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Title: EFFECT OF PROJECT RISK MANAGEMENT ON PROJECT PERFORMANCE IN MICROFINANCE INSTITUTIONS IN RWANDA Case study of Umwalimu SACCO Head Quarter Gasabo District - Kigali.

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Postgraduate Studies in Partial Fulfilment of the Requirements for the Award of Master of Business Administration in Project Management (MBA/PM).

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Abstract

The study aimed at examining the effects of project risk management on the project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO. The study employed descriptive cross- sectional design, and relied on a population of 117 project staff of Umwalimu SACCO. Applied the risk management theory and a mixed study that included a questionnaire, interview, observation and document review. With an objective to examine effect of risk planning on the project performance in microfinance institutions in Rwanda and to assess effect of risk assessment on the project performance microfinance institutions in Rwanda and to examine effect of risk response of on the project performance microfinance institutions in Rwanda. Basing on the findings, most of respondents disagreed with the statement relate to that fact risk planning of project risk management effects project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO.

In conclusion, it is clear that 67.5% of total respondents strongly agree that Umwalimu Sacco forecast updates throughout the operations. 23.1% of total respondents agree with the statement that Umwalimu Sacco forecast updates throughout the operations, 9.4% disagreed with the statement that Umwalimu Sacco forecast updates throughout the operations with a mean of 4.58 and standard deviation of 0.660. From the findings, most of respondents agreed with the statement relate to that fact risk planning of project risk management effects project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO. Based on the findings of the research, researcher conclude that Umwalimu SACCO to create an avenue of investing hugely in the project risk management basing on that fact that the big number of respondents agreed with the statements relate to risk planning of project risk management and it is indicated also by the factor that hypothesis of this research was confirmed.

INTRODUCTION

Project risk management is a key aspect of the overall project performance. In the past, project risk management primarily focused on providing schedule and resource data to top management in just a few industries, such as the military, construction industries non-profit and profit-making institutions. Today's project management involves much more, and people in every industry and every country manage projects risks (Karaca, 2019). The process of improving the performance of projects is through the management of all types and forms of risk that may be exposed effectively. This reason imputes organizations to develop risk management programs where the responsibility of risk management lies on the management by designing and implementing risk management programs within the organization and it's carried projects (Kinyua et al., 2015).(Greenwood, 2019) Defined risk management as an attempt to identify potential threats to projects and their potential to take appropriate action to address these threats and to verify their likelihood as consideration of these possibilities leads to action to reduce these risks. Caglianoet al. (2015) argued that there are many techniques may be used to control risks at the lowest possible cost, including risk avoidance methods through loss prevention, control, or project rejection before the organization is exposed to further loss arising from a particular activity. Project risk management aims to implement projects according to the approved budget, on time and within the required specifications. Risk management has been closely associated with project management as one of the potential threats to the project, which may lead to disparities in achieving the pre-defined objectives and the success of the project (Holt, 2004). The traditional view of project risk management emphasizes the importance of planning as one of its main processes and linked to project activities in an integrated way throughout its life cycle (Dvir et al., 2018). In USA, before implementing their projects they forward scheduling for planning the tasks from the date resources become available to determine the magnitude of the risks involved in the same project (Karaca, et al., 2007). Heywood and Choi (2010) reported that the issues related to limit funding did adversely influence the implementation of projects such innovations by provincial governments at the district level resulting to high reliance to private sector providers in Indonesia. A study done in Kenya, by Kirui and Masaba (2013) showed that the traditional forms of dealing with risk tend to concentrate on variability events and little considers the view of existing ambiguities in projects. For them variability refers to the elements of a project that can assume distinct, though uncertain, values, such as deadlines, costs and quality.

Ambiguity is already associated to the lack of clarity of the data, the details, and structures among other factors since there is bias in the behaviour of those involved, restricted knowledge and unclear situations. In Rwanda, the path of Project activity, which concerns banking, insurance, savings and loans associations, etc. had always been paved with numerous contingencies after the genocide of 1994 that destroyed the big part of the national wealth. Contingencies are referred to here as risks that symbolize a situation that cannot be controlled or perfectly foreseen Diacon and Carter (2019). These risks cannot be predicted accurately and this therefore gives rise to the involvement of a careful management. The Rwandan Project framework, as any other Project system in the world, deals highly with risks in its every day management. As a reason for this, we can mention the fact that there are factors that are not under the control of managers such as globalization, world changes or market variables like price changes or stock exchange trends.

STATEMENT OF THE PROBLEM

In an ideal situation, effective project risk management is fundamental to the success of the microfinance institutions. A key aspect of this culture is to be well-diversified across business lines, products, and industries. Project risk management is a strategic priority that is a responsibility shared by all of the Bank's employees. Banks has a strong, disciplined risk management culture. The primary goals of project risk management are to ensure that the outcomes of risk-taking activities are predictable and consistent with the institution's strategies and risk appetite, and that there is an appropriate balance between risk and reward in order to maximize shareholder returns. Unfortunately, microfinance institutions face a challenge of low domestic savings estimated at 5% of GDP which is lower than 10% when compared to the benchmark of countries like Vietnam and Malaysia. This is because of low income which translates into low saving culture, low levels of Project literacy, limited and unattractive savings products. One of the key challenges facing Rwanda's economy is the mobilization of long-term stable financing. Microfinance institutional sector in Rwanda has faced various challenges that include non-performing loans and fluctuations of interest rate among others, which have threatened the Project stability (Lascelles and Mendelson 2019). According to Bessis (2005) Project Risk Management is important to bank management because banks are risk machines‟ they take risks; they transform them and embed them in banking products and services.

Risks are uncertainties resulting in adverse variations of profitability which shows the project performance or in losses that show the microfinance failure. However, despite the advantages associated with microfinances, many of these institutions particularly in Rwanda have not fully achieved their desired performance levels including liquidity ratio attainment,

and profitability and solvency ratios that are within the expected ranges. In literature, few studies have been conducted in Rwanda to examine the influence of project risk management on the overall project performance recorded by microfinance institutions. This study thus examined the effects of project risk management on project performance in microfinance institutions in Rwanda.

Objectives of the study

i. To examine effect of risk planning on the project performance in microfinance institutions in Rwanda
ii. To assess effect of risk assessment on the project performance microfinance institutions in Rwanda
iii. To examine effect risk response of on the project performance microfinance institutions in Rwanda

Research Questions

i. How does risk planning effect on the project performance in microfinance institutions in Rwanda?
ii. How does risk assessment effect on the project performance in microfinance institutions in Rwanda
iii. How does risk response effect on the project performance in microfinance institutions in Rwanda

LITTERATURE REVIEW

Risk Planning

In risk planning and control processes, the main objective is to set up clear steps that transform the inputs (i.e., mostly obtained through customer demands and requirements in a step named here the specification phase) into outputs to fit that demand. In this 25 manner, Lee and Lee (2006) have described project planning as the representation of a project performance of stages and activities, which contain lower-level detailed tasks, and precedence restrictions. Mainelli (2002) stated that defining risk planning is complex and even slippery. The term risk planning has only been defined in the last few years.

Unlike the definitions of market and credit risk which are relatively clear, the definition of risk planning continues to evolve. The Basel Committee on Banking Supervision defined risk planning in the New Basel Capital Accord (2003) as the risk of loss resulting from inadequate or failed project processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputation risk.

Risk Assessment

A risk is defined as an obstacle to getting things done or a negative leading to a negative event that prevents attainment of goals. The management needs to perform a comprehensive analysis of identifiable risk, including all risks associated with departments branch-wise and activity level objective (deprived from the institution's mission). The activities analysed should include those that support both financial performance and stability together with non-financial objectives. Surprisingly, financial managers need to consider the significant interactions with external organization as well as those projects to their institution at both the department-wise and activity levels. Several means of risk identification can be used, including management planning conferences, strategic planning, periodic review of factors affecting department's activities, changing needs or exceptions of agency officials, or public and natural catastrophes (Lannoy, 2009).

Risk Response

This refers to a process of ensuring all learning issues captured, according to Wang (2012). The current business environment creates the need to evaluate both the actions concurrently with the outputs. It is important that project and external events capable of affecting the achievement of the organization's objectives are identified, distinguishing between risks and opportunities. Opportunities are channelled back to the management's strategy or objective setting process. Risk tolerance metrics must be integrated into operational reviews and performance actions with the ongoing operational performance feedback should be incorporated into risk trend and indicator analysis. According to Pricewaterhousecoopers (2010) risk management reviews and expectations are to be closely monitored to assess relevance and impact performance. Identify and understand the risks that matter differently: invest in the risks that are mission critical to organization effectively assess risks across the business drive accountability and ownership and demonstrate strength of risk management to investors, analysts and regulators" (P.4).

Project Risk Management

Project management is the application of knowledge, skill, tools and techniques to project activities to meet project requirement. Project management is accomplished through the use of the processes such as: initiating, planning, executing, controlling, and closing (PMBOK guide 2000). Project risk management is of a big importance in the management decision making in Project institutions because risk management must meet certain objectives to keep your business running efficiently. Rwanda is growing up with a vision of being a business country, knowing that the microfinance institutions are very useful to the majority of Rwanda

and this is a gate of economic growth of Rwandan citizens (private bank assessed on 25th July 2014).

Project Performance of Microfinance Institutions

Project performance is a subjective measure of how well a firm can use assets from its primary mode of business and generate revenues. The level of performance of a business over a specified period of time, expressed in terms of overall profits and losses during that time. Evaluating the project performance of a business allows decision-makers to judge the results of business strategies and activities in objective monetary terms (Kwelly. 2019). The project performance of microfinance guides to analyses the outcomes of a firm's policies, performance, efficiency and effectiveness in monetary terms. These results reflect in the firms return on investment, return on assets and profit earning. It also emphasizes on how a bank is effectively utilizing its project and other resources to earn profit. Project performance evaluation is a subjective measure to assess firm's usage of assets from its primary mode of business and generation of revenues. It also includes net operating income (NPI), earnings before interest and taxes (EBIT), profit after taxes (PAT) and net asset value (NAV). This also measure of how efficiently a bank uses its assets and other resources to generate revenues, which intern firm's overall project condition for a given period, and can be used to compare industries with each other's (Lamberg, 2018).

METHODOLOGY

Research design

This study applied the descriptive and cross-sectional research design. A descriptive study is a study concerned with describing the features of a particular individual, or of a group (Kothari, 2004). This study applied the descriptive and cross-sectional research design. The research designs used in this study are descriptive and regression research design.

Target population

According to (Kothari, 2009), a study population is a well-defined or specified set of people, group of things, households, firms, services, elements or events which are being investigated. Target population for this research was 120 project staff of UMWALIMU SACCO.

Sample Size

By applying the Kcejcie and Morgan (2017) table for sample size determination, a sample size of 120 respondents was used for this study. The technique of simple random sampling was applied to draw the sample form the population.

DATA ANALYSIS

The process of data involved editing, coding, tabulation and classification of data in order to make them easily understandable. Both descriptive and inferential statistics were used to determine the causal effect between the independent and the dependent variables. Descriptive Statistic methods applied to analyse quantitative data. Frequencies; mean and standard deviations were applied for the study objectives.

Regression

Regression is an extension of simple linear testing. Multiple regression, model summary, ANOVA, and coefficients was determined to establish relationship between variables, while descriptive analysis was used to calculate percentages and frequencies.

Model specification

X = Independent Variable; Y = Dependent variable

Y = f(x)

Where,

$X1_{=}$ Project Risk Management (PRM);

$X_{2=}$ Risk Planning (RP);

$X_{3=}$Risk Assessment (RA);

$X_{4=}$Risk Response (RR)

While the

Y1= Project Performance (PP);

Y2= Project Cost (PC);

Y3=Project Scope (PS);

Y4= Project Time (PT)

Y5 = Project Quality (PQ).

FINDINGS AND DISCUSSION

Response rate

It is worth noting that 120 questionnaires were distributed to the respondents but 117 were returned. The response rate was 93.8% as revealed in the table 4.1 below:

Table 4.1 : Response rate

Distributed questionnaire	Frequency	Percentage (%)
Response Collected	117	97.50
Response not Collected	3	2.50
Total	**120**	**100**

Source: Survey (2021)

Perception of Respondents on Risk Assessment on the Project Performance Microfinance Institutions in Rwanda

On this question the researcher intended to ask the respondents to give their views on the influence of the risk assessment on the project performance microfinance institutions and the result was summarized in table 4.2 below.

Table 4.2: Respondent's Perception on Risk Assessment

Risk Planning	Strongly agree		Agree		Disagree		Total		Mean	Standard Deviation
	F	%	F	%	F	%	F	%		
Umwalimu Sacco evaluates risks when approving new activities	32	27.3	51	43.6	34	29.1	117	100	3.98	0.754
Umwalimu Sacco identifies changes in operations in timely manner	37	31.6	49	41.9	31	26.5	117	100	4.05	0.764
Umwalimu Sacco involves employees in implementing activities	38	32.5	9	7.7	70	59.8	117	100	3.73	0.925
UMWALIMU SACCO motivates employees to manage proposed activities	52	44.4	48	41.1	17	14.5	117	100	4.30	0.710
Umwalimu Sacco forecast updates throughout the operations	79	67.5	27	23.1	11	9.4	117	100	4.58	0.660

Source: Primary data (2021)

Results from the table 4.8, researcher asked the respondents to give their level of agreement to the statements relate to the risk planning of project risk management in Umwalimu Sacco, it was revealed that 27.3% strongly agreed that Umwalimu Sacco evaluates risks when approving new activities, 43.6% agreed with the statement that Umwalimu Sacco evaluates risks when approving new activities although 29.1% disagreed that Umwalimu Sacco evaluates risks when approving new activities with mean of 3.98 and a standard deviation of 0.754. In a view of the statement on whether Umwalimu Sacco identifies changes in operations in timely manner, 31.6% of total respondents strongly agreed with the statement that Umwalimu Sacco identifies changes in operations in timely manner, 41.9% agreed with the statement that Umwalimu Sacco identifies changes in operations in timely manner and 26.5% disagreed with the statement that Umwalimu Sacco identifies changes in operations in timely manner. The mean on whether Umwalimu Sacco identifies changes in operations in timely manner was 4.05with a standard deviation of 0.764. In relation to the statement on

whether Umwalimu Sacco involves employees in implementing activities, 32.5 % strongly agreed with the statement Umwalimu Sacco involves employees in implementing activities and 7.7% agreed with the statement that Umwalimu Sacco involves employees in implementing activities surprisingly others disagreed 59.8% with the statement that Umwalimu Sacco involves employees in implementing activities with a mean of 3.73 and standard deviation of 0.925. In the field findings, the statement on whether Umwalimu Sacco motivates employees to manage proposed activities, 44.4% of total respondents strongly agreed with the statement that Umwalimu Sacco motivates employees to manage proposed activities, 41.1% agreed with the statement that Umwalimu Sacco motivates employees to manage proposed activities and 14.5% disagreed with the statement that Umwalimu Sacco motivates employees to manage proposed activities. The mean on whether Umwalimu Sacco identifies changes in operations in timely manner was 4.30 with a standard deviation of 0.710.

In conclusion, the 67.5% of total respondents strongly agree that Umwalimu Sacco forecast updates throughout the operations. 23.1% of total respondents agree with the statement that Umwalimu Sacco forecast updates throughout the operations, 9.4% disagreed with the statement that Umwalimu Sacco forecast updates throughout the operations with a mean of 4.58 and standard deviation of 0.660. From the findings in table 4.4, most of respondents agreed with the statement relate to that fact risk planning of project risk management effects project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO.

Respondent's Perception on Risk response of on the Project Performance Microfinance Institutions in Rwanda

The researcher asked respondents to indicate their level of agreement with the statement relate to risk response of on the project risk management on the project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO and the results were summarized in the table 4.5 below.

Table 4.5: Respondent's Perception of Risk response on the Project Performance Microfinance Institutions in Rwanda

Risk Response	Strongly agree		Agree		Total		Mean	Standard Deviation
	F	%	F	%	F	%		
Takes appropriate action as results of progress	78	66.7	39	33.3	117	100	4.67	0.473
Has measurements based on	70	59.8	47	40.2	117	100	4.60	0.492

performance of the past progress.								
Reviews actual results against performance	68	58.1	49	41.9	117	100	4.58	0.495
Has a reasonable number of reasonable signatures	59	50.4	58	49.6	117	100	4.50	0.502

Source: Primary data (2021)

As clearly seen by the respondents in table 4.10 in relation to perception of respondents on Perception of risk response on the project performance microfinance institutions in Rwanda, 66.7% of the total respondents strongly agree that Umwalimu takes appropriate action as results of progress, 33.3% of total respondents agree with the statement that Umwalimu takes appropriate action as results of progress, with the statement with the mean of 4.67 and standard deviation of 0.473. While59.8% strongly agreed with the statement that Umwalimu has measurements based on performance of the past progress while 40.2% strongly agreed with the statement that has measurements based on performance of the past progress with the mean of 4.60 and standard deviation of 0.492.

Furthermore, reviews actual results against performance. 58.1% strongly agreed with the statement and 41.9 disagreed with the statement with a mean of 4.58and standard deviation of 0.495.

Lastly, 50.4% of total respondents strongly agree that Umwalimu has a reasonable number of reasonable signatures and 49.6% of the total respondents agree with the statement that Umwalimu has a reasonable number of reasonable signatures with a mean of 4.50 and standard deviation of 0.502.

From the findings in table 4.5, most of respondents agree with the statement relate to thehas a reasonable number of reasonable signatures and this is supported by the fact that all means of their responses are at very that the has a reasonable number of reasonable signatures. The results are in line with the study of Hassanein and Affify (2007) found limited project management experience among the survey of contractors as a barrier to the identification of risks relevant to construction contracts. Akintoye and MacLeod (2018) also identified lack of risk response with the techniques as one of the reasons provided by financial institutions for not using techniques of risk analysis and management. Furthermore, several authors highlight the importance to consider the contingent effect of the type of project (Lawrence and Lorsch, 2017, Shenhar and Dvir, 2010). The researches show evidence that risk response should be considered for different type of projects to increase project performance.

Table 4.6:Analysis of Hypothesis One (Ho1)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.313[a]	.098	.066	.480	1.217

a. Predictors: (Constant), risk assessment, risk response, risk monitoring, project performance

b. Dependent Variable: project performance (project cost, project scope, project time, project quality).

Table 4.6 shows that project risk management variables (risk planning, risk assessment, risk response) have positive effect on the project performance in Umwalimu SACCO. This is explained by the R-Square of .098. Hence, this implies that 9.8 % of changes in risk assessment in the project performance in Umwalimu SACCO come from project cost, project scope, project time, project quality, while translated as 90.2% of changes in project performance comes from other variables that are not included in the model.

Table 4.2: Analysis of Hypothesis One (Ho1)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.799	4	.700	3.034	.020[b]
	Residual	25.834	112	.231		
	Total	28.632	116			

a. Dependent Variable: Performance Umwalimu SACCO

b. Predictors: (Constant), risk assessment, risk response, risk monitoring, project performance

Table 4.7 demonstrates ANOVA where calculated f is positive (f=3.034) and a significant p-value of 0.020 which is less than the alpha (0.05). Therefore, it shows that there is a positive and significant association of project risk management (risk assessment, risk response) on influences the project performance in microfinance institutions. Therefore, null hypothesis (Ho_1) suggesting that there is no significant influence of risk planning of project risk management on project performance is not approved.

Table 4.8: *Coefficients* [a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.215	.471		6.832	.000
Risk Planning,	-.034	.062	-.057	-.541	.589
Risk Assessment	.132	.068	.179	1.946	.054
Risk Response	.673	.346	.669	1.948	.054

a. Dependent Variable: influence to project performance

The regression equation above has indicated that taking all factors into account (risk assessment, risk response, risk monitoring, and project performance) constant at zero, access to project performance was 3.215. The findings presented also show that taking all other independent variables at zero, a unit increase in project risk management would lead to a 0.034 decrease in the scores of project performance. Further; the findings shows that a unit increase in the scores of risk assessment would lead to a 0.132 increase in the scores of risk response to project performance.

The findings shows that a unit increases in the scores of risk response would lead to a 0.673 increase in the scores to project performance. The results show that all the independent variables are the best predictors of risk monitoring. However, risk assessment and risk response are positively very significant factor at .054 and 0.054 level of significance respectively, while risk planning and risk monitoring are negatively significant at 0.589 and 0.177 level of significance respectively.

Table 4.3: Correlation analysis table of the variables

Correlations

		Risk Planning,	Risk assessment	Risk response	Project performance
Risk Planning,	Pearson Correlation	1	.169	.509**	.076
	Sig. (2-tailed)		.069	.000	.413
	N	117	117	117	117
Risk assessment	Pearson Correlation	.169	1	.215*	.211*
	Sig. (2-tailed)	.069		.020	.022
	N	117	117	117	117

Risk response	Pearson Correlation	.509**	.215*	1	.228*
	Sig. (2-tailed)	.000	.020		.013
	N	117	117	117	117
Project performance	Pearson Correlation	.076	.211*	.228*	1
	Sig. (2-tailed)	.413	.022	.013	
	N	117	117	117	117

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

The predictors under study, Risk planning in project risk management, Risk assessment and Risk response have not high correlation between the project performance time/planned period, project met target cost/estimated, project met required standard/quality and project set goals/scope as dependent variables therefore all the variables understudy should be used as they are not correlated as per the PPM (Pearson product moment coefficient presented above in the table 4.9)

SUMMARY, CONCLUSIONS AND SUGGESTIONS

Summary of Findings

The main objective if this research was mainly to analysing the factors examines effects of project risk management on the project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO.

Considering the risk assessment, risk response and project performance of Umwalimu SACCO to specifically examine the examine effects of project risk management on the project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO.

And clearly show the factors influences the performance of the microfinance institutions research followed survey research designs, questionnaire and interview was used to collect the data while SPPS was used to analyse the data.

To examine the effect of Risk Planning on The Project Performance in Microfinance Institutions in Rwanda

On this fact, the researcher requested respondents to give their level of agreement to the statements relate to examine effect of risk planning on the project performance in microfinance institutions in Rwanda, it was revealed Results from the table 4.4, researcher asked the respondents to give their level of agreement to the statements relate to the risk

planning of project risk management in Umwalimu Sacco**,** it was revealed that 27.4% strongly agreed that Umwalimu Sacco evaluates risks when approving new activities, 43.6% agreed with the statement that Umwalimu Sacco evaluates risks when approving new activities although 29.1% disagreed that Umwalimu Sacco evaluates risks when approving new activities with mean of 3.98 and a standard deviation of 0.754.

In relation to the statement on whether Umwalimu Sacco involves employees in implementing activities, 32.5 % strongly agreed with the statement Umwalimu Sacco involves employees in implementing activities and 7.7% agreed with the statement that Umwalimu Sacco involves employees in implementing activities surprisingly others disagreed 59.8% with the statement that Umwalimu Sacco involves employees in implementing activities with a mean of 3.73 and standard deviation of 0.925.

In conclusion, the 67.5% of total respondents strongly agree that Umwalimu Sacco forecast updates throughout the operations. 23.1% of total respondents agree with the statement that Umwalimu Sacco forecast updates throughout the operations, 9.4% disagreed with the statement that Umwalimu Sacco forecast updates throughout the operations with a mean of 4.58 and standard deviation of 0.660.

To assess Effect of Risk Assessment on the Project Performance Microfinance Institutions in Rwanda

As indicated in Table 4.5 the demand for donors to respond to donors has been recorded in relation to the declarations related to the evaluation of the risks of the management project of the project on the performance of microfinance institutions in Rwanda and its focus. Sur Umwalimu SACCO.

It was reported that 44.4% of all respondents have been included with the fact that they have been informed about the risk plans for operational obligations, 47.9% of the accounts with the application have not been approved. 7.7% of risk plans for operational obligations and autonomy do not have the record that Umwalimu a risks advocacy plans for operational obligations with a mean of 4.37 and a standard deviation of 0.624. In this regard, it is not possible to save and respond to the displacement of personnel to reduce the number of risks involved, 53 % of the total number of respondents will receive the record along with the performance. Because of the low levels of risk taking, 35.9% of the data with the performance of the above-mentioned community displays a number of personnel for the principal of the low levels of risk and 11.1% do not have the record with the performance.

Since then, we have been asked to replace one of the most important tasks for those with risks of mean 4.42 and standard deviation 0.68.

It can be concluded that most of respondents agree with the statement relate to risk assessment of project risk management affects the project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO and this is supported by the fact that all means of their responses are at very high range which indicate risk assessment of project risk management affects the project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO

To examine effect Risk Response of on the Project Performance Microfinance Institutions in Rwanda.

As clearly seen by the respondents in table 10 in relation to perception of respondents on Perception of risk response on the project performance microfinance institutions in Rwanda, 66.7% of the total respondents strongly agree that Umwalimu takes appropriate action as results of progress, 33.3% of total respondents agree with the statement that Umwalimu takes appropriate action as results of progress, while 59.8% strongly agreed with the statement that Umwalimu has measurements based on performance of the past progress while 40.2% strongly agreed with the statement that has measurements based on performance of the past progress while 59.8% disagreed with the statement with the mean of 4.60 and standard deviation of 0.492. Furthermore, reviews actual results against performance. 58.1% strongly agreed with the statement and 41.9 disagreed with the statement with a mean of 4.58 and standard deviation of 0.495.Lastly, 50.4% of total respondents strongly agree that Umwalimu has a reasonable number of reasonable signatures and 49.6% of the total respondents agree with the statement that Umwalimu has a reasonable number of reasonable signatures with a mean of 4.50 and standard deviation of 0.502.

To conclude, most of respondents agree with the statement relate to the has a reasonable number of reasonable signatures and this is supported by the fact that all means of their responses are at very that the has a reasonable number of reasonable signatures.

CONCLUSION

Based on the findings of the research, researcher conclude that Umwalimu SACCO to create an avenue of investing hugely in the project risk management basing on that fact that the big number of respondents agreed with the statements relate to risk planning of project risk management and it is indicated also by the factor that hypothesis of this research was confirmed.

To examine the effect of Risk Planning on the Project Performance in Microfinance Institutions in Rwanda

More to that, most of respondents disagreed with the statement relate to that fact risk planning of project risk management effects project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO, the researcher recommends that the microfinance institutions in put much emphasis on project risk management since it has a direct effect on the project performance of microfinance institutions in Rwanda.

To assess Effect of Risk Assessment on the Project Performance Microfinance Institutions in Rwanda

Is also important to note that most of respondents agree with the statement relate to risk assessment of project risk management affects the project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO and this is supported by the fact that all means of their responses are at very high range which indicate risk assessment of project risk management affects the project performance in microfinance institutions in Rwanda with a focus on the Umwalimu SACCO, therefore the researcher fully recommends that microfinance institutions should put in place and ensure implementation of project assessments since it has a huge effect on project performance of microfinance institutions in Rwanda.

To examine effect Risk Response of on the Project Performance Microfinance Institutions in Rwanda.

Lastly since most of respondents agree with the statement related to the fact that institutions has a reasonable number of reasonable signatures and this is supported by the fact that all means of their responses are at very that the has a reasonable number of reasonable signatures. The researcher recommends that the microfinance should increase more and more mechanisms to minimise on the risk response since it has a direct effect on the project performance of microfinance institutions in Rwanda.

SUGGESTIONS TO UMWALIMU SACCO.

Basing from the shortcomings of the research, it is suggested to provide a clear view more on the factors that facilitate the chances of improving the project risk management.

As this has been proven to be among the many others that affects the microfinance institutions in Rwanda. As a researcher, there is a need for Umwalimu SACCO to gradually invest in project risk management basing on the results in the study; many agreed that the risk planning makes project performance smooth

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