



Risk Management as an Approach to Improving Administrative Decision Quality: A Field Study in Non-Governmental Organizations Operating in the Gaza Strip

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Abstract

This study aimed to analyze the role of risk management as a systematic approach to improving the quality of administrative decisions in non-governmental organizations (NGOs) operating in the Gaza Strip, within an environment characterized by political and economic instability, resource scarcity, and multiple sources of risk. The study was premised on the hypothesis that effective implementation of risk management contributes to enhancing administrative decision quality in terms of rationality, timeliness, information-based decision-making, and crisis management capability.

The study employed a descriptive-analytical methodology, utilizing a questionnaire as the primary instrument for data collection from a sample of civil society organization employees in the Gaza Strip. Risk management was measured through its key dimensions: risk identification, risk analysis and assessment, risk response, and monitoring and evaluation. Administrative decision quality was assessed through dimensions of rationality, flexibility, information reliance, and crisis management capability.

The findings revealed that the level of risk management implementation in NGOs was relatively high. Statistical analysis demonstrated a significant effect of risk management across its various dimensions on improving administrative decision quality. Results indicated that risk identification was the most implemented dimension, while risk response ranked last, reflecting a greater emphasis on diagnosis compared to treatment.

The study recommends strengthening organizational culture for risk management, developing decision support information systems, and training administrative leadership to enhance organizational sustainability in high-risk environments.

Keywords: Risk Management, Administrative Decision Quality.

Introduction

The non-governmental sector is experiencing accelerated growth and expansion in its economic and social roles, necessitating the development of decision-making

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mechanisms within its institutions (Anheier, 2014; Salamon, 2016). In an environment characterized by volatility and uncertainty, risk management has emerged as a strategic tool that assists management in enhancing decision quality through identifying, analyzing, and developing appropriate response plans for potential risks (COSO, 2017; Hopkin, 2018). Despite growing awareness of risk management's importance, many NGOs continue to rely on traditional decision-making practices, which may result in inaccurate decisions with adverse consequences (Aven, 2016; UNDP, 2023). Hence, this study's significance lies in analyzing risk management's role in improving administrative decision quality within Palestinian non-governmental sector institutions (ESCWA, 2020; OCHA, 2021).

Theoretical Framework

First: Risk Management

1- Concept of Risk Management

Risk management constitutes one of the vital functions in modern management, representing a systematic process based on forecasting potential organizational risks, analyzing and assessing their impacts, then selecting appropriate methods to address them by minimizing occurrence probability or mitigating adverse effects when they materialize. Risk management aims to strengthen organizational preparedness for the future and manage uncertainty situations, supporting operational efficiency and administrative decision quality.

The International Standard ISO 31000 defines risk management as: "coordinated activities to direct and control an organization with regard to risk." This definition underscores that risk management is not an individual task but rather an institutional approach encompassing all operational levels.

The Project Management Institute defines risk management as: "a systematic process for identifying, analyzing, and responding to risks to reduce the probability of negative event impacts and maximize success opportunities." This definition indicates that risk management focuses not only on threats but also encompasses opportunity capitalization (PMI, 2017).

2- Risk Management Stages

Risk management progresses through a set of systematic stages aimed at effectively addressing risks, including:

- a- **Risk Identification:** The process of early detection of potential organizational risks, whether internal or external, through information gathering, work environment analysis, and threat source identification.
- b- **Risk Analysis and Assessment:** Following risk identification, analysis occurs regarding occurrence probability and organizational impact, followed by prioritization according to importance. The assessment objective is to determine which risks merit priority intervention and assist the organization in making strategic decisions for effective risk treatment.

- c- **Risk Treatment or Response:** At this stage, the organization selects the most appropriate strategy for addressing each risk, including risk reduction or mitigation, risk avoidance, risk transfer (such as insurance), and risk acceptance at acceptable levels.
- d- **Risk Monitoring and Control:** This encompasses monitoring risk evolution, verifying response plan effectiveness, and updating procedures whenever new risks emerge or work conditions change.

3- Importance of Risk Management

Risk management assumes considerable importance in modern institutions as it constitutes an essential tool for managing uncertainty situations. According to Hopkin (2018), its importance can be summarized as follows:

- a- **Organizational Protection from Losses:** Risk management assists in early threat identification, enabling organizations to implement preventive measures reducing financial and operational losses.
- b- **Improving Administrative Decision Quality:** Through risk analysis and impact estimation, decision-makers obtain more accurate information, leading to more rational and effective decisions.
- c- **Supporting Business Continuity:** Risk management contributes to ensuring continuity of vital organizational operations even during crises and challenges through contingency plans and alternatives.
- d- **Enhancing Competitive Capability:** Risk management assists organizations in adapting to sudden changes and capitalizing on opportunities, providing competitive advantage in volatile markets.
- e- **Improving Performance Efficiency:** By reducing unexpected problems and improving planning, operational efficiency increases, reflecting positively on overall organizational performance.
- f- **Compliance with Standards and Legislation:** Risk management strengthens organizational commitment to regulations and laws, reducing violations and legal accountability.

Risk Management in the Non-Governmental Sector

Due to Gaza's complex reality-encompassing blockade, infrastructure destruction, food and funding crises, and restrictions on freely importing assistance-the non-governmental sector in Gaza confronts substantial risks threatening its sustainability and operational effectiveness, rendering risk management a strategic necessity for ensuring continuity and achieving humanitarian objectives. According to the Palestinian Center for Studies and Media and Wafa News Agency, the following types of risks are prevalent:

Financial and Funding Risks for Non-Governmental Projects

- Significant economic collapse in Gaza resulting from wars and blockade, increasing difficulties in securing funding for non-governmental projects
- Rising prices of essential commodities such as food and fuel due to crises and restrictions, escalating NGO operational costs

Operational Risks Due to Destruction and Infrastructure Damage

- Extensive infrastructure destruction (buildings, facilities) resulting from conflicts, impeding NGO operations and increasing operational costs
- Deficient electricity, water, and mobility services, hindering project and field program implementation

Legal and Regulatory Risks

- Growing risk of aid militarization; certain entities warn that humanitarian organizations may be utilized for military or political purposes
- Intersection between humanitarian work and politics, potentially damaging organizational reputation or exposing them to legal accountability

Humanitarian and Starvation Risks

- Acute food crisis existence, with famine threatening populations, exposing organizations to enormous humanitarian demands difficult to meet sustainably
- Health situation fragility, with infectious disease risks resulting from displacement and isolation

Sustainability and Recovery Risks

- Long-term planning difficulties due to political and security instability
- Reconstruction project funding risks: collaboration with international entities may be fraught with risks if legal and ethical aspects are not carefully considered

Second: Administrative Decision Quality

1- Concept of Administrative Decision

Administrative decision-making constitutes one of management's fundamental functions, signifying the selection of the optimal alternative from multiple available options to achieve organizational objectives (Rejda & McNamara, 2014).

Administrative decisions represent the core of the administrative process, as they directly relate to resource direction and policy implementation, directly impacting institutional performance efficiency (Hopkin, 2018).

Summary: Administrative decision-making constitutes the process of selecting the optimal alternative to achieve organizational objectives efficiently and effectively.

2- Decision Quality Criteria

Administrative decision quality is measured through several key criteria (PMI, 2017):

- **Validity:** The extent of decision alignment with organizational objectives
- **Effectiveness:** The decision's capability to achieve desired outcomes
- **Flexibility:** The possibility of modifying the decision in light of variables
- **Information-based foundation:** Utilizing reliable data to support decisions
- **Institutional acceptance:** Decision acceptance by concerned parties internally and externally

Summary: Decision quality signifies its capability to achieve objectives efficiently and flexibly, based on accurate information acceptable to concerned parties.

3- Decision-Making Models

Decision-making models assist organizations in selecting the most appropriate alternatives according to scientific and empirical foundations. The most prominent include (Hopkin, 2018; Sadgrove, 2016):

- **Rational Model:** Selecting optimal alternatives after gathering and analyzing information
- **Intuitive Model:** Relying on experience and personal intuition when information is insufficient
- **Bounded Rationality Model:** Making acceptable decisions within information and resource constraints
- **Collective Model:** Involving work teams or decision-making committees to reach optimal solutions

Summary: Decision-making models enable organizations to employ logical analysis, experience, or collective consensus to select the most appropriate solutions.

Challenges Facing Non-Governmental Organizations

Non-governmental organizations operating in the Gaza Strip confront a range of structural and field challenges that undermine their capacity to achieve institutional sustainability and effective crisis response. According to reports from the Palestinian NGO Network, the Office for the Coordination of Humanitarian Affairs (OCHA), and the Palestinian Research Center, the most prominent challenges manifest in limited funding and donor dependency, where a significant proportion of NGOs depend on conditional external funding that may be subject to political considerations or donor priorities not necessarily aligned with actual local community needs, constraining these organizations' independence and rendering their financial stability vulnerable to risks.

Reports also indicate an acute shortage of core funding-allocated to cover operational costs and institutional capacity building-which weakens organizations' ability to invest in developing their administrative and supervisory systems and enhancing internal efficiency (Palestinian NGO Network, 2023). Additionally, recent UN reports indicate a noticeable decline in international funding volume directed toward relief and humanitarian work in Gaza, exposing numerous organizations to the risk of reducing activities or partial operational cessation (OCHA, 2023).

Alongside funding challenges, NGOs suffer from infrastructure destruction effects, where Gaza Strip infrastructure is characterized by fragility, particularly in water, sanitation, and energy sectors, increasing difficulties in implementing field projects and programs efficiently. Restrictions imposed on transportation movement and importing essential equipment and materials weaken organizations' capacity to rehabilitate offices or operational facilities post-crises, limiting humanitarian response speed and reconstruction (OCHA, 2022; Palestinian Research Center, 2023).

Security and Political Risks

- Organizations face pressure from the occupation, whether in assistance entry or in registration and regulatory practices

- Regulatory and legal risks exist due to ongoing aggression, potentially affecting local staff safety and organizational operational freedom

Administrative and Operational Capacity Weaknesses

- Some organizations suffer from deficiencies in internal control and accountability systems, reflecting on internal operational efficiency
- Employment and competency retention challenges exist: unstable salaries and shortage of experienced personnel weaken institutional sustainability

Recurring Humanitarian Crisis Pressures

- Repeated aggression constitutes a substantial burden on organizations: increased assistance demand, destruction of existing projects, and long-term planning difficulties
- Shortage of basic supplies or assistance pathway disruption weakens organizational capacity to respond rapidly and efficiently to changing needs

Accountability and Transparency

- Some organizations face difficulties implementing community accountability and local community participation mechanisms in decision-making, reducing donor and community confidence
- Weak institutional supervision impedes performance monitoring and objective achievement verification, particularly in volatile crisis environments

Literature Review

Study (ESCWA, 2023; UNDP, 2023) in the Palestinian context examined the relationship between strategic leadership and risk management within institutions, demonstrating that integrating risk management within leadership practices enhances institutional stability and elevates organizational capacity for crisis management, supporting rational administrative decision-making based on proactivity rather than reaction.

Study (Arena, Arnaboldi, & Azzone, 2010) addressed Enterprise Risk Management (ERM) as a supportive tool for strategic decision-making in public and non-profit organizations, focusing on ERM's role in improving information quality used in decision-making, enhancing coordination between administrative levels, and transitioning from risk management as a monitoring function to a proactive integrated approach. The study confirmed that organizations implementing mature ERM achieve higher administrative decision quality levels, especially in environments characterized by uncertainty and multiple risk sources.

Study (Al-Qahtani, 2022) examined strategic risk management as an integrated administrative approach through analyzing multiple risk management dimensions including documentation risks, institutional reputation risks, and risks related to organizational culture and human resources. The study confirmed that adopting strategic risk management contributes to improving institutional performance and supporting developmental objective achievement, reflecting risk management's role as a supportive tool for administrative decision quality in medium and long terms.

Study (Mustaffha et al., 2021) presented a systematic literature review concerning risk management in public and non-profit organizations, focusing on the nature of risks confronting this organizational type and risk management practice maturity levels therein. Study findings indicated that risk management practices in the non-profit sector remain at limited to moderate levels, with weaknesses in comprehensive enterprise risk management implementation, limiting administrative decision effectiveness and confirming the need for more integrated frameworks supporting decision quality.

Study (Mustaffha et al., 2021) employed systematic literature review methodology, focusing on assessing risk management practice prevalence extent in public and non-profit organizations and research gaps related to measuring these practice effectiveness. The study confirmed that absent clear tools for evaluating risk management negatively reflects on non-profit organizations' capacity to employ risk management as a proactive approach for rational decision-making.

Study (Aebi, Sabato & Schmid, 2019) examined enterprise risk management implementation effects on decision quality and administrative control in non-profit and public institutions, demonstrating that ERM adoption positively correlates with administrative report quality and decision-making process improvement, particularly in organizations operating in high-risk environments.

Study (Domański, 2016) constituted a field study supported by theoretical analysis encompassing a broad sample of non-profit organizations, focusing on identifying risk categories confronting these organizations in daily activities, such as financial, operational, legal risks, and reputation and sustainability risks. The study clarified that clear strategic risk management procedures-including risk identification, assessment, and mitigation mechanisms-contribute to improving administrative organization and enhancing leadership capacity for making more balanced decisions, especially in environments characterized by uncertainty.

Study (Beasley et al., 2015; Gordon et al., 2009) in the higher education sector examined Enterprise Risk Management (ERM) system adoption effects on administrative organization, emergency preparedness, and administrative report quality, demonstrating that implementing these systems contributes to elevating operational efficiency and decision quality, confirming risk management concept applicability in non-profit institutions beyond profit frameworks.

Study (Bromiley et al., 2015) examined enterprise risk management as an integrated administrative system supporting governance and decision-making in non-profit and public organizations, confirming that ERM implementation contributes to improving administrative coordination and information quality used in decision-making, enhancing leadership capacity for managing institutional uncertainty.

Research Gap

Despite relative accumulation in literature addressing risk management in non-profit and public organizations, literature review reveals a set of substantial research gaps. Most studies have concentrated on describing risk types or analyzing enterprise risk

management frameworks as general organizational approaches without transitioning to analyzing these practice effects on administrative decision quality as a critical administrative output reflecting leadership and institutional governance efficiency.

Literature indicates that numerous studies, particularly systematic reviews, confirmed limited prevalence and low maturity levels of risk management implementation in non-profit organizations; however, they did not devote sufficient attention to studying risk management's influence mechanism on the decision-making process itself, nor how risk management transforms from a procedural tool to a proactive instrument supporting rational decision-making in environments characterized by uncertainty.

Additionally, a clear absence of applied studies addressing the Palestinian non-governmental sector in this domain is observable, where most previous research focused on international contexts or specific sectors such as health and education, without testing result generalizability in fragile and complex environments characterized by multiple political, economic, and regulatory risk sources. Previous studies have not addressed the relationship between risk management and administrative decision quality within an integrated analytical model considering Palestinian context specificity.

Consequently, the research gap manifests in the need for an applied analytical study examining risk management's role-across its various dimensions-in improving administrative decision quality within Palestinian non-governmental sector institutions, contributing to bridging an existing knowledge and methodological gap in literature and providing a scientifically rigorous and practically applicable framework for supporting administrative decision-making in non-profit organizations operating in high-risk environments.

This study is distinguished by not merely offering descriptive or theoretical treatment of risk management but adopting an applied analytical model linking risk management dimensions and administrative decision quality in a Palestinian non-governmental context characterized by elevated uncertainty levels and multiple risk sources, thereby enhancing its scientific and applied value and supporting its usability by administrative leadership and decision-makers.

Research Problem

The study problem lies in weak utilization of risk management methodologies within numerous non-governmental organizations, potentially affecting their administrative decision quality.

The primary research question is formulated as follows:

- What is risk management's role in improving administrative decision quality within non-governmental sector institutions?

Research Questions

- What is the extent of risk management implementation in non-governmental sector institutions?
- What is the level of administrative decision quality in these institutions?

- Is there a statistically significant relationship between risk management implementation and administrative decision quality?
- What is the extent of each risk management dimension's (identification - assessment - response - monitoring) influence on administrative decision quality?

Research Objectives

The study aims to:

- Determine the level of risk management implementation in the non-governmental sector
- Measure the level of administrative decision quality in institutions under study
- Reveal the nature of the relationship between risk management and decision quality
- Identify which risk management dimensions most significantly influence administrative decision quality
- Provide practical recommendations for improving decision-making systems through effective risk management

Research Significance

First: Theoretical Significance

- Enriching literature related to risk management in the non-governmental sector.
- Demonstrating the relationship between risk management and administrative decision quality.

Second: Applied Significance

- Developing decision-making policies for non-governmental organizations operating in Palestine.
- Assisting administrative leadership in anticipating challenges and mitigating their effects.
- Enhancing institutional capacity for risk response.
- Improving organizational sustainability in high-risk environments.

Research Hypotheses

First Hypothesis

It is expected that there is no statistically significant correlation at the level ($\alpha=0.05$) between risk management and administrative decision quality from the perspective of employees working in non-governmental organizations operating in the Gaza Strip.

Second Hypothesis

It is expected that the risk assessment dimension has no statistically significant effect at the level ($\alpha = 0.05$) on administrative decision quality in non-governmental organizations operating in the Gaza Strip.

Third Hypothesis

It is expected that risk management dimensions collectively have no statistically significant effect at the level ($\alpha = 0.05$) on administrative decision quality in non-governmental organizations operating in the Gaza Strip.

Fourth Hypothesis

It is expected that there are no statistically significant differences at the level ($\alpha = 0.05$) in the level of risk management implementation attributed to organization type or size in non-governmental organizations operating in the Gaza Strip.

Research Design

The study adopted the descriptive-analytical methodology, being most suitable for examining administrative phenomena and measuring relationships between variables.

This methodology was employed to describe the reality of risk management implementation in non-governmental sector institutions, analyze the relationship between risk management practices and administrative decision quality, interpret statistical analysis results, and provide practical recommendations.

Study Population and Sample

The general framework of the study population comprises non-governmental organizations operating in the Gaza Strip, totaling 1,001 institutions according to statistics issued by the Ministry of Interior, NGO Department for 2023. Regarding the actual study population framework-active NGOs with more than 15 employees and organizational age exceeding 5 years-based on these criteria, the number of NGOs reached 128 organizations with 6,306 employees. Accordingly, the researcher employed probability sampling represented by simple random sampling using the Richard Geiger equation at an error margin of 0.07 = 190 employees. Subsequently, 220 questionnaires were distributed to employees working in NGOs in the southern governorates. The retrieval rate reached 214 questionnaires out of 220, representing a recovery rate of 97.27%, considered excellent and enabling reliable analysis of study results.

Questionnaire Description

The questionnaire comprises two main sections. The first section encompasses demographic data: gender, educational qualification, years of experience, and nature of institutional work. The second section consists of two primary variables. The first independent variable: risk management, comprising 5 dimensions: risk identification, risk analysis, risk assessment and prioritization, risk treatment and response, and risk monitoring and control. This variable contains 15 items. The second dependent variable: decision-making quality, containing 15 items.

Data Coding: Data were coded using unified digital coding methodology compatible with quantitative statistical analysis requirements in SPSS software, ensuring accuracy and objectivity in result interpretation.

Data Analysis Methods

The study relied on SPSS software, utilizing the following tests:

- Descriptive statistics (means, standard deviations)
- Pearson correlation coefficient to measure relationships between variables
- Linear regression analysis to measure risk management's effect on decision quality
- Difference tests between means if necessary (Independent Samples T-Test/ANOVA)

Questionnaire Validity and Reliability

Exploratory Factor Analysis

Results presented in Table (1) for exploratory factor analysis criteria for independent and dependent variables (risk management and administrative decision quality) indicate that exploratory factor analysis criteria were achieved, where the KMO measure ranged between (0.934, 0.948), exceeding the 0.5 criterion. Bartlett's test results showed statistical significance less than 0.05 (criterion: less than 0.05), and loading degrees ranged between (0.658, 0.864), exceeding the 0.5 criterion.

Table 1: Exploratory Factor Analysis Results for Study Variables

Factor Analysis Results	Risk Management	Administrative Decision Quality
KMO	0.934	0.948
Bartlett's Test - Chi-Square	2105.8	3001.3
Significance	0.001	0.001
Loading Degrees		
Item 1	0.658	Item 9: 0.724 - 0.860 - 0.658
Item 2	0.709	Item 10: 0.734 - 0.848 - 0.823
Item 3	0.743	Item 11: 0.753 - 0.814 - 0.825
Item 4	0.775	Item 12: 0.672 - 0.864 - 0.801
Item 5	0.734	Item 13: 0.780 - 0.775 - 0.789
Item 6	0.745	Item 14: 0.810 - 0.783 - 0.808
Item 7	0.771	Item 15: 0.797 - 0.808 - 0.809
Item 8	0.796	---: 0.744

Questionnaire Reliability

Table 2: Reliability Results Using Cronbach's Alpha and Weighted Omega Indicators

Axis	Dimension	Variable Description	Number of Items	Cronbach's Alpha	Weighted Omega	Result
Independent Variable	Risk Management	15	0.943	0.943	High Reliability	
Dependent Variable	Administrative Decision Quality	15	0.960	0.961	High Reliability	

Results presented in Table (2) indicate achievement of reliability criterion using Cronbach's Alpha and Weighted Omega indicators, where Cronbach's Alpha for the independent variable = 0.943 and Weighted Omega = 0.943. Cronbach's Alpha for the dependent variable = 0.960 and Weighted Omega = 0.961. These results confirm high questionnaire reliability.

Statistical Tests Used in the Study

The study relied on analyzing questionnaire data for examining risk management as an approach to improving administrative decision quality (a field study in non-governmental organizations operating in the Gaza Strip) using SPSS & AMOS 25 software. The following statistical tests were employed:

- Exploratory factor analysis, Cronbach's Alpha and Weighted Omega, frequencies and percentages, arithmetic means and relative weights and standard deviations, Pearson correlation coefficient, and path analysis

- Descriptive analysis of demographic data: Results presented in the table below indicate descriptive analysis of demographic data represented by (gender, years of experience, educational qualification, nature of institutional work) from the perspective of employees working in NGOs in the Gaza Strip

Table 3: Descriptive Analysis of Demographic Data (N=214 employees)

Variable	Category	Count	%	Variable	Category	Count	%
Gender	Male	104	48.6	Educational Qualification	Bachelor's	186	86.9
	Female	110	51.4		Graduate Studies	28	13.1
Years of Experience	Less than 5 years	2	0.9	Nature of Institutional Work	Administrative	42	19.6
	5 to less than 10	90	42.1		Financial	96	44.9
	More than 15 years	122	57.0		Technical	76	35.5

Statistical Analysis of Variables (Risk Management and Administrative Decision Quality)

Results presented in Table (4) indicate a high level of agreement for (risk management), where the arithmetic mean value reached (3.95 out of 5) with a relative weight of 79% and standard deviation of 0.50. Regarding dimension results, outcomes ranged between risk identification, ranking first with an arithmetic mean of (4.04 out of 5) and relative weight of 80.8%, indicating high agreement. Risk treatment and response ranked last with an arithmetic mean of (3.82 out of 5) and relative weight of 76.4%, expressing high agreement. Concerning decision-making quality, the arithmetic mean reached (3.90 out of 5) with a relative weight of 78%, indicating high agreement.

Table 4: Descriptive Analysis Results for Study Variables

Dimensions	Count	Arithmetic Mean	Standard Deviation	Relative Weight	Agreement Level
Risk Identification	214	4.04	0.64	80.8%	High
Risk Analysis	214	4.00	0.70	80.0%	High
Risk Assessment and Prioritization	214	3.84	0.74	76.8%	High
Risk Treatment and Response	214	3.82	0.74	76.4%	High
Risk Monitoring and Control	214	4.02	0.67	80.4%	High
Overall Independent: Risk Management	214	3.95	0.61	79.0%	High
Dependent: Decision-Making Quality	214	3.90	0.75	78.0%	High

Research Hypotheses Testing

First Hypothesis

Hypothesis Statement: It is expected that there is no statistically significant correlation at the level ($\alpha = 0.05$) between risk management as an approach to improving administrative decision quality from the perspective of employees working in non-governmental organizations operating in the Gaza Strip.

Results in Table (5) indicate a statistically significant positive correlation between risk management as an approach to improving administrative decision quality from employees' perspective in NGOs operating in Gaza, where Pearson correlation coefficient reached (0.358) with significance level 0.001, less than 0.05, indicating a positive correlation between the two variables.

This result confirms rejection of the hypothesis stating: It is expected that there is no statistically significant correlation at the level ($\alpha=0.05$) between risk management as an approach to improving administrative decision quality from employees' perspective in NGOs operating in the Gaza Strip.

Table 5: Relationship Between Risk Management and Administrative Decision Quality Improvement

Independent Variables / Dependent	Administrative Decision Quality			
	Observations	Pearson Correlation	Significance	Rank
Dimensions	Risk Identification	0.304**	0.001	3
	Risk Analysis	0.301**	0.001	4
	Risk Assessment and Prioritization	0.281**	0.001	5
	Risk Treatment and Response	0.312**	0.001	2
	Risk Monitoring and Control	0.369**	0.001	1
	Overall Independent: Risk Management	0.358	0.001	

** Significant at 0.01 level

Second Hypothesis

Hypothesis Statement: It is expected that the risk assessment dimension has no statistically significant effect at the level ($\alpha = 0.05$) as an approach to improving administrative decision quality in non-governmental organizations operating in the Gaza Strip.

Results presented in Table (6) indicate a statistically significant effect at the significance level for risk management as an approach to improving administrative decision quality from employees' perspective in NGOs operating in Gaza, where significance level = 0.001, less than 0.05, with effect value of 0.40.

Regarding measuring risk management dimension effects as an approach to improving administrative decision quality, results indicate a positive effect represented by (risk identification, risk monitoring and control) as an approach to improving administrative decision quality, with significance levels less than 0.05. Meanwhile, dimensions (risk analysis, risk assessment and prioritization, and risk treatment and response) showed no effect as an approach to improving administrative decision quality, as significance levels exceeded 0.05. Figure (1) illustrates the study's structural model.

This result confirms rejection of the study hypothesis: It is expected that the risk assessment dimension has no statistically significant effect at the level ($\alpha=0.05$) for risk management as an approach to improving administrative decision quality from employees' perspective in NGOs operating in the Gaza Strip.

Table 6: Risk Management Effect on Administrative Decision Quality Improvement

Variable Effect Results	Effect Value	Significance Level	Effect Direction	Hypothesis Validity
Risk Identification ← Administrative Decision Quality	0.209	0.005	Positive	Rejected
Risk Analysis ← Administrative Decision Quality	-0.015	0.831	Negative	Accepted
Risk Assessment ← Administrative Decision Quality	-0.073	0.301	Negative	Accepted
Risk Treatment ← Administrative Decision Quality	-0.044	0.522	Negative	Accepted

Variable Effect Results	Effect Value	Significance Level	Effect Direction	Hypothesis Validity
Risk Monitoring ← Administrative Decision Quality	0.396	0.001	Positive	Rejected
R ² Coefficient	0.208	20.8%	Model Fit: 7.111 (0.001)	
Risk Management ← Administrative Decision Quality	0.40	0.001	Positive	Rejected
R ² Coefficient	0.156	15.6%	Model Fit: 31.146 (0.001)	

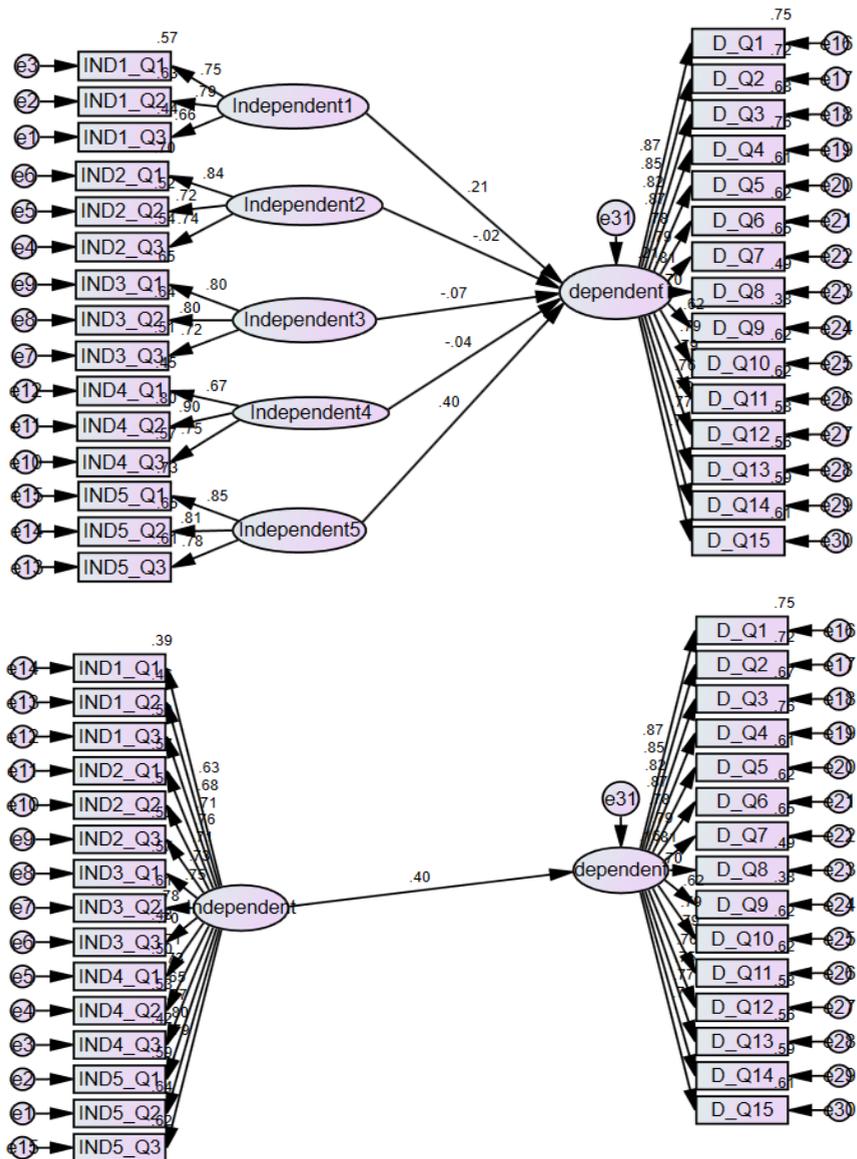


Figure 1: Structural Model for the Study Using Path Analysis

Discussion of Results

First: Discussion of Descriptive Analysis Results for Study Variables

Descriptive analysis results revealed that the level of risk management implementation in non-governmental organizations operating in the Gaza Strip was relatively high, reflecting employee awareness of this administrative approach's importance within an environment characterized by political and financial instability. The risk identification dimension ranked first, indicating strong capability in detecting potential risks, while the risk treatment and response dimension ranked last, suggesting a gap exists between risk diagnosis and transforming it into effective executive procedures. Results also demonstrated that decision-making quality level was high; however, this elevation may reflect relative satisfaction rather than comprehensive methodological quality, given limited available alternatives.

Second: Discussion of First Hypothesis Testing Results

Study results revealed a moderate-strength statistically significant positive correlation between risk management and administrative decision quality, indicating that improved risk management practices correlate with enhanced administrative decision quality. The strongest correlation was observed for the risk monitoring and control dimension, while risk analysis and assessment dimensions showed weaker correlation, suggesting these practices are typically implemented procedurally without effective deployment in decision-making processes.

Third: Discussion of Second Hypothesis Testing Results

Effect analysis results demonstrated a statistically significant positive effect of risk management overall on administrative decision quality; however, the explanation percentage remained limited, confirming that decision quality is influenced by other organizational and administrative factors not addressed in this study. Results clarified that the positive effect was confined to risk identification and monitoring and control dimensions, while remaining dimensions showed no effect, indicating weak integration between risk management stages within organizations under study.

Fourth: Contextual Interpretation of Study Results

These results are interpreted considering Gaza Strip environment specificity, where decisions are predominantly made reactively, risk response is constrained by external factors, and conditional funding influences operations. These circumstances limit strategic integrated risk management implementation capability and render its effect on administrative decision quality relatively modest.

Recommendations

Based on study findings, the following recommendations are proposed:

- 1- **Transition from diagnosis to action:** Organizations must shift from concentrating solely on risk identification and monitoring toward activating effective risk analysis and response, directly linking them to administrative decision-making processes.
- 2- **Strengthen monitoring systems:** Enhance risk monitoring and control systems as early warning tools supporting administrative decision quality improvement.

- 3- **Develop response plans:** Formulate clear, pre-established risk treatment and response plans incorporating implementable alternatives and scenarios.
- 4- **Integrate risk management into governance:** Embed risk management outcomes within administrative meetings and organizational policy-making rather than treating it as a separate activity.
- 5- **Capacity building programs:** Implement specialized training programs building employee capacities in risk analysis, assessment, and administrative decision support.
- 6- **Link performance to risk management:** Connect administrative performance evaluation with commitment levels to implementing risk management practices and quality of decisions made.
- 7- **Establish specialized units:** Create units or assign specialized personnel for risk management to ensure continuity and governance.
- 8- **Align with strategic planning:** Harmonize risk management with strategic planning to enhance long-term decision efficiency.
- 9- **Encourage donor support:** Motivate donor agencies to support risk management system development rather than limiting support to formal requirements.
- 10- **Expand future research:** Broaden future studies by incorporating other organizational variables to explain administrative decision quality more comprehensively.

Research Limitations

This study's limitations are determined by its substantive, methodological, and procedural nature. Research was confined to analyzing risk management's role across specified dimensions in improving administrative decision quality within non-governmental organizations, without incorporating other organizational variables potentially affecting decision-making processes. The study relied on perceptual measurement based on employee responses using a questionnaire, rendering results contingent upon respondents' subjective perception accuracy.

Additionally, analyses were limited to quantitative statistical methods using SPSS software, without employing qualitative analysis tools or advanced explanatory models, given temporal constraints and limited research capabilities due to ongoing war in the Gaza Strip, highly hazardous conditions, and sensitivity of certain risk management-related data. These factors may affect result generalizability beyond the study framework.

Future Research Propositions

Based on identified research gaps and study findings, the following future research directions are suggested:

- 1- **Mediating and moderating variables:** Examine organizational culture and leadership style roles as mediating or moderating variables in the relationship between risk management and administrative decision quality.
- 2- **Governance and transparency:** Investigate institutional governance and transparency effects in enhancing risk management effectiveness within non-governmental organizations.
- 3- **Qualitative or mixed methods studies:** Conduct qualitative or mixed-methods research to interpret weak effects of certain risk management dimensions, particularly risk analysis and treatment, from administrative leadership perspectives.

- 4- **Comparative sectoral studies:** Expand study scope to encompass different organizational sectors or conduct comparative studies between non-governmental and governmental organizations.
- 5- **Digital transformation impact:** Examine digital transformation and administrative information systems effects in supporting risk management integration and decision-making quality improvement.
- 6- **Crisis management linkage:** Investigate the relationship between risk management practices and organizational crisis management and resilience capacity.
- 7- **Donor influence analysis:** Study donor agency and conditional funding effects on risk management implementation levels and administrative decision quality in NGOs.
- 8- **Longitudinal studies:** Conduct longitudinal studies tracking risk management practice evolution and their long-term effects on organizational performance and decision quality.
- 9- **Cross-cultural comparisons:** Implement comparative studies examining risk management practices across different cultural and geographical contexts within fragile and conflict-affected environments.
- 10- **Technology adoption:** Explore artificial intelligence and data analytics utilization in enhancing risk prediction, assessment accuracy, and decision support system effectiveness.

Conclusion

This study has contributed to understanding risk management's role as a systematic approach to improving administrative decision quality in non-governmental organizations operating under exceptionally challenging conditions in the Gaza Strip. Despite the relatively high level of risk management implementation, results revealed implementation gaps between diagnosis and treatment, with risk identification practices dominating while risk response remained the weakest dimension.

Empirical evidence confirmed a statistically significant positive relationship between risk management and administrative decision quality, with risk monitoring and control demonstrating the strongest influence. However, the absence of significant effects for certain dimensions (analysis, assessment, and response) underscores the necessity for more comprehensive integration of risk management stages to maximize their value in supporting decision-making processes.

These findings carry significant practical implications for NGO leadership, emphasizing the imperative to transition risk management from a procedural compliance function to a strategic institutional tool deeply embedded in organizational culture and decision-making architecture. Given the persistent volatility and resource constraints characterizing the Palestinian context, effective risk management implementation becomes not merely a technical necessity but a fundamental prerequisite for organizational survival and mission fulfillment.

Future research should build upon these findings by exploring contextual factors, organizational dynamics, and technological innovations that may enhance risk management's contribution to decision quality in comparable high-risk humanitarian settings globally.

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