

## **The Impact of System Control Strategies (SCS) on Operational Performance of Local NGOs in Zimbabwe: An Operations Management Perspective**

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### **ABSTRACT**

This study examines the impact of system control strategies (SCS) on the operational performance of local non-governmental organizations (NGOs) in Zimbabwe. The study aims to evaluate the impact of effective SCS on the effectiveness of the operational performance of NGOs in Zimbabwe. The study utilized a mixed-methods approach; probability and non-probability sampling techniques were used in the selection of the site of study and participants. The study analyzes various SCS NGOs deploy to enhance transparency, accountability and efficiency in service delivery. The study findings revealed that effective performance monitoring through a detective control strategy is not challenging to local NGOs. The study noted that stakeholder compliance and requirements are given a higher priority than internal control measures. The findings demonstrate that NGOs employing robust control mechanisms are better equipped to navigate the negative impacts of an ever-changing socio-economic and political environment. This study concludes that customized operations management practices have a great potential to improve and strengthen the performance of NGO sectors in diversified developing contexts effectively. The study recommends up-scaling employee capacity-building initiatives to offer deep insights for enhancing robust commitment to improving humanitarian and developmental efforts through internal policy formulation.

NGOs are accountable to funders as an obligation that leads them to strive to comply with financial guidelines for grant renewal and meet the targeted outcomes specified in their proposals, leaving other factors constant. Most NGOs focus on meeting performance metrics, such as the number of beneficiaries reached or benefited from a specific project and the number of projects completed, at the expense of other crucial factors.

Keywords: Impact, System Control Strategies, Operational Performance, Operations Management

### **1. INTRODUCTION**

#### **1.1 Background**

Donors conduct regular audits as part of control measures on programs implemented by NGOs they fund financially. These audits often reveal shortcomings in various programs, leading to the discontinuation of operations. These sectors are responsible for developing and maintaining robust internal control systems, as financial success is influenced by the strength of an organization's internal controls. Emmanuel, (2022). These control measures extend beyond digital or technological frameworks and can be structured or designed in any system to mitigate ambiguities, detect potentially fraudulent activities and safeguard the integrity of the organization's operations. Abdullah RASHID, (2022).

System Controls are present in almost all organizations, and their application has no major difference. (Bongani, 2013). NGOs apply accounting principles, information and communication, a controlled environment, and segregation of roles and responsibilities even though there is a lack of government and donor control measures to monitor and evaluate sector operations and ethical standards, leading to compromised stakeholder reports on accountability. Ghasemi, et al (2022). However, their presence does not determine the organization's effectiveness and efficiency in service delivery. System Controls encompass policies, task monitoring, behaviour, and other aspects of an organization to facilitate efficient and effective operations, help in quality control, and ensure compliance with regulations, accountability, and resource allocation. Even with robust controls, numerous factors can lead to poor decision-making. These measures do not eliminate poor judgment, which may stem from personal biases or emotional influences that impact individual choices. Turnbull Nigel, (1999). In addition, mismanagement can occur regardless of a well-designed system but can result from oversight or a breakdown in communication within an organization, leading to ineffective operations.

The NGO sector often finds itself constrained by a rigid reporting structure formulated by its donors. These reports primarily focus on illustrating the positive outcomes of mandated projects derived from the monitoring and evaluating (M&E) findings. Sawadogo-Lewis, et al, (2022). However, this approach tends to leave gaps and complexities in the actual implementation of SCS, resulting in a disconnect between the reported success and the processes of system control. The study, therefore, evaluates the impact of SCS on the operational performance of local NGOs in Zimbabwe from an operations management perspective. It analyses the impact of various control strategies that NGOs adopt to enhance

their operations. The study adds to identify the knowledge gap by assessing how these various SCS affect operational outcomes.

## **1.2 Problem Statement**

NGOs operate in an environment where resources, mainly funding, are constrained, resulting in negative operational efficiency making it difficult to meet their obligation goals and missions. During their operations, they face various internal and external challenges. Internal challenges commonly faced include capacity limitations, financial management, resource wastage, founder syndrome, inadequate strategies/operational plans, governance, compliance issues and inadequate monitoring mechanisms. External challenges include statutory rules and regulations, resource mobilization, rigid reporting structures, political interference, competition from political NGOs and rapidly evolving technology. Batti, (2014). The study examines three major categories of SCS; i) Directive Control Strategies, ii) Preventive Control Strategies and iii) Detective Control Strategies, which enhance efficient service delivery, transparency and accountability relating to the operations of NGOs.

The extent to which these three major SCS influence the performance of local NGOs remains unclear as existing research on operations management focused more on statistically related results with limited pragmatic evidence on the impact of how SCS affect the efficiency of NGOs. There is a lack of evidence from researchers on the process evaluation. However, emphasis has been put more on impact evaluation of operational projects. NGOs find it challenging to balance donor compliance with flexibility in service delivery, leaving questions about the design and implementation of SCS.

## **1.3 Objectives of the Study**

The primary objective of this study is to examine the impact of SCS on the operational performance of local NGOs.

- i. To assess how SCS influence the effectiveness of local NGOs
- ii. To identify the existence and types of SCS used by local NGOs
- iii. To analyze the challenges faced by NGOs in implementing effective SCS
- iv. To evaluate the importance of SCS as an operations management tool for effective service delivery

## **1.4 Guiding Research Questions**

The study was guided by the following research key questions;

- a. How do SCS influence the effectiveness of NGO operations?



- b. How does SCS affect the operations of NGOs if not implemented?
- c. What type of SCS do NGOs encounter the most significant challenges for effective operations?
- d. What role do SCS play in enhancing service delivery as an Operations Management tool?

## **1.6 Significance of the Study**

The study holds significance as it aims to fill a crucial knowledge gap in the field of operations management within the NGO sector. It seeks to enhance the existing body of knowledge with insights to assist managers, policymakers, government and regulatory bodies, donors and other stakeholders in establishing more operational frameworks for the sustainability of NGOs as part of management strategies. It can be a vital tool for implementing control measures and enforcing compliance. The available literature reveals a lack of comprehensive research on the effects of implementing SCS.

## **2. LITERATURE REVIEW**

The NGO sector has experienced fluctuations in operational stability as different donors provide numerous standards for grant provisions. As a result, the NGOs modify their operational standards to meet each donor's standard requirements. Control systems help organizations to adjust their strategies in response to internal and external changes. Yeboah et al. (2023). Financial management can undermine an organization's mission without well-formulated systems for resource management and control systems. Dilnoza Murataliyevna (2025). Recent studies revealed that non-financial reporting is used to recommend standards, rules, and disclosures of information on the sustainable development goals of NGOs. Gavrylychenko, Ievgeniia, (2024).

### **2.1 System Control Strategies for Effective Operations**

Organizations employ strategic management approaches to ensure that systems across all business areas function efficiently and effectively as control measuring tools. As different strategies are implemented, Abdulkadir, (2014) revealed that there are more positive changes in organizational performance and improved service delivery that are associated with these controls, including the sustainability of programs. The author argued that despite the positive changes, efficiency is not guaranteed if there is a lack of good governance. Oppong et al. (2016) Also agreed that control systems enhance performance in economy and efficiency however, they do not make organizations effective. Chenhall et al. (2010) highlighted that formal management controls can assist NGOs in developing service delivery through

networking with donors, government agencies and other stakeholders; these external forces impact operations. This has led to program closures and caused operational delays affecting effective operations.

## **2.2 Categories of System Control Strategies**

There are 03 sets of strategic controls which can be implemented in strategic management: primary activities, which are activities directly concerned with the organization; support activities to improve the efficiency and effectiveness of primary activities; and external parties' activities that involve interaction activities with external parties, Kyriazoglou (2020). As previously stated, we focused on three SCSs:

i) Directive Control Strategies, which emanate from primary activities set where there are governance frameworks, policies, codes of conduct, and guidelines, including internal compliance requirements or written instruments that provide a directive order or expectation to NGOs regarding expected outcomes in line with the organization's goals and objectives. In the past, directive control was perceived as military commands and controls, where action was taken based on the commander's directions to subordinates, but it does not suggest how to achieve goals or outcomes. Directive Control, (2021).

ii) Preventive Control Strategies are linked to support activities that play a role in the efficiency and effectiveness of primary activities. To avoid obstacles before they occur, they define clear guidelines for staff members and stakeholders and cut across capacity-building, the use of standard operating procedures (SOPs), staff training on compliance, ethical standards, donor requirements and monitoring systems i.e. technological tools to monitor, track, manage resources and fraud preventions are used.

iii) Detective Control Strategies determine the extent to which external parties—these are external stakeholders—are involved in the operations of NGOs. Sisaye (2021)). Governments have established policies and regulations, including the registration of NGOs, permits to work in certain areas, taxation policies, funding restrictions, work permits, visas, labour laws, security regulations and political influence that must be aligned with organizations strategies.

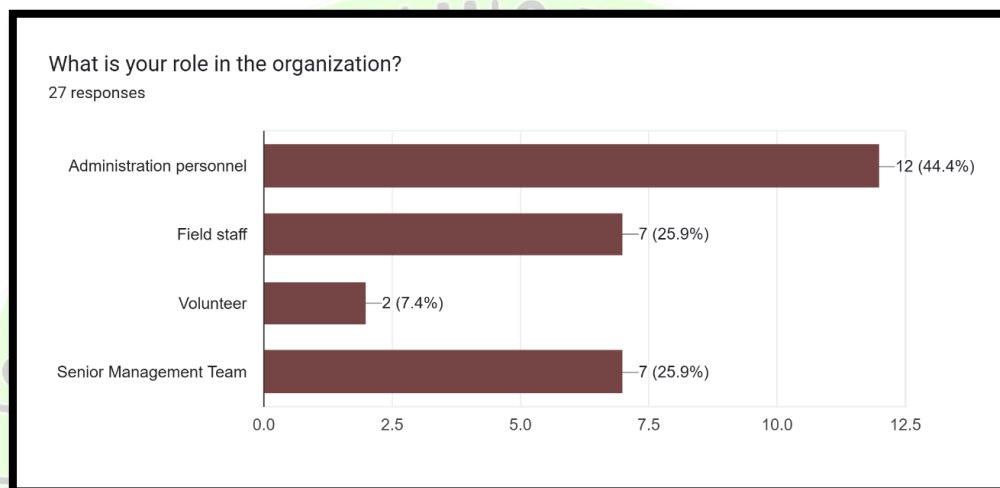
## **3. Research Methodology**

The study employed a mixed-methods approach, combining qualitative and quantitative data to prove the impact of SCS on the operational performance of local NGOs in Zimbabwe. The qualitative design allowed a deeper understanding of real experiences and operational efficacy.

### 3.1 Sampling Technique and Sample Size

Purposive sampling was used to select participants based on their direct involvement with local NGOs as staff members (44.4% represented administration, 25.9% field, 7.4% volunteers, and 25.9% senior management team). This sampling method ensured the specificity of the target group, comprising individuals with relevant experiences and involvement, which provided deep insights into the research topic.

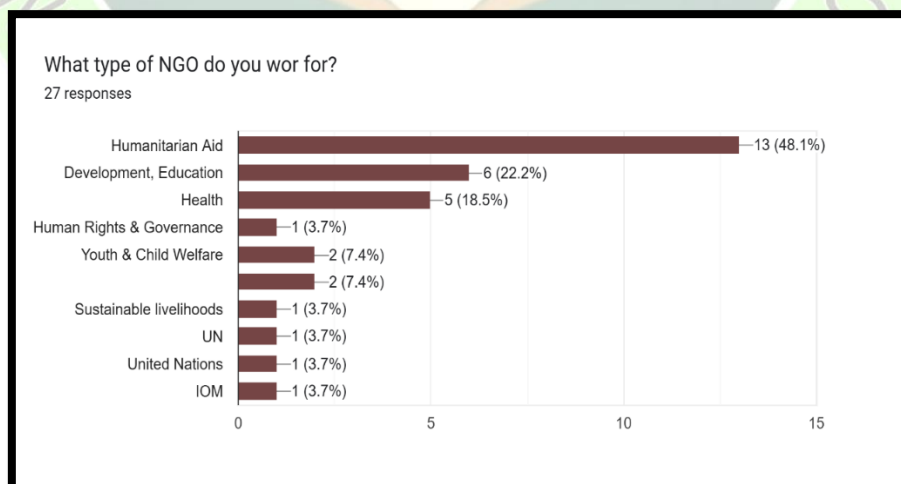
**Figure 1.** Category Role of NGO staff members



### 3.2 Data Collection

The study used a Google Form questionnaire to gather data as illustrated below in Figure 2 from 10 different types of NGOs;

**Figure 2.** Type of local NGOs in Zimbabwe



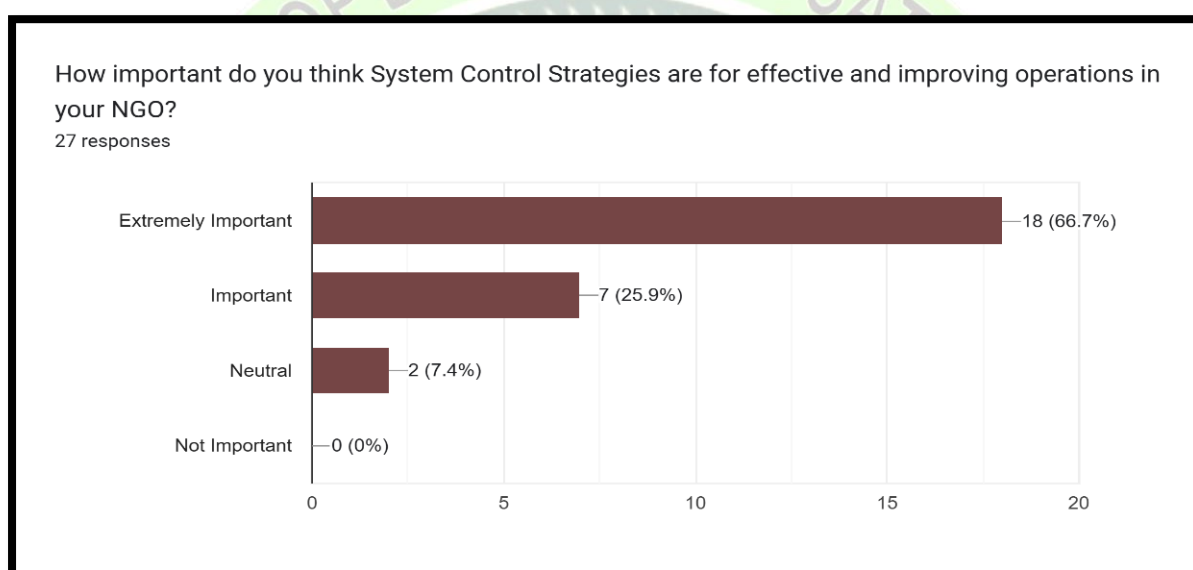
#### 4. Results

A total of 40 questionnaires were distributed, with 27 being returned, giving a 67% response rate. The results from the study, guided by the research questions, revealed that;

##### 4.1 How do SCS influence the effectiveness of NGO operations?

66.7% of respondents reported that SCS has an extremely influential effect on the effectiveness of NGO operations, 25.9% confirmed that SCS is important, and 7.4% viewed it as neutral effectiveness.

**Figure 3.** *How important does SCS influence the effectiveness of improving operations*



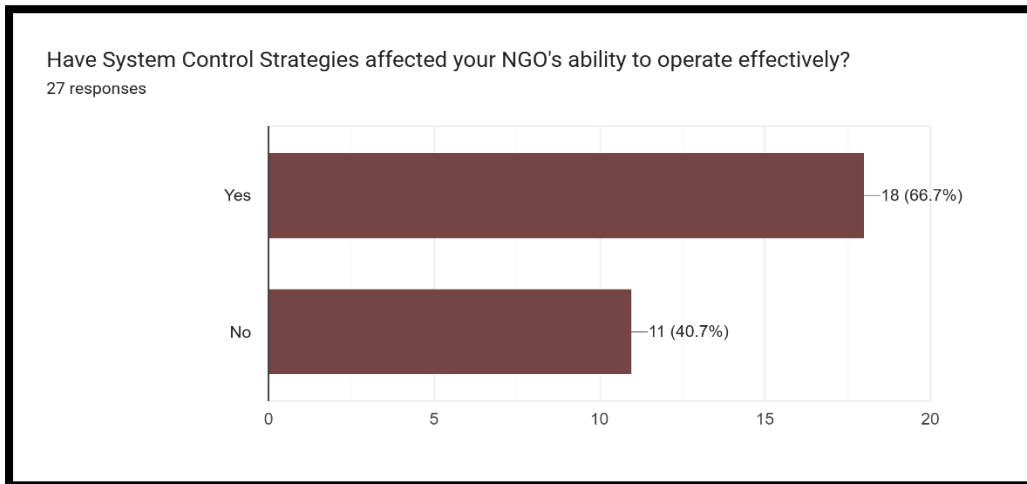
##### 4.2 How does SCS affect the operations of NGOs, and what are the consequences of not implementing SCS?

Figures 4 and 5 below illustrate the research question addressed in the preceding section. 66.7% confirmed that SCS has once affected their NGO operations, and 40.7% have not been affected. This is the reason for the clear implementation of SCS in their respective organizations, as 92.6% of the key informants are familiar with SCS in their organizations.

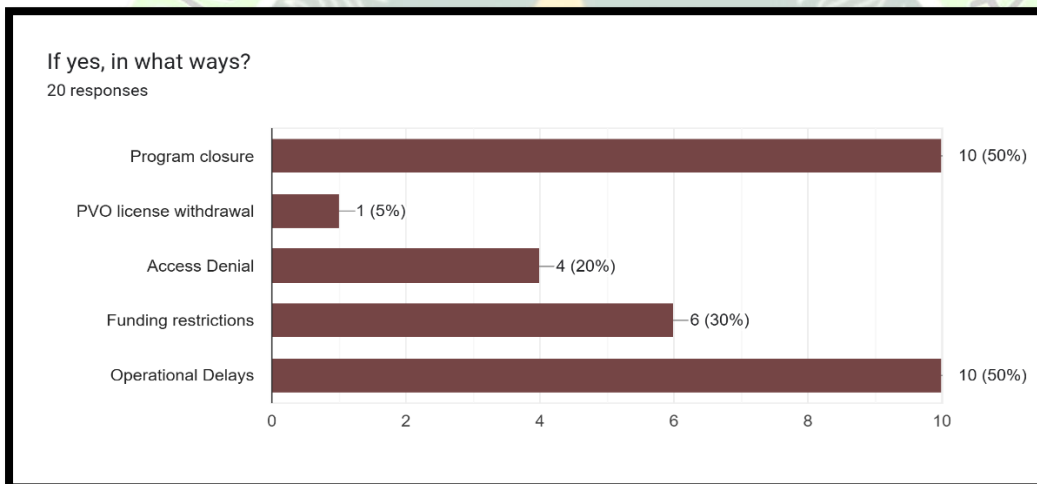
The study revealed that 50% of NGO operational programs faced closure due to the consequences of not implementing SCS, 5% had their operational licenses withdrawn, 20% failed to access operational areas, 30% faced funding restrictions, and 50% encountered operational delays, which impacted their operations.

**Figure 4.** *Have SCS affected NGO's ability to operate effectively*





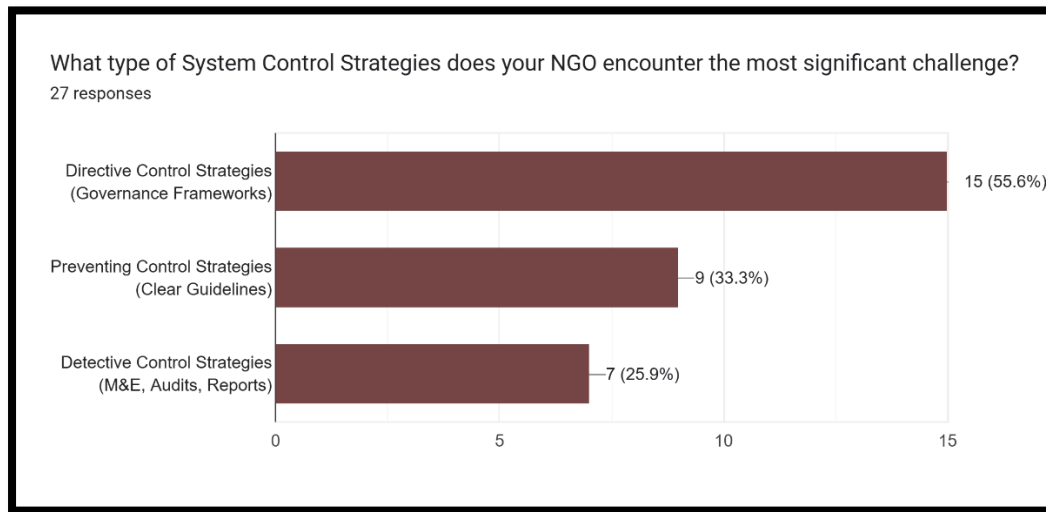
**Figure 5.** *Consequences faced by NGOs in not implementing SCS*



#### 4.3 What type of SCS do NGOs encounter the most significant challenges for effective operations?

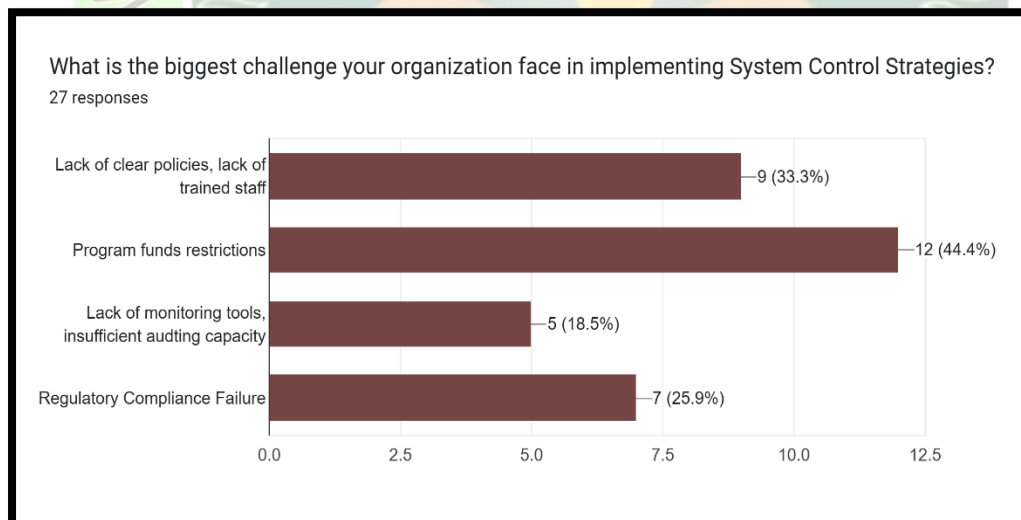
From the three sets of strategic controls, the study revealed that directive control strategies faced the most challenges, at 55.6%, followed by preventive control strategies at 33.3% and detective control strategies at 25.9%.



**Figure 6.** *Type of SCS that are most challenging to the NGO operations*

#### 4.4 What are the challenges faced in implementing SCS in NGOs?

The study findings revealed that 33.3% of the issues stem from a lack of clear policies and inadequate staff training. 44.4% is due to restriction of program funds, 18.5% from a lack of monitoring tools, insufficient auditing capacity, and lastly, 25.9% of challenges stem from regulatory compliance failure.

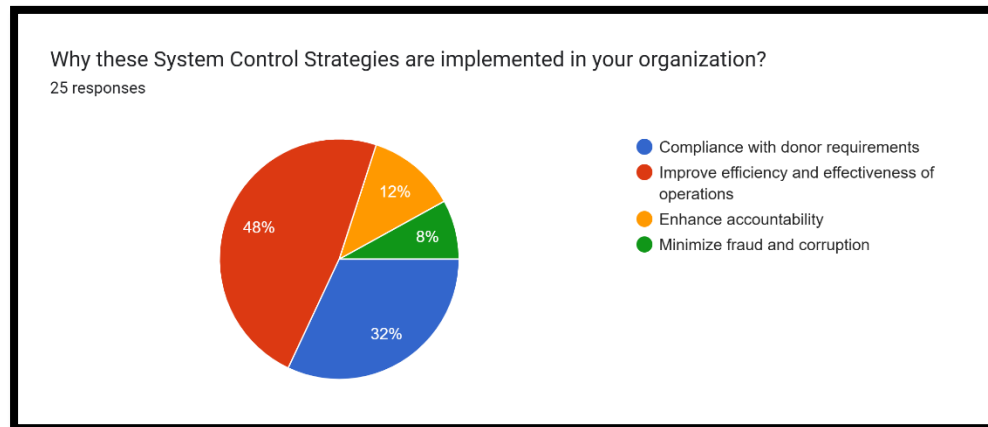
**Figure 7.** *Challenges encountered in implementing SCS*

#### 4.5 What role do SCS play in enhancing service delivery as an operations management tool?

The study revealed that SCS play different roles in enhancing operations. The responses highlighted that 48% of the role is to improve the efficiency and effectiveness of

operations, 32% on compliance with donor requirements, 12% is aimed at enhancing accountability, and 8% is dedicated to minimizing fraud and corruption.

**Figure 8.** *Roles SCS play in NGOs*



## 5. Major Findings

Directive Control Strategies dominate as a major challenge in the NGO sector even though they shape the foundation of primary activities with a direct concern for the organization's governance framework, policies and principles. Detective Control Strategies have proven to be the easiest to implement as donors use a carrot-and-stick approach with grants offered to NGOs; hence, they deal with external forces cautiously, meeting the expected requirements. The study has a crucial contribution to the people and society as the NGOs will perform effectively and efficiently in service delivery to the vulnerable communities and enhance trust between NGOs and the community they serve.

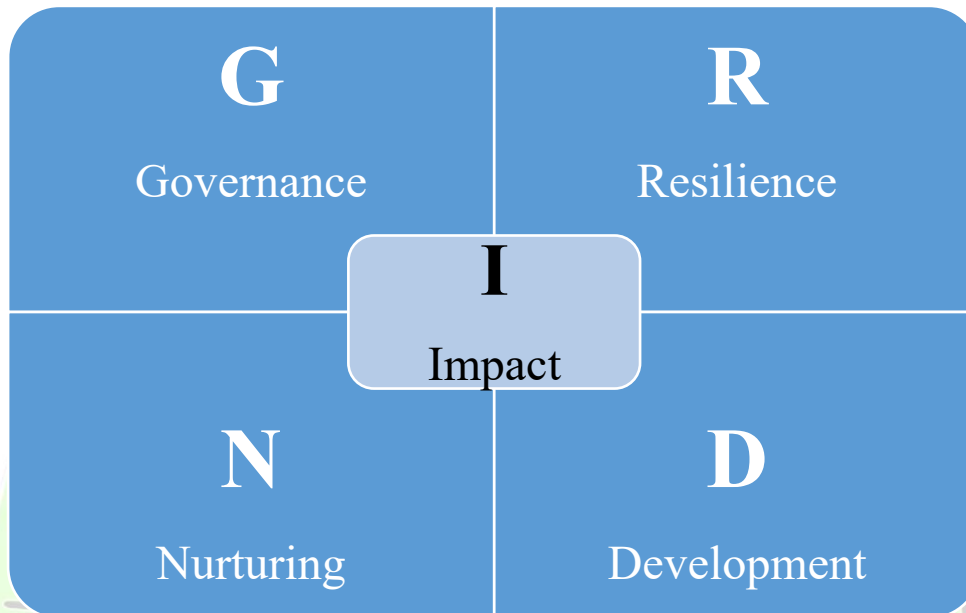
## 6. Recommendations and Conclusion

Based on the study findings, local NGOs are recommended to strengthen and emphasize directive control strategies as a dominant approach to maximizing their operations effectively. The sector should invest in organizational Governance, Resilience, Nurturing and Development (GRIND) a model that adds to the body of knowledge and creatively leverages the grinding mill's mechanical principles to advocate for systematic feedback-driven operations. In addition, it aims to advocate for resilient NGOs by mirroring the grinding mill's main parts. Given the rich data found from the study, it is concluded that three sets of SCS should run equally in the operational performance of NGOs in Zimbabwe to have an impact on service delivery.

### 6.1 Body of Knowledge – GRIND Model

Thus, the ‘GRIND’ model is a shortened term derived from ‘grinding’. In this context, the word ‘GRIND’ is creatively and innovatively proposed to depict the four main terms identified as key pillars perceived to be the strategic thrust of internal system control strategies as shown in the diagram that follows:

**Figure 9: The GRIND Model**



## 6.2 Practical Implications

To strengthen SCS, systems must conform to principles of good governance, and, in turn, local NGOs must develop resilient structures that ensure that NGOs have a significant impact. In addition, NGOs must nurture a culture of promoting collaborative engagements to achieve their mandate. Above all, the framework suggests that all programming must enhance the ideals of sustainable development at all costs.

**Figure 10: The Grinding Mill Components vs NGOs Internal Control Strategies**



**Table 1:** Comparative Analysis of Grinding Mill Components and NGOs Internal Systems Control Strategies

GRINDING MILL COMPONENT	NGO INTERNAL SCS	NGO APPLICATION
Power Source	Leadership & Governance	Strong leadership and governance provide the driving force for the NGO's mission and goals, setting strategic direction and ensuring accountability.
Grinding Mechanism (Blades/Rollers)	Core Programs & Operations	Programs and operations convert resources (funding, expertise) into social impact (services, advocacy and education).
Inputs / Output Systems	Resource Management & Impact Delivery	<b>Input:</b> Fundraising, donor relations, volunteer recruitment <b>Output:</b> Service delivery, reports and measurable impact.
Control Panel Strategies (Monitoring Systems)	Internal Audits & Risk Management	Systems to track compliance, risks, and operational health
Lubrication System	Communication Culture	A healthy organizational culture and communication prevent conflicts, corruption and inefficiencies.
Safety Mechanisms	Compliance & Legal Safeguards	Policies to ensure legal, ethical & regulatory compliance
Structural Frame	Organizational Infrastructure	Policies, IT systems, and physical infrastructure
Energy Efficiency Measures	Sustainability & Resource Optimization	Strategies to ensure long-term viability and impact



In this regard, NGOs should visualize their workflows as ‘interconnected and interdependent systems to align with what happens with the grinding mill concept. This comparative analysis highlights the significance of the concept of ‘Input-Process-Output’ logic interrogating the system control strategies for local NGOs.

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