determinant of its ability to achieve long-term success or even survival. Organizational success is only likely to result if short-term project financing activities are consistent with long-term strategic intentions and make a contribution to competitive advantage. The relationship between project financing and the other business functions is similarly important. The objective of the project financing function of an NGO is to provide services required by its beneficiaries whilst managing resources as efficiently as possible. This objective can at times lead to conflict within an organization.

**Sustainability Non-Governmental Organizations projects.**

Andres (2005) traces the emergence of sustainability in its contemporary form to the World Commission on Environment and Development (WCED) headed by Brundtland in 1983. The Commission was constituted by the United Nations and one of its core mandates was to propose long term environmental strategies for achieving sustainable development by the year 2000 and beyond. The commission came up with the Brundtland report and the report defined sustainable development as the development that meets the needs of the present without compromising the ability of the future generations to meet their own needs. Since then the concept of sustainability has been accorded many definitions and interpretations, for the purpose of this study sustainability refers to the continuation of a project’s goals, principles, and efforts to achieve desired outcomes (Kimonge, 2011). A project is sustainable when it continues to deliver benefits to the project beneficiaries and other constituencies uninterrupted into future.

The issue of sustainability has become a critical issue for the Nongovernmental organizations and their beneficiaries in recent times. This is mainly because the environment in which organizations operates is changing radically and this is even threatening the survival of most NGOs. According to Hooley et al, (2008), the new environment is characterized by scarce resources, increased competition, pressure from donors, turbulences and unpredictability. According to the World Economic Forum report (2013), one of the key strategic concerns that NGOs managers are continuously grappling with is where their funding will come from and how to optimally manage their current resources. Organization sustainability is a top priority for organizations dealing with budget cuts and the shifting priorities of the donor community.

**Financing Mechanisms Strategy**

According to USAID and for the purpose of this study, financing mechanisms is an important element of program financial management which includes planning, organizing, control and monitoring of financial resources for an organization to achieve its
goals. Strategies set forth a goal achievement order for an NGO and describe actions towards attaining each goal. In his article, Financial management for NGO’s, Jacobs (2010) states that good financial management is based on four major building blocks; Record Keeping, Internal Controls, Budgeting and Financial reporting. Record keeping entails effective recording of all contract and letters for money received as well as receipts and invoices for the things an NGO buys. According to (Cheryl, 2012) the correct basis of accounting is cash basis of accounting which means recording expenses as incurred and income when received.

Internal controls in NGOs help in mitigating risks of mistakes, confusion and/or fraud as well as protect staff from the pressure to misuse funds. According to Mango, an NGO capacity building firm, internal controls are designed to safeguard assets, ensure accurate and up to date accounting records, compliance with relevant laws and restricted and prevent & detect fraud. They are also quick to add that the control environment i.e. management style, organizational values and culture are as important as the procedures put in place to ensure adherence to the controls. This is also supported by (Ngwenya, 2013), who goes on to state that the human resources aspect of the control environment was the most inconsistent with regards to implementation of internal control procedures amongst NGOs in Zimbabwe.

The selection of budgeting, record keeping, internal controls and financial reporting as the four areas of financial management practices is in agreement with the view of Abedian & Biggs (as cited in McThomas, 2003) that sound financial management, be it in the public or private sector, is vested in the timely, efficient, effective and economical attainment of objectives by managers. These objectives (as derived from strategic and tactical planning) cannot be achieved without budget planning, implementation, monitoring and adjustment as a cycle whereby resources are assigned to objectives. The recording system of NGO’s financial transactions allows for monitoring of expenditures & bank balances in addition to maintain records of fixed assets, petty cash disbursement, supplies, inventory and use and maintenance of office equipment.

**Stakeholders’ Management Strategy**

Stakeholders can influence companies in a number of ways and to various extents. The literature distinguishes between primary and secondary stakeholder groups (Clarkson, 1995). Primary stakeholders are those that the company cannot survive without, such as shareholders, employees, project beneficiaries and suppliers together with what Clarkson (1995) suggest is public stakeholders: governments and communities that provide infrastructures and markets, whose laws and regulations must be obeyed, and to whom taxes and other obligations may be due. Buzzelli (1991) argue that the primary stakeholders’ formal relationship with the firm have a great influence on a company’s environmental strategy success or failure. The formal relationship in particular makes those stakeholders especially important for the organization’s survival, sustainability and growth (Clarkson, 1995; Hill & Jones, 1992).

Secondary stakeholders include those that affect or are affected by the company, but are not engaged in transactions with the corporation and are not essential for its survival, such as media and other interest groups (Clarkson, 1995). Secondary stakeholders have the ability to influence the public opinion and in turn influence the company in a positive or negative way, but the company does not depend on them as in the case for the primary stakeholders (Clarkson, 1995).

Buysse & Verbeke (2003) have in their study found that effective management requires the
identification of important stakeholders. Henriques & Sadorsky (1999) on the one hand argue that a firm’s level of pro-activeness is related to high pressure from what they call organizational and community stakeholders i.e. customers, suppliers, employees, shareholders and for example NGO’s and other social groups. Therefore it lays a great challenge for companies in addressing the concerns from the key stakeholders in an effective manner as they have different interests and demands that need to be satisfied (Freeman, 2004; Mitchell, Agle & Wood, 1997).

Freeman & Liedtka (1991) add that the demand from primary stakeholders can be satisfied in different ways and to different extent which will influence organizations to adopt a more reactive or proactive environmental strategy.

**Resource Allocation Management Strategy**

Resource has been defined in this literature as assets tied semi-permanently to firms and includes tangibles and intangibles (Mahoney & Pandian, 1992). Resource allocation involves determining what resources (people, equipment, materials) and what quantities of each should be used to perform an NGO's activities; developing an approximation (estimate) of the costs of the resources needed to complete the project activities; allocating the overall cost estimate to individual work items; controlling and management changes to the implementation budget (Hrebiniak, 2006). Resources required to implement operation strategy depends on several variables including (chiefly): resource costs, labor rates, material rates, risk management, plant (buildings, machines) and equipment among other direct and indirect costs (Kerzner & Harold, 2003).

Mills, Neely, Platts & Gregory (2002) in their study developed methods through which organizations can put the resource based view of strategy in practice. This involves undertaking an analysis of the resources that have underpinned the activities of the project over an extended period of time Mills, Neely, Platts & Gregory (2002) used six resource categories, which are not mutually exclusive, which included: tangible resources, knowledge resources skills and experience, systems and procedural resources, cultural resources and values, network resources and resources important for change. The resources are evaluated against three criteria: value, sustainability and versatility. Resources that individually or collectively score highly in these criteria are considered to be important resources and regarded as the sources of existing or potential competitive advantage to the organization.

According to Hrebiniak (2005) the way the resources are allocated in the firm shapes the realized strategy of the firm. Understanding the resource allocation process allows one to understand how strategy is made and how the processes that leads to strategic outcomes and sustainability in the face of changing environment and the complexity of the process (Mintzberg, Lampel, Quinn & Ghoshal, 1990).

The process of resource allocation is intimately connected to strategy. This process is a complex, simultaneous, dynamic, multilevel and multirole phenomenon (Mahoney & Pandian, 1992). Obtaining sufficient financial resources, then, flows from a proper understanding of what is at stake as roll-out expenses typically revolve around retraining people, changing business and project plans and processes, and acquiring any necessary new tools or technology (Werbach, 2009). However, resource allocation decisions are made as a part of this complex process by managers who may have conflicting roles and often are at the middle level of the organizational hierarchy and is also influenced by the strategic context (Slack, Chambers, Johnston & Betts, 2006).

Resource allocation is an iterative process and is a bottom up process which relieves the top management of the need to collect all information.
and process in order to make a decision (Hrebiniak, 2005). This is done by distributing the decision rights to managers who possess the relevant specific knowledge and the incentive to define and support successful operations to the extent they are in line with their incentives and rewards (Hammer & Steven, 2004; Hrebiniak, 2005).

Public private partnerships

Public-Private Partnerships have become more widespread to all public jurisdiction sizes, as the word of the success of these partnerships grows. However, literature clearly agrees that Public-Private Partnerships appear to have no clear definition or standard implementation methods. A variety of definitions on Public-Private Partnerships exist: These include: a long-term contract arrangement between private and public sector entities (Bing Li et al, 2005); institutional relationships between the state and the private for-profit and/or the private not for-profit sector, where the different public and private actors jointly participate in defining the objectives, the methods and the implementation of an agreement of cooperation; an arrangement between public and private sector investors and businesses which provide a service under a concession for a defined period that would otherwise be provided by the public sector (Leiringer, 2006); a contractual agreement between a public agency (federal, state or local) and a private sector entity and a contract between a public sector institution and a private party, in which the private party assumes substantial financial, technical and operational risk in the design, financing, building and operation of a project.

According to (Lorenzen, 2012) through a combination of definitions from different resources, defines a Corporate-NGO partnership as a collaboration to pursue common goal, while leveraging joint resources and capitalizing on the respective competencies and strengths of both partners. James Austin (2000) states that the search for new resources and more effective organizational approaches is bringing NGOs and corporations together; partnerships that aim to seek new strategies of engagement with communities which result to increased corporate relevance and increased social impact. Through this agreement, the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and/or facility.

PPPs can involve design, construction, financing, operation and maintenance of public infrastructure and facilities, or the operation of services, to meet public needs. They are often privately financed and operated on the basis of revenues received for the delivery of the facility and/or services. One key to this is the ability of the private sector to provide more favorable long term financing options than may be available to a government entity and to secure the financing in a much quicker time frame. Such contracts are long-term in nature and typically 25-30 years.

Empirical Literature

The competitive environment dominating the various sectors of NGOs call for effective project financing strategies and organizational sustainability, yet the main problem of project managers is the effects on organizational sustainability brought about by these project financing strategies. A study by Mehdi and Bayrami (2010) on the effect patterns on organizational stability from project financing strategies plans such as: leadership, organizational structure, human resources, information systems and technology, on successful implementation of strategies in service
sector. Statistical population were random selected from Pasargad Bank branches in Tehran and include the branch presidents, their deputies and executives working in the bank branches as well as managers of central office of Pasargad Bank.

The survival of NGOs is crucial especially in developing nations like Kenya. According to an article by Health NGOs Network (HENNET) (2013) when objecting to the Proposed Miscellaneous Amendment to PBO Act 2013, the organization noted that 47% of health care in Kenya is delivered through private sector including NGOs and Faith Based Organizations, 55% of the national health budget is funded through NGOs by external funding, NGOs accounted for KSH 152 billion (or 15% the National budget) in 2012 and over 90% of the 152 billion was received in foreign currency making the sector a substantial foreign exchange contributor in the country. AMREF report, pointed out that CSOs in Kenya and Malawi offer over 40% of medical services.

RESEARCH METHODOLOGY
This chapter presents the methodology applied by this study.

Research Design
According to Creswell (2008), a research design is a framework for collecting and utilizing sets of data that aims to produce logical and appropriate findings with great accuracy, and that aim to adequately and reasonably rest a research hypothesis. This research study is a descriptive research it has been able to depict the participants in an accurate way.

Target Population
According to Ngechu (2004), a population is a well defined as a set of people, services, elements, events, group of things or households that are being investigated. Population of interest in this study consisted 453 staff from all the 237 health related NGOs working in Nairobi County provided by the NGOs Coordination Board on August 18, 2014.

Sample size and sampling design
According to Cooper and Schindler (2000), a sampling frame is a list of elements from which the sample is actually drawn. It is closely related to the population. The sampling frame was based on health related NGOs in Nairobi County which include: Health Coordinators, Nurses and Project Managers. The study used stratified random sampling procedure to select a sample that represents the entire population.

Data collection methods and instruments
Data collection means gathering information in order to address those critical evaluation issues that you have identified earlier in the evaluation process. The study used primary data (questionnaires) which included structured (close-ended) and unstructured (open-ended) questions.

Data collection procedure
The researcher obtained the permission to conduct the research through attaching an introductory letter about the study to each and every questionnaire, seeking permission to conduct the study in the targeted population. The questionnaire was well formulated assuring the respondent that the information provided was used for study purposes only and therefore he/she could answer all the items in the questionnaire as honestly as possible.

Data analysis method
Kothari (2004) define data analysis as a mechanism for reducing and organizing data to produce findings that require interpretation by the researcher. The data collected was quantitative and qualitative. Once the questionnaires were received they were coded and edited for completeness and consistency. Data
analysis entails editing, coding and tabulation of data collected into manageable summaries (Kumar, 2000). To ensure easy analysis, the questionnaire was coded according to each variable of the study to ensure accuracy during analysis. Quantitative data was analyzed by employing descriptive statistics and inferential analysis using statistical package for social science (SPSS) version 21 and excel.

RESULTS AND DISCUSSIONS

This chapter discusses the interpretation and presentation of the findings obtained from the field.

Response Rate
The study targeted a sample size of 72 respondents from which 58 filled in and returned the questionnaires making a response rate of 80.55%.

Pilot Test Results
A pilot study was carried out to determine reliability and validity of the questionnaires. The pilot study involved the sample respondents. Reliability analysis was subsequently done using Cronbach’s Alpha which measured the internal consistency. Gliem & Gliem (2003) established the Alpha value threshold at 0.7, thus forming the study’s benchmark. Cronbach Alpha was established for every objective which formed a scale.

Gender of the respondent
The study sought to determine the gender composition of the respondents. From the findings, it was established that majority of the respondents 60% were male whereas 40% of the respondent were female, this is an indication that both genders were well represented in this study and thus the finding of the study did not suffer from gender bias.

Age Distribution of the respondents
The study requested the respondents to indicate their age category. From the research findings, the study revealed that majority of the respondents 35% were aged between 30 to 39 years, 29% of the respondents were aged between 40 to 49 years, 12% were above 50 years whereas 10% of the respondents were aged below 20 years. This implies that respondents were well distributed in terms of their age during the study.

Designation of the respondents
The study requested the respondents to indicate their designation category. From the research findings, the study revealed that majority of the respondents 38% were project managers, 37% of the respondents were health coordinators whereas 25% of the respondents were nurses.

Educational Level of Respondents
The study sought to establish the educational background of the respondents. From the study findings, most of the respondents 16% indicated that they held certificate/diploma certificates, 54% of the respondents had bachelors and 28% of the respondents held post graduate certificates and this implies that respondents were well educated and that they were in a position to respond to research questions with ease.

Work Experience
The research sought to establish to find out the work experience of. On period of service, the study revealed that most of the respondents 58% indicated to have served for a period of over 5 years, 32% of the respondents indicated to have served for a period of 2 to 5 years whereas 10% of the respondents indicated to have served for less than 1 year.

Commented [R2]: Any conflict here? Managers were actually less tha 10% in the sample
Financing Mechanisms Strategy

Financial Management tools and practices familiarity
The research sought to establish whether the respondents were familiar with the financing management tools and practices existing in their organizations. The study revealed that most of the respondents 67% indicated they were aware whereas 33% were of contrary opinion. This implies that the employees were aware of the tools and practices in the organization thus showing that financial management is a concept that is familiar with a majority of the management staff working on health related NGO’s in Nairobi.

Stakeholder’s Management Strategy

Stakeholder Interaction
The research sought to establish from the respondents the group of stakeholders they frequently interact with in their projects. Majority of the respondents by 28% indicated organization partners, 22% donors, 23% project partners, 12% cited beneficiaries and 15% stated project consultants. This implies that organization partners, project partners and donors are the major stakeholders that the respondents mostly interact with.

Resource Allocation Management Strategy
The research sought to establish rate of the efficiency of the resource allocation process in health related NGO’s in the study area. On the rate of extent on the efficiency of resource allocation process in the health related NGO’s, the study revealed that majority of the respondents 34 % indicated to a inefficiency, 31% cited very inefficient, 15% indicated average and efficient whereas 5% of the respondents posited very efficient. This implies that the resource allocation process in health related NGO’s in the study area was done inefficiently.

The study sought to establish the extent to which respondents agreed with the statements relating to influence resources allocation management has on the organizational sustainability for NGO’s in the health sector in the study region.

A scale of 1-5 was used. The scores “Strongly disagree” and “Disagree” were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale (1 ≤ Disagree ≤ 2.5). The scores of ‘Neutral’ were represented by a score equivalent to 2.6 to 3.5 on the Likert scale (2.6 ≤ Neutral ≤ 3.5). The score of “Strongly agree” and “Agree” were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale (3.6 ≤ Agree ≤ 5.0). The results were presented in mean and standard deviation.

From the research findings, majority of the respondents agreed the resource allocation process is made difficult by managers due to their conflicting priorities over the resource.

Public Private Partnerships
The research sought to establish the rate of the probable outcomes arising from the influence of public private partnerships on organizational sustainability in health related NGO’s in the study area. The study results revealed that increase funding from Public Private Partnerships had the highest score as a probable outcome of impact of PPPs to an NGO. This was followed closely by increased level of organizational human resource expertise, increased project impact and increased donor confidence as a result of PPP’s 54%, 45% and 44% score respectively.

In addition, the study revealed that only 13% of the respondents expect that all these outcomes had a low probability of occurring. This reveals according to the respondents, there is a strong likely hood of positive impact of PPPs’ to an organization.
Sustainability of Non-Governmental Organizations Health Projects

The study sought from the respondents to indicate rate of increase of implemented health projects in the last five years (2011 to 2015). The study established that the rate increase of implemented health projects was low with an average of 15% of the respondents stated that it increased by 10%, with an average of 35% of the respondents indicated that it increased by more than 10%, with an average of 22% of the respondents posited that it increased by less than 10%, with an average of 45% of the respondents cited that it decreased by 10%, with an average of 25% of the respondents indicated that it decreased by more than 10% and an average of 33% of the respondents indicated that it decreased by less than 10% in the last five years. The study findings imply that there was low rate of increase of implemented health projects in the last five years.

Correlation Analysis

To quantify the strength and direction of the relationship between the variables, the study used Karl Pearson’s coefficient of correlation (Tafara, 2013). The Pearson product-moment correlation coefficient measure the strength of a linear association between two variables (Kothari, 2004) The Pearson correlation coefficient, \( r \), can take a range of values from +1 to -1. A value of 0 indicates that there is no association between the two variables. A value greater than 0 indicates a positive association, that is, as the value of one variable increases so does the value of the other variable (Creswell, 2003) A value less than 0 indicates a negative association, that is, as the value of one variable increases the value of the other variable decreases. Pearson correlation was used to measure the degree of association between variables under consideration i.e. independent variables and the dependent variables. Negative values indicates negative correlation and positive values indicates positive correlation where Pearson coefficient <0.3 indicates weak correlation, Pearson coefficient >0.3<0.5 indicates moderate correlation and Pearson coefficient >0.5 indicates strong correlation. The analysis of correlation results in Table 1 illustrates that between resources allocation management and sustainability of non-government organizations health projects there is a positive coefficient 0.702. It indicates that the result is significant at 95% and that if the resources allocation management increases it will have a positive impact on sustainability of non-government organizations health projects. The correlation results between stakeholder management and sustainability of non-government organizations health projects also indicates the same type of result where the correlation coefficient is 0.579 which significant at 95%. The results also show that there is a positive association between public private partnerships and sustainability of non-government organizations health projects where the correlation coefficient is 0.613.

Further, the result shows that there is a positive association financing mechanisms and sustainability of non-government organizations health projects where the correlation coefficient is 0.801. This therefore infers that financing mechanisms contributed most to sustainability of non-government organizations health projects followed by resources allocation management in sustainability of non-government organizations health projects, then public private partnerships while stakeholder management had the least influence on sustainability of non-government organizations health projects. The correlation matrix implies that the independent variables are very major determinants of financing strategies which influence sustainability of non-government organizations health projects as shown by their strong positive relationship with the dependent variable; sustainability of non-government organizations health projects. The analysis below shows that financing mechanisms has the strongest
positive (Pearson correlation coefficient = .801; P-value 0.00) influence on sustainability of NGOs health projects. In addition, resources allocation management, stakeholders management and Public Private Partnerships are positively correlated to sustainability of NGOs health projects (Pearson correlation coefficient = .702, .579 and .613). The correlation matrix implies that the independent variables are very crucial determinants of sustainability of NGOs health projects as shown by their strong and positive relationship with the dependent variable; sustainability of NGOs health projects.

**Table 1 Correlation Coefficients**

<table>
<thead>
<tr>
<th>Sustainability of NGOs Health projects</th>
<th>Resources allocation Management</th>
<th>Stakeholders Management</th>
<th>Public Private partnerships</th>
<th>Financing mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainability of NGOs Health projects</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resources allocation Management</td>
<td>0.702</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stakeholders Management</td>
<td>0.579</td>
<td>0.621</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Public Private partnerships</td>
<td>0.613</td>
<td>0.611</td>
<td>0.211</td>
<td>1</td>
</tr>
<tr>
<td>Financing mechanisms</td>
<td>0.801</td>
<td>0.624</td>
<td>0.214</td>
<td>0.313</td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.05 level (1-tailed).

**Multiple Regression Analysis**

In addition, the researcher conducted a multiple regression analysis so as to test relationship among variables (independent) on organization sustainability. The study applied the statistical package for social sciences (SPSS V. 21) to code, enter and compute the measurements of the multiple regressions for the study. Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (sustainability of NGOs health projects) that is explained by all the four independent variables (Financing mechanisms, resources allocation management, stakeholders management and Public Private Partnerships). According to the model summary Table 2, ‘R’ is the correlation coefficient which shows the relationship between the independent variables and dependent variable. It is notable that there exists strong positive relationship between the independent variables and dependent variable as shown by R value (0.788). The coefficient of determination ($R^2$) explains the extent to which changes in the dependent variable can be explained by the change in
the independent variables or the percentage of variation in the dependent variable and the four independent variables that were studied explain 62.10% of the sustainability of NGOs health projects as represented by the $R^2$. This therefore means that other factors not studied in this research contribute 37.90% to sustainability of NGOs health projects. This implies that these variables are very significant therefore need to be considered in any effort to enhance sustainability of NGOs health projects in Nairobi county. The study therefore identifies variables as critical determinants of sustainability of NGOs health projects.

**Table 2: Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.788</td>
<td>.621</td>
<td>.036</td>
<td>.213</td>
</tr>
</tbody>
</table>

Further, the study revealed that the significance value is 0.004 which is less that 0.05 thus the model is statistically significance in predicting how financing mechanisms, resources allocation management, stakeholders’ management and Public Private Partnerships influence the sustainability of NGOs health projects. The $F$ critical at 5% level of significance was 9.789. Since $F$ calculated (9.789) is greater than the $F$ critical (value = 8.134), this shows that the overall model was significant.

**Table 3: ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>3.502</td>
<td>4</td>
<td>.8755</td>
<td>9.789</td>
<td>.004*</td>
</tr>
<tr>
<td>Residual</td>
<td>4.764</td>
<td>53</td>
<td>.0899</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8.266</td>
<td>57</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NB:** $F$-critical Value 8.134 (statistically significant if the F-value is less than 9.789: from table of F-values).

a. **Predictors:** (Constant), Financing mechanisms, resources allocation management, stakeholders management and Public Private Partnerships

The study ran the procedure of obtaining the regression coefficients, and the results were as shown on the table below.

**Table 4: Coefficient Results**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Multiple regression analysis was conducted as to determine the relationship between organization performance and the four variables. As per the SPSS generated table above, the equation \( Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \) becomes: 
\[
Y = 65.645 + 0.852X_1 + 0.807X_2 + 0.739X_3 + 0.755X_4
\]
According to the regression equation established, taking all factors into account (Financing mechanisms, resources allocation management, stakeholders' management and Public Private Partnerships) constant at zero was 65.645. The data findings analyzed also shows that taking all other independent variables at zero, a unit increase in resources allocation management will lead to a 0.807 increase in sustainability of NGOs health projects; a unit increase in financing mechanisms will lead to a 0.852 increase sustainability of NGOs health projects, a unit increase in stakeholder management will lead to a 0.739 increase in sustainability of NGOs health projects and a unit increase in Public Private Partnerships will lead to a 0.755 increase in sustainability of NGOs health projects. This infers that financing mechanisms contribute most to the sustainability of NGOs health projects. At 5% level of significance financing mechanisms had a 0.021 level of significance hence the most significant factor is financing mechanisms.

**SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

**Introduction**
The study sought to establish the influence of financial management strategies on sustainability of non-governmental organizations health projects in Nairobi County. In assessing the monitoring and evaluation, the study focused on how select factors (financing mechanisms, resources allocation management, stakeholders' management and Public Private Partnerships) influenced the sustainability of NGOs health projects. This chapter captures the summary of findings, from which conclusions were drawn and recommendations made.

**Summary of the Findings**

Research Question 1: How do financial management practices influence organizational sustainability among health related NGO's in Nairobi County?
The study revealed that financing mechanisms influence sustainability of NGOs health projects in the study area to a great extent thus it is an important factor which determines sustainability of...
these projects. The study established that a majority of the respondents were familiar with the various financial management tools and practices in their organizations. Additionally, the study also revealed that budget planning and internal controls as financial mechanisms had the highest impact on organizational stability whereas record keeping and financial reporting had the lowest impact as elements of financial management to the sustainability of NGO health projects in Nairobi County. It is also worth noting that a maximum of 16% of the respondents gave a low rating in terms of impact of financial management practices on organizational sustainability, which shows that a majority of the respondents agree that these elements have a considerable impact on the sustainability of NGO health projects in Nairobi County. Further, the study revealed that the variable (Pearson correlation coefficient = .852) statistically, strongly and significantly correlated to sustainability of the health projects at 5% level of significance as it had a positive relationship with the dependent variable. This infers that financing mechanisms is an important factor that enhances sustainability of NGO health projects in Nairobi County. This also implies that the more effort organization’s have on ensuring effective financial mechanisms, the more sustainable they become. Therefore, these descriptive and qualitative results show that the research which sought to establish the influence of financing mechanisms on sustainability of the health projects was achieved because it established that stakeholder participation influences sustainability of the health projects.

**Research Question 2: Does stakeholder management influence sustainability of NGOs health projects in Nairobi County?**

The study established that organization partners, project partners and donors are the major stakeholders that the respondents are mostly involved with. In practice, it can be stated that these groups of stakeholders (i.e. organization partners, project partners and donors) have more insight/influence in an NGO’s sustainability rather than beneficiaries and project consultants. Therefore the respondents in this study are more aware of the stakeholder management practices and/or policies present in their organization which logically increases the validity of their responses in this section. This study reveals that rate of stakeholders’ involvement in decision making, treatment by the organization and the public involvement especially was low thus affecting sustainability of NGO health projects in the study area. The study also found out that the respondents agreed that different stakeholders have different interests and demands that need to be satisfied and stakeholders have the ability to influence the public opinion and in turn influence the organization in a positive or negative way. In addition, the study also revealed that primary stakeholders can be satisfied in different ways and to different and treatment of stakeholders by management is related to the long term survival of the organization. Additionally, the study found out that stakeholders management influence sustainability of NGOs health projects in the study area to a great extent. Further, the study revealed that the variable (Pearson correlation coefficient = .755) statistically, strongly and significantly correlated to sustainability of NGOs health projects at 5% level of significance as it had a positive relationship with the dependent variable. This reveals that stakeholders’ management has significant influence on an organization’s sustainability as is in the case of health related NGOs Nairobi County. This also reveals that an improvement in the stakeholders’ management process of NGO’s will lead to an increase in its sustainability. Therefore, from these descriptive and qualitative results show that the research which sought to establish the influence of stakeholders’ management on organizational sustainability was achieved because it was established that it
influences sustainability of NGO health projects in Nairobi County.

**Research Question 3: Does resources allocation management influence sustainability of NGOs health projects in Nairobi County?**

From the study results, it was revealed that majority of the respondents indicated that there was inefficiency of resource allocation process in their organizations. The study also revealed that the resource allocation was made difficult by managers who had conflicting priorities over the resource; resource allocation ensures the availability of the necessary operational equipment and facilities and facilitates necessary activities, task and processes. The respondents also agreed that alignment of financing strategies with availability of resources in the projects ensured greater successes in the sustainability of project financing strategies. The study established that the resources allocation management influence sustainability of NGOs health projects to a great extent thus it is an important factor which determines sustainability of NGOs health projects in Nairobi County. Additionally, the study revealed that the variable (Pearson correlation coefficient = .807) statistically, strongly and significantly correlated to sustainability of NGOs health projects in Nairobi County at 5% level of significance as it had a positive relationship with the dependent variable. This reveals that resources allocation management has significant impact on the sustainability of health related NGOs in Nairobi County and that these NGO’s should improve on the efficiency of their current resource allocation process. This study also reveals that an improvement in the resources allocation management of an organization, the more sustainable the health related project becomes in Nairobi County. Therefore, from these descriptive and qualitative results show that the research which sought to establish the influence of resources allocation management on organizational sustainability was achieved because it was established that it influences sustainability of NGOs health projects in Nairobi County.

**Research Question 4: To what extent do public private partnerships influence organizational sustainability among health related NGO’s in Nairobi County?**

The study results revealed that the increased project impact, increased level of organization human resource expertise and PPPs play a significant role on sustainability of health related NGOs in Nairobi County. It was found out that majority of the respondents agreed that different public and private actors jointly participate in defining the organizational objectives and these partnerships, especially in the health related NGO sector; are influenced by search for new resources and more effective organizational approaches. The study also revealed that in health related NGO’s; the private party would most likely assume substantial financial, technical and operational risk in the design, financing, building and operation of a project. It was also established that the public private partnerships influence sustainability of NGOs health projects in the study area to a great extent thus it was an important factor which determines sustainability of NGOs health projects in Nairobi County. Further, the study revealed that the variable (Pearson correlation coefficient = .755) statistically, strongly and significantly correlated to sustainability of NGOs health projects at 5% level of significance as it had a positive relationship with the dependent variable. This reveals that public private partnerships are an important factor that can enhance sustainability of NGOs health projects in Nairobi County. This also reveals that an increase in public private partnerships would lead to an increase in the sustainability of NGO health projects in Nairobi County. Therefore, from these descriptive and qualitative results show that the research which
sought to establish the influence of public private partnerships on sustainability of NGOs health projects was achieved because it was established that it influences sustainability of NGOs health projects in Nairobi County.

Conclusions
The study revealed that financing mechanisms influence sustainability of NGOs health projects. The respondents were familiar with the financing management tools and practices. The study also concludes that budget planning monitoring and adjustment, efficient financial record keeping, economical attainment of objectives by managers and sound financial management as factors in financing mechanisms influence organizational sustainability.

From the study results, it was revealed that a majority of the respondents agreed that their organizations' were inefficient in the resource allocation process. In addition, the study also concludes that resource allocation is made difficult by managers who had conflicting priorities over the resource and resource allocation ensures the availability of the necessary operational equipment and facilities and facilitates necessary activities, task and processes.

The study concludes that a majority of the respondents work closely with key stakeholders involved in decisions influencing project plans, policies and in overall; sustainability. The study concludes that stakeholders' involvement in decision making, treatment by the organization and the public involvement does affect the sustainability of NGOs health projects in the study area. The different stakeholders have different interests and demands that need to be satisfied, stakeholders have the ability to influence the public opinion and in turn influence the organization in a positive or negative way.

The study results revealed that the increased project impact, increased level of organization human resource expertise and PPPs play a significant role on sustainability of NGOs health projects in Nairobi County. The different public and private actors jointly participate in defining the organizational objectives, Public-Private partnerships in NGO’s are influenced by the search for new resources and more effective organizational approaches, private party assumes substantial financial, technical and operational risk in the design, financing, building and operation of a project.

Recommendations
The study recommends for effective financing mechanisms management tools and practices with application to enhance sustainability of NGOs health projects in the study area. There is need for improvement of the budget planning, monitoring and adjustment, efficient financial record keeping, economical attainment of objectives by managers and sound financial management to boost the sustainability of the health projects.

The study recommends for efficiency of resource allocation process for the health projects in the Nairobi County, the managers should not have conflicting priorities over the resource and the resource allocation should ensure the availability of the necessary operational equipment and facilities and facilitates necessary activities, task and processes. The financing strategies with availability of resources in the projects should also ensure greater successes in the sustainability of project financing strategies.

Further, there is need to involve all stakeholders such as organization partners, project partners and donors who are the major stakeholders and the beneficiaries who should also be consulted and involved as they determines sustainability of NGOs health projects in the study area. The rate of stakeholders’ involvement in decision making, treatment by the organization and the public involvement especially should be improved and the different stakeholders who have different interests
and demands that need to be satisfied as they also have the ability to influence the public opinion and in turn influence the organization in a positive or negative way thus enhancing sustainability of the NGOs health projects.

Finally, the study recommends for increased project impact, increased level of organization human resource expertise and PPPs The different public and private actors should jointly participate in defining the organizational objectives, search for new resources and more effective organizational approaches should be enhanced by the private party assuming substantial financial, technical and operational risk in the design, financing, building and operation of a project.

**Recommendations for Further studies**

Since this study sought to establish the influence of financial management strategies on sustainability of non-governmental organizations health projects in Nairobi County, it was established that from literature review most studies are conducted on the performance of the health projects and scanty studies are available on the influence of financial management strategies on sustainability of non-governmental health projects. Additionally, very little has been undertaken on the same the reason why the study recommends for similar studies to be undertaken in other areas of Kenya for generalization of the findings of this study.
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