# Journal of Entrepreneurship & Project Management



The Influence of Risk Management on Project Performance in Rwanda; A Case of Hinga Wunguke Project in Gatsibo District

Marie Grace Bora & Dr. Rusibana Claude

ISSN: 2616-8464



## The Influence of Risk Management on Project Performance in Rwanda; A Case of Hinga Wunguke Project in Gatsibo District

Marie Grace Bora<sup>1</sup> & Dr. Rusibana Claude<sup>2</sup>

<sup>1</sup>Master of Business Administration in Project Management, University of Kigali, Rwanda

<sup>2</sup>Senior Lecturer, University of Kigali, Rwanda

How to cite this article: Marie G. B. & Rusibana C. (2024). The Influence of Risk Management on Project Performance in Rwanda; A Case of Hinga Wunguke Project in Gatsibo District. Journal of Entrepreneurship & Project Management. Vol 8(6) pp. 1-10 <a href="https://doi.org/10.53819/81018102t2404">https://doi.org/10.53819/81018102t2404</a>

### **Abstract**

The general objective of this study was to assess the influence of risk management on project performance in Rwanda. The study was guided by Specific Objectives such as to evaluate the effect of Risk Identification on Hinga Wunguke project performance in Gatsibo District, To determine the effect of Risk Assessment on Hinga Wunguke project performance in Gatsibo District, To establish the effect of Risk treatment on Hinga Wunguke project performance in Gatsibo District. This study will be conducted in Gatsibo District in the Eastern Province. The time of this research was limited in the period between 2020-2022. This time was enough to generate the desired information. This study adopted a inferential study design. The study involved collection of data at a single point in time in the target population. The total population of this research was 140 employees and managers of Hinga Wunguke Project in Gatsibo district. The sources of data were primary and secondary data. To get primary data, the researcher went to the field and collected raw data from respondents, in this study, questionnaires, interviews and observations were used to collect primary data. Secondary data was collected by way of document reviews. The sample size was 140. To get primary data, the researcher went to the field and collected raw data from respondents, in this study, questionnaires, interviews and observations were used to collect primary data. SPPSS was used to run data after collection. The coefficient of determination  $R^2 = 0.744$  indicates that approximately 74.4% of the variability in project performance can be explained by the predictors included in the model. Notably, the coefficient for Risk identification (B=0.590,p=0.023) demonstrates a statistically significant positive relationship with project performance. This suggests that for each unit increase in Risk identification, there is a corresponding increase of 0.590 in project performance, with the associated p-value indicating that this relationship is unlikely to have occurred by chance. However, the coefficients for Risk assessment (B=0.017,p=0.886) and Risk treatment (B=0.007,p=0.927) are not statistically significant, indicating that their impact on project performance may be negligible. These high p-values suggest that there is insufficient evidence to reject the null hypothesis, implying that the relationships between Risk assessment, Risk treatment, and project performance are not statistically significant. Consequently, despite having small coefficients, the lack of statistical significance implies that the observed effects of Risk assessment and Risk treatment on project performance may not be reliable or meaningful in the context of the study.

**Key words:** Risk Management, Risk Identification, Risk Assessment, Risk treatment, and Performance.



### 1. Introduction

Performance of agricultural projects is critical to project managers and other stakeholders (Yabi & Afari-Sefa, 2009). Project managers are appraised based on the performance of the agricultural project they manage (Ghani & Mahmood, 2015). Good performance is the main goal of any project. Performance of agricultural project refers to the success level of agricultural projects in achieving their objectives in an efficient, timely and cost effective, and sustainable manner (Theuvsen, 2013).

Globally, In Germany, Broll *et al.* (2013) indicate that agricultural projects face diverse risks due to challenges such as price volatility of inputs and outputs, challenges with climatic conditions, international trade dynamics, and dynamic conditions in food safety standards amongst others. In Chile, Toledo and Engler, (2011) indicated that agricultural project risks can be categorized into five components including productive risk, marketing risks, financial risks, human risks and environmental risks. These are the risks that are prevalent in those respective areas such as production, marketing, finances, human power and environmental considerations. Toledo and Engler, (2011) noted that amongst the risks associated with prices include product and direct cost variability aspects. The human risks aspects included challenges in sustainable labour and the necessary skills required for the laborers.

In Nepal, Asian Development Bank (ADB) (2017) found out that monitoring of risk on financial aspects improved performance of agricultural projects, financial monitoring such as tracking financial transactions, monitoring fund flow, compliance to procurement acts as well as adopting accounting practices that produces transaction trail. Agricultural projects in Nepal delayed in execution, had cost overruns while others completely failed. Focusing on risk assessment in crop growing in Brazil, Havemen (2014) established that growing of beans, corn, rice, soy and wheat was faced by low yields, low market prices and high risks. Havemen (2014) further established that low yields and low profitability was as a result of poor risk evaluation and mitigation practices. Other risks that were found to affect Brazilian cash crop growing included production and yield risks, market and price risks, social and legal risks, human resource risks such as labor, contractors, and management team and also technological risks such as change and obsolescence.

In Africa, The understanding of the concept of risk is critical in understanding risk management. In South Africa, Cass, (2009) indicated that various risks are prevalent within the context of maize farming. These risks include production risks, price risks, institutional risks, and human risks such as labour challenges. Madembu and Namusonge (2017) in Malaysia define risk as the uncertainty of outcomes in respect to a particular aspect. Mohammadreza *et al.* (2013) in Malaysia indicated that risk management involved the assessing, and controlling of risks that emerge during undertaking of diverse organizational activities. Focusing on SMEs in Cameroon, Mamai and Yinghua (2017) indicates that risk management is the process through which organizations methodologically assess the inherent risks present in their activities while mitigating those risks and hence achieving sustainable and optimum benefits from their activities. Tabi (2016) indicated that the areas that were critical in risk identification in construction firms in Ghana included identifying the area with high risk and breaking down risk according to their magnitude assisted in project performance aspects.

In Rwanda, risk identification during the planning stages of the projects was noted to influence the project performance (Gitau, 2015). This is because the early identification of risks enables the project managers to factor their consequences into the project planning aspects. Risk management is critical to the project performance aspects. According to Ogero (2014), risk management relates to the ability of the project to meet its objectives and diverse preset



performance standards relating to time, quality, and cost efficiency amongst others. The risk management aspects have also been undertaken within the context of project undertaking. In this context, Musyoka (2012) notes that project risk management involves the identification, understanding, and addressing the potential unsatisfactory outcomes that are likely to influence the outcome of projects. Diverse aspects have been used to measure project performance such as; meeting of project objectives, stakeholder satisfaction, and efficiency of resources utilization (Jumba, 2013); meeting budget constraints, timeliness, and quality aspects (Ogero, 2014); project relevance, effectiveness, influence, efficiency, and project sustainability (Mungai, 2014); and customer satisfaction, operations efficiency, and timeliness (Njogu, 2016). The risk management aspects that have been found to influence project performance include risk identification, risk assessment practices, risk mitigation, and risk monitoring aspects. Hinga Wunguke Project activity is a five-year (June 22, 2022) USAID-funded \$32.6M initiative to sustainably increase smallholder farmers' income, improve the nutritional status of Rwandan women and children, and increase the resilience of agriculture and food systems to the changing climate. This is the Quarterly Progress Report (QPR) for the period of January-March 2018 of Fiscal Year (FY) 2018. The report covers the following areas of project implementation: Progress of Project Performance by Objectives; Monitoring and Evaluation (M&E) and Cross-Cutting Themes (including EMMP & Social Inclusion); Partnerships & Linkages and Challenges to Implementation as well as Lessons Learned. (Sept-Jan) and B (Feb-May). The 2018B season was the first agricultural season to be implemented by Hinga Wunguke.

According to Mukama (2022), The Feed the Future Rwanda Hinga Wunguke Activity is a fiveyear, \$32.6 million USAID-funded project that aims to sustainably increase smallholder farmers' income, improve the nutritional status of women and children, and increase the resilience of Rwanda's agricultural and food systems to a changing climate. Hinga Wunguke implements holistic interventions that target the interrelated issues of under nutrition, food insecurity and barriers to agricultural productivity by focusing on the sustainable intensification of Rwandan smallholder farming systems, with an emphasis on climate-smart, nutritionsensitive approaches. Hinga Wunguke is utilizing innovative approaches to enhance the production of five value chains: high-iron beans, orange flesh sweet potato (OFSP), Irish potato, maize, and horticulture. By 2022, the project will have benefited over 700,000 smallholder farmers in ten target districts: Gatsibo, Kayonza, Bugesera, Ngoma (Eastern Province); Nyabihu, Rutsiro, Ngororero, Nyamasheke, and Karongi (Western Province); and Nyamagabe (Southern Province). (HW 2022). The Hinga Wunguke Project serves mainly three purpose including: Increasing agricultural productivity, Expanding farmers' access to markets and Improving nutritional outcome of agriculture interventions. The project management asserts that, agricultural production can lead to improved household consumption and dietary diversity that is critical to reducing under nutrition in Rwanda. Hinga Wunguke is focusing on interventions that support an integrated systems approach to agriculture productivity that follows the principles of sustainable land and water use, with particular attention to climate-smart technologies of relevance to Rwanda.

### **Problem statement**

Agricultural projects play an increasingly important role in terms of employment, food security, wealth creation, and the development of innovation in an economy. It is the backbone of nation's economy. The agricultural sector accounts for nearly 30% of the national Gross domestic product (GDP). Rwanda's economy has enjoyed exceptional average growth of 7.2% (2019), while having a per capita GDP growth of 5% annually. For example, the increase of animal population boosted animal products in the country. For instance, Cattle population grew from 172,000 to around 1,300,000 with a contribution of over 380,162 cows from Girinka programme which was initiated in 2020. This has contributed to the improvement of



livelihoods, nutrition, family incomes and social cohesion among Rwandans. Milk production has increased from 7,206,000 liters per year in 1994 to over 864,252,000 liters to date – an increase of over 117.5 times. Before 1994, Rwanda's fish production was below 7,000 MT per year. Agriculture is an important source of foreign exchange, making up about 63% of the value of Rwanda's exports. Agriculture export income increased from \$70 million before 1994 to \$419 million today.(MINAGRI, 2022). Risk identification, Risk assessment, Risk treatment are very key tools in managing agricultural products and Hinga Wunguke Project has tried to observe them, however, the project has continued to face many performance challenges which call for a deep and an exhaustive study on the Influence of risk management tools used by the project to manage the performance of the project. Despite agricultural projects being risky venture, they are potentially profitable situations and therefore needs to be managed as carefully as possible. Good risk management involves anticipating potential problems and planning to reduce their detrimental effects (Hezell, 2017). Inspire of its manifest importance, risk management in agriculture is an under-researched topic. Although a number of scholars have explored project risk management in projects, as yet, there does not appear to be any study that has considered the influence of project risk management on performance of agricultural projects. Despite government's initiatives and exiting policies on agricultural production management, the project of Hinga Wunguke has been facing challenges such as Shortage of land, Lack of capital, Pests and diseases, land degradation, soil erosion, land use issues, and land distribution problems. Producers also struggle with an overdependence on rain-fed production systems, inefficient farming practices, poor production techniques, and low postharvest processing and value- addition capacity. These serves as risks to the performance of Hinga Wunguke Project in Gastsibo District. According to the above there is no study that delves the influence of risk management on performance of agricultural projects in Gatsibo District, Rwanda; this study therefore seeks to fill this gap.

### Research objectives

The general objective of this study was to assess the influence of risk management on project performance in Rwanda. Specifically, the study aimed to:

- To evaluate the effect of Risk Identification on Hinga Wunguke project performance in Gatsibo District
- To determine the effect of Risk Assessment on Hinga Wunguke project performance in Gatsibo District
- To establish the effect of Risk treatment on Hinga Wunguke project performance in Gatsibo District.

### **Research Hypotheses**

**H01:** There is no significant effect of Risk Identification on Hinga Wunguke project performance in Gatsibo District.

**H02:** There is no significant effect of Risk Assessment on Hinga Wunguke project performance in Gatsibo District.

**H03:** There is no significant effect of Risk Treatment on Hinga Wunguke project performance in Gatsibo District.

# 2. Literature Review Risk Identification

Gitau (2015) carried out a study to examine the effects of risk management at planning phase of construction projects in Rwanda. The study used both descriptive and explanatory research designs. A sample size of 161 employees of construction projects and 10 construction professionals was used. Questionnaires and face to face interviews were used to collect data. The study found out that 92.5% of respondents agreed that there was risk identification during



the planning stages of the construction projects. From Ghana, Tabi (2016) carried out a study on risk identification and analysis in construction firms in Ghana. The study used both qualitative and quantitative approach to obtain its data from a sample of 55 respondents. The study used questionnaires that were both open and closed. The study found out that 96.15% of the respondents indicated that risk identification was a major consideration before carrying out the construction projects.

### **Risk Assessment**

Risks are potentialities, and in a project management context, if they become realities, they then become classified as "issues" that must be addressed with a risk response plan. So risk management, then, is the process of identifying, categorizing, prioritizing and planning for risks before they become issues. (Kaliti, 2015). Proper risk management implies control of possible future events and is proactive rather than reactive. Effective risk management strategies allow you to identify your project's strengths, weaknesses, opportunities and threats. By planning for unexpected events, you can be ready to respond if they arise. (Kaliti, G. (2015). Performance and risk management are seen by some as two ends of the same spectrum. Performance measurement and management is about steering an enterprise towards a profitable and viable future, whilst risk management is about avoiding the pitfalls that can overwhelm and ultimately put an enterprise out of business. Risk management can help you: take advantage of risks that are worth taking. Compare the level of risk against potential benefits to determine if it's one worth taking. (Kausar et al., 2014). Prevent unacceptable risks being taken (where the level of risk outweighs the potential benefits). (Kaliti, 2015). A successful risk management program helps an organization consider the full range of risks it faces. Risk management also examines the relationship between risks and the cascading influence they could have on an organization's strategic goals.

### Risk treatment

During risk management, project managers and professionals seek to identify events that may negatively influence overall project performance. Risks are both internal and external, so risk assessment and management usually include a number of aspects that include: Program risk assessment. Investment risk assessment. A study conducted by ALSaadi and Norhayatizakuan (2021) on risk management practices and agricultural project performance. The link was investigated using quantitative methods in this study.

The assessment includes construction enterprises in Oman with grades ranging from exceptional to second. The findings demonstrated that risk management considerably improves the performance of agricultural project performance. As a result of this finding, qualified project managers with significant knowledge of risk management and its key activities must be hired. The risk management plan establishes the strategy for treating project risk and specifies the methods, procedures, means, and tools to be used. Risks are not trivial, and if they are not managed properly, they can have a significant influence on the project's goals. When an event occurs and its influence is felt, it can be a source of concern.

### Theoretical review

This section describes theories that present the study in view of the variables being studied.

### **Contingency Theory**

The theory was instituted by Lawrence and Lorsch in 1967 who set up that the adjustments in the outer condition that in all respects has enormous effect on the performance of associations. The contingency theory indicates that there is no single way to organize and lead a corporation or make management decisions in relations to the corporation. The theory notes that the optimum course of action depends on the internal and external situation (Ghani & Mahmood, 2015). These internal and external environments do present certain risks to the organizations that must be mitigated.



The internal environment present risks emanating from inside the institution such as challenges with employees, challenges in internal operational environment, and challenges with information technology systems amongst other aspects (Tadayon, Jaafar, & Nasri, 2012). The external environment present challenges such as political challenges, regulatory environment, and market environment amongst other challenges. According to the theory, the main response an organization should take towards both external and internal challenges is to mitigate risks without necessary emphasizing on how to do it (Theuri, 2014). The theory is relevant to to this study because it explains any decision to be taken during the project cycle should be based always on the projects operations and reports.

### **Risk Management Theory**

Risk management theory was developed by Yu Payne in 1969 and states that; for Projects to perform much better, project managers should first identify, assess, and manage risk. By identifying potential risks, companies can develop plans to avoid or minimize them. The Theory holds that; Risk management is a process that involves identifying, assessing, and responding to risks. Risk management aims to minimize the negative influence of risks and maximize the opportunities they present. Risk management theory is relevant to this study since it explains how risk is identified and managed.

### **Modern Portfolio Theory**

Harry Markowitz introduced Modern Portfolio Theory (MPT) in 1952. MPT is a theory of investment which tries to maximize return and minimize risk by carefully choosing different assets (Aziz *et al.*, 2015). MPT theory elaborates that risk identification calls for risk identification as a continuous process and continuous seeking of new risk. Further, this theory elaborates that risk identification assists the management to develop risk management strategy to allocate resources efficiently. By risk identification the organization is able to study activities and places where its resources are exposed to risks.

### 3. Research methodology

For the purpose of data interpretation, the research used an Inferential statistics Analysis design. Consequently, the researcher used a mix of quantitative (questionnaire) and qualitative (interview) research methods to gather data pertinent to the study's aims and conduct the necessary analyses.

The Hinga Wunguke Project in the Gatsibo area was the setting for this study, which included 140 participants. Its sample size was 140 workers. Due to the tiny size of the population, it is necessary to employ the full population as the sample size.

Researcher used surveys and key informant interviews to gather primary data, and Researcheralso used secondary sources of information. In order to get secondary data, a documentary review was conducted.

Validity and reliability tests were conducted on the research tools. Using a combination of closed- and open-ended questions, mostly based on a Likert scale, questionnaires were created to gather primary data in accordance with the study goals. The depth of information gathered was enhanced by supplementing primary data collecting with documentary examination. In terms of dependability, Researcherfound that all of the variables had Cronbach's alpha values that were higher than the 0.7 cutoff, suggesting very high levels of internal consistency. To



make sure the data was organized, consistent, and of high quality, editors used coding and tabulation procedures.

For quantitative data analysis, Researcherused SPSS V 21.0, the Statistical Package for the Social Sciences. To determine the impact of risk management and Rwandan project outcomes, researchers used inferential statistics, such as multiple regression and Pearson correlation analysis. Prioritizing ethical issues, Researchermade sure that no one would ever find out who the responders were and that any sensitive information was kept completely secret.

### 4. Findings

This chapter delves into the study's findings and provide their interpretation, drawing from the analysis of the data gathered through questionnaires. The study scrutinizes the Effect of risk management on Project Success in Rwanda, employing correlation analysis to unveil the associations. Additionally, regression analysis is leveraged to elucidate both the individual and collective effect of risk management on Project Success in Rwanda.

**Table 1 Correlation Analysis of the variables** 

Correlations

		RISK MANAGEMEN T	Risk identification	Risk assessment	Risk treatment	PROJECT PERFORMAN CE	Devotion to timelines of project deliverables	Efficiency in utilization of project resources	Stakeholder satisfaction through goal achievement	Time schedule
RISK MANAGEMENT	Pearson Correlation	1	.987**	.916**	.700**	.854**	.356**	.144	220**	.015
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.090	.009	.862
	N	140	140	140	140	140	140	140	140	140
Risk identification	Pearson Correlation	.987**	1	.932**	.725**	.862**	.382**	.142	232**	.025
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.093	.006	.769
	N	140	140	140	140	140	140	140	140	140
Risk assessment	Pearson Correlation	.916""	.932***	1	.784**	.806**	.437**	.173	261**	.061
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.041	.002	.475
	N	140	140	140	140	140	140	140	140	140
Risk treatment	Pearson Correlation	.700**	.725**	.784**	1	.628**	.434**	.268**	232**	.179
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.001	.006	.034
	N	140	140	140	140	140	140	140	140	140
PROJECT	Pearson Correlation	.854**	.862**	.806**	.628**	1	.311**	.157	107	.032
PERFORMANCE	Sig. (2-tailed)	.000	.000	.000	.000		.000	.063	.210	.709
	N	140	140	140	140	140	140	140	140	140
Devotion to timelines of	Pearson Correlation	.356**	.382**	.437**	.434**	.311**	1	.352**	204	088
project deliverables	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.016	.301
	N	140	140	140	140	140	140	140	140	140
Efficiency in utilization of	Pearson Correlation	.144	.142	.173	.268**	.157	.352**	1	.283**	021
project resources	Sig. (2-tailed)	.090	.093	.041	.001	.063	.000		.001	.809
	N	140	140	140	140	140	140	140	140	140
Stakeholder satisfaction	Pearson Correlation	220**	232**	261**	232**	107	204	.283**	1	.066
through goal achievement	Sig. (2-tailed)	.009	.006	.002	.006	.210	.016	.001		.440
acmevement	N	140	140	140	140	140	140	140	140	140
Time schedule	Pearson Correlation	.015	.025	.061	.179	.032	088	021	.066	1
	Sig. (2-tailed)	.862	.769	.475	.034	.709	.301	.809	.440	
	N	140	140	140	140	140	140	140	140	140

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

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



From the table 1, the research findings shows the significant effect the independent variable Risk Management has on the dependent variable Project Performance. Based on the findings from a SPSS generated data, the predictors under study, Risk identification, Risk assessment and Risk treatment have high correlation with Project Performance (Devotion to timelines of project deliverables, Efficiency in utilization of project resources, Stakeholder satisfaction through goal achievement and Time schedule).

Table 2 Model Summary<sup>b</sup>

Model Summary<sup>b</sup>

			Adjusted R	
Model	R	R Square	Square	Std. Error of the Estimate
1	.862a	.744	.736	9.905

- a. Predictors: (Constant), Risk treatment, RISK MANAGEMENT
- , Risk assessment , Risk identification
- b. Dependent Variable: PROJECT PERFORMANCE

Table 2, the Model Summary, reveals that the predictors included in the model (Risk treatment, Risk management, Risk assessment, Risk identification) collectively explain approximately 74.4% of the variability in project performance. p-value (0.000) underscores the positive effect of these independent variables on project performance.

Table 3. ANOVAa

### **ANOVA**<sup>a</sup>

Mo	del	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38424.041	4	9606.010	97.909	$.000^{b}$
	Residual	13245.102	135	98.112		
	Total	51669.143	139			

- a. Dependent Variable: PROJECT PERFORMANCE
- b. Predictors: (Constant), Risk treatment, RISK MANAGEMENT
- , Risk assessment , Risk identification

From the above table 3, the research finding shows that there is a strong effect of Predictors: (Constant), Risk treatment, Risk assessment, Risk identification on Project Performance. Table 3 demonstrates ANOVA where calculated f is positive (f=97.909) and a significant p-value of 0. .000 which is less than the alpha (0.05). Therefore, it shows that there is a positive and significant association of risk management (Risk treatment, risk management, Risk assessment, and Risk identification) and how it affects the project performance. Therefore, there is no doubt that risk management affects project performance.

**Table 4 Coefficients** 

### Coefficients<sup>a</sup>

		Unstand Coeffi	lardized cients	Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	25.382	4.002		6.343	.000
	Risk identification	.590	.257	.704	2.298	.023
	Risk assessment	.017	.120	.019	.144	.886
	Risk treatment	.007	.077	.007	.092	.927

a. Dependent Variable: PROJECT PERFORMANCE



From table 4, the research findings confirm that all the (Constant) RISK MANAGEMENT (Risk identification, Risk assessment and Risk treatment) have a significant effect on PROJECT PERFORMANCE was 25.382. The findings presented also show that taking all other independent variables at zero, a unit increase in Risk identification would lead to a 0.590 in the Devotion to timelines of project deliverables. Further; the findings shows that a unit increase in the scores of Risk assessment would lead to a 0.017 increase in the scores of Efficiency in utilization of project resources. The findings shows that a unit increases in the scores of Risk treatment would lead to a 0.007 increase in the scores to Stakeholder satisfaction through goal achievement. Finally, the results show that all the independent variables are the best predictors of project performance. However, Risk identification with B.590 which constitutes 59 % contributes more to project performance compared to other variables.

### 5. Conclusion

The study assessed the influence of risk management on project performance in Rwanda. This case study suggests that prioritizing risk identification within a comprehensive risk management strategy is crucial for successful construction projects in Rwanda. Early identification allows project managers to proactively address potential challenges and develop mitigation plans, ultimately leading to improved project outcomes.

### 6. Recommendations

In line with some weaknesses found within the research, the following recommendation are proposed to improve the success of GGP in Rwanda:

- Project managers should embrace the use of project risk identification because it assists the management to develop risk management strategy to allocate resources efficiently.
- Projects should adopt project's accounting control practices such as risk-based auditing, because they are crucial to the success of a project as it acts as a powerful brake on the possible deviations from the predetermined objectives and policies.
- Projects should transfer risks through diversification. Using a reinsurance technique, projects can allocate risks to those parties who are most appropriate to bear them.
- Projects can put in place measures that reduce the severity of a risk after it has occurred.
   Therefore, good loss prevention and control practices are thought to enhance project performance.

### Acknowledgements

Foremost, I would like to express my sincere gratitude to my advisor Dr. RUSIBANA Claude for the continuous support, for his patience, motivation, enthusiasm and immense knowledge. His guidance helped me in writing this proposal, and expecting more for the entire research completion. I would like to thank my family and my husband without their support, this work would not have been realized. May God Almighty, the father our Lord Jesus Christ, bless you all abundantly.

I also extend my heartfelt appreciation to all my colleagues and classmates for valuable assistance to each other given during this period of study.



### References

- Asian Development Bank (ADB) (2017). A review of techniques for risk management in projects. *Benchmark International Journal*, 14(1), 22-36.
- Barare, J. (2014). The Effect of Risk Management Strategies on the Performance of Youth Projects in Nyamira County. *Project Management Journal*, 2(3), 32–44.
- Ghani, R. A., & Mahmood, R. (2022). Risk Management Practices and Performance of Microfinancing Banks in Malaysia. *Academia Journal UiTMT*, 4(2), 26–33.
- ImaN. C. & Borimnejad. M. (2017). Effects of Project RiskS Planning on Project Performance of Agaseke Project in Kigali, Rwanda. *International Journal of Business and Management Review*, 3(5), 29-51.
- Irungu, G. W., & Makori, M. (2016). Determinants of performance of agricultural projects in Kenya: a case of Nyeri County. *The Strategic Journal of Business and Change Management*, 3(4), 462–480.
- Kaliti, G. (2015). The Effect Of Risk Management Practices On Performance of Projects. Master of Arts Degree in Project Planning and Management Thesis. University of Nairobi.
- Kausar, A., Nazir, M. S., & Butt, H. A. (2014). Capital Structure and Firm Value: Empirical Evidence from Pakistan. *Asian Journal of Research in Economics and Finance*, 1(1), 11–22.
- Kenya Agricultural Research Institute (2015). The effectiveness of risk management: an analysis of project risk planning across industries and countries. *Risk analysis*, 31(1), 25-37.
- Madembu&Namusonge (2017). Research Methodology-A Step-by-Step Guide for Beginners (2nd ed.). Singapore: Pearson Education.
- Mamai, M., & Yinghua, S. (2017). Enterprise Risk Management Best Practices for Improvement *Financial Performance in Manufacturing SMEs in Cameroon*, 8(3), 1004–1012.
- Muler, L., Lai, M., & Sorrenson, A. (2013). Influence Of Stakeholders Involvement On Project Performance: A Case Of Nema Automobile Emission Control Project In Nairobi County, Kenya. *Journal of Business Administration*, 2(3), 67–75.
- Mungai, J. G. (2014). Operations Strategies and Project Performance of Japan International Cooperation Agency Funded Projects in Kenya. *Journal of Business Administration*, 2(3), 107–119.
- Nyanje, S. O. (2016). Analysis of Factors Affecting the Implementation of Non-Governmental Organization Projects in Nakuru County, Kenya. *International Journal of Economics, Commerce and Management*, 5(5), 851–870.
- Ogero, D. K. (2014). Influence Of Project Management Information System On Project Performance In The Construction Industry: A Case Of Nairobi County, Kenya. Master of Arts in Project Planning and Management Thesis. University of Nairobi.
- Theuri, G. (2014). Determinants Of Project Sustainability Among Selected Non-Governmental Organizations In The Health Sector: A Case Of Nairobi County. *International Journal of Business and Management*, 2(1), 6–10.
- Toledo, R., Engler, A., & Ahumada, V. (2011). Evaluation of Risk Factors in Agriculture: An Application of the Analytical Hierarchical Process (AHP) Methodology. *Chilean Journal of Agricultural Research*, 71(1), 114–121.