

## Evaluation Steering and Strategy Performance of Local NGOs in Uganda

Lawrence Rafaih Okello<sup>1\*</sup>, Benson Benedict Okech<sup>2</sup>

<sup>1</sup>*The School of Business and Management Science, Texila American University, Uganda*

<sup>2</sup>*Benedicto Financial Centre, Kampala, Uganda*

### Abstract

*This article interrogates the contextual relevance and application of evaluation steering in a strategy implementation discourse by local NGOs in Uganda. The study hinges on the assumption that evaluation outputs from local NGOs are often less utilized due to inept leadership, yet critical programmatic and policy issues of strategic relevance can best be utilized through a steering score. The study's main purpose was to examine the relationship between evaluation steering and the strategy performance of local NGOs. The study drew findings from a cross-sectional study conducted using quantitative methods. In total, 349 participants comprising of field workers, mid-level staff, and executives from local NGOs from all parts of Uganda, were interviewed using a structured questionnaire. Results of the study showed that there was a positive correlation between evaluation steering and strategy performance constructs of fund stability ( $r = .243^{**}$ ), community satisfaction ( $r = .201^{**}$ ), and timeliness ( $r = .134^{**}$ ). The study concludes that evaluation steering has a high potential to improve fund stability, community satisfaction, and timeliness despite a weaker level of positive correlations. The national NGO bureau and NGO associations should establish executive capacity-building initiatives to support local NGOs to overcome the weakness in the current evaluation steering process. Consultants, volunteers, and NGO forums should advocate for donor resources to deepen organizational development, which supports an effective steering process.*

**Keywords:** *Evaluation steering, Localization, Strategy performance.*

### Introduction

The increasing global changes in the operational environment of local non-governmental organizations (NGOs) in developing countries have called for adaptive management practices to be embedded in the steering core of every strategy and plan. Recently, there has been rapid convergence toward delivering humanitarian assistance and development through local NGOs as a means of sustainability. In the past 30 years, the world has seen increasing calls for localization against a stronger background and recognition of the role played by local NGOs in socio-economic empowerment [1, 2].

In African countries, local NGOs are assumed to be a copy cut of international NGOs with relevant systems and policy procedures, but currently, not much is known about the extent to which they invest time and resources in evaluation steering to improved strategy performance. In a study conducted by Williams [3], where local NGOs were deemed to be an open system with a mandate to determine their steering models, their strength in Steering was majorly found to be strong at external events compared to internal events.

As technology and other program work techniques advance, the human capacity to single-handedly analyze and interpret information within the right strategic fit for adaptation is increasingly being challenged.

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**\*Corresponding Author:** lawokemc@gmail.com

According to Drury [4], the performance strategy of any organization has been found to be dependent on the team composition, the procedures, rules, and norms by which they work. Various scholars concur that hierarchical structures, division of labor, structuring of meetings, and leadership styles, among other management systems, determine organizational effectiveness [5,6]. Although involvement and the effects of Steering on international organizations has been widely documented in the past, not much is known about the strategic benefits to an implied open system and the contextual structural conditions that local NGOs experience. Therefore, this article must generate empirical evidence on the strategic value of evaluation steering to local NGOs in Uganda.

## **Literature Review**

This study recognizes that there is growing pressure on NGOs to develop acceptable performance standards for their strategy progress tracking. Scriven [7] and Stufflebeam [8] alluded that the concept of evaluation is universal by defining it as a systematic determination of a subject's merit, worth and significance using criteria governed by a set of standards. Explicitly, the independent variable of Steering is defined as an NGO leadership activity that ensures regular interaction, creating a team culture of accountability and utilizing evidence to shape strategic actions to achieve specific goals and targets.

According to Hastings [9], NGOs should not evaluate their strategies based on the capital budgeting models but rather create new methods and criteria. The new methods should be usable in ranking strategy on quantitative, qualitative, and intangible criteria based on their prioritized relationship with the mission of the firm. Organizations are enjoined to apply rigorous evaluation to remain afloat by highlighting some trade-offs that can be forfeited, at least they become ineffective. Such a process of assessing criteria needs to embed regular team participation, cultural awareness, and

development on the use of evaluation results through leadership. Wider oversight and participation require managing expectations, perceptions, and attitudes, which have bearing consequences on staff. According to Smith [10], strategy evaluation broadly means assessing the consequences of a range of management strategies or options and presenting the results in a way that lays bare the trade-offs in performance across a range of management objectives. The attitude of staff towards the evaluation of activities in NGOs is critical, and leaders are expected to steer this process to complete acceptance [11].

Proper strategy evaluation methods in an NGO should focus on donor accountability and performance improvement. This process starts with clear segregation of duties between the donor and the agency [12]. Any strategy evaluation method should start from understanding the strategic planning indicator, performance measurement plan and context assessment [13]. This finding is relevant for this study as it considers the contextualization of competencies as an important element.

Steering and evaluation in an NGO is a participatory process recognizing departmental technical heads as part of the steering core. In a study on the Canadian government evaluation capability, Bourgeois [14] recommended that technical heads of departments should be part of evaluation steering because they are involved in budget allocation by participating in deciding priorities, cuts off, and optimal resource allocation after the decision.

The common challenges affecting the departmental heads in the strategy performance evaluation process are the lack of evaluation expertise, limited capacity to understand the core strategy, and other emerging issues which arises because of over-preoccupation with operational, and technical issues, In practice. This has meant that the bigger strategic picture is usually abdicated for the top executive to handle without a companying departmental input [15]. Hence, the type of leader at the helm of an organization

is critical in triggering effective participation. There is a need to have a leader that steers an organization with complete sensitivity to departmental inputs.

Although different types of leadership have been discussed with their potential advantages and disadvantages, an NGO being an open system, needs a charismatic and people-oriented leader who is technically sound and effective in managing expectations and performance. According to Paul and colleagues [16] on their study of the impact of people management on performance, employee sense of strategy process ownership was found to influence a strategy's performance significantly. The study finding implies that organizations should continuously nurture charisma and values of openness as opposed to the culture of hiding strategic issues. The extent of such leadership skill set in the NGO sector remains unknown but there has been recent organizational development support by different agencies that supported this process across Uganda.

In a study on the extent to which evaluation lessons are taken into the legal rights organizations widely in Tanzania and Uganda, right [17] found that although there were increasing demand for services because of pilots, translating the success into actionable policies at the higher level has been problematic for NGOs. This study implies that at the heart of a strong steering core within the organization, there needs to be a community of practice level and joint coordination mechanisms for utilizing such research. Such steering core process has proven cumbersome and difficult for many national NGOs.

In developing countries, NGOs have proven to be effective vehicles for community transformation through evidence-based advocacy. The process of generating data, utilizing, and making meaning out of it starts from team collaboration and translates into organizational data and sector data upon which such advocacy priorities are generated. In a prospective documentation on the reflection of

NGO views in the health policy, the cultural perception of reports from CSOs was noted to be poor- hence their inability to shape policy [18].

## **Methodology**

This study used a mixed methods approach, featuring secondary data review and majorly quantitative and qualitative methods. The assessment involved the use of structured and non-structured interview approaches covering heads of the non-governmental organization, managers, and staff. This design is deemed appropriate as it involves a study of respondents across a wide spectrum of geographical locations, which can scientifically represent a population's view needed for deciphering the study outcomes [19].

In terms of Epistemology, this research drew from the coherent theory of truth, which holds that empirical facts need to be coherent as a set. Proponents of coherent theories posit that there are acceptable community facts about systems that may not be automatically accepted as truth because of various conditionalities of the system [20]. This framework guides the design of quantitative and qualitative sampling frameworks to ensure results are validated from multiple sources. On the philosophical foundation of the research, the research utilized the Pragmatist philosophical foundation. According to Kelly and colleagues [21], pragmatic approaches are important in organizational research because it recognizes the interconnectedness of knowledge and experience, which are contextually relevant and useful for NGO programs. This philosophical foundation suited the research because strategy evaluation is practiced in different organizations with different approaches, layers of staff, and stakeholders with different interpretations of the approaches.

For quantitative methods regarding the relationship between evaluation practices methods and the performance constructs, the study applied a cross-sectional study design to collect one-off information from respondents

spread in different geographical areas. These methods have been selected because they help to understand the behaviors in the context while providing options for further examination of the relationship between the different study constructs [22].

### Population and Sample

According to Mugenda and Mugenda [23], a study population refers to the entire set of individuals or entities on which the research findings is based. In this research, the general population were all active non-governmental organizations who had valid licenses from the national NGO registration bureau from 2017 to 2021. The entire organizational study population was drawn from 4000 active national and local non-governmental organizations with a staff population of 29,000 individuals [24]. Conversely, the applicable sample size was determined as 379 respondents who were to be spread across the four different regions in Uganda. The sample size achieved in this study was 349 respondents, and this represents a response rate of 92% percent. Different scholars concur that if the sample coverage is above 75%, then it is representative [25].

This chose to sample a total population of 60 organizations drawn from a cluster of 15 organizations in each of the four regions of Uganda. Using a two-stage sampling procedure, organizations were identified, and this was followed by additional categorization of respondents in the layers of executive, managers, and field staff. An average of 7 participants were drawn from the selected organizations per region. Ahlstrom [26] justified this sampling method in the interest of coherent national just strategies and policies.

### Data Analysis

The study results were analyzed using the quantitative data analysis method. Quantitative data analysis was done using descriptive statistics and inferential statistics to analyze the different segments of questions. Descriptive statistics were generated via graphs and tables. For measuring the strength of relationships, cross-tabulation of the research variables was analyzed and tested against the hypothesis using Pearson product-moment correlation and regression analysis.

### Results

The key elements of evaluation steering as an independent variable were analyzed using the Likert scale scores. NGO staff were asked to answer to what extent they agree with the statements listed, which were related to your organization's evaluation practices. Respondents were guided to use the following scales: 1=strongly Disagree, 2=Disagree, 3=Not sure 4=Agree, 5=strongly agree to grade their answers. Responses on multiple variables from the sampled population were computed and measured in terms of mean responses. Table 1 presents descriptive statistics which were generated from NGO staff responses.

In Table 1 above respondents' scores tended also towards agree on scores. Respondents poorly rated using an integrated approach in strategy oversight as an area they are unsure of within their organization. This implies that management in most of the assessed organizations was less perceived to be receptive to integrated programming, which is a strong requirement in the national policy framework of NGOs in Uganda.

**Table 1.** Mean Score Evaluation Steering Variables

<b>Evaluation Steering</b>	<b>Mean(N=349)</b>	<b>Std.Deviation</b>
B3.1 Periodic evaluation strategy reflections are organized by	3.91	1.088
B3.2 Key departments are represented in strategy evaluation	3.98	1.010
B3.3 Meaningful dialogue is encouraged prior to strategy plan	3.87	1.043
B3.4 Appropriate governance structure is utilized for approval of	3.87	1.058
B3.5 Technical staff are proactive in strategic choice	3.84	1.065

B3.6 Integrated approach is fostered in strategy oversight by	3.78	.981
B3.7 A sense of ownership of action is embedded in the team	3.87	1.072

Source: Primary data, 2023

Overall, the finding from the result above shows that there is a perceived growing trend of including evaluation steering mechanisms among the local NGOs. It implies that most organizations have decided to move towards inclusive and participatory Approaches in programming.

The dependent variables in this study focused on strategy performance aspects of community satisfaction, fund stability, and timeliness. NGO staff were asked to reflect on their experience and score what factors had defined the strategy performance in their organization. Study participants used the scales as follows: 1-Not at all, 2-Small extent, 3-Moderate extent, 4-Great extent, and 5-Very great extent. Responses on multiple variables from the sampled population were computed and measured in terms of mean

(average) scores for each response. Table 2 below presents descriptive statistics which were generated from NGO staff's Responses.

Findings from Table 2 show that all strategy performance variables of fund stability, community satisfaction, and timeliness were rated between the average scores of 3.2-3.8. This implies that the respondents were more inclined to rate the variables as moderate extent and great extent. Under the study variable of fund stability, respondent scores of saving costs and attracting new streams of funding were mostly rated as a mod reaching marginalized communities was also rated towards a great extent scale, and this resonates with the ever-increasing demand of leaving no one behind which is articulated in the sustainable development goals.

**Table 2.** Mean Score Strategy Performance Variables

<b>Fund Stability</b>	<b>Mean(N=349)</b>	<b>Std.Deviation</b>
C1.1 Attracting new streams of grants	3.24	1.044
C1.2 Maintaining donor relationship	3.80	1.022
C1.3 Delivering programs within the budget	3.63	1.022
C1.4 Saving costs	3.28	1.092
C1.5 Meeting audit requirements.	3.57	1.025
C1.6 Management supervision directives	3.56	.962
<b>Community Satisfaction</b>		
C2.1 Reaching more marginalized community beneficiaries	3.73	1.041
C2.2 Innovation towards beneficiary wellbeing	3.48	1.035
C2.3 Addressing competition by rival entity in the	3.22	1.059
C2.4 Acceptance of the organization by the beneficiaries	3.75	1.028
<b>Timeliness</b>		
C3.1 Capability to deliver service as and when needed	3.73	1.004
C3.2 Delivering program within agreed time	3.70	.993
C3.3 Responsiveness to opportunities within time	3.70	.979

Source: Primary data, 2023

Maintaining donor relationship was rated high and this implies local NGOs tended to value constructive engagement with the donors compared to making efforts in gaining community acceptance. Similarly, under the study variable of community satisfaction

respondents mostly rated addressing competition by the rival entity in the community on a moderate extent scale. All other dimensions under timeliness were rated to a great extent. The finding implies that the majority agreed that timeliness is a factor of great influence on the

performance of strategic actions. Given that the mean scores were above 3.5, it implies a favorable perception towards prioritizing it to a great extent. None of the mean scores were skewed toward the score of 2 or 5, and this implies that there were slow but progressive favorable opinions toward achieving the dependent strategy variables indicated in the study.

### Correlational Analysis

This study sought to establish the relationship between evaluation planning and strategy performance among local NGOs in Uganda. This is analyzed and interpreted using the data from Table 3 and secondary data review results.

This study sought to establish the relationship between the evaluation steering process and strategy performance among local NGOs in Uganda. This is also analyzed and interpreted

using the data from Table 3. At the proposal stage, the study hypothesized there was a positive correlational result between evaluation steering constructs and all the strategy performance constructs. The results above show that there were weak positive correlational scores between evaluation steering and strategy performance variables of fund stability ( $r = .243^{**}$ ), community satisfaction ( $r = -.201^{**}$ ), and timelines ( $r = .134^{**}$ ). The hypothesis is therefore accepted. The study findings still point to the fact that there was limited positive strategy performance influence from evaluation steering processes among the local NGO fraternity in Uganda. In summary, the alternative hypothesis, which stated that there is a significant relationship between evaluation steering and strategy performance, is accepted. There is a positive relationship between evaluation steering and strategy performance.

**Table 3.** Pearson Product Moment Correlation results (N=349)

	Steering	Fund stability	Community satisfaction	Timeliness
Steering	1	-	-	-
Fund stability	.243 <sup>**</sup>	1	-	-
Community satisfaction	.201 <sup>**</sup>	.662 <sup>**</sup>	1	-
Timeliness	.134 <sup>*</sup>	.675 <sup>**</sup>	.702 <sup>**</sup>	1

<sup>\*\*</sup>Correlation is significant at the 0.01 level (2-tailed). <sup>\*</sup>Correlation is significant at the 0.05 level (2-tailed)

Source: Primary Data 2023

Further regression analysis was conducted to determine if evaluation steering had a significant

impact on strategy performance. Results are presented in Table 4 below.

**Table 4.** Regression analysis between evaluation steering and strategy performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.214 <sup>a</sup>	.046	.043	.67133
a. Predictors: (Constant), Steering				

Source: Primary Data 2023

**Table 5.** ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.497	1	7.497	16.635	.000 <sup>b</sup>
	Residual	156.386	347	.451	-	-
	Total	163.883	348	-	-	-
a. Dependent Variable: Strategy performance						
b. Predictors: (Constant), Steering						

Source: Authors Primary Data, 2023

**Table 6.** Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig
		B	Std. Error	Beta		
1	(Constant)	2.830	.190	-	14.923	.000
	Steering	.196	.048	.214	4.079	.000
a. Dependent Variable: Strategy performance						

Source: Author's Primary Data, 2023

The results above show that the proportion of variance, which is the R squared ( $R^2$ ) is 0.046. This shows that evaluation steering explains 0.46% of the variation in the strategy performance of local NGOs. It means technical evaluation Steering does have a small fraction (1 out of 20) contribution to strategy performance.

Similarly, the strength of the relationship between evaluation steering and strategy performance was found to be positive as shown by the beta coefficient at ( $\beta = 0.214$ ). This means that evaluation steering indeed does influence strategy performance positively. Although the correlation had found a weaker relationship among the study constructs, further regression, ANOVA, and the coefficient analysis also confirm that evaluation steering does weakly but positively influence strategy performance with a probability of  $P < 0.046$  ( $R^2 = 0.046$ );  $F(16, 635) = 2.830$  and  $\beta = 0.214$ .

## Discussion

The study sought to answer specifically, 'What is the relationship between evaluation steering process and strategy performance of NGOs in Uganda?' As shown in the correlational analysis in table 1.3 above, there was a positive correlation between evaluation steering and the independent variable (strategy performance) constructs of fund stability ( $r = .243^{**}$ ) community satisfaction ( $r = .201^{**}$ ) and timeliness ( $r = .134^{**}$ ).

The findings above imply that there were gradual steps towards meeting internal and external opportunities due to ongoing steering conversations. This finding concurs with the recommendation for leaders to steer the process

of evaluation to complete acceptance by the relevant key staff and stakeholders [11].

The findings also mean that marked quality concerns about the use of evaluation criteria is attended to periodically by the NGO leaders. The results reject the argument that local NGOs avoids new work culture expectation, and this causes their poor performance [18]. The finding also accepts the recommended role of leadership in ensuring participation during evaluation. In a past study, Smith [10] recommended that evaluation steering should bring managers to meet the consequences of their actions by undertaking periodic trade-off options for effective strategy performance.

The weak positive correlations between the evaluation steering process may also be justified based on the lack of segregation of duties in NGOs. For effective steering to occur, there needs to be clear segregation between the technical staff and the executive with clear roles [12]. As seen from the results, local NGOs are prone to become a one-man's shows. This finding, therefore, implies that local NGOs in Uganda were yet to attain stronger organizational skills to achieve a clear segregation of duties for effective Steering.

## Study Conclusion and Recommendations

In this study, the findings from all the survey locations revealed a positive correlation between evaluation steering and strategy performance of NGOs in Uganda. This means that evaluation steering in the local NGO was already determining the strategy performance. The surveyed NGO staff and executives demonstrated poor conceptualization of the

segregation of duties in the evaluation process. In light of the above, it is concluded that the evaluation practice dimensions of Steering have a high potential to improve fund stability, community satisfaction, and timeliness.

The national NGO bureau and NGO associations should establish executive capacity-building initiatives to support local NGOs to overcome the weakness in the current evaluation steering process. Consultants, volunteers, and NGO forums should advocate for donor resources to deepen organizational development, supporting an effective steering process.

### Conflict of Interest Declaration

I declare that this is my original work and that this study was not funded by any local or

international organization throughout the assessment and reporting. I fully declare that there was no conflict of interest.

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