

## **Effects of Demographic Factors on Risk Management in Community Driven Development Projects in Sri Lanka: A Preliminary Study Based on “Gemidiriya” Project**

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### **Abstract**

Livelihood development of poor households has been addressed through various approaches in Sri Lanka since independence. Some of these approaches have successfully addressed the issues and fulfilled the requirements of the poor households in the country. However, expectation of the poor community may change due to changing pattern of their livelihoods and needs. Community Driven Development (CDD) is the newest approach implemented for addressing these changing issues in rural areas in Sri Lanka. Though this approach is an extension of the Community Based Development process, the methods of implementation of it is different. As suggested in the literature, one of the important aspects is that project managers need to consider particularly the risk component of projects. However, this aspect is significantly lacking as far as both approaches are concerned. Sri Lanka spends a large sum of money per annum for livelihood development programmes. The outcome of such programmes depend on the capacity and the demographic factors of the rural organizations that take the responsibility of implementing such programmes. Accordingly, this paper aims at examining the effect of demographic factors on the nature of risk management of CDD projects in Sri Lanka. The results of this study will provide a background for future researchers related to similar risk management issues. This will be an eye opener to policy makers and planners alike for formulating policies and plans for livelihood development of the country. Objectives of the study are to identify the relationship between various demographic factors of people concerned and their tendency towards and nature of project risk management. “Gemidiriya”, which has applied CDD approach in Sri Lanka, was selected as the research site. Data were collected from project village organization leaders using a pre-tested questionnaire which includes primarily the Likert-scaled questions. Descriptive statistics and a detailed correlation analysis were used to identify the relationships. Accordingly gender, age, level of education and experience seem to be significant demographic factors determining the nature of project risks. Also we found that the village organizations leaders are expected to face financial risk in particular despite the fact that such grass root level organizations consist of well-known neighbours as organization members.

**Keywords:** Project Risk Management, Community Driven Development, “Gemidiriya”, Village Organization Leaders.