# Networking, resource mobilisation and NGO roleperformance: Considering more than simply the main effects.

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#### **Abstract**

**Purpose** – This study aims to establish the relationship between networking, resource mobilization, and role performance of Non-governmental Organizations (NGOs).

**Design/methodology/approach** – This study is cross-sectional and correlational. The results, using a questionnaire, are obtained from a sample of 122 NGOs in Uganda.

**Findings** – The study finds that both resource mobilisation and networking are significant predictors of NGO role-performance; with resource mobilisation the most significant predictor of NGO role performance. Human resource mobilisation as a construct of resource mobilisation correlates better with NGO role-performance relative to financial resource mobilisation. Similarly, the political networking construct correlates better, relative to business networking, with NGO role-performance and subsists in the presence of financial resources but not in the presence of human resources. Notably, we find a significant partial mediation of resource mobilization in the relationship between networking and NGO Role-performance.

**Research limitations/implications** –Networks can help organisations to mobilize resources. Thus, if NGOs are to improve the performance of their roles, networking, especially political networking, and resource mobilisation (essentially human resources) should be enhanced. To ensure generalisation, further research may wish to focus on other sectors (like government institutions) to establish the relationship between networking, resource mobilisation, and those institutions' role-performance.

**Originality/value** – Our design allows for the consideration of more than simply the main effects of networking and resource mobilisation by exploring the mediating role of resource mobilisation in the link between networking and NGO role-performance thus offering a more accurate and detailed description of the relationships between networking, resource mobilisation and NGO role-performance in a developing country context.

**Keywords** – role-performance, networking, resource mobilisation, Non-Governmental Organisations.

**Paper type** – Research Paper

#### 1. Introduction

Across the developing world, States with limited finances fail to lead to development for all their citizens (Banks and Hulme, 2012). Consequently, non-governmental organisations (NGOs) increasingly get advocated for as a means through which the gap between citizens' needs and existing services can be bridged. NGOs play a critical role in economic development through the provision of highly needed services such as education, healthcare, and employment (Ashoka, 2016). Ugandan NGOs, in response to poverty and related suffering, provide health care, education, water, and environmental disaster management as well as focusing on future investment targeting raising income and improving the well-being of people through measures that increase household income, agriculture, rural market, employment, labour productivity, rural credit, and financial services.

In literature, the role-performance of NGOs has been defined variously: the demonstrated ability to acquire the necessary resources for organizational survival (Kanter, 1987); effectiveness and efficiency in achieving mutually identified social goals (Kareithi and Lund, 2012), and the execution of proposed programs that pursue missions such as relief of hunger, natural crisis, and environmental protection, and to raise funds to meet the financial needs required to perform these programs (Kim and Lee, 2018). Their role-performance is thus analysed through: performance metrics (financial and non-financial) grouping NGOs activities into five categories following the theory of change: input, activity, output, results, and impact (Epstein and McFarlan, 2011); outputs and outcomes (Hyndman and McMahon, 2010; Morris and Ogden, 2011; Szper and Prakash, 2011); outcomes (Barman and MacIndoe, 2012); and inputs, outputs, outcomes, and impact (Benjamin and Misra, 2006). So, in general, third-sector performance measurement focuses on outputs, outcomes, and impact. It can be informative to examine how networking and resource mobilization influence the role performance of NGOs in terms of these measures.

The magnitude and complexity of socioeconomic problems facing societies exceed the capabilities of single organisations. Networking, whereby NGOs aim to work together to share and combine resources to provide services (Hodges and Howieson, 2017) is according to Austin and Seitanidi (2012) perceived essential. In Uganda, the National NGO Policy (2015) sets out a framework to strengthen the relationship between the NGO sector and the Government, and enhance capacities and effectiveness in the areas of service delivery, advocacy, and community empowerment. Research in other sectors, find resource mobilization (Densford, et al., 2018; Batti, 2014; Levie and Lerner, 2009) also impacts performance. Competition for donor resources is fierce and, in many cases, for an organization to secure resources depends on how well it can compete with other organizations to raise funds; and on how good it is at exploring other ways to source resources (Batti, 2014; Densford, et al., 2018). NGOs generally aim to raise funds linked to projects, for activities related to their institutional mission, by submitting project proposals to donors; and they also gather resources not

related to specific projects, which are expenses of the organization, through commercial processes (sales of products and services), auctions, fundraising dinners, crowdfunding, etc (Lacruz and Cunha,2018). There are Ugandan NGOs that have identified strategies for mobilizing resources in furtherance of their mission. According to United Nations Development Programme (2016):

"In the next five years (2016- 2020), UNDP will be contributing principally to the achievement of good governance in Uganda. This is because achieving good governance creates enabling conditions for achieving high-quality human capital, which in turn drives (the) attainment of sustainable, inclusive economic development. UNDP is leveraging its comparative advantages by focusing on governance and sustainable, inclusive economic development while complementing the efforts of other United Nations country team members on human capital development. This will be achieved through two key programme areas; the Inclusive, effective governance programme & the Sustainable, inclusive economic development programme" (p.4) A closer look at this quote illuminates some nature of networking essential for resource mobilization in terms of e.g. human and financial resources, also essential for realizing the focal NGO mission. Empirical tests of this imperative have, however, remained less evident in the literature.

This study aims to establish the relationship between networking, resource mobilization, and role-performance of NGOs in Uganda. Networking is potentially important to Uganda's NGOs because they undergo stringent rules and regulations both from the donors and the government. Local NGOs express difficulty in finding sufficient, appropriate, and continuous funding for their work. According to the CSO sustainability index (2017), the NGOs performance in the area of service provision in Uganda is on the decline as accessing donors is as challenging as dealing with their funding conditions. Also, since many local NGOs are dispersed, networking can be a cost-effective means to share information and spread knowledge about grassroots needs, solutions, and best practices. But, the link between networking, resource mobilization, and NGOs performance in developing countries like Uganda is still an empirical question. We draw on resource-based theory and network theory to examine the relationship between networking, resource mobilisation and NGO roleperformance. Using a questionnaire on a sample of 122 NGOs we find that both resource mobilisation and networking are significant predictors of NGO roleperformance. Human resource mobilisation as a construct of resource mobilisation correlates better with NGO role-performance relative to financial resource mobilisation. At the same time, the political networking construct correlates better, relative to business networking, with NGO role-performance and subsists in the presence of financial resources but not in the presence of human resources. In the end, resource mobilisation in terms of human and financial resources is the most significant direct predictor of NGO role Lastly, we find a significant partial mediation of resource performance. mobilization in the relationship between networking and NGO role-performance suggesting that networking leverages resource mobilization to cause variances in NGO role-performance.

These results have important implications. First, the results point to the suggestion that human and financial resource mobilisation are the most significant predictors of NGO role-performance. By this result, the paper contributes to studies characterising hybrid organisations as usually relying on varied resource mobilisation sources and strategies. The call for the urgent understanding of hybrid organisations' particularities of their performance (Grossi et al., 2017) has been answered in this paper as it probably offers the first step in this understanding by showing that contemporary NGOs potentially enhance the performance of their roles through the identified forms of resource mobilisation. Second, the study vindicates network theorists that suggest that networking serves as a channel for opportunity discovery and to access a wide variety of resources necessary for outcomes. Our design has allowed for the consideration of more than simply the main effects of networking and resource mobilisation by exploring the mediating role of resource mobilisation in the link between networking and NGO role-performance. As such, we now have a more accurate and detailed description of the relationships between networking, resource mobilisation and NGO role-performance. Fundamentally, the results of this study reveal that resource mobilisation is affected by prior or concurrent decisions to networking which in turn affect NGO role-performance. Thus, we now know why the relationship between networking and NGO role-performance might exist. It exists partially by resource mobilisation; hence, resource mobilisation clarifies or explains the relationship between networking and NGO role-performance. Lastly, as NGO role-performance has hitherto largely remained inadequately explained especially in the context of third-world countries' daunting performance improvement in NGOs, the paper shows that networks can help organisations to mobilize resources.

The remainder of the paper continues as follows. Section 2 is a literature review that contains the review of theories informing this study and also the hypotheses development. The third section deals with the methodology adapted for this study to generate the results reported in section 4. The last section is a discussion and implications.

#### 2. Literature review

### Theoretical underpinnings

Understanding NGO role performance is potentially underpinned by the social networking theory (Granovetter, 1973; Anwar, et al., 2018) and the resource-based view theory (Barney, 1991; Wernefelt, 1984). According to Brass (2002), network theory is about the consequences of network variables, such as having many ties or being centrally located. In the context of NGO role performance, we are interested in the noun "networking" - the action or process of interacting with others to exchange information and develop professional or social contacts (the skills of networking, bargaining, and negotiation). Networking of an organization with other organizations not only helps to access external resources but also helps to create and exploit social capital which itself

is viewed as a source of competitive advantage (Barney, 1991). Among the networking forms identified by Anwar *et al.* (2018) are business networking (building connections with other business partners and industries) and political networking (building ties with government and political bodies). Political and business networking may be considered a unique (hybrid-bearing the internal and external characteristics) set of resources potentially important for a firm's realization of its objectives.

The resource-based view theory states that a firm uses its internal and external capabilities, including tangible and intangible resources, to develop and modify its strategies to get a competitive advantage and superior performance over industry rivals and major competitors (Barney, 1991). Resources are defined as stocks of knowledge, physical assets, human capital, and other tangible and intangible factors owned or controlled (Teece, et al., 1997). We argue that for NGOs to improve their role-performance, they ought to ensure the cooperation and coordination of teams of resources. Grant (1991) explains that the firm's capability is the capacity for a team of resources to perform some task or activity and concludes that the firm's resources are the source of a firm's capabilities which are the main source of its competitive advantage and hence performance. This resource base should be enriched by developing different forms of networking to enhance their performance as well as human and financial resources. Resources both financial and non-financial are usually mobilized either externally or internally to support organization activities (Batti, 2014). For instance, the external changes in the market compel firms to strengthen their internal gestures, institutional complexity, and relationship with market-driven forces to succeed (Ding et al., 2016). Thus, networks in such circumstances are directly linked to unique resources which in turn can be converted into superior role performance.

The exact mechanism through which political and business networks on one hand and human and financial resources mobilization on the other influence the performance of NGOs is to date less known. Essentially it is less known whether networking (in terms of political and business) and resource mobilization (both human and financial) are equally important for the role performance of NGOs. It is also less known how these variables transmit variations in NGO role performance. Indeed, the question of whether for example networking leads to the required other resources (such as human and financial resources) other than the networking itself is an empirical question, this study seeks to answer.

### Resource Mobilization and NGO role performance

The concept of resource mobilization concerns the capabilities and opportunities to access, use, control, and maintain resources in a given context (Boström, 2017). It highlights the constraints, strategies, and creativity needed to access different types of resources. Resource mobilization is a process whereby

resources both financial and non-financial resources are mobilized either externally or internally to support organization activities (Batti, 2014). The efficacy of resource mobilisation on performance out comes has been documented in literature (Fonseka et al., 2014; Naidu and Chand, 2012; Casanueva et al., 2014; Sedmak et al., 2011). While the focus of extant literature has been on financial resources mobilisation, there is a noticeable neglect of internal resources mobilisation. Yet the resource-based view theory (Barney, 1991) suggests that firms using both resources develop internal and external capabilities to develop and modify strategies aimed at superior performance. An NGO may only be as good as the summation of the people who work and support it with its effort. For instance, NGOs need to have 'smart lobbyists to realise the fruits of lobbying. Studies such as those of Kaawaase et al. (2020) indicate that human capital (resource) is significantly associated with the both financial and non-financial performance of small and medium audit practices. Extending this line of thinking to the NGO sector suggests that human resource(s) mobilisation in NGOs potentially affects NGO role performance. Proponents of the resourcebased view generally assume that there is a strong link between having strategic resources and firm performance (Coff, 1999). In this paper, we make a case for mobilizing both financial and human resources for better NGO role performance. Hence, we hypothesize that:

H1: Resource mobilisation is positively related to NGO role performance in Uganda.

## Networking and NGO role performance

Networking is a social communication process, which encourages the sharing of knowledge among communities (Swan et al., 1999) or the ability or skill of an individual to develop friendship and build tight constructive unions and coalitions (Ferris et al., 2005), or people's capacity to build and draw on interpersonal relations in a work setting (Nesheim, et al., 2017). Jobs, work roles, and tasks are socially embedded, and employees' ability to communicate and build interpersonal relationships is becoming increasingly important in the knowledge economy (Grant and Parker, 2009). Interpersonal skills refer to skills related to social sensitivity, relationship building, working with others, listening, and communication (Lievens and Sackett, 2012). According to Su et al. (2015), there are two types of networking: 1) Business networking which is constructing a relationship with other businesses firms, industries, competitors, and suppliers to gather valuable information and unique resources, etc. and 2) Political networking which is building connections with government and political bodies to access scarce resources controlled by the government. Several researchers agree that networking is essential for organisational out comes (Bing et al., 2011; Pfeffer, 198; Mintzberg, 1983; Holmén, 2002; Nesheim et al., 2017; Wei et al., 2012; Ferris et al., 2005; Munyon et al., 2013; Lin, et al., 2016). In line with this literature, we suggest that the ability to build and use networks is related to role performance. Business networking particularly with suppliers and social entities minimizes the need for borrowing from financial institutions (Le

and Nguyen, 2009). According to Wu and Chen (2012) business ties have a significant impact on competitive advantage. Thus, the following hypothesis will be stated;

H2: Networking is positively related to NGO role-performance in Uganda

Networking ability can enhance performance through several mechanisms, such as acquiring and having trustworthy sources of information, identifying and communicating with potential customers, creating solutions to problems that have a high degree of uniqueness and require input from several contributors, as well as influencing decision outcomes at both the operative and strategic level. This line of thinking suggests that networking can influence resource mobilization and at the same time the resource mobilization potential is likely to enable NGOs to persist in their role-performance. Extensive research has shown that public perception of a non-profit's efficiency in raising and then using funds for the ultimate goal heavily influences attitude and likelihood to donate (Bennett and Savani, 2003). A variety of resources must be effectively mobilized, accumulated, controlled, and organized for any social movement actor striving for social change. Resource mobilization takes place in the context of political, economic, and cultural opportunity structures. The potential endowment of resources is the mobilization of the resources of the firm's partners. This mobilization takes place through the formal and informal relations that the focal firm maintains with its partners through inter-organizational and interpersonal networks (Bhagavatula et al., 2010). Mobilization allows the focal firm to use resources and exploit partner resources as and when it needs them. Therefore,

 $H_3$ : Resource mobilization significantly mediates the link between Networking and NGO role-performance in Uganda.

# 3.0 Methodology Design and sample

This study is cross-sectional and correlational. The population is 223 registered NGOs by the Uganda National NGO forum (2019) and sample size is 148 NGOs (Krejcie and Morgan1970) and the members are selected randomly using the rotary method and 122 NGOs (about 82%) respond. Responses are enlisted from either a top manager, head of department, or supervisor in the NGO. Several demographic and NGO characteristics are reported in Table 3.1 and may be used to understand the results reported in this paper. Responses are from 66 males and 56 females including 50 managers, 46 department heads and 26 supervisors. The majority of the respondents (34.4%) are aged between 30-39 years. Slightly over 82% of respondents have Bachelors's or Master's degrees. In terms of length of service in the particular NGO, the majority (35.2%) had worked between 4 to 6 years, Most of the NGOs operating in Uganda are local (about 63.1%). This implies that the Ugandan NGOs sector is majorly

dominated by locally established and given Uganda's resource capacity it could be paramount for such NGOs to be good at resource mobilization e.g. solicitation of funding from foreign donors to support the locally initiated NGOs. The results in Table 3.1 show that 50.8% of the NGOs had more than 100 employees, and 49.2% have less than 100 employees – a fair distribution between large and small NGOs. Most NGOs (68%) have a national character. Most of the NGOs have been operating for more than 10 years (about 70.3%).

*Table 3.1 Respondent and NGO characteristics* 

Respondent cha				O characteris	tics
<u>Variable</u>	f	%	Variable	f	%
Gender			Ownership		_
Male	66	54.1	Local	77	63.1
Female	56	45.9	Foreign	44	36.1
Total	122	100. 0	Others (specify)	1	.8
Highest level of education			Total	122	100.0
Diploma	9	7.4	Number of en	nployees	
Bachelors	48	39.3	Up to 100	60	49.2
Masters	53	43.4	More than 100	62	50.8
PhD	6	4.9	Total	122	100.0
Others, specify	6	5.9	Our NGO cov (Yes/No?)	er the whole co	ountry
Total	122	100. 0	Yes	83	68.0
Age (years)			No	39	32.0
Below 30	34	27.9	Total	122	100.0
30-39	42	34.4	This organize for?	ation has been	operating
40-49	34	27.9	less than 1	4	3.3
50 and above	12	9.8	1-3	5	4.1
Total	122	100. 0	4-6	8	6.6
Number of years spe organisation	nt in the		7-9	16	13.1
less than 1	12	9.8	more than 10	0 89	70.3
1-3	34	27.9	Total	122	100.0
4-6	43	35.2			
7-9	14	11.5			
more than 10	19	15.6			
Total	122	100. 0			

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Respondent position		
Manager	50	41.0
Head of Department	46	37.7
Supervisor	26	21.3
Total	122	100.
	122	0

Source: Primary data

#### Questionnaire and measurement of variables

NGO role performance is assessed through perceived NGO role performance in terms of efficiency, impact, and outcomes consistent with (Misra, 2006; Morley, 2001). The manifest variables are anchored on a six-point Likert scale (1=Strongly disagree, 6 = strongly agree). Networking is assessed through perceived NGO networking in terms of business (Su et al., 2015) and political (Lin, et al., 2016) networking. We operationally define networking as the ability or skill of an NGO (members) to develop friendships and build tight constructive unions and coalitions consistent with Ferris et al. (2005). The observed variables are anchored on a 6-point Likert scale. The resource mobilization is also assessed through perceived NGO resource mobilization efforts in terms of financial and political networking (Batti, 2014) and operationally define resource mobilisation as a process whereby resources both financial and human resources are mobilised either externally or internally to support the NGO activities (Batti, 2014). The indicators for both financial and human resources are anchored on a 6-point Likert scale. We use factor analysis based on (principal components) and Cronbach's a to examine the validity and reliability of the scales as measures of Networking, Resource mobilisation, and NGO roleperformance. Cronbach's a coefficients for Networking, Resource mobilisation and NGO role-performance are, respectively, .960, .947, and .982. To establish convergent validity, the principle components were extracted by running principle component analysis using varimax rotation method, and factor loadings below 0.5 coefficients are suppressed to avoid extracting factors with weak loadings. Before performing the principal component analysis for our scales, we assess the suitability of the data for factor analysis based on sample size adequacy, the Kaise-Meyer-Olkin (KMO), and Bartlett tests. The results show the KMO value of 0.926 and Bartlett's test of sphericity reaching statistical significance (p<0.01) for NGO role-performance. The results show the KMO value of 0.880 and Bartlett's test of sphericity reaching statistical significance (p<0.01) for Resource mobilisation. In the same vein, the results show the KMO value of 0.903 and Bartlett's test of sphericity reaching statistical significance (p<0.01) for Networking. The rule of thumb is that the KMO value should be above 0.7 and Bartlett's test should be significant (p < .05) (Field 2009). Thus, the results support the factorability of the correlation matrix because the correlation matrix is significantly different from the identity matrix in which the variables would not correlate with each other. The results of factor analysis are presented in

Tables 3.2, 3.3, and 3.4 for NGO role-performance, Resource mobilisation, and Networking, respectively. The determinant for all three variables is greater than 0.01 implying that there is no multicollinearity or singularity between variables.

Table 3.2 Rotated Component Matrix for NGO role-performance

Table 3.2 Rotated Component Matrix for NGO role-perform	nance		
	Output	Efficiency	Impact
Generally, customers of our projects are satisfied with the outcome	.827		
Our projects contribute to achieving the vision, mission, and objectives of the organisation	.793		
There are often clearly identified intangible benefits from projects we carry out	.784		
The project has a good chance of being extended with additional funding	.738		
Our projects frequently contribute to long-term development objectives	.717		
Generally, we achieve the scope and objectives of our project	.710		
Our projects successfully produce the intended influences as			
well as favourable unintended effects	.709		
Generally, our stakeholders (donors, implementing NGO, and beneficiaries) are satisfied with the project outcomes	.707		
The goods and services produced by the project conform to those described in the project documents	.688		
We typically complete projects within the planned timescale	.642		
We are usually good at delivering projects within budget		.819	
We frequently complete our projects within the planned budget		.797	
Our organisation has distinctive competence in areas such as			
cost-effectiveness, poverty reach, popular participation, flexibility, and innovation		.796	
NGOs can provide some services more cost-effectively than governments or commercial interests		.794	
Project team members are usually happy working on projects		.783	
Our key stakeholders are usually happy with the way our projects are managed		.749	
Our projects usually result in tangible benefits for the organisation		.649	
The projects have attained sustainability in the community			.687
Eigen values	7.002	6.435	2.105
Percentage of variance	38.9	35.749	11.696
Cumulative percentage of variance	38.9	74.648	86.343
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.926
Bartlett's Test of Sphericity		ox. Chi- quare	3650.630
	df		153
	Sig.		0.000

a. Rotation converged in 6 iterations.

Extraction Method: Principal Component Analysis.

*Table 3.3: Rotated Component matrix for Resource mobilisation.* 

Tuste of the treatment compensation in the treatment of the same and the		Financi
	Human	al
	resourc	resourc
	es	es
This NGO:		
generally meets agreed donor financial requirements	.867	
recruits and engages volunteers sufficiently	.844	
prepares financial reports at least monthly	.839	
utilizes professional services such as accountants, IT managers, or lawyers	.838	
has adequate human resources practices for staff, including contracts,	.823	
job descriptions, payroll, and personnel policies	010	
can maintain permanent, paid staff	.812	
has financial policies and procedures on which it operates	.811	
develops the skills/competencies of employees, including leadership skills as part of succession planning	.807	
draws upon a core of volunteer and non-monetary support from their communities and constituencies	.781	
has the capacity/skills in proposal writing and applications for funding	.664	
raises funding from local sources, including individuals, governments, businesses, and local foundations		.839
legally competes for government contracts/procurements at the local and central levels		.815
benefits from corporate philanthropy/corporate social responsibility (CSR)		.799
programs		
is legally allowed to earn income from the provision of goods and services		.777
by charging fees and establishing social enterprises		• • • • • • • • • • • • • • • • • • • •
is provided with government grants (central and/or local) in an open and		.757
transparent manner		
runs fundraising campaigns		.752
accepts funds from foreign donors		.625
projects increase the fundraising abilities	7.005	.613
Eigen values	7.395	5.648
Percentage of variance	41.085	31.380
cumulative variance	41.085	72.465
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.880
Bartlett's Test of Sphericity	Approx.	2664.19
	Chi-	4
	Square	150
	df	153
	Sig.	0.000

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

Source: Primary data

a. Rotation converged in 3 iterations.

Table: 3.4: Rotated component matrix for networking

This organisation creates a long-term relationship with its stakeholders This organisation has created a big network through documentation of their programmers via radio, TV This organisation has a friendly environment where it encourages actors to participate Projects have improved the reputation of the organisation amongst the stakeholders, government, and general public This organisation gets information through connections that is useful for the work This organisation works in partnership, either formally or informally, with the private sector, government, and the media to achieve common objectives There is awareness among the various sectors of the possibilities for and advantages of partnerships Networks are a source of business resources that contribute to the growth Maintaining contacts with well-connected people gives the Organisation access to information that can solve problems Connections help organizations to confront growing challenges without having to enlarge [their] formal structure There are direct lines of communication or other avenues for collaborations between NGOs and policy makers at the central and local levels Lobbying successes at the local or national level have led to the enactment or amendment of legislation Our organisation is comfortable with the concept of lobbying and sales at the confortable with the concept of lobbying and the properties of government and its agencies We spend much effort in cultivating personal connections with officials of government and its agencies We devote substantial resources to maintaining good relationships with officials of administrative agencies  Eigen values Percentage of variance 49.548 8.949  Eigen values Approx. Chi — \$3560.366 \$340 \$360.000	Table. 3.4. Notated component matrix for networking	Political networking	Business networking
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This organisation Works in partnership, either formally or informally, with the private sector, government, and the media to achieve common objectives  There is awareness among the various sectors of the possibilities for and advantages of partnerships  Networks are a source of business resources that contribute to the growth  Maintaining contacts with well-connected people gives the Organisation access to information that can solve problems  Connections help organizations to confront growing challenges without having to enlarge [their] formal structure  There are direct lines of communication or other avenues for collaborations between NGOs and policy makers at the central and local levels  Lobbying successes at the local or national level have led to the enactment or amendment of legislation  Our organisation is good at using connections to make things happen at work  We spend a lot of money on building relations with the top officials in government.  We maintain good relationships with officials of the state bank and other governmental agencies  We spend much effort in cultivating personal connections with officials of government and its agencies  We devote substantial resources to maintaining good relationships with officials of administrative agencies  Eigen values  Eigen values  Feigen values  Feigen values  Kaiser-Meyer-Olkin Measure of Sampling Adequacy.  Kaiser-Mey	the stakeholders, government, and general public		.899
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Networks are a source of business resources that contribute to the growth Maintaining contacts with well-connected people gives the Organisation access to information that can solve problems Connections help organizations to confront growing challenges without having to enlarge [their] formal structure There are direct lines of communication or other avenues for collaborations between NGOs and policy makers at the central and local levels Lobbying successes at the local or national level have led to the enactment or amendment of legislation Our organisation is comfortable with the concept of lobbying Our organisation is good at using connections to make things happen at work We spend a lot of money on building relations with the top officials in government. We maintain good relationships with officials of the state bank and other governmental agencies We spend much effort in cultivating personal connections with officials of government and its agencies We devote substantial resources to maintaining good relationships with officials of administrative agencies  Eigen values  Eigen values  Percentage of variance 49.548 Eigen values  Percentage of variance 49.548 Eigen values  Respectations of Sampling Adequacy.  Approx.  Chi — 3560.366 Square dif 153	with the private sector, government, and the media to achieve		.922
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Our organisation is comfortable with the concept of lobbying Our organisation is good at using connections to make things happen at work We spend a lot of money on building relations with the top officials in government. We maintain good relationships with officials of the state bank and other governmental agencies We spend much effort in cultivating personal connections with officials of government and its agencies We devote substantial resources to maintaining good relationships with officials of administrative agencies  Eigen values Percentage of variance cumulative variance Kaiser-Meyer-Olkin Measure of Sampling Adequacy.  Bartlett's Test of Sphericity  Approx. Chi - 3560.366 Square df 153		.927	
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We spend much effort in cultivating personal connections with officials of government and its agencies We devote substantial resources to maintaining good relationships with officials of administrative agencies  Eigen values Percentage of variance Cumulative variance  Kaiser-Meyer-Olkin Measure of Sampling Adequacy.  Bartlett's Test of Sphericity  Approx. Chi — 3560.366 Square df 153			
We devote substantial resources to maintaining good relationships with officials of administrative agencies  Eigen values  Percentage of variance cumulative variance Kaiser-Meyer-Olkin Measure of Sampling Adequacy.  Bartlett's Test of Sphericity  Approx. Chi - 3560.366 Square df 153	We spend much effort in cultivating personal connections with		
Percentage of variance 49.548 32.444 cumulative variance 49.548 81.992  Kaiser-Meyer-Olkin Measure of Sampling Adequacy. 903  Bartlett's Test of Sphericity Approx. Chi - 3560.366  Square df 153	We devote substantial resources to maintaining good relationships	.899	
cumulative variance49.54881.992Kaiser-Meyer-Olkin Measure of Sampling Adequacy903Bartlett's Test of SphericityApprox. Chi - 3560.366Square df153	•		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.  Bartlett's Test of Sphericity  Approx.  Chi - 3560.366  Square  df 153			
Bartlett's Test of Sphericity $ \begin{array}{c} \text{Approx.} \\ \text{Chi} - \\ \text{Square} \\ \text{df} \end{array}  \begin{array}{c} 3560.366 \\ \text{Square} \\ \end{array} $		49.548	
df 153		Chi –	
		-	150

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

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a. Rotation converged in 3 iterations.

Source: Primary data.

Results in Table 3.2, show that three constructs were appropriate for measuring role performance, given that they explained 86.3% of the total variance. The construct output explained the most, with 38.9% of the variance, while efficiency explained 35.7% of the variance. Impact explained least with 11.7% of the variance. Also, from the findings, it is clear that output construct is the most important (with eigenvalues of 7.002), followed by efficiency (eigenvalues of 6.435) while impact is not that so important (with eigenvalues 2.105). Table 3.3 indicates that financial resources and human resources explain 72.5% of the variance in Resource mobilisation with human resource mobilisation accounting for much of this variance with an eigenvalue of 7.395. Table 3.4 reveals that business networking and political networking are important components of networking accounting for about 82% of the variations. Relative to business networking, political networking accounts for much of this variance.

#### 4. Results

## Descriptive statistics for the study variables

Table 4.1 below presents the descriptive statistics for NGO role-performance, resource mobilisation, and networking; that is, minimum, maximum, mean, standard deviation values, skewness and Kurtosis. According to Field (2009), when deviations are small compared to mean values, it is evident that the data points are close to the mean, and hence calculated mean highly represent the observed data. Since the deviations are small compared to the mean, this means the data points closely represent the observed data. Similarly, according to Field (2009), the values of skewness and kurtosis should be near 0 in a normal distribution and he advises that Skewness and Kurtosis statistics for normal data range from -3.29 and 3.29. Garson (2012) recommends (somewhat conservatively) that Skewness and Kurtosis statistics be within the +2 to -2 range, though for kurtosis a more lenient +3 to -3 range can also show normality. Following these benchmarks, the normality of the data was tenable (Table 4.1)

Table 4.1: Descriptive Statistics

Table 1.1. Descriptive statistics.									
			Max		Std.				
	N	Min.		Mean	Dev.	Skew	ness	Kurt	osis
						Statisti	Std.	Statisti	Std.
						c	Error	c	Error
Financial resources	12 2	1.00	6.00	3.552 3	1.3326 8	191	.219	272	.435
Human resources	12 2	1.10	6.00	4.702 5	1.4417 9	936	.219	415	.435

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Resource mobilisation	12 2	1.15 6.00	4.127 1.2140 4 9	-1.027	.219	.224	.435
Business networking	12 2	1.00 6.00	4.719 1.4720 0 6	-1.123	.219	.232	.435
Political networking	12 2	1.00 6.00	4.641 1.5314 6 6	-1.104	.219	.191	.435
Networking	12 2	1.00 6.00	4.680 1.3013 3 0	-1.037	.219	.314	.435
Output	12 2	2.00 6.00	5.145 1 .98645	954	.219	050	.435
Efficiency	12 2	2.00 6.00	4.987 1.1450 1 7	934	.219	116	.435
Input	12 2	1.00 6.00	5.049 1.2652 2 5	-1.363	.219	1.410	.435
Role Performance	12 2	2.00 6.00	5.060 1.0056 5 1	992	.219	.049	.435
Valid N (listwise)	12 2						

Source: Primary data

#### Correlation analysis

Table 4.2 provides for Pearson correlation coefficients among the study variables - providing the first-order tests for the first two hypotheses. correlation results in Table 4.2 reveal a positive and significant relationship between resource mobilisation and NGO role-performance (r=0.432, p<0.01). This provides initial support for  $H_1$  which states that Resource mobilisation is positively related to NGO role-performance in Uganda. Furthermore, human resources as a construct of resource mobilisation correlate better with NGO roleperformance (r=0.611, p<0.01) relative to financial resources (r=0.126, p>0.05) which does not significantly correlate with NGO role-performance. correlation results in Table 4.2 further reveal evidence of a positive and significant relationship between networking and NGO role-performance (r= 0.453, p<0.01). Again, this provides initial evidence in support of  $H_2$  which states that Networking is positively related to NGO role-performance in Uganda. Political networking construct correlates better (r=0.459,  $p\le0.01$ ), relative to business networking (r=0.324, p<0.01) with NGO role-performance. Given the correlation coefficient between networking and resource mobilisation (r = 0.566, p < 0.01), multicollinearity is not a cause for concern; the variables are sufficiently discriminated and thus discriminant validity is assured. Moreover, the correlations between the constructs and the global variables are very high (all of them above 0.8) hence there is evidence of convergent validity.

Table 4.2: Pearson correlations between the study variables with control variables

·	1	2	3	4	5	6	7	8	9	10
Number of employees (1)	1									
Extent of national coverage (2)	.077	1								
No. of years in operation (3)	.146	119	1							
Business networking (4)	.062	.265**	026	1						
Political networking (5)	.267**	.239**	005	.502**	1					
Networking (6)	.192*	.290**	017	.861**	.872**	1				
Financial resources (7)	029	.109	.137	.244**	.193*	.251**	1			
Human resources (8)	.225*	.302**	.043	.619**	.631**	.722**	.531**	1		
Resource mobilisation (9)	.118	.239**	.101	.501**	.481**	.566**	.864**	.885**	1	
Role Performance (10)	.275**	.264**	044	.324**	.459**	.453**	.126	.611**	.432**	1

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

#### Regression analysis

As a further test of the first two hypotheses, we extend the analysis to regression. We test the explanatory power of variables using hierarchical regression analysis to determine the contribution of each predictor variable and regression coefficients as indicators of whether or not the contribution of each variable is significant. We indicate the overall contribution of the variables by the variance explained (Adj. $R^2$ ), which also shows the predictive power of the variables. We first test for the efficacy of the different dimensions of predictor variables on the NGO role-performance using hierarchical regression consistent with the guidelines of Aiken and West (1991) and enter variables simultaneously within each hierarchical group. This is useful for evaluating the contributions of predictors above and beyond the previously entered predictors, as a means of statistical control, and for examining incremental validity. The model in Table 4.3 shows that business networking significantly predicts variances in NGO roleperformance (B = .179, p < .01). In model III when we enter political networking, the model predicts about 24 percent of the variances in NGO role-performance with political networking (B = .211, p < .01). The introduction of financial resources in model IV does not cause significant changes in adj. R<sup>2</sup>. This appears surprising. However, when we introduce human resources in model V, the model improves and predicts 42.3 percent of the variances in NGO role-performance. At this point financial resources that were hitherto not significant in model IV is now significant in model IV. In table 4.4, we enter the global variables while also controlling for the effect of NGO size by employees and geographical coverage, and also NGO age. Except for size by the number of employees, Model III in Table 4.4 is not sensitive to the other control variables. To be sure of the normal theory of estimation, we carry out bootstrap and the results reported in Table 4.5 show that both networking and resource mobilisation explain 23.8 percent of the variance in NGO role-performance. So, in sum, using the results in Table 4.5

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

because they are robust, we find that both resource mobilisation (B= .214, p<.01) and networking (B = .237, p<.01) are significant predictors of NGO role-performance in Uganda and this provides further support Hypotheses  $H_1$  and  $H_2$ .

Table 4.3: Hierarchical regression of the variable dimensions on NGO role-

performance

	Model I	Model II	Model III	Model IV	Model V
(Constant)	3.831**	3.213**	3.005**	2.962**	3.260**
Size by Employees	.530*	.507*	.358*	.365*	.186
Geographical Coverage	.510**	.363	.297	.292	.158
Age of NGO in Uganda	054	054	049	055	050
Business Networking		.179**	.078	.073	092
Political networking			.211**	.208**	.039
Financial resources				.028	187**
Human resources					.521**
Std. Error of the Estimate	.94549	.91380	.87641	.87946	.76382
Model F	6.292**	7.384**	8.661**	7.200**	13.676**
R	.371	.449	.521	.523	.676
$R^2$	.138	.202	.272	.273	.456
$Adj. R^2$	.116	.174	.240	.235	.423
$\Delta F$	6.292**	9.327**	11.195**	.197	38.455**
$\Delta R^2$	.138	.064	.070	.001	183
Df1	3	1	1	1	1
Df2	118	117	116	115	114
Durbin Watson					1.665

<sup>\*.</sup> P< 0.05 level (2-tailed). \*\*. P< 0.01 level (2-tailed).

Table 4.4: Hierarchical regression of study variables on NGO role-performance

	Model I	Model II	Model III
(Constant)	3.831**	2.947**	2.776**
Size by Employees	.530**	.400*	.406*
Geographical Coverage	.510**	.288	.235
Age of NGO in Uganda	054	051	082
Net working		.290**	.182**
Resource mobilisation			.213**
Std. Error of the Estimate	.94549	.87824	.85560
Model F	6.292**	10.411**	10.230**
R	.371	.512	.553
$R^2$	.138	.262	.306
$Adj. R^2$	.116	.237	.276
$\Delta F$	6.292**	19.765**	7.273**
$\Delta R^2$	.138	.125	.044

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Df1	3	1	1
Df2	118	117	116
Durbin Watson			1.557

<sup>\*.</sup> P< 0.05 level (2-tailed).

*Table 4.5: Regression analysis (bootstrap)* 

	Model I		BCa 95% Confidence Interval		Model II	Bias	BCa 95 Confid Intervo	ence
			Lower	Upper			Lower	Upper
(Constant)	3.421**	.023	2.678	4.185	3.067**	.014	2.334	3.839
Networking	.350**	- .005	.203	.495	.237**	.001	.075	.444
Resource Mobilization					.214**	- .004	014	.406
Std. Error of the	.90015				.87777			
Estimate								
Model F	31.014				19.906			
R	.453				.501			
$R^2$	.205				.251			
$Adj. R^2$	.199				.238			
$\Delta F$	31.014**				7.197**			
$\Delta R2$	.205				.045			
Df1	1				1			
Df2	120				119			
Durbin Watson					1.594			

# **Bootstrap model summary**

				BCa 95% Confidence		
				Interval		
Model	Durbin-	Bias	Std.			
	Watson		Error			
2	1.594	506	.163	.773	1.438	

<sup>\*.</sup> P< 0.05 level (2-tailed).

- a. Dependent Variable: Role Performance
- b. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples

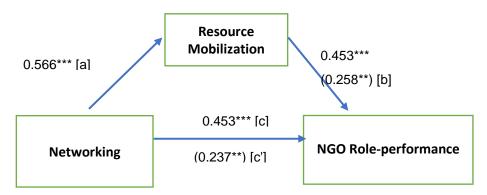
<sup>\*\*.</sup> P< 0.01 level (2-tailed).

<sup>\*\*.</sup> P< 0.01 level (2-tailed).

# The mediating effect of resource mobilization in the relationship between Networking and NGO role-performance.

The position of this study has been, that resource mobilization mediates the link between networking and NGO Role performance, which set the stage for the examination of whether there is a relationship to mediate. As Networking significantly predicts NGO Role-performance (B = .453, p < .01), the stage for testing for mediation is set. That is testing  $H_3$  – a hypothesis suggesting that the relationship between networking and NGO Role-performance can be explained by their relationship to the resource mobilisation of NGO firms in Uganda. The expectation is that the relationship between networking and NGO roleperformance will probably be different when resource mobilization is also included in the model. This study uses the Sobel test with Jose's MedGraph to test for the significance of mediation. Sobel test results indicate that there is a significant mediation of resource mobilization in the relationship between networking and NGO role-performance, substantiating  $H_3$ . The indirect effect of networking on NGO role-performance through resource mobilization, b = 0.258 is significant and moderate,  $R^2$  = .147, 95% BCa CI [.02515, .20084]. Resource mobilization partially mediates the link between networking and NGO roleperformance of firms in the NGO sector in Uganda (Z=2.521152, p < 0.01) (Figure 4.1). This means that networking leverages resource nobilization to cause variances in NGO role-performance.

Figure 4.1: MedGraph - PC: A programme to graphically depict mediation among Networking, Resource mobilization, and NGO Role performance



**Note:** The numerical values in parentheses are beta weights taken from the second regression and the other values are zero-order correlations.

#### 5. Discussion and implications

Using hierarchical regression, we find that among the two dimensions of networking, it is political networking that subsists in the presence of financial resources but not in the presence of human resources. This points to a unique relationship and mix of these two variables in influencing NGO role-performance

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(not within the scope of this study). Well, these results point to the suggestion that human and financial resource mobilisation are the most significant predictors of NGO role-performance. According to the results, an NGO that is legally allowed to earn income from the provision of goods and services by charging fees and also acting as a social enterprise accepts funds from foreign donors, runs fundraising campaigns, and can compete for government contracts/procurements at the local and central levels is likely to achieve its targets. The results appear to hold for hybrid organisations according to which, Van Helden and Reichard, (2016) characterise them as usually relying essentially on sales revenues, often based on regulated tariffs, but sometimes receiving additional funding from government and in the case of welfare associations and charities, donations and membership fees. The current results in the NGO sector concur with the current wave of hybrid organisations with commentators predicting that "hybrids at all levels will become much more prevalent in the future" (Grossi, et al., 2017, p.383). And, since Grossi, et al. (2017) call the urgent understanding of hybrid organisations' particularities of their performance, this paper offers a first step in this understanding by showing that contemporary NGOs potentially enhance the performance of their roles through the identified forms of resource mobilisation. Connectedly, NGOs should have enough competencies in terms of permanent staff, skilled employees, including leadership skills as part of succession planning, and adequate human resources practices for staff, including contracts, job descriptions, payroll, and personnel policies. Although Pache and Santos (2013), as well as Skelcher and Smith (2015) address the role of individuals in hybrid organizations, Grossi et al. (2017) have still called for further research on the role of individuals in hybrid organisations because they suggest that organizations are, in the end, represented by individuals who interpret the often-conflicting logics found in hybrid organizations. This study shows that proper human resource mobilisation is important for the proper interpretation of the often-conflicting logic in NGOs for better performance outcomes. Our results extend the applicability of research findings of (e.g. Fonseka, et al., 2014; Naidu and Chand, 2012; Watson, 2007; Casanueva et al., 2014; Sedmak, et al., 2011) that support the application of resource-based view theory as a relevant framework for understanding superior performance to NGO role-performance in the NGO sector.

The positive and significant link between networking and NGO role-performance means that NGOs that develop beneficial business and political networks are likely to achieve their intended targets. The results of Nesheim *et al.* (2017) point to this possibility as they find that networking ability is significantly associated with in-role and extra-role work-performance. The theoretical reason behind this conjecture is that the ability to network across groups is a vital source of new ideas and options. Network theorists suggest that networking serves as a channel for opportunity discovery and to access a wide variety of resources (Granovetter, 1983). NGOs that have direct lines of

communication or other avenues for collaborations between NGOs and policymakers at the central and local levels and succeed in lobbying at the local or national level for the favourable enactment or amendment of legislation are likely to achieve their objectives. Our results are consistent with those of (Bing, et al., 2011; Munyon et al., 2013; Lin, et al., 2016) which post positive relationships between political skills and performance outcomes of organisations. Our results make intuitive sense, in that governments still control a significant portion of strategic factor resources and have considerable power to allocate resources hence NGOs should maintain close relationships with governments.

Using hierarchical regression, this study again finds that a better-fitting model results after the global variables of networking resource mobilization have been entered controlling for potential confounding variables (Table 4.4). This is also true when we do not control for potential confounding variables (Table 4.5) and remain consistent even when the model in Table 4.5 is bootstrapped. What is surprising about the results at this level of analysis is that both networking and resource mobilisation are now significant predictors of NGO roleperformance at a 1 percent level or better. However, the design of this study allows for the consideration of more than simply the main effects of networking and resource mobilisation by exploring the mediating role of resource mobilisation in the link between networking and NGO role-performance. This is significant as a more accurate and detailed description of the relationships (Friedrich, 1982) is ensured. Testing for mediation effect (Figure 4.1), we find that the relationship between networking and NGO role performance is partially explained by their relationship to resource mobilisation of NGOs. Especially, the results of this study reveal that resource mobilisation is affected by prior or concurrent decisions to networking which in turn affect NGO role-performance. In this study, we show this in terms of a mediating variable (resource mobilisation). As such resource mobilisation clarifies or explains the relationship between networking and NGO role-performance. Hence our study contributes to management practice and extant literature on networking and resource mobilisation in explaining NGO role-performance in the context of third-world countries. The study also adds to the conceptual improvement in networking and resource mobilisation studies and lends considerable support for the behavioural perspective in the study of networking and its NGO role-performance improvement potential. Using qualitative factors for networking and resource mobilisation to explain perceived NGO role-performance, we offer a unique dimension in understanding the causes of inadequate NGO role-performance. Having networks that do not lead to financial and human resources, is like doing no work at all because networks cannot help anything if, moreover, there are no resources to execute the tasks. Intuitively, networks can help organisations mobilising for resources. For instance, NGOs sometimes in addition to donor funding obtain financial resources through fundraisings. Fundraising can only generate enough finances if the NGO is highly connected. This implies that networking and resource mobilisation must work together to achieve the intended goals of the organisation (role performance). This agrees with those management scholars (e.g. Li *et al.*, 2013) that believe that networking capability influences organisational outcomes.

Therefore, this study concludes that if NGOs are to improve the performance of their roles, networking especially political and resource mobilisation essentially human resources should be enhanced. It is then worthwhile to recommend that governments support NGOs for example by flexing regulations since they are working towards the wellbeing of the citizens of the country. NGOs majorly mobilise funds through donors which come with different conditions some of which could be contradicting the rules of the country. If NGOs are to successfully perform their objectives, either government or donors have to flex the rules. NGOs should emphasize increasing their human resource mobilisation skills like encouraging more permanent staff as they are seen to be significant in ensuring that they achieve the targeted objectives. Significant alliances with the government and other political affiliates are very important. Politicians perform a significant role in the acceptance or rejection of activities of NGOs. Creating a good relationship with them potentially helps NGOs achieve their objectives as they can easily get to know the interests of the government and work towards satisfying society's needs. This research is limited to NGOs but governments in general and in particular some state agencies fail to realise their objectives. Further research may wish to focus on other sectors (like government institutions) to establish the relationship between networking, resource mobilisation, and those institutions' role-performance.

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