



Risk management in third sector entities

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ABSTRACT

Third sector organizations have gained prominence in the Brazilian social scene due to their acting in fundamental areas such as education, health, culture, environment and social inclusion. However, their sustainability is often threatened by financial, operational, legal, and reputational risks, exacerbated by their dependence on single funding sources, such as public agreements and specific donations. In this context, risk management emerges as an essential strategic tool to ensure the continuity of social projects, preserve institutional credibility, and promote organizational resilience. This article aims to analyze risk management in third-sector entities, investigating how dependence on concentrated funding impacts their sustainability and decision-making processes. The research adopts a qualitative approach, based on a literature review and case study, and uses content analysis to interpret the data. It was found that the absence of structured risk management practices and a lack of technical training make these organizations vulnerable, hindering their adaptation to crises and changes in the external environment. The study proposes, as a strategy, the diversification of funding sources and the strengthening of internal control and governance processes. By filling a gap that remains little explored in the academic field, this research contributes to improving management in the third sector and to consolidating more effective and sustainable practices in social organizations.

Keywords: Third Sector. Risk Management. Sustainability. Financing.

ABSTRACT

Third sector organizations have gained prominence in the Brazilian social landscape due to their work in key areas such as education, health, culture, the environment, and social inclusion. However, their sustainability is often threatened by financial, operational, legal, and reputational risks, which are intensified by the dependence on single sources of funding, such as government agreements and specific donations. In this context, risk management emerges as a strategic and essential tool to ensure the continuity of social projects, preserve institutional credibility, and promote organizational resilience. This article aims to analyze risk management in third sector entities, investigating how dependence on concentrated funding sources affects their sustainability and decision-making processes. The research adopts a qualitative approach, based on a bibliographic review and multiple case studies, and employs content analysis to interpret the data. The findings indicate that the lack of structured risk management practices and technical training makes these organizations vulnerable, hindering their ability to adapt to crises and external changes. As a strategy, the study proposes diversifying funding sources and strengthening internal control and governance processes. By addressing a gap that remains underexplored in the academic field, this research contributes to improving management in the third sector and consolidating more effective and sustainable practices in social organizations.

Keywords: Third Sector. Risk Management. Sustainability. Funding.

1. INTRODUCTION

The growing relevance of third sector organizations in the social scenario Brazilian highlights its fundamental role in promoting rights, in the inclusion of groups vulnerable and in the provision of essential services in areas such as education, health, culture and environment.

However, the sustainability of these institutions, especially the Non-Governmental Organizations (NGOs), is strongly conditioned on their ability to manage risks in an environment characterized by financial uncertainty, legal requirements and a wide range of stakeholders. Risk management, therefore, arises as an indispensable strategic tool to ensure the continuity of activities and institutional credibility with funders, beneficiaries and society in general.

In a context of resource scarcity and high dependence on single sources of financing — such as public agreements or specific donations — these organizations face financial, operational, legal and reputational risks that may compromise their mission and the social results they intend to achieve. The absence of structured practices for identifying, analyzing and mitigating risks directly impact the long-term sustainability and adaptability of these entities in the face of changes in the political, economic and institutional scenario.

Third sector organizations still lack technical knowledge and adequate training to implement effective risk management processes. The lack of an organizational culture focused on preventing failures, combined with low diversification of resources, makes these entities vulnerable to crises, loss of financing and discontinuity of social projects. In the academic field, this topic is still little explored compared to the private sector, revealing a gap important to be filled by applied studies that contribute both to the improving management and consolidating good practices in the third sector.

Entities excessively dependent on a single type of financing are more exposed to critical risks, compromising their ability to operate in the face of unforeseen events. Therefore, understanding the risk management mechanisms in these organizations is essential to increase their efficiency, ensure their sustainability and, above all, ensure that they continue to fulfill their transformative role with the communities they serve.

2. METHODOLOGY

The methodology adopted in this scientific article is based on guidelines consecrated in academic research, classified as an applied investigation, of qualitative approach with an exploratory and descriptive character, according to the criteria presented by Gil (2008). The choice of this type of approach is justified by the nature of the object of study — risk management in third sector entities —, which requires an in-depth understanding of the meanings, processes and practices that involve the theme, more than the quantitative measurement of phenomena.

The research is bibliographical and documentary, and is carried out based on the analysis of works, scientific articles, institutional reports and relevant legislation. According to Marconi and Lakatos (2003), this type of procedure is essential for the survey of knowledge already produced on a given subject, contributing to the construction of a solid and critical theoretical basis. In addition, a multiple case study will be conducted, allowing the comparative analysis of different third sector organizations regarding your risk management practice, which enhances the identification of patterns and singularities between the institutions analyzed.

For the treatment and interpretation of the data obtained, the technique of content analysis, as proposed by Bardin (2011). This technique allows organize, categorize and interpret the collected material, enabling the identification of recurring themes, relevant discourses and structuring elements in the field studied. Thus, we seek to highlight key categories related to risk management, such as planning, financial control, governance, sustainability, among others.

The chosen methodological approach provides a comprehensive and contextualized about the challenges faced by NGOs with regard to identification, mitigation, and monitoring of risks. By bringing together different data sources and apply techniques recognized in the academic environment, the research aims to contribute not only for theoretical advancement on the subject, but also for management practice in organizations analyzed, offering relevant subsidies to managers, researchers and policy makers public policies.

2.1. General Objective

Analyze risk management in third sector entities and the influence of dependence on single sources of funding, such as public agreements and donations specific, on the sustainability and decision-making of these organizations.

2.2. Specific Objectives

Investigate the main financial risks faced by third-party entities sector that depend on single sources of financing.

Assess how risk management is implemented in these organizations to minimize financial impacts and ensure its continuity.

Analyze the relationship between dependence on single sources of financing and the organizations' ability to adapt to changes in the economic and political scenario.

Examine the diversification of financing sources as a strategy to reduce financial risks and increase the autonomy of third sector entities.

3. BIBLIOGRAPHIC REVIEW

3.1 MANAGEMENT OF SOCIAL POLICIES (STATE) AND ORGANIZATIONS

THIRD SECTOR (PRIVATE)

Social policy integrates the process of distribution and allocation of resources by State. Its function is to reduce imbalances caused by unequal distribution, which often favors the accumulation of capital to the detriment of attention to fundamental social needs, in addition to seeking to promote greater equity (ABRANCHES, 1987).

Social policies are fundamental both for the consolidation of democracy as for economic development, as they contribute to reducing tensions and social instabilities. However, they only achieve effective results when articulated in an integrated manner, considering the living conditions of different social groups. The State action in this field aims to ensure social rights and guarantee full citizenship to the population (DRAIBE, 1997).

The 1988 Federal Constitution represented a significant advance by adopting this integrated vision of social policies, recognizing rights such as health and education as universal guarantees. However, this recognition often remains in the discursive plan, without effective implementation. Transforming these rights into actions concrete demands a series of mediations, which involve disputes of interest,



cultural contexts and the relationship between citizens and responsible institutions for the implementation of these policies (BRAZIL, 1988).

The articulation between different social policies cannot be based solely on political disposition or availability of resources, as each sector has its own objectives, practices and forms of action. Therefore, building a coordinated action in this field requires significant changes in the values, routines and organizational culture of responsible public institutions. And involve the participation of private entities autonomous with a focus on the collective good, which contribute to making policy management social more efficient (BRAZIL, 1988).

To make social public policies viable, it is common to form partnerships between the State and civil society organizations that make up the Third Sector (TS). However, this collaboration requires profound transformations in both the state structure as in its bureaucratic body and in society itself. It therefore becomes essential reform the State and its institutions. In this scenario, frequent criticisms of traditional bureaucratic structures, which are sometimes seen as undemocratic, sometimes questioned about their efficiency and the high costs they impose on the provision of public services (RIBEIRO, 1997).

Peroni (2006) observes that the role of the State in the field of social policies has undergone significant changes. In light of the criticism and the current diagnosis, two main guidelines were proposed: the rationalization of resources and the reduction of power of state institutions. This is because, from a market perspective, these institutions are seen as susceptible to popular demands, because they are democratic and, therefore, considered inefficient. Thus, the responsibility for implementing social policies tends to be transferred to society. Neoliberals advocate this transfer by through privatization (i.e., the market), while the so-called Third Way proposes the performance of non-state public entities, such as non-profit organizations.

Given this context, it is clear that the State still needs to evolve in its management capacity, especially with regard to strategic planning and project management. This includes addressing clientelistic practices, overcoming excessive bureaucracy and limiting political-party interference. Only with these changes will it be possible to ensure that Third Sector organizations suffer less negative interference from these factors in execution and monitoring of social public policies — on which they both depend and also contribute significantly (BRAZIL, 2018).

The management of social policies is one of the most important functions of the State modern, especially in contexts marked by socioeconomic inequalities. It is up to the public authorities to formulate, coordinate and implement actions that promote social rights fundamental, such as health, education, social assistance and food security. However, despite its centrality, the State often encounters institutional limitations, bureaucratic and financial difficulties to cope, alone, with the complexity of social demands. It is in this scenario that Third Sector (TS) organizations, which are private in nature and without for profit, assume a complementary and, at times, strategic role (BRAZIL, 2018).

TS institutions have established themselves as important partners in the execution of social policies. They often act closer to communities, with greater administrative flexibility, sensitivity to local realities and the ability to innovation in the forms of service. Through agreements, collaboration terms or public-private partnerships, the State transfers to these entities the responsibility for operationalize social projects and programs, seeking to expand their reach and efficiency of public actions (BRAZIL, 2019).

However, this relationship is not without its challenges. The relationship between the State and The Third Sector requires control mechanisms, transparency, accountability and joint planning. Lack of clarity about roles and responsibilities can lead to conflicts, overlaps or inefficiencies in resource allocation. In addition, many TS organizations face difficulties in administrative and financial management, which may compromise the effectiveness of the services provided (SOUZA, 2010).

On the other hand, when there is planned integration and institutional dialogue between the parties, the results tend to be positive. The State gains execution capacity and approaches communities through social organizations; these, in turn, strengthen institutionally and expand their impact. This complementarity, in However, it should not mean total transfer of state responsibility to the sector private non-profit, but rather a balanced cooperation, based on co-responsibility and commitment to social rights (OLIVEIRA, SOUZA, 2015).

The management of social policies in contemporary Brazil necessarily involves for a shared governance model, in which the State and the organizations of the Third Sector must act in harmony, each one respecting its limits and

skills, with a view to promoting social justice and full citizenship (OLIVEIRA, SOUZA, 2015).

3.2 Third sector organizations and project management

Third Sector (TS) organizations play a fundamental role in promoting social development, working in areas such as social assistance, education, health, environment and human rights. Unlike the public sector and from the private for-profit sector, these institutions are characterized by their nature nonprofit and with the mission of generating positive social impact. To ensure effectiveness and the sustainability of its actions, project management emerges as a tool essential (IDS, 2021).

Project management consists of the application of knowledge, skills, techniques and tools to plan, execute and control activities with the aim of achieving specific goals within defined deadlines and budgets. In the context of the Third Sector, this practice becomes even more crucial as organizations deal with resources limited, high social demand and multiple stakeholders, including financiers, beneficiaries and partners (SOBRAL, OLIVEIRA, 2017).

Adopting appropriate project management methodologies allows organizations to TS improve the use of available resources, increasing transparency and delivery of accounts, aspects frequently required by public and private financiers. Furthermore, efficient management facilitates the evaluation of the results achieved, contributing to the continuous improvement of social actions and to the legitimization of organization within society (GIFER, 2009).

The ability to identify, analyze and mitigate risks during the execution of projects. Third Sector organizations are often exposed to challenges such as financial instability, changes in the political context and operational difficulties. Risk management helps minimize negative impacts and ensure continuity of services provided (GIFER, 2009).

However, despite the benefits, many TS organizations still face difficulties in implementing formal project management practices, either due to lack of technical training, due to the lack of management culture or the complexity of the social projects. Invest in training, adoption of specific tools and institutional strengthening is essential to overcome these obstacles (IDIS, 2021).

The professionalization of project management in Third Sector organizations is an indispensable path to expand social impact, ensure the sustainability of actions and strengthen the partnership with the State and the private sector. Efficiency and effectiveness in project management, they transform good intentions into concrete results, contributing to the construction of a more just and inclusive society (IDIS, 2021).

The Third Sector has gained increasing relevance in educational institutions, especially in Business Administration courses in Brazil. This interest, considered surprising to many, is the result of multiple interconnected trends. Among them, the incorporation of the discourse of social responsibility and citizenship stands out corporate by private companies; the State's administrative reform programs, which include decentralization and transfer of responsibilities previously exclusive to the public sector; and the ongoing process of democratization of Brazilian society (RODRIGUES et al., 2020).

The high expectations surrounding the Third Sector regarding its capacity to performance and social impact, many of these organizations still face serious limitations. At the same time that an idealized image of this sector is being constructed, there are criticisms frequent regarding their management structure: many entities are seen as poorly administered, excessively dependent on external resources, with welfare-based actions and little professionalism in project management (ARAÚJO, SAILOR, LOPES, 2016).

In this scenario, one of the main challenges faced by the Third Sector is improve the quality of its services and products, increasing its performance organizational. As this sector operates in an increasingly competitive environment — especially when entering into partnerships with the public authorities — it becomes essential to mastery of modern project management practices. The *PMBOK* (2008) defines the project management as the application of knowledge, skills and techniques to plan, execute and control initiatives, aiming to achieve specific objectives with efficiency.

Third Sector organizations have adopted project management tools as a means of ensuring its institutional and financial sustainability. Such practices allow not only better results in the execution of projects financed by State, but also a greater capacity to assess the social impact of its actions, by through performance measurement systems that focus on creating value and achieving established goals (ARAÚJO, MARUJO, LOPES, 2016).

For Binotto et al., (2016) the adoption of these methodologies does not ensure success absolute, it contributes significantly to reducing risks and strengthening the role of the Third Sector in implementing social public policies. It is pertinent highlight, in this article, that some of the few studies available on the subject indicate that Third Sector organizations in Brazil face serious limitations when it comes to its ability to execute and manage projects in partnership with the State in a manner efficient.

Among the main obstacles, the structural fragility of these entities stands out, the strong dependence on public resources and financing from organizations internationals that have become increasingly scarce, the lack of professionals qualified and recurring difficulties in coordination with government agencies (CERIBELI, PEREIRA, ROCHA, 2019).

These weaknesses manifest themselves, for example, in the low capacity of sustainability of institutions and the difficulty of maintaining initiatives for them developed over time. As a consequence, there is a loss significant lack of efficiency and effectiveness in the actions implemented, which compromises their ability to dialogue with both public authorities and other actors in society civil (CERIBELI et al., 2019).

3.3. Project definition and project management

Projects are temporary ventures developed with the aim of creating a unique product, service, or result. The PMBOK (Project Management Body) Guide of Knowledge), a project has a defined beginning and end, as well as specific requirements regarding scope, deadline, cost and quality. At their core, projects aim to meet unique needs, which differentiates them from the ongoing operations of an organization. A project can vary in scale and complexity, from implementing a new technology to the construction of a school or the development of a social program (PAULA, QUEIROGA, 2015).

Based on this, project management is the set of practices and knowledge used to ensure that the project achieves its objectives within the established restrictions. It involves planning, execution, monitoring and closure of project activities, always seeking balance between scope, time, cost, quality, risks and stakeholder satisfaction. The application of project management is essential to ensure organization and direction

correct use of resources, especially in environments that require efficient results with limited deadlines and budgets (PAULA, QUEIROGA, 2015).

The project management process is structured into areas of knowledge, such as management of scope, time, costs, quality, resources, communication, risks and stakeholders. These areas interact with each other continuously, managed through systematic and integrated processes that ensure alignment between planning and execution (ARAÚJO, 2016).

Adopting good project management practices allows organizations to, regardless of their size or sector, increase their ability to deliver value and to adapt to dynamic and competitive environments. Project management contributes to reducing waste, improving internal communication, and greater predictability of results and increased stakeholder satisfaction. In short, understanding the definition of projects and applying management principles effectively is essential for any organization seeking innovation, sustainable growth and excellence in delivery of its products and services. It is a strategic tool that transforms ideas into concrete and measurable results (ARAÚJO, 2016).

A project can be understood as a temporary and planned endeavor, composed of a set of interdependent and coordinated activities, with the purpose of achieving specific goals within a given period and with resources limited (PMBOK, 2008). Project management, in turn, seeks to balance the requirements related to scope, deadline, costs, quality and relationship effective with stakeholders and the client. The success of a project depends on achievement of goals such as: delivery on time, within the expected budget, with satisfactory performance, acceptance of results by the client and others stakeholders, in addition to the ability to manage scope changes in a controlled manner and respecting the organizational culture (PMBOK, 2008).

Complementing this perspective, Vieira (2020) highlights that companies that adopt project management methodologies tend to obtain advantages competitive, improving their market performance. The growing orientation of organizations for the continuous improvement of their processes, with a focus on entrepreneurship and competitiveness. This has driven the execution of various types of projects, such as those aimed at internal restructuring, organizational changes and strategies management. Thus, projects begin to be used as effective tools for promote changes and transform realities.

However, as Vieira (2020) warns, large-scale projects, in their complex and uncertain nature, present high risks, which can jeopardize your success. Therefore, the ability to identify and deal appropriately with these risks it becomes an essential factor for the success or failure of any project.

3.4 Risk definition and risk management

Risk in a project refers to any factor that involves uncertainty or that may interfere with the planned results. By adding that the ability to manage these risks appropriately is crucial to the success or failure of a project. For Menezes (2018) he observes that risk manifests itself when there is knowledge about a possible uncertainty or when it is possible to estimate it with an acceptable level of trust. These risks can represent both threats and opportunities to project.

According to Vieira (2020), although it is impossible to completely eliminate risks, it is possible to adopt measures that reduce the probability of their occurrence or, at the same time, least, reduce the negative impacts if they materialize. Effective control of risks significantly increases the chances of achieving the defined objectives. Waiting problems happen and only then act can lead to high costs and reactions impulsive.

The risk management process involves preventive actions to avoid or minimize the effects of unwanted events. And a systematic approach that aims identify, assess and treat risks, through the definition of response strategies, development of alternative plans and recording of lessons learned throughout the project (VIEIRA, 2020).

The PMBOK (2008), in turn, expands this understanding by establishing that the The main objective of risk management is to maximize the probability and effects of events positive, while seeking to reduce the chances and impacts of events negatives throughout the project life cycle.

The dynamics between opposing elements within risk management can be understood through processes that interrelate throughout the life cycle of the project. The first of these is risk management planning, which consists of definition of the methodological approach and strategies to be adopted to deal with the risks throughout the project. Next, there is the identification of risks, a stage in which

seeks to recognize all possible events that may impact the objectives of the project, recording its relevant characteristics (DINIZ, 2020).

After this identification, a qualitative risk analysis is carried out, which aims to establish priorities based on the combination of the probability of occurrence of the events and the severity of their impacts. Complementing this step, the analysis quantitative risk analysis seeks to numerically measure the effects of these risks on the expected results, contributing to more accurate decision-making.

Subsequently, we move on to planning responses to risks, a process that involves the formulation of actions and alternatives to mitigate threats and enhance opportunities (FALÇÃO, ARAÚJO, 2017).

Risk monitoring and control encompasses the continuous monitoring of previously identified risks, verification of the effectiveness of the responses adopted, detection of new risks and updating strategies as the project evolves.

The effective integration of these processes allows for more structured risk management, contributing to the reduction of uncertainties and to increasing the probability of success in execution of projects (CONDUTA, VITORIANO, 2021).

3.5 Management of social policies (state) and third sector organizations (private).

The management of social policies is an essential function of the modern State, especially in contexts marked by social and economic inequalities. Through of these policies, the State seeks to guarantee fundamental rights to the population, such as health, education, housing, social assistance, and food security. However, the complexity of social demands, combined with the financial, structural and bureaucratic limitations of public sector, requires coordination with other sectors of society. In this scenario, Third Sector organizations emerge as strategic partners in the execution and support for social policies (DEJAVITE, 2021).

Third Sector (TS) organizations are private, non-profit entities. for-profit, focused on promoting the collective good. They operate in complementary areas to the State's actions and, often, fill gaps left by public authorities, especially in vulnerable or hard-to-reach communities. Its flexibility administrative and its proximity to local reality allow for more agile responses and contextualized to social needs (DEJAVITE, 2021).

The relationship between the State and the Social Security Administration in the management of social policies is based on partnerships, agreements and terms of collaboration, through which public resources are

transferred so that these entities can carry out social programs and projects. However, this model requires clarity in institutional roles, control mechanisms, monitoring of results and accountability. Furthermore, it is necessary to ensure that these partnerships do not become forms of permanent outsourcing of responsibility state, but rather instruments of complementary cooperation (SOUZA, MOREIRA, 2023).

The Third Sector also faces internal challenges, such as the need to professionalization, transparency and strengthening of project management. The adoption of strategic planning practices, results control and impact assessment are fundamental for organizations to gain legitimacy and expand their capacity of performance (SOUZA, MOREIRA, 2023).

The management of social policies must be carried out through governance shared, which respects the autonomy of the TS organizations, but which also ensure the State's responsibility as guarantor of social rights. The articulation between both sectors is essential to promote social justice, inclusion and full citizenship (DINIZ, 2020).

Social policy is part of the set of State actions aimed at distribution and organization of values in society. It works to reduce imbalances generated by an unequal distribution of resources, often prioritizing logic of accumulation to the detriment of the satisfaction of essential social needs. By at the same time, seeks to promote greater social equity. The role of the State, in this context, is fundamental, since its intervention aims to ensure the rights social rights and guarantee full citizenship (Abranches, 1987)

Social policies, moreover, exert a significant influence on the consolidation democracy and strengthening the economy, as they contribute to reducing social and political tensions and risks. However, these policies only achieve real effectiveness when they are implemented in an articulated manner, considering the different dimensions that affect the quality of life of the most vulnerable social groups. This integrated model of action, enshrined in the Federal Constitution of 1988, represented an important step forward in recognizing the universal right to health, education and other essential services. Still, much of these guarantees remain in the plan normative, without full implementation in practice. The transition from discourse to implementation concrete requires a set of complex mediations, influenced by interests political, cultural and institutional aspects of the various social actors involved (ABRANCHES, 1987).

Building truly integrated social policies goes beyond political will and resource availability. It's necessary to address the challenges posed by specific dynamics of each sectoral area, considering their practices, structures and own objectives. The implementation of integrated projects in the field of policies social demands profound changes in practices, values, established standards and, more broadly, in the organizational culture of public institutions responsible for its execution. Furthermore, it becomes relevant to consider the participation of entities autonomous private companies that operate with a focus on the collective interest, which can contribute for more efficient management of these policies (ABRANCHES, 1987).

In this scenario, the implementation of social public policies, through partnerships between the State and Third Sector organizations, requires structural transformations significant both in the functioning of the State and in its bureaucratic body and in the society itself. It becomes essential to reformulate the State and its institutions. This debate takes place in a context of criticism of bureaucratic structures traditional, often seen as inefficient or undemocratic, as pointed out by Ribeiro (1997), who highlights concerns related to the limitation of popular participation and low administrative efficiency in the use of public resources.

The analysis observes that there is a change in the way the State positions itself in relation to social policies. Based on the aforementioned criticisms, two guidelines main ones emerge: the rationalization of the use of public resources and the reduction of power of state institutions. This is because, from a market perspective, institutions democratic are seen as susceptible to social pressures and, therefore, considered unproductive. Thus, the responsibility for implementing social policies ends up being transferred to society. For defenders of neoliberalism, this is due to through privatization; from the Third Way perspective, the conduct of policies is left to non-state public sector position, represented by non-profit organizations (SOUSA, 2014).

In view of what has been presented, it is observed that the State still needs to improve its organizational structure, developing greater management and planning capacity strategic. This involves strengthening the application of effective management practices projects, in addition to reviewing their performance in the face of the influences of private interests — such as clientelism — and face the obstacles related to excessive bureaucracy, patrimonialism and partisan political interference. By promoting these changes, it becomes possible to reduce the risks that affect Third Sector organizations in



execution and monitoring of projects linked to social public policies, especially considering the interdependence between these institutions and the State (SOUSA, 2014).

However, it is important to highlight that such challenges do not exempt entities from Third Sector is responsible for training themselves to carry out efficient management and effective implementation of the projects under their responsibility. They must also be prepared to deal with the risks inherent in their field of activity — a topic that will be explored in more detail in next section of this work (LOPES, 2017).

Risk management has gained increasing relevance within organizations. Third Sector (TS), especially in the execution of social projects financed by public or private resources. This is due to the increasing complexity of demands social, the scarcity of resources and the need to be accountable with transparency and efficiency. In this context, identifying, assessing, monitoring and mitigating risks becomes essential to ensure that projects achieve their objectives, within the deadlines and established budgets (CRUZ, 2010).

Unlike the public and private sectors, TS entities face challenges particularities, such as structural limitations, dependence on external financing and institutional instability. These factors increase exposure to operational risks, financial, legal, and reputational issues. The lack of structured management practices can compromise the sustainability of projects and directly affect the credibility of the organization before financiers, partners and beneficiaries (CRUZ, 2010).

By adopting risk management as an ongoing practice, these institutions can anticipate potential problems, plan appropriate responses and increase your capacity of adaptation in the face of unexpected changes. Among the main benefits, if: greater predictability in results, improvement in the quality of project execution, greater stakeholder confidence and institutional strengthening. In addition, the management of risks contributes to the more efficient use of resources, avoiding waste and failures that compromise the delivery of services to the population (BRAZIL, 2016).

By implementing tools such as SWOT analysis, risk matrix, action plans, contingency and performance indicators, TS organizations approach governance practices recognized in the corporate sector, which increases its professionalization and competitiveness in raising funds. This also favors alignment with the requirements of funding agencies and regulatory frameworks (MESQUITA, 2015).

Therefore, risk management is not just a control technique, but a essential strategy to ensure the effectiveness, continuity and impact of projects social. Its consistent use helps Third Sector organizations act in a more sustainable, transparent way and prepared to face challenges complexes of Brazilian social reality (MESQUITA, 2015).

3.3 Risk management in projects in third sector organizations and the benefits

According to the Third Sector Information Network (RITS), the performance of TS entities in Brazil are marked by a strong presence of volunteering, but still demonstrates fragility in aspects related to professionalization. This means that, even in the face of great effort and good intentions, the results achieved are often lower than the existing potential. This reality ends up generating frustrations, because, as as expectations increase and new opportunities emerge, the sector's responses do not accompany this evolution. Thus, one of the main challenges faced by the Third The sector needs to improve its management capacity (MENEZES, 2018).

In this scenario, there is a growing movement on the part of organizations in recognizing the gains provided by the adoption of methodologies and tools focused on project management (CLARKE, 1999), with the objective of achieving the expected results. This logic also applies to so-called enterprises social initiatives typical of TS, which share similar characteristics to those of private sector and public sector projects.

Within this field, risk management stands out as one of the areas of most relevant knowledge. Practice is essential to assess the risks that may impact the success of a project, whether related to execution time, budget, external and internal factors or the project management itself. When applied properly, this process directly contributes to obtaining better results and to achieve more sustainable and effective business. Despite its recognized importance, risk management is still underutilized in the Third Sector. And even when it is adopted, it does not always occur in a structured and efficient manner. (DINIZ, 2020).

For this reason, the benefits presented in this work have a broader character, based on the application of risk management in projects of different types of organizations. However, this approach does not compromise the central purpose of research, which is to highlight the advantages of risk management specifically in

projects executed by the TS. After all, the main function of this practice is to contribute to projects are delivered on time, with the appropriate budget and meeting previously defined requirements (CONDUCT, VITORIANO, 2021).

Below are some of the main benefits associated with asset management: risks in projects:

1. Reduction of negative unforeseen events and greater agility in identifying new ones opportunities;
2. Encouraging continuous improvement and increasing the level of maturity in project management;
3. Improvement in the decision-making process at all stages of the project;
4. Strengthening communication and greater security for stakeholders;
5. Support for strategic planning and optimization of resource allocation;
6. Increased chances of success in delivering expected results and in generation of value for the parties involved (SOUZA, 2014).

To reinforce the idea that such benefits are generally applicable, argues that successful organizations recognize the universality of principles project management, regardless of cultural, geographical or institutional, since the need to remain competitive is common to all. In However, to align this perspective with the focus of the study, this article seeks demonstrate, more specifically, how the effective application of management risks can bring concrete improvements to Third Sector projects (LOPES, 2017).

4. ANALYSIS OF RESULTS

Analysis of the results obtained throughout the research revealed that, despite the growing importance of third sector organizations in promoting social policies and inclusion of vulnerable populations, there is still a significant gap regarding effective implementation of structured risk management practices. It was found that the Most of the NGOs analyzed operate under heavy dependence on single sources of income financing, such as public agreements and donations from large foundations. This centralization makes institutions highly vulnerable to economic fluctuations, changes in government and changes in the criteria for transferring resources.

In response to this scenario, some organizations have begun to adopt innovative approaches, such as diversifying revenue sources through partnerships

with the private sector, solidarity economy, collective financing (crowdfunding) and provision of services for social purposes. In addition, there was a growing effort to professionalize internal management, with the adoption of management methodologies of projects, team training and incorporation of control and compliance systems.

In the field of risk management, an emerging movement of application of tools such as risk matrices, SWOT analysis, contingency plan and periodic impact and performance assessments. These practices have contributed not only not only to reduce exposure to financial and operational risks, but also to strengthening governance and institutional transparency.

Organizations that have established ongoing channels of dialogue with donors, beneficiaries and partners showed greater capacity for adaptation and mutual trust, which contributed to its institutional resilience. The results confirm that, although challenges are still significant, there is a viable and promising path in adopting innovative risk management strategies. These approaches, when integrated into the culture organizational, can substantially increase sustainability and social impact of third sector entities.

5. FINAL CONSIDERATIONS

Risk management in third sector organizations has proven to be a fundamental strategic tool to guarantee its sustainability and efficiency in the face of an environment characterized by financial uncertainty, political instability, pressures legal and operational challenges. The research developed allowed us to understand that the dependence on single sources of financing, such as public agreements or donations specific, makes these institutions highly vulnerable and limits their ability to adaptation to external changes.

It was also found that many organizations still do not have a culture organizational structure focused on risk prevention. The lack of technical knowledge, lack of planning and scarcity of resources make it difficult to implement systems robust risk management systems. This reality compromises the continuity of projects social and directly affects the benefited communities.

On the other hand, some innovative initiatives are being adopted by organizations seeking to diversify their funding sources, professionalize their management and adopt structured project management methodologies. These practices

demonstrate that it is possible to increase institutional resilience and ensure greater transparency and credibility with funders and civil society.

Based on the analyses carried out, it is concluded that risk management must be strategically incorporated into the governance of third sector entities, strengthening its internal processes and its ability to respond to crises. Furthermore, it is essential to foster training, produce applied knowledge and promote policies public policies that encourage the professionalization of these institutions.

The study contributes to the academic and practical debate by highlighting the importance risk management as a pillar for the sustainability of social organizations, reinforcing their role as transformative agents in the promotion of rights and justice social in Brazil.

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