

EFFECT OF MONITORING ON PERFORMANCE OF NON-GOVERNMENTAL ORGANIZATION PROJECTS IN ARID AND SEMI-ARID AREAS IN KENYA

BY

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Abstract

Non-governmental organizations (NGOs) contribute significantly to addressing humanitarian and development challenges in Kenya's arid and semi-arid areas. However, project implementation in these regions is affected by environmental uncertainty, inadequate infrastructure, resource constraints, and accountability challenges. Effective monitoring systems are essential for improving project accountability, resource utilization, stakeholder engagement, and achievement of project objectives. This study examined the effect of monitoring on the performance of NGO projects in arid and semi-arid areas in Kenya. The study was guided by stakeholder theory and adopted a convergent parallel mixed-methods research design. Data were collected from 157 respondents drawn from 29 NGOs operating under the ASAL Humanitarian Network. Quantitative data were analyzed using descriptive statistics, correlation analysis, diagnostic tests, and regression analysis, while qualitative data were analyzed thematically. The findings established that monitoring had a significant positive effect on NGO project performance. Regression results revealed that monitoring was the strongest predictor of project performance among the internal financial control factors examined, with a coefficient of $\beta = 0.256$ and $p = 0.000$. The study concludes that effective monitoring enhances project completion, quality achievement, and financial efficiency. NGOs operating in ASAL areas should strengthen monitoring systems through improved progress tracking, resource utilization assessment, and stakeholder participation.

Keywords: Monitoring, NGO projects, project performance, internal financial controls, ASAL areas, Kenya

1. Introduction

Non-governmental organizations (NGOs) play an important role in improving the welfare of vulnerable populations through the implementation of development and humanitarian projects. In Kenya, NGOs operating in arid and semi-arid areas support communities through interventions in healthcare, education, food security, water and sanitation, and disaster response. However, these regions present unique operational challenges due to unpredictable climatic conditions, weak infrastructure, insecurity, and socioeconomic vulnerabilities (Cicek et al., 2022; Shani et al., 2019).

Project performance within NGO settings involves the extent to which organizations achieve intended objectives while maintaining quality standards, financial efficiency, stakeholder satisfaction, and sustainability. Bosibori and Otieno (2021) observed that project performance extends beyond completing

activities because successful projects must also demonstrate effective resource utilization and achievement of expected outcomes. Similarly, Areghian et al. (2022) argued that organizational performance involves adaptability, accountability, and alignment between project activities and stakeholder expectations.

Internal financial control systems provide important mechanisms for strengthening NGO project performance. The Committee of Sponsoring Organizations (COSO, 2013) identifies monitoring as one of the major components of an effective internal control system. Monitoring involves continuous assessment of organizational activities to determine whether controls are functioning effectively and whether corrective actions are required. In this study, monitoring was measured through progress tracking, resource utilization, and stakeholder engagement.

Monitoring is particularly important for NGOs operating in ASAL areas because projects are implemented in uncertain environments where changing community needs and environmental conditions can affect implementation outcomes. Effective monitoring allows organizations to identify challenges early, improve decision-making, and ensure that resources are directed toward achieving project objectives. Chege and Bowa (2020) emphasized that monitoring systems strengthen accountability by providing reliable information for evaluating project progress.

Despite the importance of monitoring, challenges affecting NGO performance continue to exist in Kenya. Reports indicate weaknesses in accountability systems and reporting compliance among some NGOs, raising concerns regarding financial management and organizational effectiveness (Ministry of Interior and National Administration, 2023). Furthermore, existing studies have mainly examined monitoring and evaluation systems in general NGO contexts, with limited attention given to NGOs operating specifically in Kenya's arid and semi-arid regions (Chege & Bowa, 2020; Alio, 2021). Therefore, this study sought to establish the effect of monitoring on performance of NGO projects in arid and semi-arid areas in Kenya.

2. Literature Review

2.1 Concept of Monitoring

Monitoring refers to the continuous process of collecting, analyzing, and using information to evaluate project progress and improve implementation decisions. Within NGO project management, monitoring provides evidence regarding whether activities are being completed according to planned schedules, budgets, and expected standards. According to COSO (2013), monitoring ensures that internal control systems remain effective by identifying weaknesses and supporting corrective action.

In this study, monitoring was conceptualized as a continuous oversight process involving progress tracking, resource utilization, and stakeholder engagement. Progress tracking enables organizations to compare actual achievements with planned objectives. Resource utilization monitoring ensures that financial and material resources are used efficiently, while stakeholder engagement promotes

transparency and accountability among project beneficiaries, donors, and implementing partners.

For NGOs operating in ASAL regions, monitoring is especially significant because project environments are affected by drought, insecurity, limited infrastructure, and geographical barriers. These factors require organizations to continuously evaluate project conditions and adjust implementation strategies where necessary. Effective monitoring therefore contributes to organizational flexibility and improved project outcomes.

2.2 Stakeholder Theory and Monitoring

The study was guided by stakeholder theory, which explains that organizations must consider the interests of all groups affected by their activities. Freeman (1984) argued that organizations achieve sustainable success when they actively manage relationships with stakeholders, including communities, employees, government agencies, and resource providers.

Stakeholder theory is relevant to monitoring because monitoring systems create opportunities for stakeholder participation and feedback. NGOs depend on donors, beneficiaries, government institutions, and community members to successfully implement projects. Through effective monitoring mechanisms, organizations can understand stakeholder expectations, address emerging concerns, and improve project legitimacy.

The thesis identifies stakeholder theory as an important foundation for explaining how monitoring promotes stakeholder engagement and accountability within NGO projects. Monitoring therefore serves not only as a control mechanism but also as a communication process that strengthens relationships between NGOs and their stakeholders.

2.3 Monitoring and NGO Project Performance

Empirical studies have demonstrated that monitoring positively influences project performance. Aga (2022) examined development projects in Ethiopia and established that monitoring and evaluation planning significantly contributed to project performance. Organizations with structured monitoring systems demonstrated improved resource utilization and higher project completion rates compared with organizations that relied on informal monitoring approaches.

Uwera and Wanjiku (2023) similarly found that monitoring practices improved project outcomes among income-generating projects in Rwanda. Their study revealed that monitoring plans, staff competencies, and reporting systems contributed to improved implementation effectiveness. The findings emphasized that monitoring information must be actively used in decision-making rather than collected only for reporting purposes. Rumenya and Kisimbi (2020) investigated educational NGOs in Kenya and found that organizations with established monitoring and evaluation structures achieved better project outcomes. The study attributed this improvement to stronger accountability systems and closer engagement between organizations and beneficiaries.

Eremugo and Okoche (2021) further demonstrated that effective monitoring systems require regular data collection, analysis, and feedback mechanisms. Their findings showed that organizations with integrated monitoring systems were more capable of responding to implementation challenges and improving program performance.

The findings from previous studies indicate that monitoring contributes to improved project performance through accountability, learning, stakeholder involvement, and timely corrective action. However, limited studies have examined monitoring among NGOs operating in Kenya's ASAL areas, creating the need for further investigation.

3. Methodology

3.1 Research Philosophy

The study adopted a pragmatic research philosophy because it allowed the researcher to integrate both quantitative and qualitative approaches in examining the effect of monitoring on NGO project performance. Pragmatism recognizes that research methods should be selected based on their ability to address the research problem effectively. Since the study sought to determine statistical relationships while also understanding experiences and practices related to monitoring, a mixed-methods approach was considered appropriate.

The pragmatic approach enabled the researcher to collect measurable data regarding monitoring practices and project performance while also obtaining deeper explanations from organizational representatives regarding how monitoring influences project

implementation. This approach was suitable for studying NGOs operating in ASAL areas because project performance is influenced by both measurable organizational practices and contextual operational experiences.

3.2 Research Design

The study employed a convergent parallel mixed-methods research design. This design involved collecting quantitative and qualitative data during the same phase of the research process and integrating the findings during interpretation. The approach provided a comprehensive understanding of the relationship between monitoring and NGO project performance.

The quantitative component enabled the researcher to establish the statistical relationship between monitoring and project performance, while the qualitative component provided additional insights regarding monitoring practices, implementation challenges, and stakeholder experiences. The mixed-method design was appropriate because the study examined monitoring as both a measurable internal control factor and an organizational practice.

3.3 Target Population and Sampling

The study focused on NGOs operating in Kenya's arid and semi-arid regions. The target organizations were selected from the ASAL Humanitarian Network because they were actively implementing projects addressing community development and humanitarian needs within ASAL counties. The study included NGOs that had operated continuously in ASAL regions for at least two years, implemented multi-sectoral projects, complied with donor reporting requirements, maintained formal registration, and were accessible for research participation. The study involved 29 NGOs operating in ASAL areas. A total of 157 respondents participated in the study, including individuals involved in project management and organizational decision-making. The achieved response rate was 90.23%, providing adequate representation for analysis.

3.4 Data Collection Instruments

The study used questionnaires and interview guides as the main data collection instruments. Questionnaires were administered to collect quantitative information regarding internal financial control practices and

project performance. Interview guides were used to obtain qualitative information from key organizational personnel regarding monitoring practices and implementation experiences. The questionnaire measured monitoring using three main dimensions: progress tracking, resource utilization, and stakeholder engagement. These dimensions reflect the role of monitoring in ensuring that project activities remain aligned with planned objectives and that resources are effectively managed. Project performance was measured using completion rate, achievement of quality standards, and financial efficiency. These indicators were selected because successful NGO projects require not only completion of activities but also effective resource use and achievement of expected outcomes.

3.5 Data Analysis

Quantitative data were analyzed using descriptive statistics, correlation analysis, diagnostic tests, and regression analysis. Descriptive statistics were used to summarize respondents' perceptions regarding monitoring practices and project performance. Correlation analysis was conducted to establish the relationship between monitoring and project performance, while regression analysis determined the predictive influence of monitoring on project performance. Qualitative data obtained through interviews were analyzed thematically. Thematic

analysis enabled the researcher to identify recurring patterns related to monitoring practices, stakeholder involvement, resource utilization, and implementation challenges.

3.6 Ethical Considerations

The study observed ethical research principles throughout the research process. Participation was voluntary, and respondents were informed about the purpose of the study before providing information. Confidentiality and anonymity were maintained to protect participant information. The researcher also obtained the necessary institutional approvals before conducting data collection.

4. Results

4.1 Descriptive Statistics of Monitoring Practices

The study examined the effect of monitoring on NGO project performance in arid and semi-arid areas in Kenya. Monitoring was assessed using indicators related to progress tracking, resource utilization, stakeholder engagement, project indicators, project reviews, adaptation of monitoring systems to ASAL challenges, and use of monitoring outcomes for improvement. The results are presented in Table 1. The thesis identifies monitoring as a key variable measured through progress tracking, resource utilization, and stakeholder engagement.

Table 1

Descriptive Statistics of Monitoring

Monitoring Statements	Strongly Disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)	Mean	Std. Deviation
We have effective systems for tracking project progress against targets	2.30	9.20	6.10	68.70	13.70	3.82	0.86
Resource utilization is monitored regularly throughout project implementation	1.50	5.30	9.90	44.30	38.90	4.14	0.91
Stakeholder feedback is rarely incorporated into project decisions	0.00	7.60	6.10	67.20	19.10	3.98	0.75
Performance indicators are clearly defined for each project activity	0.80	15.30	8.40	35.90	39.70	3.98	1.08
Project reviews are conducted infrequently and lack adequate depth	3.80	15.30	6.10	16.00	58.80	4.11	1.27

Monitoring Statements	Strongly Disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)	Mean	Std. Deviation
Monitoring practices are adapted to address ASAL-specific challenges	3.10	7.60	7.60	37.40	44.30	4.12	1.05
Monitoring results effectively guide improvements in ongoing projects	1.50	6.10	8.40	51.90	32.10	4.07	0.89
Average						4.03	0.97

Source: Wachira (2026)

The findings show that monitoring practices were generally strong among NGOs operating in ASAL areas, with an overall mean score of 4.03 (SD = 0.97). The highest-rated monitoring practice was regular monitoring of resource utilization, which recorded a mean score of 4.14 (SD = 0.91), indicating that NGOs strongly emphasized tracking financial and material resources during project implementation.

The results further indicate that 82.4% of respondents agreed that their organizations had effective systems for tracking project progress against targets, with a mean score of 3.82 (SD = 0.86). This demonstrates that most NGOs maintained mechanisms for measuring project advancement and comparing achievements against planned objectives. However, stakeholder feedback integration remained an area requiring improvement. Although respondents recognized stakeholder involvement as important,

86.3% indicated that stakeholder feedback was rarely incorporated into project decisions, suggesting a gap between monitoring activities and participatory decision-making processes. The findings also showed that monitoring systems were adapted to address ASAL-specific challenges, with a mean score of 4.12 (SD = 1.05). Additionally, 84.0% of respondents agreed that monitoring outcomes effectively guided improvements in ongoing projects, demonstrating that monitoring information contributed to corrective action and project improvement.

4.2 Correlation Analysis between Monitoring and Project Performance

Correlation analysis was conducted to establish the relationship between monitoring and NGO project performance. The correlation results are presented in Table 2.

Table 2

Correlation Analysis between Monitoring and Project Performance

Variables	Project Performance	Monitoring
Project Performance	1.000	
Monitoring	0.505**	1.000
Significance (2-tailed)	0.000	

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

Source: Wachira (2026)

The findings indicate that monitoring had a positive and statistically significant relationship with project performance ($r = 0.505$, $p = 0.000$). This implies that NGOs with stronger monitoring systems were more likely to achieve improved project outcomes.

The positive relationship suggests that effective monitoring practices, including progress tracking, resource utilization assessment, and stakeholder

engagement, contribute to improved completion rates, quality achievement, and financial efficiency. The finding supports previous research by Aga (2022), who established that structured monitoring and evaluation systems significantly improved project performance through enhanced resource utilization and implementation effectiveness.

4.3 Regression Analysis of Monitoring and Project Performance

Multiple regression analysis was conducted to determine the effect of monitoring on project

performance while controlling for other organizational and project-level factors. The regression results are presented in Table 3.

Table 3

Regression Coefficients with Controls

Variable	Standardized Beta (β)	t-value	p-value	VIF
Control Activities	0.249	4.292	0.000	1.212
Risk Assessment	0.197	3.339	0.001	1.258
Monitoring	0.256	4.411	0.000	1.211
Control Environment	0.132	2.116	0.036	1.405
Project Budget	0.208	3.536	0.001	1.244
Infrastructure Quality	0.122	2.127	0.035	1.185
Security Level	0.120	2.008	0.047	1.277
Staff Experience	0.182	3.172	0.002	1.186

Dependent Variable: Project Performance

Source: Wachira (2026)

The regression results demonstrate that monitoring had the strongest positive influence on NGO project performance among all internal financial control factors examined. Monitoring recorded a standardized beta coefficient of $\beta = 0.256$, $t = 4.411$, and $p = 0.000$, confirming a statistically significant positive effect on project performance.

The findings indicate that increasing the effectiveness of monitoring practices significantly improves NGO project performance. Monitoring was stronger than control activities ($\beta = 0.249$), risk assessment ($\beta = 0.197$), and control environment ($\beta = 0.132$), demonstrating its central role in improving project outcomes.

5. Discussion of Findings

The study sought to establish the effect of monitoring on the performance of non-governmental organization projects in arid and semi-arid areas in Kenya. The findings demonstrated that monitoring significantly influenced project performance, with monitoring emerging as the strongest predictor among the internal financial control factors examined. The regression results showed that monitoring had a positive and statistically significant effect on project performance ($\beta = 0.256$, $t = 4.411$, $p = 0.000$). This finding indicates

that NGOs that implement effective monitoring mechanisms are more likely to achieve improved project outcomes through enhanced accountability, better resource management, and timely corrective action.

The descriptive findings further demonstrate that NGOs operating in ASAL areas have established relatively strong monitoring practices. The overall monitoring mean score was 4.03 (SD = 0.97), indicating that respondents generally agreed that monitoring systems were implemented within their organizations. The findings revealed that resource utilization monitoring was one of the strongest practices, with a mean score of 4.14 (SD = 0.91), suggesting that NGOs regularly monitored the use of financial and material resources during project implementation. This supports COSO's (2013) internal control framework, which identifies monitoring as a critical process for ensuring that organizational resources are used effectively and that weaknesses in control systems are identified and addressed.

The positive relationship between monitoring and project performance was further confirmed through correlation analysis. Monitoring had a significant positive correlation with project performance ($r = 0.505$, $p = 0.000$), indicating that improvements in

monitoring practices were associated with improvements in project outcomes. This finding suggests that NGOs that continuously track project progress, assess resource utilization, and evaluate implementation activities are better positioned to achieve project objectives. The finding agrees with Aga (2022), who established that monitoring and evaluation planning significantly contributed to project performance by improving implementation processes and strengthening accountability mechanisms.

The findings also support stakeholder theory, which guided this study. Stakeholder theory argues that organizations achieve sustainable outcomes by recognizing and managing the interests of different stakeholders, including beneficiaries, donors, employees, and partner organizations (Freeman, 1984). The study findings indicate that monitoring provides an important mechanism for maintaining stakeholder accountability and ensuring that project activities remain responsive to stakeholder expectations. The thesis further explains that monitoring mechanisms support stakeholder engagement and accountability, which contributes to improved project outcomes.

However, the findings also identified challenges related to stakeholder feedback integration. Although monitoring practices were generally strong, 86.3% of respondents indicated that stakeholder feedback was rarely incorporated into project decisions. This finding suggests that while NGOs conduct monitoring activities, there remains a gap in translating monitoring information into participatory decision-making processes. This contradicts the expectations of stakeholder theory, which emphasizes active consideration of stakeholder interests in organizational decisions (Freeman, 1984). Therefore, NGOs should strengthen mechanisms that allow beneficiaries and other stakeholders to influence project adjustments based on monitoring findings.

The study findings are consistent with Rumenya and Kisimbi (2020), who found that organizations with specialized monitoring and evaluation structures achieved improved project outcomes due to stronger accountability systems and improved stakeholder relationships. Similarly, Uwera and Wanjiku (2023) established that effective monitoring systems improved project performance by enhancing reporting processes, strengthening staff accountability, and reducing implementation challenges. The current study extends

these findings by demonstrating that monitoring remains a significant predictor of NGO project performance even within the challenging ASAL operating environment.

The findings further align with Aga (2022), who reported that monitoring and evaluation planning explained a substantial proportion of variation in project performance outcomes. The current study similarly demonstrates that monitoring has a dominant effect among internal financial control practices, with monitoring producing the highest beta coefficient compared with other control factors. This suggests that monitoring is particularly important for NGOs operating in ASAL regions where projects face unpredictable conditions requiring continuous assessment and adaptation.

The study also revealed that monitoring systems were adapted to address ASAL-specific challenges, with a mean score of 4.12 (SD = 1.05). This finding is important because NGOs operating in arid and semi-arid regions must respond to changing environmental, social, and economic conditions. Monitoring systems that consider local challenges enable organizations to modify implementation strategies and maintain project effectiveness despite operational uncertainty.

Overall, the findings confirm that monitoring is a critical determinant of NGO project performance in Kenya's ASAL areas. Effective monitoring improves transparency, strengthens accountability, supports evidence-based decision-making, and enhances the ability of NGOs to achieve intended project outcomes. However, organizations should move beyond routine monitoring activities and ensure that monitoring information is actively used to improve project planning, stakeholder engagement, and implementation decisions.

6. Conclusion and Recommendations

6.1 Conclusion

The study concludes that monitoring has a significant positive effect on the performance of NGO projects operating in Kenya's arid and semi-arid areas. The findings demonstrate that monitoring practices, including progress tracking, resource utilization monitoring, stakeholder engagement, and adaptation of monitoring systems to local challenges, contribute significantly to project effectiveness.

Monitoring emerged as the strongest predictor of project performance among the internal financial control factors examined. The significant regression coefficient ($\beta = 0.256$, $p = 0.000$) demonstrates that improvements in monitoring practices are associated with improved project outcomes. This confirms that monitoring should be considered a strategic management function rather than only a compliance requirement.

The study further concludes that while NGOs have established monitoring mechanisms, improvements are required in the integration of stakeholder feedback into project decision-making. Strengthening participatory monitoring approaches would improve accountability, enhance community ownership, and ensure that projects remain aligned with beneficiary needs.

6.2 Recommendations

Based on the findings, the study recommends that NGOs operating in ASAL areas strengthen their monitoring frameworks by developing comprehensive monitoring plans that integrate project progress tracking, resource utilization assessment, and stakeholder participation.

NGOs should also establish stronger mechanisms for incorporating stakeholder feedback into project decisions. Although monitoring systems exist, the limited integration of stakeholder opinions may reduce project responsiveness. Regular community consultations, beneficiary feedback platforms, and participatory review meetings should therefore be incorporated into monitoring processes.

Furthermore, NGOs should invest in staff capacity development to improve monitoring skills, particularly in data collection, analysis, and utilization of monitoring information for decision-making. Organizations should also adopt appropriate digital monitoring tools that enable real-time tracking of project activities and improve reporting efficiency.

Finally, donors and NGO management teams should recognize monitoring as an investment in project sustainability rather than merely an administrative requirement. Strengthened monitoring systems will improve accountability, increase donor confidence, and enhance the long-term success of NGO interventions in Kenya's ASAL regions.

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