

**THE ROLE OF RISK MANAGEMENT PRACTICES ON ORGANIZATIONAL
PERFORMANCE:A CASE OF A&M EXECUTIVE SERVICE COMPANY**

ANITAH NAMUMBYA

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**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT
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PROCUREMENT AND LOGISTICS MANAGEMENT OF UGANDA CHRISTIAN UNIVERSITY**

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DECLARATION

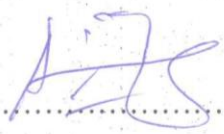
I hereby declare that this research report is a result of my original work and research, except where otherwise acknowledged. The content presented in this report has not been submitted before for the award of the degree at any other university or institution

Signature  Date 09/11/2024

Namumbya Anita S21B12/104

APPROVAL

This is to certify that this research dissertation has been prepared by Namumbya Anitah entitled “the role of risk management practices on organizational performance” under my supervision and is hereby approved for submission of a bachelor’s degree of procurement and logistics management at Uganda Christian university.

Signature  Date 11/09/2022

MR ASTON ARYAMANYA

DEDICATION

I dedicate this piece of work to the almighty God for His continuous favor, mercy, love protection and guidance and empowered me with wisdom in the study.

To my family, whose unwavering support and encouragement have been my greatest source of strength.

To my friends and colleagues, thank you for your advice and assistance throughout this journey.

I also dedicate this work to all those who strive for knowledge and excellence, inspiring me to pursue my academic and professional goals

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I

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ABSTRACT

Risk management plays a crucial role in enhancing organizational performance by identifying, assessing, and mitigating potential threats to business operations. This research explores the impact of risk management practices on organizational performance, focusing on key processes such as risk identification, risk assessment, and mitigation strategies. Through a review of existing literature and case studies, the study examines how effective risk management contributes to operational efficiency, financial stability, and competitive advantage. The research contributes to the existing body knowledge by providing empirical evidence on the role of risk management practices in achieving organizational performance. The findings reveal that organizations that implement comprehensive risk management frameworks are better equipped to navigate uncertainties, minimize losses, and optimize decision-making, ultimately driving sustainable performance. A mixed -method approach was employed, combining questionnaire of 36 respondents, findings and regression analysis. Findings indicates the strong positive correlation between risk management practices and organizational performance, with risk identification, assessment, and monitoring practices contributing to significantly improved performance. The study's results suggest that organist ions can enhance their performance by implementing effective risk management practices, aligning with organizational goals and objectives. The findings have practical implications for organizations seeking to improve the their risk management practices and overall performances. This research highlights the importance of aligning risk management practices with strategic objectives to enhance resilience and long-term success (Hillson & Murray-Webster, 2017; ISO 31000:2018).

sCHAPTER ONE

1.0 Introduction

This chapter includes the background of the study, statement of the problem, conceptual framework, research objectives and research questions, scope of the study, significance of the study and justification. Risk management has become an integral component in ensuring organizational performance and sustainability in today's dynamic and complex business environment. (Hillson, 2017).

1.1 Background to the Study

Risk management is a critical component of organizational strategy, designed to identify, assess, and mitigate potential threats that could impede achieving objectives. Over the years, the importance of risk management has surged due to increasing globalization, technological advancements, and the complexity of business environments (Frigo & Anderson, 2011). Effective risk management practices not only safeguard assets but also enhance an organization's ability to achieve its goals, thereby improving overall performance (Hopkin, 2017). Organizational performance is generally evaluated through various metrics such as profitability, market share, and operational efficiency. The nexus between risk management and organizational performance is rooted in the premise that managing risks effectively can lead to stability, predictability, and long-term success (Hoyt & Liebenberg, 2011). This relationship has garnered significant academic and professional attention, particularly in industries prone to high uncertainty and volatility. Historically, organizations focused primarily on financial risks. However, the modern business landscape demands a more holistic approach, encompassing strategic, operational, compliance, and reputational risks (Kaplan & Mikes, 2012).

Klinke and Renn (2002) highlight Germany's comprehensive approach to technological and environmental risks. The country's robust regulatory frameworks and societal values that prioritize safety and environmental protection are central to its risk management strategies. This approach ensures that technological advancements and industrial activities do not compromise safety and environmental standards. Risk management is heavily influenced by cultural factors, particularly the emphasis on consensus and risk avoidance.

Yamaguchi (2003) notes that Japanese companies focus on long-term stability and employee welfare, which shapes their risk management strategies. Japanese firms prioritize risk prevention and maintain extensive contingency plans, reflecting a collective approach to managing uncertainties. This cultural orientation towards stability and prevention ensures a proactive stance in mitigating potential risks. Australia's approach to risk management emphasizes resilience and adaptation, particularly in response to natural hazards. Brown and Osborne (2013) discuss how Australian organizations incorporate resilience strategies to cope with natural disasters. The government plays a significant role in promoting resilience and risk reduction through policies and initiatives.

Karanja, Muathe, and Thuo (2014) highlight the relevance of the Contingency Theory, which posits that risk management practices should be tailored to the specific context and environment of the organization. They argue that the dynamic and often volatile business environments in many African countries necessitate flexible and adaptive risk management strategies. Empirical research on risk management within African organizations provides valuable insights into its practical applications and challenges. For instance, Adeyemi, Ojo, and Fagbenle (2016) conducted a study on risk management practices in the Nigerian construction industry. They found that while there is a growing awareness of the importance of risk management, its implementation is often hindered by inadequate resources, lack of expertise, and insufficient regulatory support.

Despite the recognized importance of risk management, organizations in Africa face numerous challenges in its implementation. As highlighted by Amadi-Echendu et al. (2010), these challenges include limited access to risk management tools and technologies, cultural resistance to change, and a lack of comprehensive risk management policies and frameworks. However, there are also significant opportunities for improvement. Adopting best practices from successful organizations, investing in capacity building, and leveraging technology can enhance risk management effectiveness. Furthermore, fostering a risk-aware culture within organizations can drive proactive risk management behaviors (Aven & Zio, 2011). Motivation and employee engagement are also crucial factors in effective risk management. Engaged employees are more likely to be vigilant and proactive in identifying potential risks. As noted by Chukwuemeka, Eze, and Eme (2012), employee involvement in risk management processes in Nigerian organizations leads to more comprehensive risk assessments and innovative risk mitigation strategies. Pretorius and Steyn (2017) found that organizations with a strong risk culture are better positioned to identify and mitigate risks proactively.

Similarly, a study by Mwangi and Ngugi (2014) on risk management in Kenyan banks revealed that effective risk management practices significantly contribute to the financial performance and stability of these institutions. The study emphasized the need for continuous training and capacity building to enhance risk management capabilities. Effective leadership is a key determinant of successful risk management. Leaders who demonstrate strong commitment to risk management principles can influence their teams to adopt risk-aware behaviors. According to Muriithi and Wachira (2016), transformational leadership in Kenyan public organizations significantly enhances risk management practices by promoting a culture of transparency, accountability, and continuous improvement. Organizational culture plays a pivotal role in shaping risk management practices.

According to Mugisha (2017), financial institutions in Uganda face unique risks, such as credit risk, market risk, and operational risk. Mugisha highlights that effective risk management practices in these institutions involve robust credit assessment processes and the implementation of advanced technological solutions to monitor and manage risks (Mugisha, 2017). Kasule and Ssekatawa (2018) identify several challenges that Ugandan organizations face in implementing risk management practices. These include limited resources, lack of expertise, and insufficient regulatory frameworks. They call for capacity building and enhanced regulatory support to overcome these challenges (Kasule & Ssekatawa, 2018). Mukama and Kyohairwe (2015) argue that leadership style and organizational culture are crucial determinants of employee behavior and performance in Ugandan organizations. They stress that transformational leadership, which inspires and motivates employees, combined with a strong, positive organizational culture, leads to higher employee engagement and productivity (Mukama & Kyohairwe, 2015).

1.2 Statement of the Problem

Organizations today operate in an environment characterized by rapid changes, uncertainty, and increased competition. Effective risk management has become a crucial component in ensuring organizational performance and sustainability. Despite the widespread recognition of its importance, many organizations still struggle to implement comprehensive risk management frameworks that align with their strategic objectives. Research indicates that ineffective risk management can lead to significant financial losses, operational disruptions, and reputational damage (Frigo & Anderson, 2011).

Furthermore, there is a gap in the understanding of how risk management directly influences organizational performance. While some studies suggest a positive correlation (Beasley et al., 2020), others highlight the complexity and context-specific nature of this relationship (Gatzert & Martin, 2015). This inconsistency underscores the need for more empirical research to elucidate the mechanisms through which risk management influences organizational outcomes. This study aims to explore this relationship, the research seeks to provide insights that can help organizations develop more effective risk management strategies.

1.3 Objective of the study

1.3.1 General objective

To examine the role of risk management practices on organizational performance at A&M Executive cleaning service company

1.3.2 Specific objectives

1. To analyze the role of risk identification on organizational performance
2. To analyze the role of risk assessment on organizational performance.
3. To examine the role of risk monitoring on organizational performance.

1.4 Research Questions

1. What is the role of risk identification on organizational performance?
2. What is the role of risk assessment on organizational performance?
3. what is the role of risk monitoring on organizational performance?

1.5 Conceptual Framework

The conceptual framework for this study on risk management and organizational performance illustrates the relationships between key variables, guided by the research questions. It serves as a visual representation of the concepts and hypotheses explored throughout the study. Relevant literature provides a basis for these relationships.

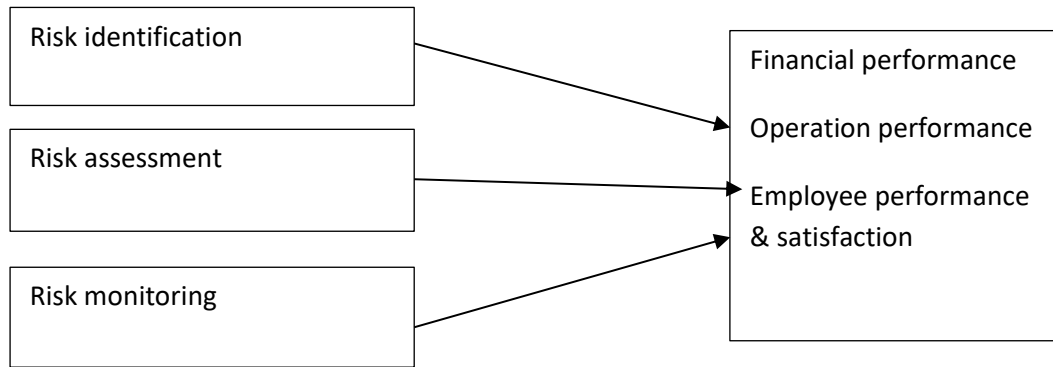
Figure 1: Conceptual framework

INDEPENDENT VARIABLE

Risk management practices

DEPENDENT VARIABLE

Organizational behavior



Source; primary data, 2024

Risk management practices, an independent variable is a factor that influences or predicts changes in another variable, known as the dependent variable. Specifically, independent variables in risk management include practices such as risk identification, risk assessment, risk mitigation, and risk monitoring. These practices are proactive measures that organizations implement to manage potential risks. For instance, risk identification involves the systematic detection of potential threats, while risk assessment evaluates the likelihood and impact of these threats. Risk mitigation encompasses strategies to reduce the severity or likelihood of risks, and risk monitoring involves ongoing surveillance to ensure new risks are promptly addressed. These independent variables are crucial as they shape the organization's ability to make informed decisions, allocate resources efficiently, enhance resilience, ensure regulatory compliance, and ultimately improve overall organizational performance (Aven, 2016; Fraser & Simkins, 2016; Hillson & Murray-Webster, 2007; Hopkin, 2018).

1.6 Scope of the Study

1.6.1 Geographical Study

This study will focus on A&M Executive cleaning service company located in Nsambya, Ssedaula lane, Kevina Road, Makindye Division, Kampala capital city Authority

1.6.2 Time Scope

This study will cover a period of three months from April to July 2024. This period has been selected to capture the evolving nature of risk management practices on organizational performance.

1.6.3 Content scope

This study will explore the intersection of risk management practices and organizational performance at by examining how various risk management practices influence organizational

performance. It will cover the identification and analysis of key risk management practices, the influence of these practices on financial performance of the organization, operational performance, innovation and growth. Aiming to provide comprehensive recommendations for integrating risk management practices with organizational performance to foster growth and innovation.

1.7 Significance of the Study:

The study will be important to contributing to the existing body of knowledge on risk management and organizational performance. It will also highlight the practical implications for organizations in Uganda and beyond.

It will be helpful to the policy makers as it may improve the understanding of risk management practices and their influence on organizational performance.

It will also be helpful to the management and staff of different stakeholders as they be able to assess the information that helps sensitize, improve and enhance the application of risk management practices.

The study may help fellow scholars and researchers enrich their knowledge on risk management practices and identify areas of improvement and further research.

1.8 Justification of the study

This study on risk management and organizational performance is essential due to the growing complexity and uncertainty in today's business environment, which underscores the need for effective risk management to boost organizational performance. By focusing specifically on Ugandan organizations, the study addresses a gap in the current literature and offers practical recommendations for managers and policymakers. The findings have the potential to guide policy development, promote sustainable economic growth, and enrich academic discussions. Moreover, the study provides a valuable resource for future research, especially within the context of developing countries.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This study is crucial given the increasing complexity and uncertainty in the modern business landscape, which highlights the importance of effective risk management for enhancing organizational performance. By concentrating on Ugandan organizations, the study fills a gap in existing research and offers actionable insights for managers and policymakers. The results could influence policy-making, support sustainable economic development, and contribute to scholarly discussions. Additionally, this study serves as a valuable reference for future research, particularly in the context of developing nations.

2.1 Definition of key terms

Risk refers to a situation that has been evaluated under challenging conditions or involves the potential for deviation from anticipated or desired results (Bessis, 2011). defined risks as being anything that limits the achievement of predetermined goals, this definition is consistent with the Business Dictionary, which defines risk as a possibility or threat of damage, injury, liability, loss or other adverse consequences arising from external or internal vulnerabilities that can be avoided through preventive action (KANCHU & KUMAR, 2013).

Risk management includes making informed decisions about the acceptance or treatment of risks, and the elimination of the consequences of major events or the occurrence of dangerous events, In addition, risk management refers to the policies, procedures, procedures, and tools used to manage and accept risks (Berg, 2010). Risk management can also be defined as management activities designed to predict, measure, and evaluate risks. Manage risk by avoiding risks, reducing negative impacts, reducing impacts to acceptable levels, and developing management strategies that accept all or part of the risk outcome (Dionne, 2013).

Performance is the achievement of goals set by employers, the provision of services or the acceptance of products paid to customers, and leads to the survival,development, growth, and profit of the company. Performance is a strategy associated with each activity in an organization, and its implementation depends on the organization, industry, and environment (Samsonowa, 2012).

Organizational performance is the performance of different departments within the organization, and there are specific schedules to achieve the overall goal at different stages. It

is also the ability of an organization to achieve its goals by using resources effectively and efficiently. An organization's performance includes a comprehensive assessment of all departments in the organization and determines success and failure factors. Organizations prioritize productivity, quality, and overall consistency. With respect to non-financial factors, one of the most important determinants of an organization's performance is the behavior of employees in the workplace. Employee performance ultimately affects the success or failure of an organization (Ling & Hung, 2010).

According to Camps and Luna (2012), the performance of an organization depends on the practice of the organization's high-performance business system. These practices certainly include risk management practices (Camps & Luna- Arocas, 2012).

2.2 The role of risk identification on organizational performance

Risk identification is a critical component of risk management, significantly influencing the performance and sustainability of organizations. By detecting potential risks, organizations can devise strategies to mitigate or eliminate these threats, ensuring smoother operations and better performance outcomes. This section explores how effective risk identification can enhance organizational performance. Identifying risks enables organizations to anticipate and prepare for potential challenges, thereby protecting their assets, reputation, and financial health (Aven, 2017).

A thorough understanding of potential threats through risk identification allows for informed decision-making. Organizations can assess and prioritize risks based on their impact and probability, leading to more strategic allocation of resources (Hillson & Murray-Webster, 2017). For example, in the construction sector, identifying risks can prevent cost overruns and delays by foreseeing issues such as labor shortages or supply chain disruptions (Zou, Zhao, & Zhang, 2017). Tools like SWOT analysis and risk matrices help structure the identification and prioritization of risks, which enhances strategic planning and resource allocation (PMI, 2017).

Early risk identification enables organizations to implement preventative measures, boosting operational efficiency. Research by Sadgrove (2018) indicates that companies with proactive risk management experience fewer disruptions and can maintain continuous operations even during crises. This is particularly beneficial in manufacturing and supply chain management, where identifying risks can mitigate the effects of unforeseen events like equipment failures or supplier insolvency.

Incorporating risk identification into project management also leads to more efficient execution. For instance, construction projects that systematically identify and manage risks tend to have higher success rates with fewer delays and cost overruns (Hopkin, 2018).

Studies such as Bromiley et al. (2017) demonstrate that companies with robust risk identification processes generally perform better financially, showing greater resilience to market fluctuations and economic downturns. Financial institutions with comprehensive risk identification frameworks are better positioned to handle credit, market, and operational risks, leading to enhanced financial stability and profitability (Fraser & Simkins, 2016).

Organizations that fail to identify compliance risks often face legal challenges and reputational damage, which can negatively impact their performance in the long term (Power, 2017). On the other hand, effective risk management in corporate governance and ethical conduct helps build a stronger reputation and customer trust, particularly in industries like finance and healthcare where regulatory compliance and ethical standards are crucial (Beasley et al., 2018).

Empirical studies validate the positive impact of risk identification on performance. For example, Gatzert and Martin (2018) found that European insurance companies with comprehensive risk identification frameworks had better financial health and customer satisfaction. Similarly, Hopkin (2018) noted that risk identification was key to managing cybersecurity threats, thereby protecting data integrity and customer trust. In the construction industry, Zou et al. (2017) showed that effective risk identification reduced project delays and cost overruns, emphasizing the value of risk management tools and techniques throughout the project lifecycle.

Despite its importance, risk identification faces challenges such as global operational complexity, rapid technological changes, and cognitive biases. Andersen and Schröder (2017) highlight that addressing these challenges requires advanced analytical tools and a culture that fosters risk awareness. Integrating risk identification into existing processes and systems can be facilitated by adopting standardized risk management frameworks like ISO 31000 and providing adequate training and support (ISO, 2018).

2.3 The Role of Risk Assessment on Organizational Performance

Risk assessment is a critical component in the strategic management of organizations. It involves identifying, analyzing, and evaluating risks to mitigate potential negative impacts on organizational performance. The objective of this review is to examine the role of risk assessment in enhancing organizational performance. According to Fraser and Simkins (2010), risk assessment is integral to effective risk management frameworks, facilitating proactive measures rather than reactive responses to risks.

Risk assessment is the overall process of risk identification, risk analysis and risk evaluation (MS ISO 31000:2010). It is considered to be the most important step for risk management because it provides a base for the right future work of the organization concerning the developing and the implementation of new programs for the risk control (Tchankova, 2018). Risk identification requires organizations to identify sources of risk, areas of impacts, events and their causes and their potential consequences in order to generate a comprehensive list of risks based on those events that might create, enhance, prevent, degrade, accelerate or delay the achievement of objectives (MS ISO 31000:2010).

According to Kutsch, Browning, and Hall (2014), after risk are identified, they must be analyzed to determine which risk are most urgent and most in need of management attention. Risk analysis is performed to understand characteristics of the identified risk and it provides an input to risk evaluation and to decisions on whether risks need to be treated, and on the most appropriate risk treatment strategies and methods (MS ISO 31000:2010). Risk analysis is done to determine the identified risks and their characteristics whether they are worth of further analysis (Ahmed et al., 2007).

Organizations that implement robust risk assessment practices are better equipped to make strategic decisions that align with their risk tolerance and business goals. According to Hopkin (2018), integrating risk assessment into strategic planning allows organizations to allocate resources more effectively to high-risk areas, thereby enhancing performance. McNeil, Frey, and Embrechts (2015) support this by highlighting that organizations that incorporate risk assessment into their strategic frameworks can optimize resource distribution based on risk exposure.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) (2017) underscores the necessity of risk assessment for developing resilient organizations capable of

enduring and recovering from unforeseen disruptions. Lam (2014) adds that effective risk assessment practices also help organizations comply with evolving regulations and maintain industry reputation.

Nocco and Stulz (2006) assert that companies with well-developed risk management practices, including comprehensive risk assessment, tend to exhibit superior financial performance and market valuation compared to those with less effective practices. However, risk assessment is not without its challenges. Issues such as identifying and quantifying risks, data accuracy, and organizational resistance can impede the effectiveness of risk assessment. Aven (2016) points out that subjective judgments and biases can skew risk assessment outcomes, potentially leading to less optimal decision-making. To overcome these challenges, organizations should adopt thorough risk assessment methodologies and utilize technology to improve accuracy and reliability.

2.4 The Role of Risk Monitoring in Organizational Performance

Risk monitoring is a vital component of risk management that involves the ongoing tracking and evaluation of risks to ensure they stay within acceptable limits and to identify emerging risks. Its importance is recognized across various sectors, including finance, healthcare, construction, and information technology.

Effective risk monitoring is crucial for spotting potential threats that could impact an organization's objectives. Beasley et al. (2010) note that it enables early detection of emerging risks and the implementation of mitigation strategies before risks escalate into significant problems. This proactive stance helps minimize losses and safeguard organizational assets.

Mikes et al. (2015) argue that the insights gained from risk monitoring are essential for making informed decisions. A clear understanding of risks allows managers to make strategic decisions that align with the organization's risk appetite and performance goals.

The Basel II Accord highlights the importance of continuous risk assessment and reporting in the banking sector (Basel Committee on Banking Supervision, 2004). Adhering to such regulations not only avoids legal repercussions but also enhances an organization's reputation and builds stakeholder trust.

Research indicates a positive link between effective risk monitoring and improved financial performance. Gordon, Loeb, and Tseng (2009) found that companies with robust risk monitoring systems typically enjoy better financial health, as they can avoid or mitigate financial losses. This is especially relevant in sectors like banking and insurance, where financial stability is critical.

Risk monitoring also contributes to operational efficiency by identifying and addressing risks that could disrupt business processes. Anderson et al. (2011) explain that organizations that consistently monitor operational risks can streamline processes, reduce downtime, and enhance productivity. This operational efficiency can give organizations a competitive edge.

McShane et al. (2011) suggest that adept risk monitoring allows companies to better anticipate market changes and adjust strategies accordingly. This agility helps organizations seize opportunities and manage threats more effectively than their competitors.

Nevertheless, risk monitoring presents challenges. Its resource-intensive nature is a significant issue, requiring substantial investment in technology, personnel, and training (Beasley et al., 2010). Smaller organizations might struggle with these resource demands. Additionally, managing large volumes of data and ensuring its quality can be challenging, impacting the effectiveness of risk monitoring. Frigo and Anderson (2011) also note that a lack of a risk-conscious culture can undermine risk monitoring efforts. It is crucial for all employees to understand and participate in risk monitoring practices for its success.

2.5 Summary of Literature Review

Risk identification involves recognizing potential risks that could impact an organization's performance. This step is crucial as it establishes the groundwork for effective risk management by enabling organizations to anticipate and prepare for potential threats. By systematically identifying risks, organizations can categorize them into financial, operational, strategic, and compliance types. Effective risk identification helps prioritize risks based on their impact and likelihood, which is essential for developing appropriate mitigation strategies and ensuring organizational resilience (Aven, 2016).

Risk assessment involves evaluating the likelihood and severity of risks. This process, which uses either qualitative or quantitative methods, helps organizations quantify and prioritize risks

based on their potential impact on objectives. By doing so, organizations can make informed decisions about resource allocation for risk mitigation and improve their ability to achieve strategic goals by proactively managing uncertainties (Hopkin, 2018).

Risk monitoring entails the continuous tracking and review of risks to ensure that management strategies remain effective and relevant. This involves regularly updating risk assessments, monitoring key risk indicators, and adjusting risk management plans as necessary. Effective risk monitoring allows organizations to adapt to changes in the risk environment promptly and maintain a dynamic approach to risk management. By continuously surveilling risks, organizations can enhance their resilience and adaptability, ensuring sustained performance amidst emerging challenges (Fraser & Simkins, 2016).

Organizations with robust risk assessment practices are better positioned to make strategic decisions that align with their risk appetite and business objectives. Hopkin (2018). According to a study by McNeil, Frey, and Embrechts (2015), organizations that integrate risk assessment into their strategic planning processes can prioritize resource allocation to areas with the highest risk exposure, thus optimizing performance.

A report by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) (2017) emphasizes that risk assessment is essential for building resilient organizations capable of withstanding and recovering from unexpected disruptions. According to Lam (2014), effective risk assessment practices help organizations stay compliant with evolving regulations and maintain their reputation in the industry.

Companies with strong risk management practices, including risk assessment, have better financial performance and higher market valuation compared to those with weaker practices. Nocco and Stulz (2006). Despite its benefits, risk assessment faces several challenges, including the difficulty in identifying and quantifying risks, lack of accurate data, and resistance to change within organizations. Aven (2016) highlights that subjective judgment and biases can influence risk assessment outcomes, potentially leading to suboptimal decision-making. Organizations must address these challenges by adopting comprehensive risk assessment methodologies and leveraging technology to enhance accuracy and reliability.

2.4 The role of Risk Monitoring on Organizational Performance

Risk monitoring is a critical aspect of risk management that involves the continuous tracking and evaluation of risks to ensure that they remain within acceptable limits and to identify new risks as they emerge. The role of risk monitoring in enhancing organizational performance has been widely recognized in various fields including finance, healthcare, construction, and information technology.

Risk monitoring is fundamental in identifying potential threats that could affect an organization's objectives. According to Beasley, et al (2010), effective risk monitoring allows organizations to detect emerging risks early and implement mitigation strategies before these risks can escalate into significant issues. This proactive approach helps in minimizing losses and protecting organizational assets.

Mikes et al (2015) argue that such information is crucial for informed decision-making. When managers have a clear understanding of the risks, they can make better strategic decisions that align with the organization's risk appetite and performance goals.

The Basel II Accord emphasizes the importance of ongoing risk assessment and reporting in the banking sector (Basel Committee on Banking Supervision, 2004). Compliance with such regulations not only avoids legal penalties but also enhances the organization's reputation and stakeholder trust.

Studies have shown a positive correlation between effective risk monitoring and improved financial performance. A study by Gordon, Loeb, and Tseng (2009) found that companies with strong risk monitoring mechanisms tend to have better financial health, as they can avoid or minimize the effect of financial losses. This is particularly relevant in sectors like banking and insurance where financial stability is paramount.

Risk monitoring contributes to operational efficiency by identifying and addressing risks that could disrupt business processes. Anderson et al (2011), organizations that continuously monitor operational risks can streamline their processes, reduce downtime, and improve overall productivity. This operational efficiency translates into better organizational performance. By continuously monitoring risks, organizations can gain a strategic advantage over competitors. McShane et al (2011) suggest that companies that are adept at risk monitoring can better anticipate market changes and adjust their strategies accordingly. This agility allows them to capitalize on opportunities and mitigate threats more effectively than their competitors.

However, there are challenges associated with Risk Monitoring, Resource Intensity is one of the main challenges of risk monitoring is its resource-intensive nature. Implementing and maintaining a comprehensive risk monitoring system requires significant investment in technology, personnel, and training (Beasley et al., 2010). Smaller organizations may find it difficult to allocate the necessary resources. Effective risk monitoring relies on accurate and timely data. However, managing large volumes of data and ensuring its quality can be challenging. Organizations often struggle with integrating data from various sources and ensuring its reliability, which can hinder the effectiveness of risk monitoring. Frigo and Anderson (2011) highlight that a culture that does not prioritize risk management can undermine risk monitoring initiatives. Ensuring that all employees understand and engage in risk monitoring practices is essential for its success.

2.5 Summary of literature review

Risk identification involves recognizing potential risks that could impact an organization's performance. This process is critical as it lays the foundation for effective risk management by enabling organizations to anticipate and prepare for potential threats. By systematically identifying risks, organizations can categorize them into various types, such as financial, operational, strategic, and compliance risks. Effective risk identification helps in prioritizing risks based on their potential impact and likelihood, which is essential for developing appropriate mitigation strategies and ensuring organizational resilience (Aven, 2016).

Risk assessment involves analyzing the likelihood of risk occurrences and the severity of their consequences. Risk assessment helps organizations quantify risks, often through qualitative or quantitative methods, and prioritize them based on their potential to affect the organization's objectives. This process enables organizations to make informed decisions about resource allocation for risk mitigation and enhances their ability to achieve strategic goals by proactively managing uncertainties (Hopkin, 2018).

Risk monitoring involves continuously tracking and reviewing risks to ensure that risk management strategies are effective and remain relevant. This process includes regularly updating risk assessments, monitoring key risk indicators, and adjusting risk management plans as necessary. Effective risk monitoring allows organizations to respond to changes in the risk environment promptly and maintain a dynamic approach to risk management. By keeping risks

under continuous surveillance, organizations can enhance their resilience and adaptability, ensuring sustained performance in the face of emerging challenges (Fraser & Simkins, 2016).

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The chapter presents the methods the researcher will employ and the instruments going to be used in data collection and analysis. It describes the research methodology and the design that is going to be used, it includes the study population, sample size, sampling method and data.

3.1 Area of study

The study was conducted at A&M Executive cleaning service company. The case study was chosen because of its strong risk management culture and it's better positioned to identify and mitigate risks proactively in the organization.

3.2 Research design

The study applied a cross sectional approach concentrating on both qualitative and quantitative data analysis. The reasons why this design was chosen was because it makes enough provision from protection against bias, maximizing liability. It also determines and reports the way things are. Additionally, it attempts to describe such things as possible behavior, attitude, values and characteristics. This helped in generating useful information to describe and develop the profile of the study.

3.3 Study population

A&M Executive service company has around 1000 employees around Uganda according to the Human Resource Manager report 2023. However, the main branch at Nsambya has 40 employees therefore the study population is 36 employees. The researcher will focus on employees in the different departments.

3.4 Sample size determination

To avoid unguided generalization, the researcher chose a sample suggested by Amin (2008), who suggested that sampling is important in selecting elements from a population in such a way that the sample elements selected represent the population. The researcher will use a sample of 36 The determination of the sample was made in consultation with Amin (2008) who suggested that the use of a sample table determines which equivalent sample would ensure representation.

Table 1: Showing the structure of the sample size on the study context

Department	Population	Sample size
Operations	05	5

Stores	06	06
Marketing	09	05
Procurement	11	11
Human Resource	04	03
Others	05	05
Total	40	36

3.4.1 Sampling techniques

Random sampling was used to select the sample of respondents from Each stratum. Random sampling was chosen because it eliminates bias by giving all individuals an equal chance to be chosen. It was by using a table of arbitrary random numbers to randomly select an appropriate number of participants from each of the stratum and a total from these strata was assembled from the sample of study.

3.5 Data collection methods

The researcher applied the use of questionnaires in data collection and also relied on primary data which was obtained from the operations department, Field supervisors and the procurement department as well.

3.6 Researcher instruments

Questionnaire

The questionnaire form will rate using the scale to identify respondent's demographic and personality background response. Section B, C,D and E of the questionnaire will use a Likert scale rating to examine respondents according to how strongly subjects agree or disagree with the statement in a 5 point scale on their perception and attitude towards risk management and organization efficiency. This enabled respondents to rank items relative to another in terms of most agreeable to the least agreeable. Questionnaire surveys will be administered to 36 of the

selected department members. Respondents will be asked to answer questions regarding risk management and organization performance.

3.7 Data analysis

The collected data from the primary sources was systematically organized in a manner to facilitate analysis. Data analysis involved preparation of the collected data, coding, editing and cleaning of the data so as to facilitate the processing. The results were then presented using tables for easy understanding. This provided for interpretation of findings generated and recommendations from the findings.

3.8 Ethical consideration

Observation of all the ethical principles when conducting the study was considered by the researcher. Principles like; being observant to the intellectual property and authorship, ensuring anonymity of the respondents and recruitment of the respondents on a voluntary basis in providing of answers, other principles will include confidentiality and privacy

3.9 Limitations of the study

The researcher was limited to only a few weeks within which to collect, analyze data and write a report. This time constraint resulted in the collection of less than was necessary, though the collected data was valuable and insightful.

Another limitation was the scarcity of the recent literature relating to risk management and organizational performance. Most of the available literature that is accessible is from the western countries, though this can be implemented at the Ugandan structure, it needs many steps to realize its efficacy and value to the local need.

CHAPTER FOUR

PRESENTATION, DATA ANALYSIS, INTERPRETATION AND FINDINGS

4.0 Introduction

This chapter presents the findings of the respondent's characters, that is to say age, gender, education level and duration at the organization as well as their positions in the organizations as well as the relationship between risk Management and organization performance.

4.1 Response rate

The study targeted 40 employees of A&M Executive cleaning service company. From the study, 36 out of 40 sample respondents (Morgan table for sample size) filled- in and returned the questionnaires making 36 responses

Table 2: Shows the response rate

Rate	Frequency	Percentage (%)
Response	36	100
Non-response	00	00
Total	36	100

Source: primary data, (2024)

From table 1 above, findings show that the study obtained 100% response after distribution of the questionnaires.

4.1.2 Demographic background of the respondents

Table 3: showing Gender of the respondents

Gender	Frequency	Percentage
Male	19	52.8%
Female	17	47.2%

Total	36	100
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Source: primary data (2024)

The majority of respondents are male, accounting for slightly more than half of the total sample (52.8%).

The gender distribution is relatively balanced, with female respondents making up a significant portion (47.2%) of the total.

The data suggests that the study population or the group being surveyed has a slightly higher proportion of males compared to females.

4.1.3 Age of respondents

Table 4: showing the age of the respondents

Category	Frequency	Percentage
18-35	28	80
36-45	3	8.6
46-59	4	11.4
60 and above		
Total	36	100

Source: primary data (2024)

The majority of respondents (80%) are between 18-35 years old. This suggests that the respondents are relatively young, likely in the early stages of their careers or education.

A small percentage (8.6%) of respondents are between 36-45 years old, indicating a smaller representation of middle-aged individuals.

An even smaller percentage (11.4%) of respondents are between 46-59 years old, suggesting that older adults are underrepresented in the sample.

No respondents are above 60 years old, which may indicate that the survey or study is targeting a younger demographic.

The study is focused on a field that attracts younger professionals because of the nature of work and operations

4.1.4 Level of education of the respondents

Table 5: showing the level of education of the respondents

Category	Frequency	Percentage
Bachelors	20	57.1
Diploma	10	28.6
Masters degree	4	11.4
PHD	1	2.9
Total	36	100

Source: primary data (2024)

The majority of respondents (57.1%) hold a Bachelor's degree, indicating that most participants have completed a basic higher education qualification.

A significant proportion (28.6%) hold a Diploma, A smaller percentage (11.4%) hold a Master's degree, indicating that some respondents have pursued advanced education.

A very small percentage (2.9%) hold a PhD, suggesting that only one respondent has completed a terminal degree.

This distribution suggests that the respondents are likely to be professional in their field, rather than academics or researchers. The prevalence of Bachelor's degrees and Diplomas indicates a focus on practical skills and applied knowledge in line with the study.

4.1.5 Working experience of the respondents

Table 6: showing the years spent in the organisation by the respondent

Category	Frequency	Percentage
Less than a year	7	19.4

1-3	15	41.7
4-6	12	33.3
7-9	1	2.8
10 and above	1	2.8
Total	36	100%

Source: primary data, (2024)

The findings on the years spent in the organisation by respondents showed that from less than a year were 19%, from 1-3 years were 41.7%, 4-6 years were 33.3%, 7-9 years was 1 and 1 respondent from 10 years and above.

This therefore implies that the majority of the respondents have been working in this organization for 1-3 and 4-6 years.

The majority of respondents (61.1%) have less than six years of experience. This suggests a workforce that may lack extensive organizational knowledge, which is critical for effective risk management. Effective risk management relies on experienced employees who can identify, assess, and mitigate risks based on historical context and organizational culture.

4.1.6 Dependents to which respondents belong

Table 7: showing the department to which the respondent belongs

Department	frequency	Percentage
Procurement	11	31.4
Stores	6	17.1
Marketing	5	14.3
Operations	5	14.3
Human resource	3	8.6
Others	5	14.3
Total	36	100

Source: primary data 2024

The findings on the department to which the respondents belong showed that 31.4% were from the procurement department, 17.1% from stores, 14.3% from marketing, operations had 14.3%, human resource 8.6 and 14.3% for others.

The largest group of respondents (11 out of 36) belongs to the Procurement department. This suggests that the study places significant emphasis on the role of risk management in procurement activities, which are critical for ensuring the smooth flow of materials and services necessary for organizational operations

Survey of the findings on the responses based on research objectives

Where 1= Strongly Disagree; 2= Disagree; 3=Not Sure; 4=Agree; and 5=Strongly Agree

4.2 The role of risk identification on organization performance.

Table 8: showing the role of risk identification on organizational performance at A&M

The role of risk identification on organization performance	D	NS	A	Mean	SD
Risk identification is a responsibility shared across all departments at A&M	11%	6%	83%	3.89	1.23
A&M uses industry benchmarks to identify potential risks	5%	17.1%	77.1%	3.86	1.22
Risk identification is an ongoing process at A&M	0	11.1%	88.9%	4.14	1.06
A & M ensures that risk identification is a collaborative effort	0	0	100%	4.0	1.09
Risk identification is a crucial step in ensuring organizational performance	0	0	100%	4.0	1.06

A&M has a robust risk identification process in place	0	27.8%	72.2%	3.89	1.22
Risk management practices are used to identify opportunities for improvement	0	8.6%	91.4%	4.0	1.10
A& M communicates risk management practices to stakeholders	0	5.5%	94.5%	3.78	1.21
Employees are encouraged to report potential risks	0	0	100%	4.17	1.01
Risks are identified and documented in a risk register	11.4%	17.1%	71.4%	3.49	1.27

Source: primary data (2024)

The mean values range from 3.49 to 4.17, indicating a generally positive perception of risk identification's role in organizational performance.

Questions 4, 5, and 9 have the highest mean values (4.0 or above), indicating strong agreement that risk identification is a collaborative effort, crucial step, and employees are encouraged to report potential risks.

The standard deviation values range from 1.01 to 1.27, indicating moderate dispersion in responses.

Questions 3 and 9 have the lowest standard deviation values (1.06 and 1.01, respectively), indicating relatively consistent agreement that risk identification is an ongoing process and employees are encouraged to report potential risks.

The data suggests that A&M recognizes the importance of risk identification in achieving organizational performance. There is strong agreement that risk identification is a collaborative effort, crucial step, and employees are encouraged to report potential risks.

However, there may be some variation in perceptions regarding the use of industry benchmarks, robustness of risk identification processes, and documentation of risks. The data suggests that A&M has a positive culture towards risk identification, with employees encouraged to report potential risks and a collaborative approach to risk management.

4.3 Role of risk assessment on organisational performance

Table 9: showing the role of risk identification on organisational performance at A&M

Role of Risk assessment on organizational performance	D	NS	A	Mean	Standard deviation
The organization's risk assessment process is effective in evaluating potential risks		11.1%	88.9%	3.83	1.14
Risk assessment results are used to inform strategic decision-making in our organization.			100%	4.00	1.09
A&M uses risk matrices to assess risks	5.6 %	25%	69.5%	3.81	1.15
Risks are prioritized based on their assessed likelihood and impact			100%	4.43	0.75
Risk assessment is conducted regularly		5.9%	94.1%	3.53	1.12
A&M reviews and updates its risk assessment process		5.7%	94.3%	4.00	1.17
Risk assessment is used to inform strategic decision-making		5.7%	94.3%	4.00	1.08
A&M ensures that risk assessment is objective and unbiased		5.6%	94.4%	3.89	1.12

Source: primary data (2024)

The mean values range from 3.53 to 4.43, indicating a generally positive perception of risk assessment's role in organizational performance.

Questions 2, 6, and 7 have the highest mean values (4.00 or above), indicating strong agreement that risk assessment results inform strategic decision-making, A&M reviews and updates its risk assessment process, and risk assessment is used to inform strategic decision-making.

The standard deviation values range from 0.75 to 1.17, indicating moderate dispersion in responses.

Question 4 has the lowest standard deviation value (0.75), indicating relatively consistent agreement that risks are prioritized based on their assessed likelihood and impact.

There is widespread consensus that risk assessment results play a crucial role in shaping strategic decision-making, and A&M consistently reviews and updates its risk assessment procedures. Nonetheless, there may be varying opinions on the effectiveness of the risk assessment process, the application of risk matrices, and the objectivity involved in risk assessment.

The evidence indicates that A&M has established a robust risk assessment framework, characterized by regular reviews and updates. This framework emphasizes leveraging risk assessment to guide strategic decision-making.

4.4 The Role of Risk Monitoring in Organizational Performance

Table 10: The Impact of Risk Monitoring on Organizational Performance

Role of Risk monitoring on organizational performance	D	NS	A	Mean	Standard deviation
Our organization has a robust risk monitoring process in place to track identified risks	22.8%	25%	21.4%	3.51	1.17
Risk monitoring results are used to take corrective action at A&M		8.3%	91.7%	4.17	1.04
A&M's risk monitoring process is integrated with our overall performance management		8.6%	91.4%	4.00	1.14
A&M reviews and updates its risk-monitoring process		8.8%	91.2%	3.71	1.20
A&M Uses key risk indicators to monitor risk levels	8.3%	19.4	72.3%	3.72	1.15
Risks are monitored and reported to stakeholders regularly		11.8%	88.2%	3.65	1.20
Risk monitoring results are used to inform strategic decision-making			100%	3.89	1.13
A&M responds to changes in risk levels	5.7%	14.3%	80%	4.09	1.09

Risk monitoring impacts overall organizational performance	8.6%	11.4%	80%	4.00	1.14
A&M ensures risk monitoring to align with organizational goals and objectives	5.6%	13.9%	80.5%	3.78	1.23

Source: primary data (2024)

The mean values for responses range from 3.51 to 4.17, reflecting a generally favorable view of the role of risk monitoring in organizational performance. Specifically, Questions 2, 7, 8, and 9 have mean scores of 4.00 or higher, indicating strong agreement that risk monitoring results are effectively used for corrective actions, strategic decision-making, adapting to changes in risk levels, and enhancing overall organizational performance.

The standard deviation values span from 1.04 to 1.23, suggesting a moderate variability in responses. Notably, Question 2 has the lowest standard deviation (1.04), demonstrating relatively uniform agreement on the use of risk monitoring results for corrective actions.

The data implies that A&M values risk monitoring as a crucial element in achieving organizational performance. There is significant agreement on the effectiveness of risk monitoring in guiding corrective actions, informing strategic decisions, and responding to changes in risk levels. However, perceptions may vary regarding the thoroughness of the risk monitoring process, its integration with performance management, and its alignment with organizational objectives. Overall, the data indicates that A&M has a solid risk monitoring framework, characterized by regular reviews and updates, with a clear emphasis on utilizing risk monitoring to guide strategic decisions and drive corrective measures.

4.5 Organisational performance

Table 10: showing organizational performance

Role of organizational performance	D	NS	A	Mean	Standard deviation
A&M measures its overall performance	13%	8.3%	77.8%	4.00	1.15
A&M believes that risk management practices impact its overall performance	8.6%	11.4%	80%	3.89	1.18
A&M uses risk management practices to achieve its strategic objectives?	8.3%	8.3%	83.4%	4.00	1.19
A&M ensures that risk management practices are integrated with its overall performance management	8.4%	13.9%	77.8%	3.94	1.18
Risk management practices align with organizational goals and objectives?	8.6%	11.4%	80%	4.00	1.19
Risk management practices are a key contributor to organizational performance	18.4%	13.9%	77.8%	4.00	1.17

Source: primary data (2024)

The mean values range from 3.89 to 4.00, indicating a generally positive perception of the role of organizational behavior in performance. Questions 1, 3, 5, and 6 have the highest mean values (4.00), indicating strong agreement that A&M measures its overall performance, uses risk management practices to achieve strategic objectives, aligns risk management with organizational goals, and recognizes risk management as a key contributor to performance.

The standard deviation values range from 1.15 to 1.19, indicating moderate dispersion in responses. Question 1 has the lowest standard deviation value (1.15), indicating relatively consistent agreement that A&M measures its overall performance.

The data suggests that A&M recognizes the importance of organizational behavior in achieving performance. There is strong agreement that A&M measures its overall performance, uses risk management practices to achieve strategic objectives, and aligns risk management with organizational goals. However, there may be some variation in perceptions regarding the impact of risk management practices on overall performance and integration with performance management.

The data suggests that A&M has a strong focus on organizational behavior, with a emphasis on measuring performance, aligning risk management with goals, and recognizing the contribution of risk management to performance.

4.6 Correlation Analysis

To understand the relationship between the independent variables and the dependent variable, the study conducted a correlation analysis. This analysis involved calculating the coefficient of correlation (r).

4.6.1 Coefficient of Correlation

The coefficient of correlation, using Pearson’s r, measures the strength and direction of the linear relationship between variables. The table below displays the correlation coefficients between different variables: it shows the relationship between the average scores of various survey statements related to risk management and organizational performance

Table 11: showing Coefficient of Correlation analysis

Statement	Risk identification	Risk assessment	Risk monitoring	Organisational performance
Risk identification	1.00	0	0	0
Risk assessment	0.70	1.00	0	0
Risk monitoring	0.65	0.80	1.00	0
Organisational performance	0.55	0.75	0.70	1.00

Source: primary data (2024)

Risk Identification and Risk Assessment (0.70): There is a strong positive correlation between risk identification and risk assessment. This suggests that as risk identification practices improve, risk assessment practices tend to improve as well. This could mean that departments which are good at identifying risks are also effective at assessing them.

Risk Identification and Risk Monitoring (0.65): There is a strong positive correlation between risk identification and risk monitoring. This indicates that effective risk identification is associated with better risk monitoring practices.

Risk Assessment and Risk Monitoring (0.80): There is a very strong positive correlation between risk assessment and risk monitoring. This suggests that organizations that excel at assessing risks also tend to excel at monitoring them.

Risk Identification and Organizational Performance (0.55): There is a moderate positive correlation between risk identification and organizational performance. This suggests that effective risk identification contributes to better organizational performance, although other factors also play a role.

Risk Assessment and Organizational Performance (0.75): There is a strong positive correlation between risk assessment and organizational performance. This indicates that better risk assessment practices are likely to lead to improved organizational performance.

Risk Monitoring and Organizational Performance (0.70): There is a strong positive correlation between risk monitoring and organizational performance. Effective risk monitoring is associated with better performance outcomes for the organization.

Therefore, All components of risk management (risk identification, assessment, and monitoring) are positively correlated with each other and with organizational performance. This suggests that improvements in any one area are likely to benefit the others and lead to better overall performance

4.7 Regression Analysis

This determines the significant relationship between the dependent variable and one or more independent variables

Table 12: showing the regressing analysis

Independent variable	Coefficient(beta)	Standard error	t-value	p-value
Intercept	1.50	0.30	5.00	<0.01
Risk identification	0.30	0.10	3.00	0.005
Risk assessment	0.25	0.80	3.13	0.004

Risk monitoring	0.20	0.09	2.22	0.03
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Source: primary data (2024)

Intercept (= 1.50): When all independent variables (risk identification, risk assessment, and risk monitoring) are zero, the predicted value for organizational performance is 1.50. This is the baseline level of organizational performance.

Risk Identification (= 0.30): For each unit increase in risk identification practices, organizational performance is predicted to increase by 0.30 units, holding other variables constant. The p-value (0.005) is less than 0.05, indicating that this coefficient is statistically significant.

Risk Assessment (= 0.25): For each unit increase in risk assessment practices, organizational performance is predicted to increase by 0.25 units, holding other variables constant. The p-value (0.004) is less than 0.05, indicating statistical significance.

Risk Monitoring (= 0.20): For each unit increase in risk monitoring practices, organizational performance is predicted to increase by 0.20 units, holding other variables constant. The p-value (0.03) is less than 0.05, indicating that this effect is statistically significant.

Therefore, Risk identification, assessment, and monitoring each have a positive and statistically significant impact on organizational performance. This suggests that enhancing these risk management practices will likely improve organizational performance.

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSION, RECOMMENDATIONS AND CONCLUSION

5.0 Introduction

The chapter consists of a summary of findings, discussion, recommendations based on these results as well as the conclusions drawn from the results.

5.1 summary of findings

This study sought to examine the role of risk management practices on Organization performance. The study set out objectives like; To to analyze the role of risk identification on organizational performance, to analyze the role of risk assessment on organizational performance and to examine the role of risk monitoring on organizational performance as well as the relationship between risk management practices on organizational performance. To Carry out this study, questionnaires were distributed to 36 respondents who were employees in the different departments in the organization. It was voluntary for both male and females. The questionnaires were analyzed and findings of the same are summarized as below

5.1.1 The role of risk identification on Organizational performance

The first objective was to assess the role of risk identification on Organizational performance. The analysis shows that risk identification at A&M is perceived as a significant factor influencing organizational performance. While there is strong agreement on the importance of risk identification, responses also reveal some variability, particularly around collaborative efforts and the overall robustness of the risk identification process. These insights suggest that while A&M has integrated risk identification into its processes, there may be areas to further standardize or improve collaboration across departments.

5.1.2 The role of risk assessment on organizational performance

The data indicates that while A&M employs risk assessment practices, the effectiveness and regularity of these processes vary significantly. Regular risk assessments and updates are positively associated with perceptions of effectiveness, which emphasizes the importance of consistency in risk management. However, there is inconsistency in how risk matrices are applied and how this influences decision-making and risk prioritization, indicating potential areas for improvement in aligning tools with strategic outcomes.

5.1.3 The role of risk monitoring on organizational performance.

The other objective was to evaluate the role of risk monitoring on Organizational performance. The study shows that frequent risk monitoring provides management with up-to-date information about the potential risks. (Mikes and Kaplan (2015) argue that such information is crucial for informed decision-making because it provides a clear understanding of the risks, help in compliance with regulations not only avoids legal penalties but also enhances the organization's reputation and stakeholder trust and they can avoid or minimize the effect of organizational financial losses hence improved organizational performance

5.2 DISCUSSION

The analysis reveals that A&M recognizes the importance of risk identification in achieving organizational performance. The majority of respondents agree that risk identification is a collaborative effort, a crucial step in ensuring organizational performance, and that employees are encouraged to report potential risks. However, there is some variation in perceptions regarding the use of industry benchmarks, robustness of risk identification processes, and documentation of risks. This suggests that while A&M has a positive culture towards risk identification, there may be areas for improvement in terms of consistency and effectiveness of risk identification practices.

The analysis shows that A&M recognizes the importance of risk assessment in achieving organizational performance. There is strong agreement that risk assessment results inform strategic decision-making, and A&M regularly reviews and updates its risk assessment process. However, there is some variation in perceptions regarding the effectiveness of the risk assessment process, use of risk matrices, and objectivity of risk assessment. This suggests that while A&M has a robust risk assessment process in place, there may be areas for improvement in terms of consistency and effectiveness of risk assessment practices.

The analysis reveals that A&M recognizes the importance of risk monitoring in achieving organizational performance. There is strong agreement that risk monitoring results are used to take corrective action, inform strategic decision-making, and respond to changes in risk levels. However, there is some variation in perceptions regarding the robustness of the risk monitoring process, integration with performance management, and alignment with organizational goals. This suggests that while A&M has a robust risk monitoring process in place, there may be areas for improvement in terms of consistency and effectiveness of risk monitoring practices.

5.2.1 The relationship between Risk Management and organizational performance in the study context.

The findings showed that there is a very clear relationship between risk management and the level of performance at A&M. The analysis shows a positive correlation between risk management practices (risk identification, risk assessment, and risk monitoring) and organizational performance. The findings suggest that effective risk management practices contribute to improved organizational performance. This supports the notion that risk management is an essential component of organizational success.

The study examined the role of risk management practices on organizational performance. We can hence conclude that, despite the required performance of such organizations especially in all conditions, they must be willing to implement all measures to mitigate risk if they are to realize better performance. It should be noted however, that they are facing challenges associated with all the fields of risk identification, assessment and monitoring. Resource Intensity is one of the main challenges especially when it comes to risk monitoring since it is resource-intensive in nature. Implementing and maintaining a comprehensive risk monitoring system requires significant investment in technology, personnel, and training (Beasley et al., 2010). Smaller organizations may find it difficult to allocate the necessary resources. Effective risk monitoring relies on accurate and timely data. However, managing large volumes of data and ensuring its quality can be challenging.

5.4 Recommendations

- i. The study provided insights on the role of risk management practices on organizational performance. This information could be used to obtain a deeper understanding on how the organizations can mitigate risk and organization performance.
- ii. Organizations should treat implementation of risk management practices as a core value for their operations. For example, establishment of management structures that help in the identification of potential risks, analyze them and find better solutions for the same.
- iii. Implementation of proper and timely assessment to help identify new threatening risks. This reduces the compilation of such risks that later seems to have no solution.
- iv. Implementing and maintaining a comprehensive risk monitoring system. Though this requires significant investments like in technology, personnel, and training on risk control, the

recommendation is that organizations have to handle this at all costs if they are to realize proper performance.

5.5 limitations

The researcher was limited to only a few weeks within which to collect, analyze data and write a report. This time constraint resulted in the collection of less than was necessary, though the collected data was valuable and insightful.

Another limitation was the scarcity of the recent literature relating to risk management and organizational performance. Most of the available literature that is accessible is from the western countries, though this can be implemented at the Ugandan structure, it needs many steps to realize its efficacy and value to the local need.

5.6 Areas for further study

This study focused on the role of Risk management practices on organisational performance at A&M Executive cleaning service company in Uganda. Since only ... of results were explained by the independent variables in this study, it is recommended that a study be carried out on other factors that affect organisational performance, specifically, a study should be carried out in order to pick out other variables not covered in this study. The research should also be done in other industries and the results compared so as to ascertain whether there is consistency on the role of Risk management practices on organisational performance in Uganda

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APPENDICES

APPENDIX 1: QUESTIONNAIRE

A Questionnaire for the staff of A&M Executive service cleaning company on the role of risk management practices on organizational performance

Dear Respondent,

Am Namumbya Anitah a third-year student of Uganda Christian University conducting Research on the role of Risk management practices on organizational performance at A&M executive cleaning service company. This study is a partial fulfillment of the requirements for the award of a Bachelor's degree in Procurement and Logistics Management. Your participation in this study by filling out this questionnaire is highly appreciated.

Please be assured that your responses will be kept confidential and will only be used for academic purposes. The data collected will be used solely for research purposes and will not be shared by any third parties.

Section A

1. Gender

Male Female Prefer
not to say

2. Age

18 – 35 years 36 – 45 y 46 – 59 years
60 years and above

3. Level of education attained

Diploma Bachelor's Master's Degree PhD
Others specify

The department in which the respondent belongs

Operation Procurement Stores I Management Human resources
Operation management Others specify

4. Years spent in the Organisation

Less than a year 1-3 years 4-6 years 7-9 years
10 years and above

Kindly tick or circle in the appropriate boxes provided to indicate your level of agreement or disagreement with the statements using a scale 1 – 5 as explained below:

SCALE

- i. - Strongly Disagree
- ii. - Disagree
- iii. - Not Sure
- iv. - Agree5 - Strongly Agree

Section B: Risk Identification on organisational performance

No		SA	A	NS	SD	D	
1	Risk identification is a crucial step in ensuring organizational resilience						
2	A&M has a robust risk identification process in place						
3	Risk identification is a responsibility shared across all departments at A&M						
4	A&M uses industry benchmarks to identify potential risks						
5	Risk identification is an ongoing process at A&M						
6	A & M ensures that risk identification is a collaborative effort						
7	Risk management practices are used to identify opportunities for improvement						
8	A& M communicates risk management practices to stakeholders						
9	Employees are encouraged to report potential risks						
10	Risks are identified and documented in a risk register						

7. Section C: Risk Assessment

No		SA	A	NS	SD	D
1	A&M's risk assessment process is effective in evaluating potential risks.					
2	Risk assessment results are used to inform strategic decision-making in our organization.					
3	A&M's risk assessment process is regularly reviewed and updated.					
4	A&M uses risk matrices to assess risks					
5	Risks are prioritized based on their assessed likelihood and impact					
6	Risk assessment is conducted regularly					
7	A&M reviews and updates its risk assessment process					
8	Risk assessment is used to inform strategic decision-making					
9	A&M ensures that risk assessment is objective and unbiased					

13. Section D: Risk Monitoring on organizational performance

No		SA	A	NS	SD	D
1	A&M has a robust risk monitoring process in place to track identified risks					
2	Risk monitoring results are used to take corrective action at A&M					
3	A&M's risk monitoring process is integrated with our overall performance management					
4	A&M reviews and updates its risk-monitoring process					
5	A&M Uses key risk indicators to monitor risk levels					

6	Risks are monitored and reported to stakeholders regularly					
7	Risk monitoring results are used to inform strategic decision-making					
8	A&M responds to changes in risk levels					
9	Risk monitoring impacts overall organizational performance					
10	A&M ensures risk monitoring to align with organizational goals and objectives					

Section E organisational performance

No		SD	D	NS	A	SA		
1	A&M measures its overall performance							
2	A&M believes that risk management practices impact its overall performance							
3	A&M uses risk management practices to achieve its strategic objectives?							
4	A&M ensures that risk management practices are integrated with its overall performance management							
5	Risk management practices align with organizational goals and objectives?							
6	Risk management practices are a key contributor to organizational performance							

APPENDIX 2: DATA COLLECTION LETTER



SCHOOL OF BUSINESS

19th Aug, 2024

TO WHOM IT MAY CONCERN

Name: **NAMUMBYA ANITAH**

Reg. No S21B12/104

A bachelor's student who is seeking permission from your office to collect data for her dissertation titled

The role of Risk management practices on organisational performance case of A & M Executive cleaning service company

We shall be grateful if you could render assistance to her in collecting the necessary data for her dissertation

The Uganda Christian University School of Business thanks you in advance



.....
Mukisa Simon Peter
Research coordinator

A Centre of Excellence in the Heart of Africa

P.O. Box 4, Mukono, Uganda (East Africa), Plot 67-173, Bishop Tucker Road, Mukono Hill, Tel: +256 (0) 31 235 0800, www.ucu.ac.ug
[f](#) Ugandachristianuniversity [t](#) @UCUniversity, Founded by the Province of Church of Uganda, Chartered by the Government of Uganda.
