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INFLUENCE OF PROJECT RISK MANAGEMENT STRATEGIES ON THE PERFORMANCE OF ORGANISATIONS IN THE MOTOR INDUSTRY: A CASE OF ISUZU EAST AFRICA LIMITED, KENYA

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Abstract: **The study sort to determine the role of project risk management on organisational performance in motor industry in Kenya as explained by Isuzu East Africa Limited. The study used a probability sampling technique in form of stratified random sampling to draw a sample of 133 respondents from the target population of 200 Isuzu East Africa Limited staff. The study adopted a descriptive study to collect data from all the 133 respondents sampled using structured questionnaires. Data collected was analyzed using Quantitative data analysis including descriptive and inferential statistics. Descriptive statistics formed the basis of the research. Descriptive statistics included use of frequencies and percentages. Inferential statistics included use of multiple linear regression model and bivariate correlation. Results were presented in form of frequency distribution tables and pie charts. Qualitative data was analyzed through content analysis and presented in continuous prose form. The study was governed by four theories; Relational theory of risk management, The Historical Dissatisfaction Theory, The Environmental Complexity Theory and the theory of Pure Risk Management in the Business Firm. The role of project risk management : Project Risk Identification, Project Risk Analysis, Project Risk Control and Project Risk Response on Organizational Performance at Isuzu East Arica Limited was deduced from the results of the study. The findings of the study revealed that Project Risk Analysis and Project Risk Response play a significant role on the Performance Isuzu East Africa. The study established that Project Risk Identification and Project risk Control were not so much a function of Organizational Performance but were closely related to Project risk Analysis hence could indirectly impact on the performance of Isuzu East Africa Limited.**

Keywords: **Core Competencies, Productivity, Service Delivery, Project Risk Identification, Project Risk Analysis, Project Risk Control, Project Risk Response, Organizational Performance.**

I. INTRODUCTION

The automobile industry is especially susceptible to the influence of uncertainty given the fact that most of the automobile companies are multinationals and, as such, face global competition and the attendant difficulties. Belis-Bergouignan, Bordenave and Lung (2000) affirm that the new global competitive environment has forced automobile companies to come up with new adaptive strategies given the dynamic nature of the industry. A significant driving force for change in the automobile industry has been technology. Given the pervasive nature of the automobile in our everyday lives, it is inevitable that it would be the subject of constant tinkering by technicians to keep evolving to become more convenient and adapted to our every whim. According to Nunes and Bennet (2009), automobiles have been noted as key contributors

to pollution in most environmental discussions on policies and issues and this has prompted more innovations in automotive technology to become more "green" to try to reduce their emission footprints. Additionally, automobiles involve the use of advanced supply chain management technologies to ensure that all the accompanying activities including the placing of orders to produce and deliver vehicles, sourcing and procurement, production and all logistics management are coordinated effectively and efficiently (Chan, Chan & Jain, 2012). Techakanont and Terdudomtham (2004) allude to the evolution of 'inter-firm' technology transfer in the automobile industry where companies tap into linkages among automobile assemblers in transferring technology and the increased demands placed on suppliers to boost their technology competencies to attain product engineering capability.

The Spanish automobile industry traces its history to over half a century ago with the establishment of SEAT (Sociedad Espanola de Automoviles de Turismo) in 1950 followed by the 1953 opening of FASA (Fabricacion de Automoviles) (Truett & Truett, 2001). This nascent phase of the industry experienced many teething problems including unreliable local suppliers and import restrictions which forced the proliferation of assembly companies becoming increasingly vertically integrated. It was not until the late 1950s when the allowance of foreign capital investment led to the entry of Citreon in 1957, and Morris and Chrysler in the late 1960s (Truett & Truett, 2001). The introduction of a 90% minimum local content requirement in 1964 promoted the development of a local automobile industry. However, the good times soon took a turn for the worse when the push for an indigenous car industry accompanied by the import substitution policy led to the country being isolated from the rest of Europe (Truett & Truett, 2001). The 1970s ushered a revision of this policy leading to a change in fortunes exemplified by the setting up of assembly plants by the likes of Ford and Isuzu. The main development in the 1980s was the ambition of Spanish entry into the European Community which necessitated the change from inward facing policies for the automobile industry to a more international orientation. The increased internationalization of the industry resulted in greater automation of processes which continued into the 1990s and beyond (Truett & Truett, 2001).

The automobile industry in South Africa emerged in 1924 when Ford Company produced the first assembled car in South Africa. The industry really took off after the World War II as domestic demand for vehicles grew but this placed a huge foreign exchange burden since there was no local base for component production exemplified by the fact that by 1958, 80% of an average passenger car was built from imported parts (Alfaro, Bizuneh, Moore, Ueno & Wang, 2012).

The Nigerian automobile industry owes its existence to initiatives by private companies like UAC, Leventis, SCOA, BEWAC and R.T. Briscoe when they led to the establishment of auto assembly plants using Completely Knocked Down (CKD) or Semi-Knocked Down parts (Emezuru, 2015). The industry started in the 1970s but failed to live up to expectations when the pioneered assembly plants disintegrated in the face of apathy from the government which was more interested in the booming oil market (Emezuru, 2015). Emezure (2015) noted that more effort needed to be undertaken to demonstrate the values of boosting the local automobile industry including conservation of foreign exchange reserves, generation of high employment opportunities, acquisition of technological know-how and effective utilization of local raw materials and resources. Agbo (2011) posits that the Nigerian Government's efforts of promoting local industries through import-substitution strategy aimed at technological advancement in the automobile industry and the attainment of 100% local content within 10 years, failed. Mwelu, Rulangaranga, Watundu, Kaberuka and Tindiwensi (2014) carried out a cross-sectional study of manufacturing firms in Uganda and found that the typical risk management process involved the identification of risk, the evaluation of its existence and probable effect on a business and finally the development of mitigating measures to control the risk. The findings indicated that the risk management practices affected up to 35% of the changes in the profitability levels of manufacturing firms in Uganda (Mwelu, *et al.*, 2014). Ultimately, the authors recommended that manufacturing firms ought to institute risk management procedures in their operations and even adopt new ways of managing risk.

Mbuya and Lima (2002) found that Tanzania's construction sites were ranked the second most dangerous place to work after mines given that the incidence of deaths, permanent disabilities and severe injuries were on the rise at such sites. Consequently, the productivity and overall performance of construction projects had been compromised and led to adverse effects to the economic well-being of Tanzania and its labour force. In this regard, various think-tanks arrived at the conclusion that the most probably solution was in the establishment of risk assessment, communication and control so as to manage, minimize, control or transfer risk exposure (Phoya, 2012). The study demonstrated that the main benefit of risk assessment enhanced the determination of degree of risk exposure to employees and development of risk control

protocols as well as the communication of essential risk protection information to project participants to facilitate greater awareness of all things pertaining to risk. Chileshe and Kikwasi (2014) demonstrated that there existed a direct correlation between risk management practices and project success in Tanzania's construction industry. In fact, the implementation of risk assessment and management practices (RAMP) was known to contribute to improved performance of construction projects through the enhancement of awareness of and subsequent implementation of risk management practices that ensured benefits such as budget adherence and reduction of rime overruns (Chileshe & Kikwasi, 2014). The study carried out by Chileshe & Kikwasi (2014) exposed several barriers to the implementation of RAMP including the dominance of the construction industry by few foreign contractors who have competitive advantages; and the lack of governmental support for the informal sector within the construction industry.

One of the biggest impediments to the implementation of risk management in the construction industry is the lack the requisite level of awareness of RAMP and effective use of the tools owing to the low level of competence and skills level amongst the predominantly informal sector participants (Chileshe & Kikwasi, 2014). The ever present danger of credit risk exposure pushed the Central Bank of Kenya (CBK) to carry a risk management survey on the Kenyan banking sector in 2004 to determine the risk management needs of the local banking sector (Ogilo, 2012). Accordingly, the survey accomplished two objectives: (1) the issuance of Risk Management Guidelines (RMGs) in 2005 and (2) the adoption of the Risk Based Supervision approach to the supervision of financial institutions in 2005 to facilitate the incorporation of international risk management best practices (Ogilo, 2012). Consequently, the commercial banks in Kenya instituted an upgrading of their risk management and control systems which led to an enhancement of risk-awareness and risk-management, improved efficiency and effectiveness of risk management, reduced financial losses, the establishment of effective and better-resourced risk management functions, and facilitated an improvement in the decision-making processes (Ogilo, 2012). SMEs face daunting odds of survival given that most of them are usually resource constrained.

According to Kinyua, Ogollah and Mburu (2015), risk management strategies are critical to the long-term survival of SME projects in Kenya within the information communication technology (ICT) sector given the long development lead-times, rising development costs and high failure rate. However, a study carried out by KPMG (2011) determined that 68% of organizations in ICT in Kenya experience project failure despite the adoption of risk management strategies (Kinyua *et al.*, 2015). The highest risk exposure for ICT SME projects pertained to operational, market, credit and political risks (Kinyua, *et al.*, 2015). The study found that many ICT organizations carried out regular risk evaluations in order to identify the risks, analyse and assign project priorities to enhance project performance. The study established that there existed positive correlation between project risk identification and performance since it enables organizations to establish appropriate risk mitigation measures (Kinyua *et al.*, 2015). Kinyua *et al.* (2015) were also able to determine that appropriate risk management practices have a positive influence on the level of client satisfaction since they invariably lead to the development of better products. Muiruri and Mulinge (2014) opined that the construction industry in Kenya has been increasingly under siege to establish proper risk management practices given the heightened rate of accidents including the collapsing of buildings and ill-health problems on construction sites. This situation is exacerbated by the fact that construction projects in Kenya employ a wide range of cadres of employees including people from very diverse education backgrounds, cultural backgrounds, wide cultural differences, and even different levels of health and safety awareness (Muiruri & Mulinge, 2014). Thus, the increased incidence of accidents and ill-health at construction sites in Kenya reflects the lack of adequate risk mitigation measures (Muiruri & Mulinge, 2014).

Kenya is heavily dependent on road transportation for the movement of people and goods. In fact, according to the Kenya Roads Board, the Kenya roads sub-sector accounts for over 80% of the country's total passenger traffic and 76% of the freight. The Kenya Motor Assembly industry comprises four categories of players. The first one is made up of three assemblers: Kenya Vehicle Manufacturers (KVM), Associated Motor Assemblers (AVA), and Isuzu East Africa with the first two being contract assemblers while the last one is a franchise holder and an assembler as well (Okatch, Mukulu & Oyugi, 2011). The second category is made up of 13 franchise holders who specialize in importing completely knocked down kits (CKDs) and assembling on behalf of principle car manufacturers in Japan, France, Italy, United Kingdom, Germany, and others. The third category is made up of several independent Small and Medium sized Enterprise (SME) who supply assembly and replacement parts to the automobile industry. The final category comprises body fabricators who perform a subcontracting role in the industry (Okatch, *et al.*, 2011). The three main assemblers have a total installed capacity of 23,200 vehicles on a batch basis but with only a 28.5% utilization level as of 2004. This underutilization

reduces the demand for subcontracting within the industry which is unfortunate given the fact that the industry is heavily dependent on a wide sub-contracting network to meet its manufacturing needs (Okatch, *et al.*, 2011). The poorly managed linkages in the network necessitated the establishment in 1991 of the Kenya Subcontracting and Partnership Exchange (KSPX) with the help of the United Nations Development Programme (UNDP). The study sort to determine the role of project risk management in organisational performance with special consideration to operations at Isuzu East Arica Limited Nairobi Kenya.

II. METHODOLOGY

This research used a descriptive study to obtain information about the status of project risk management in the motor industry in Kenya. A descriptive study was appropriate since it minimized bias and optimized on the reliability of data (Mugenda & Mugenda, 2008). The study population consisted of all the 200 staff members at Isuzu East Africa limited including after sales, vehicle sales, supply chain, procurement, human resource, finance, warehouse and security department staff. The study sought to establish the staff experiences with implementing risk management in the organisation. All the 200 staffers from the various departments at Isuzu East Africa were sampled to investigate the role of project risk identification, risk analysis, risk response and risk control on organisational performance. The study used a probability sampling technique in form of stratified random sampling to draw a sample of 133 staffers of Isuzu East Africa from the target population of 200. Data was collected using closed-ended questionnaires consisting of questions that were accompanied by a list of all possible alternatives for the respondents to select an answer that best describes their situation. Structured questions helped the researcher to save a lot of time during data collection exercise. Questionnaires were used to retrieve demographic information and the opinions of the 133 respondents about how the independent variables influence the dependent variable. Data collected from the respondents at Isuzu East Africa formed the primary data while information collected from journals, books and reports formed the secondary data. Questionnaires were served to 133 respondents from the total population of 200 staffers at Isuzu East Africa and later collected after their response. Questionnaires were categorized according to the respondents' demographic information and general information about the role of project risk identification, project risk analysis, project risk response and project risk control on organisational performance at Isuzu East Africa. The study conducted a pilot study to test the structuring of the questions in the questionnaires to ascertain whether the questionnaire was reliable. 10 subjects were issued with questionnaires to test the reliability of the data collection instrument from the sample size of 133 staffers (Mugenda & Mugenda, 2008).

To avoid fatigue, the 10 subjects participating in the pilot study were not included in the final study. The research instrument was validated by collecting and analyzing data to assess its accuracy. The questions were examined by a focus group of 10 experts working at Isuzu East Africa as an expert panel to provide theoretical construct validity in keeping with the guidelines of Mugenda and Mugenda (2003) while the research supervisor was used as content expert to provide content validity as a consultant. This ensured content validity by evaluating the questions, statements and optional responses in the questionnaire to ascertain relevance and clarity (Mugenda & Mugenda, 2003). The questions in the research instrument were adjusted as recommended by the consultants on their suitability before issuing the questionnaires for the final data collection exercise. The research instrument was pre-tested to determine its reliability by checking the structure, wording and sequence of the questions. 10 questionnaires were piloted by issuing them to randomly selected respondents at Isuzu East Africa. The questionnaires were coded and responses input into statistical program for social sciences (SPSS) version 20 which was used to generate the Cronbach's reliability coefficient. Cronbach's Alpha (α) was used to measure internal consistency of the research instrument in this study. The study obtained a Cronbach's Alpha (α) coefficient of 0.913 against the 0.7 used as a threshold of reliability (Mugenda & Mugenda, 2003). In this study, data collected from the respondents was cleaned, tabulated, coded and analyzed to deduce relationships between the variables using the statistical program for social sciences (SPSS) software version 20. Analyzed data was presented using tables and charts (Skalland, 2011). Frequency distribution tables and percentages were used in the study to capture the characteristics of the variables. The study employed inferential statistics such as multiple linear regression and bivariate correlation to analyze the relationship between the dependent variable and the independent variables. The independent variables in the study were: project risk identification, risk analysis, risk response and risk control while the dependent variable was organisational performance. This study presented study results using frequency distribution tables, graphs and pie charts to highlight them and to deduce the relationship between the variables. Multiple

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linear regression was used to determine the relationship between the independent variables: project risk identification, risk analysis, risk response and risk control and how they predicted organisational performance in the motor Industry in Kenya as explained by Isuzu East Africa. The multiple linear regressions equation that was used in the model was:

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$

Where:

Y= Organisational Performance

β_0 = Constant Term,

X_1= Project Risk identification

X_2= Project risk Analysis

X_3= Project risk Response

X_4= Project risk Control

In the model, $\beta 0$ = was the constant term while the coefficients $\beta_i i = 1.....4$ was used to measure the sensitivity of the dependent variable (Y) to unit change in the predictor variables X_1, X_2, X_3 and X_4. ε was the error term which was used to capture the unexplainable variations in the model.

III. FINDINGS

The target sample of the study was 133, out of which 91 were returned, representing a response rate of 68%. According to the reliability test results, risk response had the highest Alpha test score of 0.872 indicating that it was the most reliable variable in the study. It was then followed by risk control with a test score of 0.807; risk analysis with a test score of 0.794; and risk identification with test score of 0.707. It was apparent that all the scales under consideration scored acceptable in terms of the reliability including in the combined assessment. Table 1 below shows the multifactor correlation matrix for the study. The following observations were made. The correlation values for all independent variables indicated a strong positive correlation relative to the dependent variable which was supported by Hauke and Kossowki (2011). There existed a strong positive correlation (R = 0.8249) between project risk identification and organizational performance. There existed a moderate positive correlation (R = 0.6518) between project risk analysis and organizational performance. There existed a strong positive correlation (R = 0.7671) between project risk response and organizational performance. Finally, the study established the existed of a strong positive correlation (R = 0.7317) between project risk control and organizational performance.

Table 1: Multi-factor Correlation Matrix

	Project Risk Identification	**Project Risk Analysis**	**Project Risk Response**	**Project Risk Control**	**Organizational Performance**
Project Risk Identification	1				
Project Risk Analysis	.5721**	1			
Project Risk Response	.6075**	.5354**	1		
Project Risk Control	.7529**	.6225*	.7453**	1	
Organizational Performance	.8249*	.6518**	.7671**	.7317**	1
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					

Table 2 below illustrates the model summary for the study. According to the table, the R Square value for all the independent variables was 0.703 indicating that the model can explain 70.3% of the variations in organizational performance which could be attributed to unit change in the four independent variables. This is consistent with Pallant (2001) who found that the appropriate threshold for R Square is 0.7.

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Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.862[a]	.749	.703	.21823
a. Predictors: (Constant), Project Risk Control, Project Risk Analysis, Project Risk Identification, Project Risk Response				

Table 3 displays the Analysis of Variance (ANOVA) statistics for the study. According to the ANOVA results, the value of the calculated F-test (F_{cal}) is equivalent to 16.672 which is greater than the critical value F_{crit} of 2.47. This indicates that there is a significant relationship between the four independent variables and the dependent variable. Further, the p-value of 0.000 is less than the 0.05 level of significance meaning that there is a statistically significant relationship between the four independent variables and the dependent variable. This confirms goodness of fit.

Table 3: ANOVA Statistics

Model		Sum of Squares	Degrees of Freedom	Mean Square	F	Sig.
1	Regression	3.201	4	.800	16.672	.000[b]
	Residual	4.096	86	.048		
	Total	7.297	90			
a. Dependent Variable: Organizational Performance						
b. Predictors: (Constant), Project Risk Control, Project Risk Analysis, Project Risk Identification, Project Risk Response						

Table 4 illustrates the beta coefficients for the multiple regression model of the study. The values of the constant and the coefficients enabled the generation of the following multiple regression model.

Table 4: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.793	.299		9.341	.000
	Project Risk Identification	.320	.083	.303	-2.646	.010
	Project Risk Analysis	.382	.051	.398	3.562	.001
	Project Risk Response	.476	.099	.560	3.793	.000
	Project Risk Control	.224	.108	.230	.222	.825
a. Dependent Variable: Organizational Performance						

The following observations were made from the regression results. Firstly, a unit increase in project risk identification would lead to a 0.320 increase in organizational performance when all other independent variables are held constant. Secondly, a unit increase in project risk analysis would lead to a 0.382 increase in organizational performance when all other independent variables are held constant. Thirdly, a unit increase in project risk response would lead to a 0.476 increase in organizational performance when all other independent variables are held constant. Lastly, a unit increase in project risk control would lead to a 0.224 increase in organizational performance when all other independent variables are held constant. It is evident from the results that project risk response was the strongest determinant of organizational performance, followed by project risk analysis, project risk identification, and project risk control.

The multiple linear regressions equation used in this model is:

$$Y = 2.793 + 0.476X_1 + 0.382X_2 + 0.320\ X_3 + 0.224\ X4 + 0.299$$

Where:

Y= Organisational Performance

In the model, $\beta 0$ = 2.793, is the constant term. The coefficients were calculated by SPSS version 20 and found to be: β_1 = 0.476, β_2 = 0.382, β_3 = 0.320 while β_4 = 0.224 and were used to measure the sensitivity of the dependent variable (Y) to unit change in the predictor variables X_1, X_2, X_3 and X_4. ε was the error term and was found to be 0.299. The error term captured the unexplainable variations in the model.

IV. DISCUSSIONS

This study's general objective was to determine the role of project risk management on organisational performance with special consideration to operations at Isuzu East Arica Limited. The general objective was then broken down into four specific objectives: to determine the influence of project risk identification on organisational performance; to determine the influence of project risk analysis on organisational performance; to determine the influence of project risk response on organisational performance; and to determine the influence of project risk control on organisational performance. The study applied a descriptive research design where a survey was carried out to collect data using close-ended structured questionnaires from a target population of 200 employees at Isuzu East Africa Limited, and a sample size of 133 whose response rate was 68%. The analysis of the data was then carried out using SPSS version 20.

According to the study, all the independent variables had strong positive correlations with the dependent variable as indicated by the following. Firstly, the Pearson Correlation coefficients for all the independent variables were above 0.05. Secondly, the R Square value for the study was 0.703 indicating that the regression model explains up to 70.3% of the variation in the dependent variable. Thirdly, the value of the calculated F ratio (F_{cal}) was greater than the tabulated F critical value (F_{crit}) indicating a significant relationship between all the independent variables and the dependent variable. The p-value, which is a test of independence, was less than 0.05 indicating that there was a statistically significant relationship between all the independent variables and the dependent variable. The study examined the influence of project risk management on organisational performance at Isuzu East Africa. The results indicated that 56% and 44% of the respondents agreed and strongly agreed, respectively, that Isuzu East Africa conducts brainstorming and workshops as part of project risk identification. This reflects that all the respondents acknowledged brainstorming and workshops as a significant component of project risk identification at Isuzu East Africa. The results then found that most respondents felt positively about Isuzu East Africa utilising an effective risk checklist for facilitating risk identification. The results from the third indicator showed that there was an overwhelming agreement by the respondents that Isuzu East Africa conducts audits and investigations as part of risk identification. Finally, the study found that all the respondents agreed either moderately or strongly that Isuzu East Africa bases its risk identification on historical data.

The study examined the influence of project risk analysis on organisational performance at Isuzu East Africa. According to the results, all the respondents agreed that Isuzu East Africa carried out data gathering and representation as part of the project risk analysis process. The study further found that approximately three quarters of the respondents agreed that Isuzu East Africa employs the use of a RBS as part of risk analysis. Further, the study found that most of the respondents agreed that Isuzu East Africa employs the use qualitative risk analysis techniques. Finally, the study found that Isuzu East Africa performs an identification of the basic elements of major risks when conducting project risk analysis. The study examined the influence of project risk response on organisational performance at Isuzu East Africa. According to the results, almost all the participants responded in the affirmative that risk elimination forms part of the risk response strategies at Isuzu East Africa. The study also found that Isuzu East Africa employs risk transfer as a risk response strategy. However, the study found that Isuzu East Africa does not employ the use of risk retention as a risk response strategy. Finally, the study found that risk reduction is one the risk response strategies employed by Isuzu East Africa. The study examined the influence of project risk control on organisational performance at Isuzu East Africa. According to the results, risk control procedures are conducted regularly at Isuzu East Africa. Further, risk control has enabled Isuzu East Africa to take immediate in case of deviations between actual and planned situations. Additionally, the organisation has been to evaluate the effectiveness of risk control measures. Finally, risk control measures have enabled the development of a risk management database. The study also examined the key indicators of organisational performance at Isuzu East Africa. According to the results, the organisation has adequate cognitive competencies amongst its staff. The study also found that Isuzu East Africa had adequate leadership competencies. Further, Isuzu East Africa has exhibited adequate organisational commitment towards stronger performance. Finally, the study found that organisational culture at Isuzu East Africa contributes towards better performance.

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V. CONCLUSIONS

Several conclusions can be drawn from the results of the inferential statistics of the study. Firstly, project risk identification, project risk analysis, project risk response and project risk control all have a strong impact on organisational performance at Isuzu East Africa. Secondly, project risk identification is the most important factor in determining organisational performance at Isuzu East Africa. This is followed in the order of importance by project risk response, project risk control and project risk analysis, respectively. Both the tests of association (F-test) and independence (p-value) confirm a strong significant relationship between all the independent variables and the dependent variable.

More specific conclusions are discussed in the following sections. Isuzu East Africa has been carrying out all the generally accepted risk identification protocols including brainstorming and workshops; risk checklist; auditing and investigation; and historical data. This confirms that the company has instituted all the right project risk identification measures. It also means that Isuzu East Africa has prioritised project risk identification as a critical process in the organisation. Isuzu East Africa has ensured appropriate project risk analysis through the use of data gathering and representation; risk breakdown structure; qualitative risk analysis techniques; and identifying the basic elements of major risks. This indicates that the organisation has prioritised project risk analysis as a component of the overall project risk management effort.

Isuzu East Africa has put in place several project risk response strategies including risk elimination, risk transfer and risk reduction. However, it has not considered risk retention as a viable strategy. This reflects positively on the organisation's overall project risk response effort. Isuzu East Africa has incorporated measures that ensure optimal project risk control including: carrying out risk control procedures on a regular basis; responding immediately to deviations between actual and planned situations; evaluating the effectiveness of risk control measures; and the development of a project risk management database. This suggests that the organisation has prioritised project risk control as a crucial component of its overall project risk management.

VI. RECOMMENDATION AND SUGGESTIONS

Based on the findings of the study, the management of Isuzu East Africa should endeavour to maintain or even improve the current risk identification measures, by benchmarking with international players in the automobile industry. This will ensure that they stay on top of any new incidences of uncertainty and risk. For instance, by assessing the measures implemented by Toyota East Africa, Isuzu East Africa can benefit in terms of determining where they have shortcomings in their risk identification protocols. Isuzu East Africa should keep up the project risk analysis protocols that are in place and try to improve by providing an effective linkage between the project risk identification process and the analysis since the latter is a natural progression from the former. It should also consider the use of more quantitative risk analysis tools such as critical path scheduling or cost estimating to boost the project risk analysis effort even further. The company should improve on its current project risk response strategies by incorporating risk retention since empirical tests have proven its value in conditioning the organisation to developing robustness against the occurrence of risk. Additionally, this will ensure that the organisation is in a better position to anticipate risks. This can be done through the procurement of an insurance cover against the likelihood of occurrence of a form of risk that the organisation has become accustomed to facing.

Isuzu East Africa should continue improving its risk control measures given the dynamic nature of risk especially in a technology driven industry like the automobile industry. It should consider prioritising investment in supply chain resilience to ensure that supply chain disruptions do not occur since this is one of the most common causes of risk in the industry. It should also invest even more resources in monitoring and evaluation systems to enhance its level of preparedness. More empirical studies need to be carried out on project risk management in Africa in general and Kenya since the vast majority of the literature covered in the study was done in other continents. Additionally, more focus should be given to risk management in the automobile industry especially its linkages to organizational performance. Lastly, more attention should be directed towards the development of more current theories on project risk management given that many of those that were covered in this study were as old as 1967 and 1977.

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