

Effect of Strategic Partnership on Performance of Non-Governmental Organizations in Nairobi Kenya



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ABSTRACT: This study aimed to investigate the influence of strategic partnerships on the performance of non-governmental organizations (NGOs) operating in Nairobi, Kenya. The research employed a cross-sectional descriptive research design and data was collected from 296 NGOs in Nairobi through structured questionnaires administered to managers within these organizations. Data analysis was primarily quantitative. The research design employed was descriptive design and this enabled examination of the attributes of the sample and linear regression models to assess the relationship between strategic partnerships and NGO performance. The theoretical framework guiding this study drew upon Resource Dependence Theory and Institutional Theory to better understand how variables relate. The study focused on various dimensions of strategic partnerships, including shared vision, teamwork, open communication, trust, joint commitment, and investment. The study's findings showed that strategic partnerships were crucial to improving the performance of NGOs in Nairobi, Kenya. Specifically, the study identified that the adoption of shared vision among partners, effective teamwork, open communication channels, trust-building, and joint commitment and investment were positively correlated with improved NGO performance. The performance outcomes assessed included higher levels of customer satisfaction and increased employee satisfaction. The study suggests that NGOs operating in Nairobi, Kenya should be fostering strategic partnerships that emphasize shared values, collaborative teamwork, transparent communication, trust-building, and mutual commitment and investment. These plans are essential for enhancing customer and employee satisfaction.

1. INTRODUCTION

1.1 Background of Study

Strategic partnership entails the establishment of a cooperative alliance between two or more organizations, driven by the shared goal of attaining mutually advantageous outcomes. It involves a collaborative relationship forged with the intention of achieving common objectives through joint efforts and resource sharing. It involves a formal agreement or arrangement where organizations come together to leverage their respective strengths, resources, and capabilities to achieve strategic goals that would be difficult or impossible to accomplish individually. Strategic partnerships are often formed to gain competitive advantage, access new markets, share costs and risks, enhance innovation, or expand reach and influence.

Yousif et al. (2020) noted that NGOs in the world face a number of challenges, including limited funding. Globally, many NGOs struggle to secure adequate funding to support their operations and programs. This is often due to limited donor support, competition for resources, and a lack of sustainable funding models. According to Jamali and Keshishian (2009), strategic partnership form one of the best ways that firms can use to promote their capacity as well as to develop effective programs, and sustain long-term impact. This is because the strategic partnerships promote access to resources and allow firms to access resources they may not have on their own.

The study was based upon the Resource Dependence Theory and Institutional Theory as its guiding frameworks.

These theories provided frameworks for understanding the underlying mechanisms through which strategic partnerships influence the performance of NGOs in Kenya. By analyzing these theories in the specific context of NGOs and strategic partnerships, the researcher was able to gain insights into the dynamics and effects of such collaborations.

In the Kenya Context, NGOs face political interference and corruption and it has been argued that their success can only come through strategic partnership. Through collaboration, NGOs can combine their customer bases or access the partner's distribution channels, allowing them to reach a wider audience and increase market penetration. It is also evident that strategic partnerships facilitate knowledge sharing between partners. Firms can exchange expertise, insights, and best practices, leading to mutual

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learning and innovation. Collaborating with partners who have different perspectives and experiences can spark creativity and drive new ideas and approaches. However, NGOs in Kenya sometimes face challenges from the government, which can lead to regulatory hurdles, operational challenges, and sometimes even harassment. There are also security concerns as some NGOs in Kenya face security challenges, particularly those working in areas with high levels of violence or political instability. There is also limited access to technology and it is true that access to technology and internet connectivity can be a challenge for some NGOs in Kenya, which can limit their ability to communicate, collaborate, and access critical information (Mwaura, 2003). With these challenges, NGOs can adopt strategic partnership to promote their performance. As such, the inquiry evaluated how strategic partnership influence the success of NGOs in Nairobi.

1.1.1 Strategic Partnership

This is a collaborative relationship formed by different firms with the aim of achieving shared objectives through mutually beneficial cooperation, resource sharing, and joint decision-making (Lendel & Varmus, 2018). Typically, a strategic partnership between firms is a collaborative and cooperative relationship that helps firms to forge ahead. The firm can share capital, as well as knowledge, expertise, and capabilities to create a synergistic effect that enhances competitiveness and growth potential.

According to Battilana and Dorado (2010), strategic partnerships go beyond transactional relationships and aim for long-term, mutually beneficial associations. These partnerships vary in nature and scope. This may include joint ventures, co-branding arrangements, research and development collaborations, supply chain partnerships, and marketing alliances. The goal of strategic partnerships is to create synergies and strategic advantages, fostering growth, innovation, and competitive strength for both partners. However, this study investigated strategic partnership in terms of collaboration relationships and the number of partners in the partnership. This included review of the joint working relationship, shared trust, vision and collaborative working relationships and how these influenced NGOs performance.

1.1.2 Firm Performance

This is the final outcome achieved by an organization as the success or fulfillment of its programs or projects. Performance is a continuous process that involves aligning actual performance with strategic goals (Colquitt, Lepine, & Wesson, 2014). It is seen in the end results and outcomes in the firm. It covers efforts toward objective achievement (Richard et al., 2009).

Firm performance is normally measured in terms of outcomes. Number of measurements that are usually taken into consideration when measuring performance includes the efficiency, Performance, effectiveness and quality (Hatry, 2013). Effectiveness is the Performance of employee in attaining their targets. Efficiency is the capacity on staffs to use minimal resources to obtain desired output (Mayne, 2017). It is also true that firm performance is established as a ratio between output and input (Berman, 2015). This is seen in the output as well as the level of resources that are used as inputs (Keong Choong, 2013).

Firm performance measurement includes the assessment of a company's overall effectiveness and success in achieving its goals and objectives. It is a measure of how well a firm is performing in various aspects of its operations, including financial, operational, and strategic dimensions. In different settings, firm performance can be evaluated using a range of metrics and indicators, which may vary depending on the industry and specific goals of the organization. Some commonly used measures of firm performance in the financials include indicators such as revenue growth and firm profitability. Financial performance metrics assess the firm's ability to generate revenue, control costs, and generate profits. There are also non-financial performance measures that cover quality of services, satisfaction of customers and employees turnover. However, this study looked at non-financial performance measures in terms of customers and employees level of satisfaction.

1.1.3 Non-Governmental Organizations (NGOs) in Kenya

These are firms with social mission which operate independently from the government. They help in addressing the diverse and complex challenges faced by the country. For instance, Amref Health Africa is a prominent health organization that focuses on improving healthcare services and training health workers. Similarly, World Vision Kenya, as part of the international humanitarian organization, dedicates its efforts to child protection, education, healthcare, and sustainable development initiatives. The Kenya Red Cross Society is another essential NGO in the country, providing humanitarian aid and emergency assistance during times of disasters, including droughts, floods, and conflicts. Transparency International Kenya is committed to promoting transparency, accountability, and integrity in Kenya's governance and public institutions. There is also Kenya Community Development Fund (KCDF) which is a grant making Public NGO to eligible community-based organizations (CBOs) and grass root initiatives with the aim to promote community development and poverty reduction.

Moreover, NGOs like the Kenya Wildlife Service (KWS) work collaboratively with various organizations to protect and conserve the country's rich wildlife and natural resources. They play a crucial role in preserving Kenya's unique biodiversity and supporting sustainable wildlife management practices. There is also Ushahidi which is a tech-based NGO, which utilizes innovative technology to crowd source information and monitor social, political, and environmental events. All these NGOs work with the aim of promoting sustainable economic development of the country and social inclusion.

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Non-Governmental Organizations (NGOs) in Kenya play a vital role in providing a wide array of services that focus on improving social and human well-being, aiming to drive positive societal change. While they may differ in their organizational structures, programs, and approaches, all NGOs are deeply committed to their specific and unique missions. These NGOs play a crucial role in Kenya in bringing government policies to outlying regions and boosting the efficacy of social welfare programs. They achieve this by delivering essential social services through development projects and advocating for supportive policies and legislation.

1.2 Research Problem

Strategic partnership is important towards success of firms. This is because in a strategic partnership, the collaborating organizations typically work closely together, sharing knowledge, expertise, and resources to achieve common objectives. The firms engage in joint projects, develop shared initiatives, or collaborate on specific activities (Liu et al., 2020). Analysis reveals that strategic partnerships promote performance of firms and it can be established between organizations within the same industry or across different sectors in the world. This implies that strategic partnership help achieve high firm performance and help in decision-making, resource allocation, performance benchmarking, and evaluating the overall health and success of the organization (Tijani, Osagie & Afolabi, 2021).

Different inquiries have been done in evaluating how strategic partnerships affect firm performance. Liu et al. (2020) looked at how effective teamwork affects the success of NGOs in China. The study used a quantitative methodology and used questionnaire surveys to get information from Chinese businesses. The study's conclusions show that strategic cooperation along the supply chain between buyers and suppliers enhances operational effectiveness. However, this study was based on the Chinese context. Cacciolatti et al. (2020) investigated the connection between alliances and firm value in a variety of NGOs in the UK. The study collected information from 153 startups operating in the United Kingdom using a quantitative research methodology. The study's conclusions imply that strategic partnerships benefit businesses with social missions in terms of their financial success and social impact. However, this study was conducted in the UK and used survey data collection methods.

In Nigeria, Emmanuel (2022) evaluated how strategic alliances improve success of NGOs in Northern Nigeria and noted that firms should work in collaboration to promote their value. The study's cross-sectional approach found that NGO's may access a range of resources, talents, and opportunities through strategic relationships that they might not otherwise have. However, this study mainly focused on small scale NGOs in Nigeria context.

In the Kenyan context, Tijani, Osagie and Afolabi (2021) investigated the impact of strategic alliances on NGOs value. They conducted surveys, interviews and case studies to gather insights from NGOs operating in various industries and regions. The study noted that collaborative relationships help NGOs in areas such as accessing resources, diversifying markets, sharing risks, innovating, and adapting to the new business landscape post the COVID-19 pandemic. However, this study adopted mixed method of analysis.

Ongonge (2013) also determined the role of strategies in promoting success of NGOs in Kenya using a case study of ActionAid, Kenya. The analysis adopted mixed models. The findings revealed that strategic planning is important in promoting long term value of NGOs. With strategic plans, the firms find it easier to organize their objectives. However, this study adopted case study and only focus on one NGO and this means it findings may not apply in other firms.

Mwereru (2018) also investigated how alliances are conducted in major programs among NGOs. The study employed various ways of describing the key variables and data was collected from human rights NGOs for. It was evident that NGOs must plan their activities in line with other partners. Without such planning, they may fail to achieve their long-term value. However, this study was only based on human right sector NGOs and it cannot apply to all other NGOs, especially in the health sector.

This analysis confirms that few studies have been done to evaluate how strategic partnership influence firm performance in NGOs in Nairobi Kenya. The few studies done also failed to provide sufficient answers on how strategic partnership influence firm performance in the Kenyan context. Majority of the previous scholarly work focused on small scale NGOs ignoring other sectors thus lacking inclusivity. Therefore, this study focused on filling the gaps and by evaluating the link between the key concepts. The following research question served as the study's main focus: What is the effect of strategic partnership on the performance of NGOs in Nairobi Kenya?

1.3 Study Objective

The objective of this study was to determine the effect of strategic partnership on the performance of NGOs in Nairobi Kenya.

1.4 Value of the Study

Different stakeholders are expected to benefit from this study. They include NGO practitioners, policy makers and future scholars. First and foremost, it is anticipated that the study would assist NGO practitioners in understanding how strategic partnerships

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affect their performance. In the long run, this can assist organizations in establishing productive strategic partnership strategies and collaborations and enhance their overall performance.

Policy makers in the country will use the research findings as a guide of formulating policies that can address strategic partnership and performance of firms. This will promote effective strategic partnership and management of organizations in the country. With effective policies, it is expected that it will be possible to position the NGOs for future success.

Other scholars will gain from the study's findings. This is due to the fact that the study offers insightful information that can be used to assess how strategic partnerships affect NGOs' performance. The research offers theoretical frameworks pertinent to the subject matter as well. Future academics will refer to it in their research projects.

2. LITERATURE REVIEW

2.1. Introduction

The chapter reviewed relevant theories relating to the topic of the study. This chapter additionally analyzed relevant research findings from different researchers in the fields of strategy. It also evaluated the research gaps identified.

2.2. Theoretical Review

Resource Dependence Theory and Institutional Theory were the theories that guided this research.

2.2.1 Resource Dependence Theory

This theory proposes that organizations form strategic partnerships to acquire external resources they need to operate effectively (Pfeffer & Salancik, 1978). NGOs often rely on resources acquired externally such as expertise, funding, and networks to carry out their activities (Austin, 2000). Strategic partnerships allow NGOs to access additional resources by pooling them with partner organizations, sharing knowledge and skills, and leveraging complementary capabilities (Austin, 2000; Hwang & Powell, 2009). By reducing their dependence on a single source of resources, NGOs can mitigate resource constraints and enhance their performance (Gulati, 1998).

However, critics argue that forming strategic partnerships can also introduce new challenges, such as power imbalances, conflicting interests, and coordination difficulties, which may hinder organizational performance (Ahuja & Katila, 2004).

Thus, while Resource Dependence Theory highlights the potential benefits of strategic partnerships for NGOs, it is important to consider the complexities and potential drawbacks associated with such collaborations.

According to the theory, utilizing organizational resources enables a firm to assess its own resources and financial capabilities, allowing them to implement appropriate response strategies in the face of changing environmental conditions (Austin, 2000; Hwang & Powell, 2009). Given the dynamic nature of today's external business environment, it is crucial for top management to identify and define their resources strategically. This includes fostering adaptability to effectively navigate the volatile external environment and ultimately achieve the organization's performance objectives.

This theory was pertinent since it help to test and provide ways through which NGOs managers can use resource from various strategic partners, in managing their plans and operations for improved firm performance. This is imperative for enhanced performance in almost all firms.

This theory therefore informed the two variables, of the study; strategic partnership and firm performance in regards to resource dependence.

2.2.2 Institutional Theory

According to DiMaggio and Powell (1983), the model places a strong emphasis on how organizations adapt to external institutional forces in order to obtain legitimacy and improve performance. NGOs operate within an institutional environment shaped by government regulations, donor expectations, and societal norms (Scott, 2008).

Strategic partnerships allow NGOs to align themselves with established organizations or networks that are perceived as legitimate within the sector, thereby enhancing their legitimacy and reputation (Scott, 2008; Zahra & George, 2002). This increased legitimacy can lead to improved access to resources, funding opportunities, and collaboration possibilities (Battilana & Dorado, 2010; Selsky & Parker, 2005), ultimately positively impacting organizational performance.

However, critics argue that institutional pressures may also constrain NGOs' autonomy and flexibility, potentially limiting their ability to innovate and adapt to changing circumstances (Mair & Martí, 2006). Despite the fact that Institutional Theory illuminates the possible advantages of strategic alliances in boosting NGO performance, it is crucial to take into account any potential conflicts between institutional demands and organizational autonomy.

This theory posits that organizations operate within a framework of established rules and regulations, which encompass moral, social, and legal dimensions, shaping their market value. As outlined by Scott (2008), these institutions define the acceptable and prohibited behaviors within the organizational landscape, essentially setting the rules of the game. Institutional theory

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underscores the significance of organizational structures, rules, and social policies in fostering success and growth within these entities. This theory was pertinent for the study because it emphasizes that organizations, including NGOs, achieve high performance when they adhere to established norms, practices, and rules that guide their operations.

2.3 Empirical Literature on Strategic Partnership and Firm Performance

Many studies have looked at the connection between strategic partnerships and firm performance, emphasizing the possible advantages and results of such collaborations. Strategic partnerships involve collaborative relationships between companies with the shared goal of achieving mutual objectives and enhancing performance. This collaboration is achieved through the sharing of resources, exchanging knowledge, and engaging in joint activities.

One key area explored in the literature is the effect of strategic partnerships on financial performance. For example, Smith and Grimm (2019) conducted a study on manufacturing firms and found that strategic partnerships positively influenced financial performance indicators which include sales growth, profitability and return on investment. They gathered information from a sample of manufacturing companies and examined the connection between strategic alliances and other financial performance metrics including profitability, return on assets, and sales expansion. This suggests that strategic partnerships can contribute to improved financial outcomes by accessing new markets, diversifying product offerings, and sharing costs. The outcome of the research showed that strategic collaborations have a favorable impact on financial success. Strategic alliances were shown to promote sales growth, return on assets, and profitability for participating businesses. However, this study was mainly based on manufacturing firms in France and only focused on the financial performance indicators, without taking into account additional non-financial performance indicators including employee engagement and customer satisfaction.

Strategic partnerships also play a role in enhancing non-financial performance dimensions. Huang and Liu (2020) investigated the impact of strategic partnerships on innovation performance in technology-intensive industries.

They conducted their study by collecting data from a list of firms operating in such industries. The study aimed to understand how strategic alliances facilitate knowledge exchange, technology transfer, and collaborative research and development (R&D) efforts, leading to improved innovation outcomes. They found that partnerships facilitated knowledge exchange, technology transfer, and collaborative R&D efforts, leading to increased innovation outputs and capabilities. The study's findings suggested a positive correlation between successful innovation and strategic collaborations. Strategic alliances were found to enhance firms' ability to access external knowledge, leverage complementary resources, and engage in collaborative innovation activities. The research emphasized the value of strategic partnerships as a way to encourage innovation and obtain a competitive edge in sectors that rely heavily on technology. However, this study was only focused on innovation in technology – intensive industries.

The literature also highlights the importance of partner selection and compatibility for successful strategic partnerships. Hitt, Ireland, and Lee (2021) emphasized the significance of partner fit in terms of strategic alignment, complementary resources, and shared values. They argued that partnering with firms that possess similar strategic goals and compatible organizational cultures enhances the likelihood of achieving superior performance outcomes.

Furthermore, strategic partnerships contribute to firm performance by enabling market expansion and access to new customer segments. Lu, Liu, and Shan (2018) investigated how strategic alliances affected the performance of global markets. The effect of strategic partnerships on the success of Chinese firms on the global market was the main subject of this study. They conducted their research by analyzing a sample of Chinese firms that engaged in strategic alliances with foreign partners. The study aimed to examine how strategic alliances contribute to firms' international market entry, market share, and export sales. Their findings revealed that partnerships facilitated international market entry, improved market share, and increased export sales. The study emphasized the significance of strategic alliances as a means to enhance firms' competitive positioning and expansion in international markets. However, this study was done in China

It's vital to recognize that not all partnerships result in better performance, even if the bulk of research emphasize the beneficial effect of strategic alliances on firm performance. Factors such as partner commitment, trust, effective communication, and governance mechanisms are crucial for realizing the potential benefits of strategic partnerships (Banalieva et al., 2022). However, the success of strategic partnerships depends on various factors, including partner selection, compatibility, effective collaboration, and governance mechanisms.

Tian et al. (2021) did a research in Ghana to look at the benefits of collaboration for business performance. The survey was conducted among SMEs in Ghana. More than 400 SMEs in the area provided information the needed data for the study. According to the study's conclusions, businesses should cooperate in order to carry out their long-term strategies. However, it's essential to note that this study focused exclusively on SMEs in Ghana.

In a study conducted by Muthoka, Kilika, and Muathe in 2022 in Kenya, the researchers aimed to assess the value of joint working among firms. The study focused on SMEs and it was noted that more than 70 SMEs value joint working to achieve their goals. It

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was concluded that joint working should be part of the firm activities. However, it's essential to note that the research solely focused on SMEs in Kenya.

Ngila (2022) also adopted mixed method to evaluate how partnership is important in managing service delivery among NGOs in Kenya. The study used descriptive design and data was collected among various firms. The analysis noted that service delivery in the NGOs sector is only possible through collaborations. However, the study only focused on service delivery and not the concept of firm performance.

In late 2016, Osano (2016) evaluated how strategic working promotes success of NGOs in Kenya, especially within the health sector. The study used cross-sectional models. It was noted that NGOs must adopt strategic working plans to achieve their success. The study also noted that working together promote synergy among the firms. However, the focus of the study was on the health sector NGOs and failed to incorporate others in different sectors which form the majority.

2.4 Summary of Literature Review and Empirical Studies

In summary, from the reviewed studies, empirical evidence on the beneficial effect of strategic partnerships and alliances on the effectiveness of organizations was provided. These partnerships were found to enhance innovation performance in technology-intensive industries (Huang & Liu, 2020), contribute to international market performance in Chinese firms (Lu, Liu, & Shan, 2018), and improve financial performance in manufacturing firms (Smith & Grimm, 2019), Promote service delivery in NGOs in Kenya (Ngila 2022) ,promote synergy among NGOs in the health sector in Kenya (Osano, 2016).

Overall, strategic alliances were found to facilitate knowledge exchange, resource sharing, market expansion, and collaboration, leading to enhanced performance outcomes for firms in different contexts. However, specific studies on effect of strategic partnerships on the performance of NGOs in Nairobi Kenya with emphasis on customer and employee satisfaction remained untapped. This study was consequently conducted to fill the gap by identifying the effect of strategic partnership on the performance of NGOs in Nairobi Kenya.

2.5 Conceptual Framework

The diagram illustrates the interconnection between two variables: strategic partnership and firm performance. In this relationship, firm performance is considered the dependent variable, as it relies on the presence and quality of strategic partnerships. On the other hand, strategic partnership acts as the independent variable, influencing and impacting the firm's overall performance. The diagram depicts the directional association between these two variables.

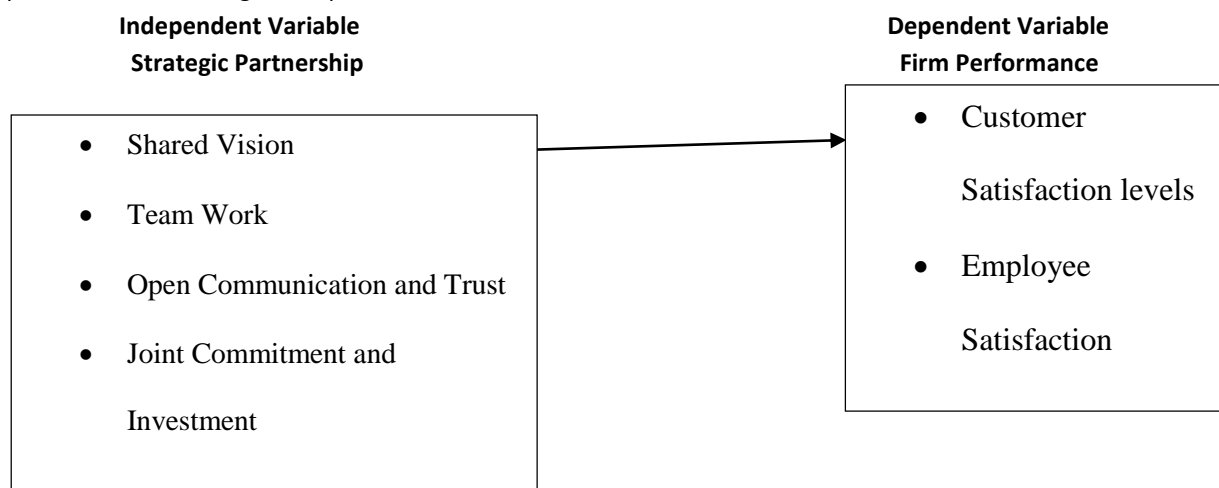


Figure 1: Conceptual Framework
Source: Author, (2023).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter identifies the research approach that was used for the study to address the research question is identified in the chapter. This covers the methodology used as well as the study design. Notable sub-sections discussed various approaches that guided the process.

3.2 Research Design

Cooper & Schindler (2006) indicates that Research design outlines the procedures and methods for gathering, measuring, and analyzing data. In line with Kothari's definition (2004), a research design refers to the structured arrangement of elements for data

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collection and analysis, aimed at striking a balance between the study's objectives and the practical constraints of resources and the research environment.

The inquiry used descriptive models. By using this design, it was possible to gather data on the existing strategic partnerships that NGOs in Nairobi Kenya have put in place to promote their performance. This understanding was crucial before attempting more in-depth analyses or making any changes to the current partnership strategy it aided in gaining more knowledge about the subject in a short period of time.

3.3 Target Population

The target population for this study was a variety of NGOs. According to the NGOs regulation board (2023), there are 1143 NGOs in Nairobi Kenya. Ngechu (2004) noted that population refers to the group where the inquiry gain information.

3.4 Sampling and Sample Size

In order to completely cover the population for this investigation, sampling was used. Simple random sampling was employed in this study. This was required in order to target various respondents and provide a representative sample of the population from which conclusions may be formed.

The sample size was however achieved using Yamane (2007) formula as shown below

$$n = \frac{N}{1 + Ne^2}$$

Where:

n signifies sample size.

N is the Total Population under study =1143 NGOs in Nairobi Kenya.

e= the margin of error which is 0.05

n is the sample size (n) =1143/ (1143*0.05²)

$$n = 296$$

The inquiry was therefore based on sample size of 296 NGOs in Nairobi Kenya.

3.5 Data Collection

Questionnaires were used in collecting primary data, which the research was based on. The questionnaire comprised of both open and closed ended questions in line with the objective of the study, with a five-point Likert scale adopted for the closed ended questions.

The questionnaire consisted of three sections; Section one of the study focused on gathering and presenting demographic data and background information about the survey respondents; In section two (referred to as Section B), the study delved into the topic of strategic partnerships while the last section focused on firm performance. The respondents of the study were managers within NGOs.

3.6 Data Analysis

The analysis was done in order to bring order, structure and meaning to the information gathered. The research employed a linear regression model for data analysis, and the Social Science Statistical Software Analytical Package-SPSS Statistics 28 was used to process the collected data. This study adopted descriptive design and data was presented in terms of mean and standard deviation.

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DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introduction

This section is about the data analysis and discussions. This was done with the intent of which was to determine the effect of strategic partnership on the performance of NGOs in Nairobi Kenya. The findings of this study generated enough information which effectively answers the research question as shown below.

4.2 Response Rate

Data for the study was collected from 296 NGOs in Nairobi Kenya. A sum total of 296 questionnaires were administered to all the participants who were the managers of the NGOs in Nairobi Kenya. Out of these 296 questionnaires, 230 questionnaires were successfully collected indicating 78% response rate. The information obtained from the study can be regarded highly reliable because of this high response rate. The results obtained are presented on table 4.1

Table 4.1: Summary of Response Rate

Category	Frequency (f)	Percentage (%)
Questionnaires completed	230	78
Questionnaires not returned	66	22
TOTAL	296	100

Source: Author, (2023)

4.3 General Information of Participants

The first section of the data collection tool investigated the demographic data of the participants of the study in terms of gender, management level, length of service and highest education level. The analysis reveals different results as shown below.

4.3.1 Distribution of Respondents by Gender

The goal of the investigation was to confirm gender of the respondents to enable classify the employees. This was crucial for the study to understand the extend of involvement of different genders in strategic decisions and policy making.

The table below displays the distribution by gender.

Table 4.2 Gender Distribution.

Gender	Frequency (f)	Percentage (%)
Male	130	57
Female	100	43
Total	230	100

Source: Author, (2023)

From table 4.2 the male population was higher among the respondent accounting for 130 participants which is 57%. However, females were only 100 accounting for about 43%. This means that there are more males workers at management level within various NGOs in Nairobi and therefore more involved in strategic decision making and policy making. There is need for NGOs to hire more female employees in their major operations, especially in their top management positions for equal representation.

4.3.2 Respondent's Education Level

The analysis included review of the educational levels of the respondents. The table 4.3 beneath depicts the findings.

Table 4.3: Education Level

Level	Frequency (f)	Percentage (%)
Certificate	11	5
Diploma	40	18
Bachelors	111	48
Masters	68	29
Total	230	100

Source: Author (2023)

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Based on the table 4.3, it was clear that majority of the management level employees among NGOs in Nairobi have a bachelor degree at 48%. The certificate holders were only 5% while diploma holders were only 18%. However, there were 68 Masters Holders representing about 29% of the respondents. This confirms that majority of the NGOs in Nairobi mostly hired degree and masters holders for management positions. The high education levels among the respondents implied that majority of them were able to articulate the issues under study with clarity.

4.4 Strategic Partnership among NGOs in Nairobi

This segment outlines the research discoveries from the investigation into the elements that show the different strategic partnership models adopted by the NGOs in Nairobi. The study reviewed the strategic partnership among the NGOs in terms of shared vision, team work, open communication and trust as well as joint commitment and investment.

4.4.1 Shared Vision

The study investigated how shared vision among strategic partners impacts the performance of the NGOs in Nairobi. The findings are displayed in the following table.

Table 4.4: Shared Vision

Statement	Mean	Standard Deviation
The NGO promote align values and mission	3.9110	0.8230
Vision commitment is part of programs in the NGO	4.906	0.8011
The organization value visionary engagement with others	4.501	0.7517
There is vision clarity in the NGO.	4.304	0.8522
Total	4.9051	0.8561

From the table 4.4 above, it is true that shared vision facilitated the performance of the NGOs. This is seen at an average mean of 4.9051 which depict high correlation. This means that it is important for the NGOs to adopt shared vision with their strategic partners in their major operations.

4.4.2 Team Work

The study investigated the level of team work and collaborations in the partnering NGOs. The findings are displayed in the following table

Table 4.5: Team Work and Collaborations

Statement	Mean	Standard Deviation
The organization support cross-functional projects.	4.4611	0.8750
Knowledge sharing is highly valued in the organization	4.1102	0.9150
Feedback sharing is part of the firm programs.	4.8221	0.8012
The organization value innovation, idea sharing and joint decision making	4.7710	0.9016
Total	4.6713	

From the table 4.5 above, it is true that team work and collaborations promoted organization performance and many NGOs adopted collaborations and team work in their major activities. This is seen at a mean of 4.6713 which depict high correlation. It is important that the NGOs promote collaborations and team work in their major activities.

4.4.3 Open Communication and Trust

The study investigated the level of open communication and trust among the NGOs. The findings are displayed in the following table.

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Table 4.6: Open Communication and Trust

Statement	Mean	Standard Deviation
The organization provide clear communication when working with others	4.4115	0.8012
The organization value and trust its partners	4.1816	0.6508
Partners are actively engaged in the organization operations	4.7761	0.9150
Stakeholders views and opinions are considered in the firm operations	4.4112	0.9080
Total	4.8665	

From the table 4.6 above, it is true that open communication and trust is part of the operations among the NGOs. This is seen at a mean of 4.8665 which depict high correlation. The NGOs should adopt various activities and plans associated with open communication and trust in their operations.

4.4.4 Joint Commitment and Investment

The study investigated the level of joint commitment and investment among the partnering NGOs. The findings are displayed in the following table.

Table 4.7: Joint Commitment and Investment

Statement	Mean	Standard Deviation
The organization promote joint investment activities	4.5342	0.8239
The organization funds some of its activities through joint funding.	4.7632	0.8892
The firm objectives are well coordinated and communicated to others	4.8543	0.7632
The firm has clear commitment plan	4.7651	0.8871
Total	4.5523	

From the table 4.7 above, it is true that joint commitment and investment is part of the NGOs strategic partnerships. This is seen at a mean of 4.5523 which depict high correlation. It is important that the NGOs adopt various joint commitment and investment plans in their major activities.

4.5 Regression Results

This analysis was conducted to determine effect of strategic partnership on performance of NGOs in Nairobi Kenya. The data was analyzed and coded. The findings of the regression model are shown in Table 4.8.

Table 4.8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.880(a)	.770	.7744	.031231

Source: Author (2023)

The Adjusted R-squared, referred to as the coefficient of determination, is presented in the preceding table to elucidate the degree to which the strategic partnerships relate to success of the NGOs. The computed value for the adjusted R-squared, based on the findings listed in the table, is 0.7744. This numerical representation signifies that approximately 77% of the variance in strategic partnership can be attributed to shifts in firm performance, and this association holds with a confidence level of 95%.

The correlation coefficient (R) serves as an indicator of the strength of the interrelation between the variables under scrutiny.

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Evident from the provided data, the correlation coefficient manifests as 0.770, underscoring a robust connection among the elements of the study. Analysis of variances is shown in the following table.

Table 4.9: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.722	10	0.141	3.221	.021 ^b
	Residual	4.260	220	0.135		
	Total	4.615	230			

Source: Author (2023)

Derived from the ANOVA statistics detailed in the provided table, it is evident that the data generated by taking into account the different parameters of the population, exhibited a significance level of 0.021, which is less than 0.05 threshold. This numerical value underscores the suitability of the data for drawing conclusions regarding the parameters of the population. The significance level, often represented by the p-value, registers below the 5% threshold, affirming its statistical significance. This means that strategic partnership in terms of shared vision, team work, open communication and trust as well as joint commitment and investment promoted the performance of the NGOs in Nairobi Kenya in terms of promoting their customer satisfaction levels and employee satisfaction. The significance value's diminution beneath the 0.021 benchmark further highlights the model's statistical significance, reinforcing the robustness of the findings and the validity of the conclusions drawn.

Table 4.10: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.411	.181		2.688	.003
	Shared Vision	.477	.211	.152	2.830	.015
	Team Work	.404	.136	.033	1.556	.021
	Open Communication	.357	.309	.053	.436	.035
	Joint Commitment and Investment	.543	.164	.075	.609	.017

Source: Author (2023)

From the findings put forth in the table above, the established regression equation was;

$$Y = \beta + 0.411 + 0.152 X_1 + 0.033 X_2 + 0.053 X_3 + 0.075 X_4$$

From the regression model presented above, it is true that strategic partnership in terms of shared vision, team work, open communication and trust as well as joint commitment and investment promoted the performance of the NGOs Nairobi Kenya in terms of promoting their customer satisfaction levels and employee satisfaction. This is shown at a constant of 0.411. This means that a unit increase in shared vision will result into 0.152 changes in firm performance while a unit increase in team work will provide a corresponding change of 0.033 in firm performance based on the analysis. However, a unit increase open communication and trust will result in 0.053 changes in firm performance while a unit increase in joint investment and coordination will results into 0.075 changes in firm performance. This means that the variables of strategy implementation impact firm efficiency.

4.6 Discussion

The study's findings showed that all NGOs had established strategic alliances and partnerships. In addition, it was noted that working in collaborations was associated with high value of the firms. The study was based on different models and used quantitative data analysis techniques, including a linear regression model, to examine the impact of strategic partnerships on customer satisfaction and employee satisfaction.

The regression model presented in this study ($Y = \beta + 0.411 + 0.152 X_1 + 0.033 X_2 + 0.053 X_3 + 0.075 X_4$) demonstrates the significant positive effect of strategic partnership components on NGO performance in Nairobi Kenya.

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It was evident that the regression coefficient of 0.152 suggests that for each unit increase in shared vision among strategic partners, there is a corresponding 0.152 increase in NGO performance. This indicates that having a shared vision with partner organizations enhances the ability of NGOs to achieve their performance goals.

Moreover, the coefficient of 0.033 implies that an increase in teamwork within strategic partnerships results in a 0.033 increase in NGO performance. Effective collaboration and teamwork among partner organizations are critical factors in achieving better performance outcomes. However, the coefficient of 0.053 signifies that improved open communication and trust within partnerships generated 0.053 rise in NGO performance. Transparent communication and trust-building are essential elements in ensuring successful collaborations. In addition, the coefficient of 0.075 indicates that when partners demonstrate joint commitment and investment in their partnerships, there is a corresponding 0.075 increase in NGO performance. Commitment and investment from all parties involved contribute significantly to achieving better performance outcomes.

The constant term of 0.411 represents the baseline level of NGO performance when all other factors are held constant. It suggests that even in the absence of these strategic partnership components, there is a certain level of performance that NGOs can achieve, but this performance can be substantially improved through effective strategic partnerships. The findings underscore the importance of strategic partnerships for NGOs in Nairobi, Kenya. NGOs that focus on developing shared visions, fostering teamwork, promoting open communication and trust, and demonstrating joint commitment and investment in their partnerships are more likely to achieve higher levels of customer and employee satisfaction.

The findings are in line with Resource Dependence Theory as well as Institutional theory. Resource Dependence Theory (RDT) posits that organizations, including NGOs and businesses, are influenced by their external environment and the resources they need to survive and thrive. It asserts that organizations seek to minimize their dependency on external entities for critical resources, such as funding, expertise, and support. RDT emphasizes the power dynamics between organizations and their resource providers and suggests that organizations strategically manage their relationships to ensure resource availability and control.

On the other hand, the institutional Theory focuses on the impact of societal and institutional norms, values, and practices on organizations' behavior and structure. This theory implies that in order to be legitimate and accepted by society, organizations should conform to prevalent institutional norms and practices. The importance of isomorphism, which is the tendency for organizations to adopt similar structures and behaviors in order to fit into their institutional environment, is highlighted by institutional theory. It also recognizes the potential for organizations to engage in institutional entrepreneurship, challenging and reshaping institutional norms over time.

5. SUMMARY OF FINDING , DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides an overview of the study, as well as discussion of the results, conclusions, recommendations, suggestions for improvement, and plans for future research. The study's findings are discussed and analyzed, with a conclusion drawn based on the study's research objectives.

5.2 Summary of the Findings of the Study

The study aimed to assess determine how strategic working relationship among firms can promote value in the NGO industry. It was noted that when firms work together they gain good power in pooling resources. The firm also managed to share their knowledge. All these resulted in the success of the firms.

The data was gathered through structured questionnaires administered to managers in these NGOs. To analyze the data, the study employed quantitative methods, specifically descriptive statistics and linear regression models. The theoretical framework for the study drew upon Resource Dependence Theory and Institutional Theory to understand how strategic partnerships influence NGOs performance.

The study's findings revealed a significant link between strategic partnerships and NGO performance in terms of customer satisfaction and employee satisfaction. The regression equation demonstrated that a unit increase in shared vision, teamwork, open communication and trust, and joint commitment and investment led to corresponding positive changes in NGO performance. Notably, the constant term in the equation, 0.411, represented a baseline level of NGO performance in the absence of these strategic partnership components. This means that the study highlighted the significant impact of strategic partnerships on NGO performance in Nairobi, Kenya. It emphasized the importance of shared vision, teamwork, open communication, trust, and joint commitment and investment in enhancing customer and employee satisfaction levels. These findings offer practical insights for NGOs seeking to improve their performance and fulfill their missions in the complex sociopolitical landscape of Nairobi, Kenya, by leveraging the benefits of strategic partnerships.

5.3 Conclusions

This study aim was to determine the effect of strategic partnership on the performance of NGOs in Nairobi Kenya. The study concluded that strategic partnerships, characterized by shared vision, teamwork, open communication and trust, as well as joint commitment and investment, play a crucial role in promoting the performance of these NGOs. The regression analysis presented a clear and quantifiable relationship between these partnership components and both customer and employee satisfaction levels. The study's use of Resource Dependence Theory and Institutional Theory as guiding frameworks further enhances the theoretical understanding of how external factors and institutional norms influence NGO behavior and strategies.

The study also concluded that NGOs should prioritize the cultivation of strong and purposeful strategic partnerships that encompass the identified components, as these partnerships can significantly enhance their ability to fulfill their mission and meet the needs of their stakeholders. By fostering shared values, teamwork, communication, trust-building, and commitment, NGOs can maximize their impact and adapt to the complex sociopolitical environment of Nairobi, ultimately contributing positively to the communities they serve. This is because the study underscores the importance of strategic partnerships as a strategic imperative for NGOs aiming to improve their performance and effectiveness in Nairobi, Kenya.

In conclusion, this study demonstrates the positive impact of strategic partnerships on NGO performance in Nairobi, Kenya. The findings emphasize the need for NGOs to actively engage in partnership-building efforts, focusing on elements such as shared vision, teamwork, communication, trust, and commitment. By doing so, NGOs can enhance their capacity to achieve their mission and contribute positively to the communities they serve, all while aligning with important theoretical perspectives that inform their strategies and actions.

5.4 Recommendations of the Study

From the findings of the study, it is evident that NGOs should adopt strategic partnership to promote their success. This is because the study's findings underscore the critical role that strategic partnerships play in enhancing the NGOs performance in Nairobi, Kenya. It is evident that NGOs operating in Nairobi can significantly benefit from fostering strategic alliances that emphasize shared vision, teamwork, open communication, trust-building, joint commitment and investment.

These components of strategic partnerships contribute positively to both customer and employee satisfaction levels. This highlights the practical significance of collaboration and the potential for NGOs to achieve their mission more effectively through well-structured and purposeful partnerships.

Moreover, the NGOs and other firms should consider importance of resource dependency and institutional theory. This is because the study's alignment with Resource Dependence Theory and Institutional Theory offers valuable theoretical insights. It noted that resource dependence theory explains how NGOs strategically manage external relationships to secure the resources they require for operation. Institutional Theory sheds light on how NGOs conform to prevailing norms and practices to gain legitimacy. By combining these perspectives, the study enhances the understanding of the interplay between external influences and internal strategies in the NGO sector. In the context of NGOs in Nairobi Kenya and beyond, this theoretical framework offers a strong platform for future research and also policy development.

Finally, the NGOs should adopt effective plans in terms of shared values and collaborative working systems. This is because the study's findings have practical implications for NGO management in Nairobi and potentially for NGOs in similar contexts. NGO leaders and managers should recognize the importance of cultivating shared values with partners, fostering teamwork, maintaining transparent communication channels, building trust, and committing jointly to initiatives. These practices can lead to improved performance outcomes, ultimately benefiting the NGO's constituents and stakeholders.

Furthermore, NGOs should consider a strategic approach to partnership development, emphasizing the identified key components, to maximize their impact and enhance their ability to address pressing societal issues effectively.

5.5 Limitations of the Study

One limitation of the study was related to the busy schedules of NGO representatives, which sometimes made it challenging to secure their participation for surveys. To address this limitation, the study employed several strategies. Firstly, the researcher contacted the NGOs well in advance and offered flexible scheduling options to accommodate their availability and ask them to answer surveys during their convenience. These efforts helped to minimize the impact of scheduling constraints on data collection and ensure a representative sample of NGO perspectives.

5.6 Suggestions Further Studies

This study was only on the effect of strategic partnership on the performance of NGOs in Nairobi Kenya. To advance the understanding of the dynamics between strategic partnerships and NGO performance in Nairobi Kenya, several avenues for further research can be explored. First, future studies could delve into the long-term sustainability and durability of strategic

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partnerships. Investigating how these partnerships evolve over time, adapt to changing circumstances, and continue to influence NGO performance would provide valuable insights. Longitudinal research could shed light on the factors that contribute to the longevity of successful partnerships and how they impact the effectiveness and resilience of NGOs in the region.

There is also need for a deeper exploration of contextual factors. This could enhance the understanding of strategic partnerships in Nairobi's unique socio-political and economic landscape. Future researchers should consider the influence of specific local conditions, regulatory frameworks, and cultural norms on the formation and outcomes of partnerships. Comparative studies across different regions within Kenya or other countries could also yield insights into how location-specific factors shape strategic partnerships and their effects on NGO performance.

Furthermore, investigating the role of technology and digital platforms in facilitating and enhancing strategic partnerships among NGOs could be an emerging area of interest. The use of artificial intelligence in knowledge management for strategic partnership management in NGOs can be explored. With the increasing digitization of the nonprofit sector, understanding how technology can be leveraged to foster collaboration, information sharing, and resource allocation among NGOs and their partners would be pertinent.

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